

Daily Bond Market Update

May 19, 2026

Market Review

Government bond prices closed lower in trading on Monday (18/05).

Indonesia Composite Bond Index decreased by 0.31% to 436.99. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark increased 16 bps and 8.8 bps to 6.74% and 6.76%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark advanced 3.7 bps and 4.5 bps to 6.89% and 6.87%, respectively.

US retail sales continued to expand in April 2026, signaling that consumer spending remains resilient despite mounting inflationary pressures and elevated energy costs.

According to the latest Census Bureau data, retail and food services sales rose 0.5% (mom) and 4.9% (yoy), matching market expectations after a strong revised 1.6% gain in March. Much of the increase, however, was driven by higher gasoline prices, as sales at gas stations climbed sharply amid geopolitical tensions and supply disruptions in the Middle East. Excluding gasoline, retail sales growth slowed to a more modest 0.3%, suggesting consumers are becoming increasingly selective in their discretionary spending. While online retailers, restaurants, and electronics stores posted healthy gains, categories such as furniture, department stores, and auto dealers experienced declines, reflecting pressure on household purchasing power. Economists noted that larger tax refunds and a still-strong labor market have temporarily supported consumption, but concerns are growing that persistent inflation and rising living costs could weaken consumer momentum in the coming months. Overall, the April report portrays an American consumer that remains active, though increasingly constrained by higher prices and a more uncertain economic environment.

Indonesia's external debt growth slowed in the first quarter of 2026.

Indonesia's external debt in the first quarter of 2026 was recorded at US\$433.4 billion, representing an annual growth of 0.8%, a slowdown compared to the 1.9% growth in the fourth quarter of 2025. This external debt growth was influenced by both public and private sector external debt. The government's external debt in the first quarter of 2026 was US\$214.7 billion, representing a 3.8% year-on-year growth, lower than the 5.5% growth in the fourth quarter of 2025. This growth in government external debt was primarily influenced by foreign capital inflows into international Government Securities (SBN) in line with maintained investor confidence in Indonesia's economic prospects. As a financing instrument for the State Budget (APBN), government external debt is managed carefully, measurably, and accountably, with its utilization continuously directed towards supporting priority government spending and capitalizing on the momentum of economic growth. In addition, the private external debt position in the first quarter of 2026 was recorded at US\$191.4 billion, a decrease compared to the position in the fourth quarter of 2025 of US\$194.2 billion, or an annual growth contraction of 1.8% (yoy). Indonesia's external debt structure remains healthy, supported by the application of prudential principles in its management. This is reflected in the ratio of Indonesia's external debt to Gross Domestic Product (GDP), which decreased to 29.5% in the first quarter of 2026 from 30.0% in the fourth quarter of 2025, and is dominated by long-term external debt, with a share reaching 85.4% of total external debt. To maintain a healthy external debt structure, Bank Indonesia and the Government continue to strengthen coordination in monitoring external debt developments. The role of external debt will also continue to be optimized to support development financing and encourage sustainable national economic growth.

Corporate News

PEFINDO has assigned its idAA+ rating with stable outlook to PT Indofood Sukses Makmur Tbk (INDF).

The corporate rating reflects INDE's excellent market position, highly diversified business portfolio, vertically integrated business operations, and very strong financial profile. However, the rating is constrained by the tight competition in the industry and exposure to macroeconomic conditions. The rating may be raised if INDF consistently improves its financial profile, as reflected by a funds from operations (FFO) to debt ratio exceeding 45% and a debt-to-EBITDA ratio below 2.2x on a sustained basis, while maintaining its excellent business position in both domestic and international markets. However, the rating may be lowered if the Company aggressively finances its expansion with substantially larger-than-projected debt without evidence of stronger business performance.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.83	-64	6.74%	96.45
FR0108	9.9	-62	6.76%	98.15
FR0106	14.3	-35	6.89%	102.06
FR0107	19.3	-49	6.87%	102.68

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	7.13	7.04	9.00
Turkey	33.0	32.4	56.5
Singapore	2.17	2.12	5.20
Thailand	2.32	2.21	10.9
Malaysia	3.60	3.58	2.30
Korea	4.23	4.21	2.00
China	1.75	1.76	-0.60
Japan	2.73	2.71	1.80
US	4.59	4.59	-0.60

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,246.9	18.3%
Bank Indonesia	1,788.3	26.3%
Mutual Fund	261.3	3.84%
Insurance & Pension Fund	1,375.3	20.2%
Foreigners	868.5	12.8%
Individual	552.1	8.11%
Others	713.4	10.5%
Total	6,805.7	100.0%

Source: DJPPR (as of May 12, 2026)

Currency Movement

FX Rate	18-May	(-1 day)	Chg. (%)
USD/IDR	17656	17465	1.09%
EUR/USD	1.166	1.163	0.27%
GBP/USD	1.343	1.333	0.81%
USD/JPY	158.8	158.7	0.05%
USD/SGD	1.279	1.281	-0.14%
USD/MYR	3.975	3.957	0.45%

Source: Bloomberg

Money Market

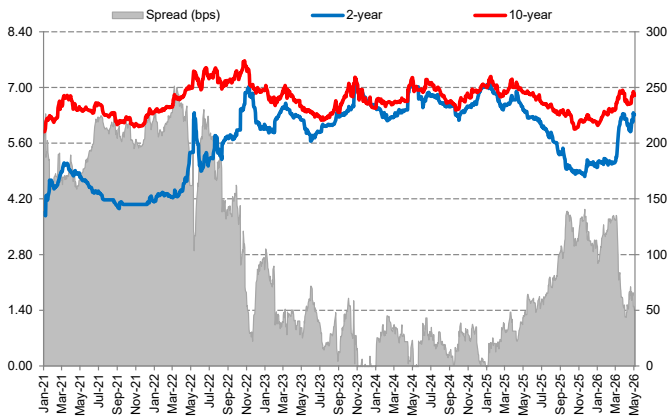
	18-May	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.90	5.90	5.90	5.90
1M	5.03	5.03	5.03	5.03
3M	5.46	5.46	5.46	5.46
LIBOR				
1M	4.96	4.96	4.96	4.96
3M	4.85	4.85	4.85	4.85
6M	4.68	4.68	4.68	4.68

Indonesia Interest Rates

Deposit 1M	3.61	3.65	3.66	3.60
Lending	14.6	14.4	14.2	13.9

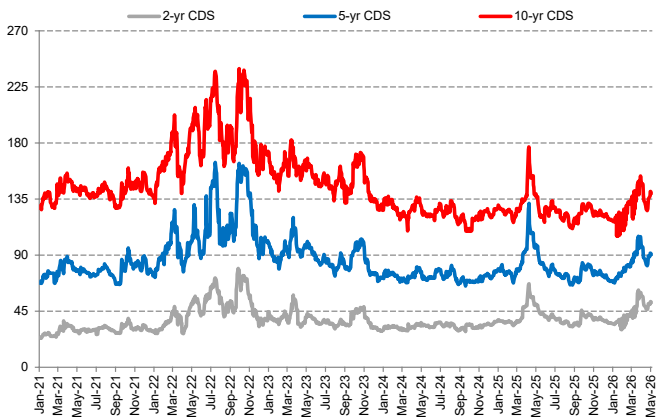
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
May 18, 2026	---
May 19, 2026	Pending Home Sales
May 20, 2026	Minutes of Fed's May FOMC Meeting
May 21, 2026	Initial Jobless Claims
May 22, 2026	Consumer Sentiment
May 25, 2026	---
May 26, 2026	CB Consumer Confidence
May 27, 2026	Money Supply
May 28, 2026	Initial Jobless Claims; PCE Price Index
May 29, 2026	Durable Goods Orders

Indonesia Economic Calendar

Date	Report
May 18, 2026	External Debt Position
May 19, 2026	Sukuk Auction
May 20, 2026	Interest Rate Decision
May 21, 2026	---
May 22, 2026	Balance of Payments; M2 Money Supply
May 25, 2026	---
May 26, 2026	Conventional Auction
May 27, 2026	---
May 28, 2026	---
May 29, 2026	---

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
12-May-26	SPN01260617	01-mo	36,000	4,195	51,399	3,850	30,300	5.250%
	SPN12260813	03-mo		1,651		1,650		5.900%
	SPN12270517	12-mo		4,260		1,000		6.150%
	FR0109	05-yr		14,982		3,350		6.679%
	FR0108	10-yr		7,482		4,200		6.730%
	FR0106	14-yr		4,891		4,450		6.840%
	FR0107	19-yr		5,175		4,400		6.830%
	FR0102	29-yr		4,717		4,300		6.919%
	FR0105	39-yr		4,046		3,100		6.930%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

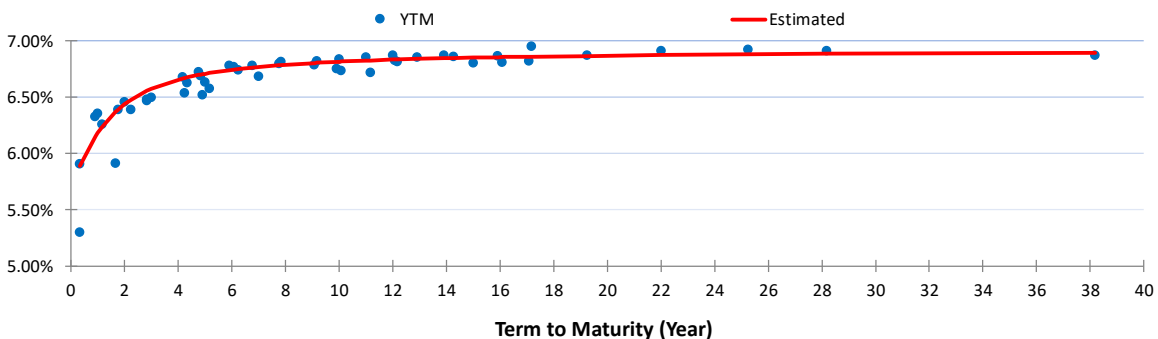
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
5-May-26	SPNS01062026	01-mo	12,000	2,822	21,197	900	12,000	5.500%
	SPNS12102026	06-mo		1,330		-		-
	SPNS03022027	09-mo		4,205		2,250		6.089%
	PBS030	02-yr		2,621		1,200		6.418%
	PBS040	04-yr		1,261		500		6.478%
	PBSG02	07-yr		1,930		1,850		6.722%
	PBS034	13-yr		2,755		2,100		6.754%
	PBS038	23-yr		4,273		3,200		6.810%

Source: DJPPR

Government Bonds Prices
Closing Data: 18-May-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.33	12.00%	102.08	5.298%	5.890%	101.92	-16	0.318	Dear
FR0056	15-Sep-26	0.33	8.375%	100.75	5.903%	5.890%	100.77	2	0.317	Fair
FR0090	15-Apr-27	0.91	5.125%	98.96	6.324%	6.151%	99.10	14	0.870	Cheap
FR0059	15-May-27	0.99	7.000%	100.61	6.352%	6.180%	100.78	17	0.945	Cheap
FR0042	15-Jul-27	1.16	10.25%	104.37	6.255%	6.234%	104.41	4	1.057	Fair
FR0094	15-Jan-28	1.66	5.600%	99.51	5.913%	6.367%	98.80	-70	1.534	Dear
FR0047	15-Feb-28	1.75	10.00%	105.84	6.388%	6.385%	105.86	2	1.562	Fair
FR0064	15-May-28	1.99	6.125%	99.40	6.453%	6.434%	99.43	3	1.845	Fair
FR0095	15-Aug-28	2.25	6.375%	99.97	6.384%	6.476%	99.78	-19	2.031	Dear
FR0071	15-Mar-29	2.83	9.000%	106.40	6.475%	6.554%	106.20	-20	2.453	Dear
FR0101	15-Mar-29	2.83	6.875%	101.05	6.468%	6.554%	100.80	-25	2.508	Dear
FR0078	15-May-29	2.99	8.250%	104.70	6.493%	6.572%	104.49	-21	2.632	Dear
FR0104	15-Jul-30	4.16	6.500%	99.36	6.675%	6.664%	99.40	4	3.514	Fair
FR0052	15-Aug-30	4.25	10.50%	114.47	6.533%	6.669%	113.94	-52	3.397	Dear
FR0082	15-Sep-30	4.33	7.000%	101.39	6.622%	6.674%	101.20	-19	3.647	Dear
FR0087	15-Feb-31	4.75	6.500%	99.11	6.720%	6.695%	99.21	10	3.957	Fair
FR0109	15-Mar-31	4.83	5.875%	96.68	6.689%	6.698%	96.64	-4	4.081	Fair
FR0085	15-Apr-31	4.91	7.750%	105.11	6.515%	6.702%	104.31	-79	4.040	Dear
FR0073	15-May-31	4.99	8.750%	108.87	6.632%	6.706%	108.55	-31	4.053	Dear
FR0054	15-Jul-31	5.16	9.500%	112.60	6.574%	6.712%	111.97	-63	4.012	Dear
FR0091	15-Apr-32	5.92	6.375%	98.07	6.775%	6.739%	98.24	17	4.815	Cheap
FR0058	15-Jun-32	6.08	8.250%	107.27	6.768%	6.744%	107.40	13	4.635	Cheap
FR0074	15-Aug-32	6.25	7.500%	103.83	6.736%	6.748%	103.76	-6	4.871	Fair
FR0096	15-Feb-33	6.75	7.000%	101.16	6.780%	6.761%	101.26	10	5.229	Cheap
FR0065	15-May-33	7.00	6.625%	99.70	6.680%	6.767%	99.22	-47	5.518	Dear
FR0100	15-Feb-34	7.75	6.625%	98.97	6.797%	6.782%	99.05	9	5.872	Fair
FR0068	15-Mar-34	7.83	8.375%	109.34	6.812%	6.783%	109.53	19	5.720	Cheap
FR0080	15-Jun-35	9.08	7.500%	104.77	6.786%	6.802%	104.66	-11	6.389	Dear
FR0103	15-Jul-35	9.16	6.750%	99.52	6.820%	6.803%	99.63	12	6.593	Cheap
FR0108	15-Apr-36	9.92	6.500%	98.21	6.749%	6.812%	97.77	-44	7.148	Dear
FR0072	15-May-36	10.00	8.250%	110.11	6.836%	6.813%	110.29	18	6.911	Cheap
FR0088	15-Jun-36	10.08	6.250%	96.53	6.730%	6.814%	95.93	-59	7.134	Dear
FR0045	15-May-37	11.00	9.750%	122.12	6.852%	6.822%	122.38	26	7.136	Cheap
FR0093	15-Jul-37	11.17	6.375%	97.33	6.717%	6.824%	96.52	-81	7.673	Dear
FR0075	15-May-38	12.00	7.500%	105.11	6.868%	6.831%	105.42	31	7.940	Cheap
FR0098	15-Jun-38	12.08	7.125%	102.44	6.824%	6.831%	102.38	-6	7.841	Fair
FR0050	15-Jul-38	12.17	10.50%	130.17	6.809%	6.832%	129.95	-21	7.323	Dear
FR0079	15-Apr-39	12.92	8.375%	112.92	6.850%	6.837%	113.04	12	8.097	Cheap
FR0083	15-Apr-40	13.92	7.500%	105.61	6.866%	6.843%	105.83	21	8.660	Cheap
FR0106	15-Aug-40	14.25	7.125%	102.38	6.859%	6.845%	102.51	13	8.780	Cheap
FR0057	15-May-41	15.00	9.500%	125.13	6.800%	6.848%	124.61	-52	8.700	Dear
FR0062	15-Apr-42	15.92	6.375%	95.29	6.865%	6.853%	95.41	12	9.681	Cheap
FR0092	15-Jun-42	16.09	7.125%	103.10	6.804%	6.853%	102.62	-49	9.322	Dear
FR0097	15-Jun-43	17.09	7.125%	103.08	6.816%	6.857%	102.66	-41	9.630	Dear
FR0067	15-Jul-43	17.17	8.750%	118.22	6.946%	6.857%	118.90	68	9.252	Cheap
FR0107	15-Aug-45	19.26	7.125%	102.72	6.867%	6.864%	102.75	3	10.33	Fair
FR0076	15-May-48	22.01	7.375%	105.23	6.909%	6.871%	105.67	45	11.07	Cheap
FR0089	15-Aug-51	25.26	6.875%	99.47	6.919%	6.877%	99.96	49	11.67	Cheap
FR0102	15-Jul-54	28.18	6.875%	99.60	6.906%	6.882%	99.90	30	12.07	Cheap
FR0105	15-Jul-64	38.19	6.875%	100.05	6.870%	6.892%	99.76	-29	13.15	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>PT. Shinhan Sekuritas Indonesia Member of Indonesia Stock Exchange</p>
<p>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.