

Daily Bond Market Update

June 15, 2026

Market Review

Government bond prices closed higher in trading on Friday (12/06). Indonesia Composite Bond Index increased by 0.39% to 424.49. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 23 bps and 18 bps to 7.26% and 7.26%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark declined 6,9 bps and 7,9 bps to 7.41% and 7.43%, respectively.

The latest US Producer Price Index (PPI) report revealed that wholesale inflation accelerated sharply in May 2026. The producer prices rising 1.1% (mtm) and 6.5% (yoy), marking the strongest annual increase in more than three years. The surge was primarily driven by escalating energy costs, particularly gasoline prices, although underlying inflationary pressures also remained elevated as core producer prices continued to climb. This development has reinforced concerns that inflation may remain above the Federal Reserve's target for a prolonged period, reducing expectations for near-term interest rate cuts. The report comes a day after the BLS reported that headline consumer price inflation surged to 4.2% in May, boosted largely by a surge in energy prices due to the Iran war. However, monthly readings indicated a less severe shock, with core prices rising just 0.2%, putting the 12-month reading at 2.9%. Still, the current state of inflation is likely to keep the Federal Reserve on the sidelines for the foreseeable future. The central bank's Federal Open Market Committee releases its next interest rate decision Wednesday, and market pricing is indicating a near 100% probability of a hold. Beyond that, traders are pricing in no chance of a cut through the year and a better than 60% probability that the next move will be a hike, likely coming in December. Previously, the European Central Bank voted to raise benchmark rates by a 25-bps in an effort to head off the inflation surge.

Bank Indonesia (BI) and the People's Bank of China (PBOC) are strengthening synergy in bilateral cooperation in the monetary and financial sectors. This is to strengthen economic resilience and regional financial stability amidst the increasingly connected global economy. This collaboration also supports the efforts of both central banks to maintain exchange rate stability by expanding the use of local currencies and strengthening financial infrastructure. This joint commitment was agreed upon at a High-Level Meeting attended by Governor Perry Warjiyo and Governor Pan Gongsheng in Shanghai, China. During the meeting, both countries agreed to explore increasing the value of the Bilateral Currency Swap Arrangement (BCSA) cooperation between BI and the PBOC. The two central banks also reaffirmed their commitment to increasing the use of local currencies in bilateral transactions and strengthening cross-border payment connectivity between Indonesia and China through three main milestones. This was marked by the signing of a Memorandum of Understanding (MoU) regarding Local Currency Transactions (LCT) covering Indonesia and Hong Kong. Perry stated that this collaboration strengthens the existing LCT framework to encourage the use of local currencies in bilateral transactions, improve transaction efficiency, and support deeper regional financial market integration. Furthermore, BI and the People's Bank of China (PBOC) also signed a Memorandum of Understanding (MoU) regarding the Establishment of a Renminbi Clearing Arrangement in Indonesia to support the development of the domestic RMB ecosystem by providing adequate Renminbi liquidity for trade, investment, and financial activities. The commitment of BI and PBOC to promote economic and financial integration by expanding payment system connectivity and developing more efficient, inclusive, and resilient financial markets will further strengthen economic stability and financial system resilience in both countries.

Corporate News

PEFINDO has assigned its idA+ rating with stable outlook to PT Prima Armada Raya (PAR). The rating reflects PAR's strategic importance to its group, strong market position supported by its captive business, and favorable fleet profile. However, the rating is constrained by its moderate capital structure and cash flow protection measures, as well as sensitivity to changes in macroeconomic conditions. The rating may be raised if PAR significantly strengthens its market presence in the vehicle rental industry and significantly improves its financial profile on a sustained basis, as shown by a more conservative capital structure and stronger cash flow protection measures. The rating may be lowered if its operating performance weakens or the Company incurs higher-than-expected debt to finance its capital expenditure.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.76	86	7.26%	94.49
FR0108	9.8	123	7.24%	94.85
FR0106	14.2	59	7.41%	97.51
FR0107	19.2	78	7.43%	96.93

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.89	6.92	-2.60
Turkey	31.3	32.0	-65.0
Singapore	2.01	2.08	-6.80
Thailand	2.21	2.25	-4.20
Malaysia	3.58	3.59	-1.10
Korea	4.20	4.29	-8.50
China	1.74	1.75	-0.50
Japan	2.62	2.68	-6.20
US	4.48	4.46	1.90

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,143.6	16.6%
Bank Indonesia	1,944.4	28.1%
Mutual Fund	261.2	3.78%
Insurance & Pension Fund	1,416.5	20.5%
Foreigners	865.9	12.5%
Individual	552.4	8.00%
Others	724.7	10.5%
Total	6,908.7	100.0%

Source: DJPPR (as of June 11, 2026)

Currency Movement

FX Rate	12-Jun	(-1 day)	Chg. (%)
USD/IDR	17870	17993	-0.68%
EUR/USD	1.157	1.158	-0.09%
GBP/USD	1.341	1.342	-0.08%
USD/JPY	160.2	159.9	0.19%
USD/SGD	1.284	1.284	0.02%
USD/MYR	4.060	4.065	-0.14%

Source: Bloomberg

Money Market

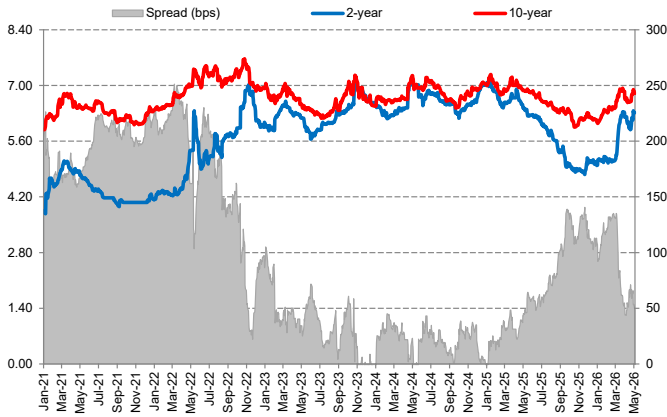
	12-Jun	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.90	5.90	5.90	5.90
1M	5.03	5.03	5.03	5.03
3M	5.46	5.46	5.46	5.46
LIBOR				
1M	4.96	4.96	4.96	4.96
3M	4.85	4.85	4.85	4.85
6M	4.68	4.68	4.68	4.68

Indonesia Interest Rates

Deposit 1M	3.80	3.77	3.73	3.65
Lending	14.6	14.6	15.1	14.4

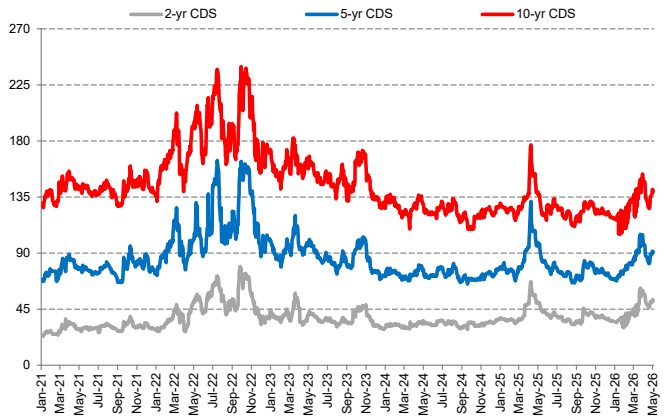
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
June 15, 2026	Industrial Production
June 16, 2026	Housing Starts
June 17, 2026	US Retail Sales; FOMC Interest Rate Decision
June 18, 2026	Initial Jobless Claims
June 19, 2026	---
June 22, 2026	---
June 23, 2026	S&P Global Composite PMI Flash
June 24, 2026	Money Supply
June 25, 2026	Initial Jobless Claims; PCE Price Index
June 26, 2026	GDP Growth Rate; Durable Goods

Indonesia Economic Calendar

Date	Report
June 15, 2026	External Debt Position
June 16, 2026	Sukuk Auction
June 17, 2026	---
June 18, 2026	Interest Rate Decision
June 19, 2026	Loan Growth
June 22, 2026	---
June 23, 2026	Conventional Auction
June 24, 2026	M2 Money Supply
June 25, 2026	---
June 26, 2026	---

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
9-Jun-26	SPN01260711	01-mo	36,000	1,153	46,700	1,000	26,350	6.650%
	SPN12260910	03-mo		3,031		2,500		6.880%
	SPN12270610	12-mo		6,356		5,000		7.300%
	FR0109	05-yr		15,287		6,950		7.500%
	FR0108	10-yr		8,448		1,800		7.420%
	FR0106	14-yr		2,362		1,500		7.420%
	FR0107	19-yr		3,920		3,000		7.400%
	FR0102	29-yr		3,771		3,000		7.390%
	FR0105	39-yr		2,372		1,600		7.400%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

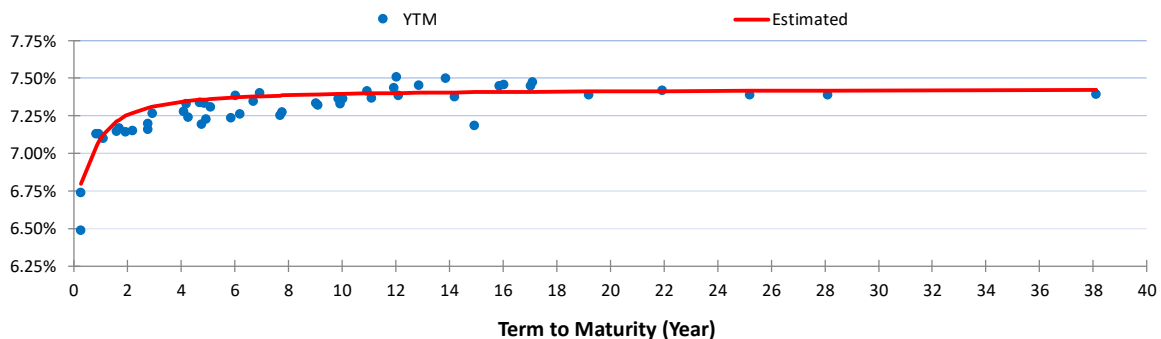
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
2-Jun-26	SPNS13072026	01-mo	12,000	2,100	26,047	1,000	8,850	6.200%
	SPNS23112026	06-mo		2,710		2,550		6.400%
	SPNS01032027	09-mo		5,335		4,000		6.680%
	PBS030	02-yr		5,154		300		6.689%
	PBS040	04-yr		2,292		200		6.697%
	PBS034	13-yr		2,572		500		6.849%
	PBS005	17-yr		2,477		100		6.795%
	PBS038	23-yr		3,407		200		6.908%

Source: DJPPR

Government Bonds Prices
Closing Data: 12-Jun-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.26	12.00%	101.31	6.485%	6.797%	101.27	-4	0.250	Fair
FR0056	15-Sep-26	0.26	8.375%	100.36	6.735%	6.797%	100.37	1	0.250	Fair
FR0090	15-Apr-27	0.84	5.125%	98.41	7.129%	7.050%	98.44	4	0.800	Fair
FR0059	15-May-27	0.92	7.000%	99.88	7.127%	7.076%	99.93	4	0.876	Fair
FR0042	15-Jul-27	1.09	10.25%	103.20	7.097%	7.121%	103.22	1	0.986	Fair
FR0094	15-Jan-28	1.59	5.600%	97.73	7.145%	7.212%	97.61	-12	1.458	Dear
FR0047	15-Feb-28	1.68	10.00%	104.35	7.165%	7.223%	104.29	-6	1.489	Fair
FR0064	15-May-28	1.93	6.125%	98.20	7.143%	7.249%	98.01	-20	1.772	Dear
FR0095	15-Aug-28	2.18	6.375%	98.46	7.148%	7.270%	98.22	-25	1.956	Dear
FR0071	15-Mar-29	2.76	9.000%	104.50	7.158%	7.303%	104.15	-35	2.376	Dear
FR0101	15-Mar-29	2.76	6.875%	99.18	7.196%	7.303%	98.93	-25	2.431	Dear
FR0078	15-May-29	2.93	8.250%	102.53	7.264%	7.311%	102.42	-11	2.553	Dear
FR0104	15-Jul-30	4.09	6.500%	97.29	7.279%	7.345%	97.05	-23	3.430	Dear
FR0052	15-Aug-30	4.18	10.50%	111.18	7.329%	7.346%	111.15	-4	3.305	Fair
FR0082	15-Sep-30	4.26	7.000%	99.13	7.238%	7.348%	98.73	-39	3.563	Dear
FR0087	15-Feb-31	4.68	6.500%	96.73	7.338%	7.355%	96.65	-7	3.869	Fair
FR0109	15-Mar-31	4.76	5.875%	94.76	7.194%	7.357%	94.13	-64	3.998	Dear
FR0085	15-Apr-31	4.84	7.750%	101.65	7.333%	7.358%	101.56	-9	3.943	Fair
FR0073	15-May-31	4.93	8.750%	106.19	7.228%	7.359%	105.65	-54	3.965	Dear
FR0054	15-Jul-31	5.09	9.500%	109.14	7.309%	7.361%	108.93	-21	3.913	Dear
FR0091	15-Apr-32	5.85	6.375%	95.95	7.236%	7.370%	95.33	-62	4.726	Dear
FR0058	15-Jun-32	6.01	8.250%	104.13	7.385%	7.372%	104.20	7	4.533	Fair
FR0074	15-Aug-32	6.18	7.500%	101.17	7.259%	7.374%	100.60	-56	4.774	Dear
FR0096	15-Feb-33	6.68	7.000%	98.18	7.347%	7.378%	98.02	-16	5.125	Dear
FR0065	15-May-33	6.93	6.625%	95.85	7.402%	7.380%	95.96	11	5.404	Cheap
FR0100	15-Feb-34	7.68	6.625%	96.36	7.251%	7.385%	95.60	-76	5.766	Dear
FR0068	15-Mar-34	7.76	8.375%	106.42	7.273%	7.385%	105.75	-67	5.613	Dear
FR0080	15-Jun-35	9.01	7.500%	101.08	7.334%	7.391%	100.70	-38	6.255	Dear
FR0103	15-Jul-35	9.10	6.750%	96.27	7.319%	7.392%	95.80	-47	6.465	Dear
FR0108	15-Apr-36	9.85	6.500%	94.02	7.364%	7.395%	93.81	-21	6.999	Dear
FR0072	15-May-36	9.93	8.250%	106.41	7.327%	7.395%	105.93	-48	6.776	Dear
FR0088	15-Jun-36	10.02	6.250%	92.22	7.364%	7.395%	92.00	-21	6.974	Dear
FR0045	15-May-37	10.93	9.750%	117.25	7.414%	7.398%	117.40	15	6.976	Cheap
FR0093	15-Jul-37	11.10	6.375%	92.58	7.366%	7.399%	92.34	-24	7.490	Dear
FR0075	15-May-38	11.93	7.500%	100.49	7.436%	7.401%	100.77	28	7.762	Cheap
FR0098	15-Jun-38	12.02	7.125%	97.03	7.505%	7.401%	97.83	80	7.629	Cheap
FR0050	15-Jul-38	12.10	10.50%	124.61	7.384%	7.401%	124.47	-14	7.135	Dear
FR0079	15-Apr-39	12.85	8.375%	107.51	7.453%	7.403%	107.95	44	7.891	Cheap
FR0083	15-Apr-40	13.85	7.500%	100.01	7.497%	7.405%	100.80	79	8.425	Cheap
FR0106	15-Aug-40	14.19	7.125%	97.81	7.375%	7.405%	97.55	-26	8.566	Dear
FR0057	15-May-41	14.93	9.500%	120.96	7.185%	7.407%	118.71	-226	8.519	Dear
FR0062	15-Apr-42	15.85	6.375%	90.10	7.449%	7.408%	90.45	35	9.412	Cheap
FR0092	15-Jun-42	16.02	7.125%	96.94	7.456%	7.408%	97.37	43	9.019	Cheap
FR0097	15-Jun-43	17.02	7.125%	96.93	7.447%	7.410%	97.27	34	9.308	Cheap
FR0067	15-Jul-43	17.10	8.750%	112.38	7.474%	7.410%	112.86	48	8.978	Cheap
FR0107	15-Aug-45	19.19	7.125%	97.32	7.388%	7.412%	97.07	-24	10.01	Dear
FR0076	15-May-48	21.94	7.375%	99.53	7.418%	7.414%	99.57	4	10.70	Fair
FR0089	15-Aug-51	25.19	6.875%	94.15	7.389%	7.416%	93.85	-30	11.25	Dear
FR0102	15-Jul-54	28.11	6.875%	93.95	7.388%	7.418%	93.62	-33	11.58	Dear
FR0105	15-Jul-64	38.12	6.875%	93.47	7.390%	7.421%	93.09	-37	12.42	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation





Research Team		
Helmi Therik, FRM	Head of Research	helmi@shinhan.com
Billy Ibrahim Djaya	Research Analyst	billy.ibrahim@shinhan.com
Muhammad Adra Wijasena	Fixed Income Analyst	adra.wijasena@shinhan.com

Office
<p style="text-align: center;">PT. Shinhan Sekuritas Indonesia Member of Indonesia Stock Exchange</p>
<p style="text-align: center;">Head Office : Equity Tower Floor. 50 Sudirman Central Business District Lot 9 Jl. Jend. Sudirman Kav. 52-53 Senayan Jakarta 12920 Indonesia Telp.: (+62-21) 80869900 Fax : (+62-21) 22057925</p>

Disclaimer: All opinions and estimates included in this report constitute our judgments as of the date of this report and are subject to changes without notice. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. It is not an offer to sell or solicitation of an offer to buy any securities. Clients should consider whether it is suitable for their particular circumstances before acting on any opinions and recommendations in this report. This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is prohibited.