Daily Bond Market Update

August 20, 2026

Market Review

Government bond prices closed higher in trading on Wednesday (19/07). Indonesia Composite Bond Index increased by 0.16% to 436.27. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark declined 4.4 bps and 3.1 bps to 6.87% and 7.06%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark dropped 1.3 bps and bps to 7.21% and 7.17%, respectively.

US debt reached $40 trillion for the first time, after the government deficit doubled over the last decade, according to the US Treasury Department. The Treasury's latest debt data showed $40.047 trillion, the highest in US history. The milestone marks years of government spending that grew under both Donald Trump and Joe Biden. During his first term, Trump approved $8.4 trillion worth of debt, with a huge chunk going to Covid-19 relief spending, while Biden approved $4.3 trillion worth of debt, according to the Committee for a Responsible Federal Budget. In fiscal year 2026, which started in October 2026, $1.8 trillion has been added to the debt so far, with a big chunk of new government spending dedicated to tariff refunds, which have totaled $100 billion so far, according to the Bipartisan Policy Center. Government spending watchdog groups have anticipated for weeks the US surpassing the $40 trillion threshold after debt reached $39 trillion in March. The threshold was breached as Congress, currently out of session, remains at an impasse over its latest spending bill. The US House and Senate passed two different bills that would fund the federal government, which is scheduled to shut down on 30 September if a bill isn't adopted by both chambers and signed by the president.

The Bank Indonesia Board of Governors Meeting (RDG) held on August 18–19, 2026, decided to maintain the BI-Rate at 5.75%. The central bank also kept the Deposit Facility rate at 4.75% and the Lending Facility rate at 6.50%. This decision remains consistent with efforts to strengthen the stability of the Rupiah exchange rate against the impact of high global volatility caused by the war in the Middle East, to ensure the achievement of the inflation target of 2.5%±1% in 2026 and 2027, and to support sustainable economic growth. Bank Indonesia continues to expand incentive policies and other measures to boost foreign capital inflows and strengthen Rupiah exchange rate stability, enhance liquidity and reduce liquidity segmentation in money and banking markets, and accelerate the deepening of money and foreign exchange markets. Meanwhile, macroprudential and payment system policies remain geared towards fostering economic growth. Accommodative macroprudential policies continue to be reinforced to drive economic growth by increasing credit and financing to the real sector while maintaining financial system stability. Payment system policies remain directed at supporting economic activities through the expansion of digital payment acceptance, the strengthening of the payment system industry structure, and the enhancement of payment system infrastructure reliability and resilience. The policy mix—comprising monetary, macroprudential, and payment system policies—aims to strengthen stability and foster sustainable economic growth; this is further supported by enhancing the effectiveness of Rupiah exchange rate stabilization and maintaining adequate Rupiah liquidity through the expansion of underlying transactions for foreign funding eligible for a 12.5% premium reduction incentive on Hedging Sell Swaps (Hedging Buy Swaps with BI). This expansion extends eligibility beyond portfolio inflow transactions to include foreign loans obtained by banks and foreign direct investment.

Corporate News

PEFINDO has lowered the ratings of PT Wijaya Karya (Persero) Tbk (WIKA)'s Shelf-Registered (SR) Bond II Phase II to iaD from idCCC and SR Sukuk Mudharabah II Phase II to idD(sy) from idCCC(sy). These rating actions follow WIKA's deferral of the coupon payment on the respective financial instruments due on August 18, 2026. At the same time, PEFINDO has maintained WIKA's corporate rating at idSD, SR Sukuk Mudharabah Ill at idD(sy), and the Company's other outstanding bonds and sukuk at iaCCC. The corporate rating reflects WIKA's weak financial and liquidity profile as well as risks from previous expansion. PEFINDO may review the ratings if WIKA is able to resolve the coupon and profit-sharing payments of its matured Bond and Sukuk. Established in 1960, WIKA is one of the state-owned enterprises (SOEs) in the construction sector. The Company covers investments, realty & property, infrastructure & building, energy & industrial plants, and industry segments.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.57	16	6.87%	96.16
FR0108	9.66	21	7.06%	96.13
FR0106	14.0	11	7.20%	99.37
FR0107	19.0	10	7.21%	99.18

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.82	6.83	-0.90
Turkey	32.4	32.5	-3.00
Singapore	2.34	2.35	-0.30
Thailand	2.10	2.10	0.10
Malaysia	3.76	3.75	0.40
Korea	4.34	4.39	-4.80
China	1.68	1.67	1.70
Japan	2.89	2.95	-5.40
US	4.65	4.71	-5.70

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,155.7	16.6%
Bank Indonesia	1,909.0	27.4%
Mutual Fund	249.7	3.58%
Insurance & Pension Fund	1,433.5	20.5%
Foreigners	**896.4**	**12.8%**
Individual	588.9	8.44%
Others	743.5	10.7%
Total	**6,976.7**	**100.0%**

Source: DJPPR (as of August 18, 2026)

Currency Movement

FX Rate	19-Aug	(-1 day)	Chg. (%)
USD/IDR	17833	17857	-0.13%
EUR/USD	1.168	1.158	0.87%
GBP/USD	1.361	1.353	0.55%
USD/JPY	158.2	159.6	-0.90%
USD/SGD	1.271	1.278	-0.55%
USD/MYR	4.059	4.060	-0.03%

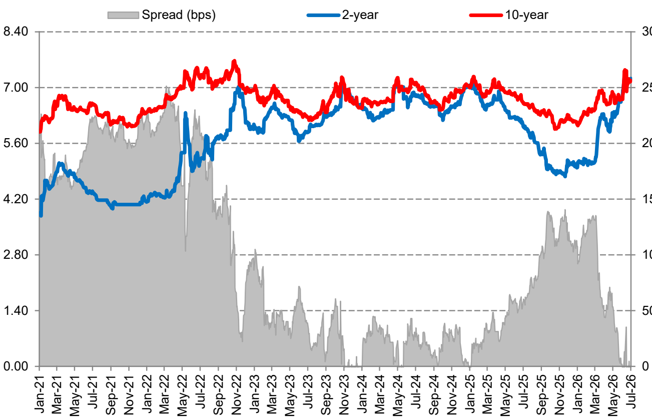
Source: Bloomberg

Money Market

	19-Aug	(-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	4.11	4.12	4.12	4.05
Lending	14.8	14.8	14.8	14.8

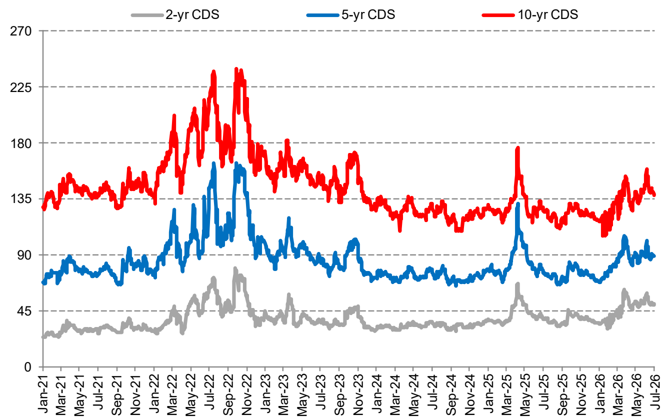
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
August 10, 2026	---
August 11, 2026	NFIB Index of Small Business Optimism
August 12, 2026	Consumer Price Index
August 13, 2026	Initial Jobless Claims; Producer Price Index
August 14, 2026	Retail Sales
August 17, 2026	NY Empire State Manufacturing Index
August 18, 2026	Industrial Production
August 19, 2026	---
August 20, 2026	Initial Jobless Claims; FOMC Minutes
August 21, 2026	S&P Global Manufacturing PMI Flash

Indonesia Economic Calendar

Date	Report
August 10, 2026	Consumer Confidence
August 11, 2026	Sukuk Auction; Retail Sales
August 12, 2026	---
August 13, 2026	---
August 14, 2026	---
August 17, 2026	---
August 18, 2026	Conventional Auction; External Debt
August 19, 2026	Interest Rate Decision
August 20, 2026	---
August 21, 2026	Balance of Payment; M2 Money Supply

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
18-Aug-26	SPN01260919	01-mo	32,000	670	84,757	-	34,000	-
	SPN03261118	03-mo		2,425		-		-
	SPN12270805	12-mo		8,632		-		-
	FR0110	06-yr		37,650		12,800		7.008%
	FR0108	10-yr		16,187		10,300		7.110%
	FR0106	14-yr		7,868		4,750		7.240%
	FR0107	19-yr		6,996		4,850		7.250%
	FR0102	29-yr		2,403		850		7.300%
	FR0105	39-yr		1,926		450		7.297%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

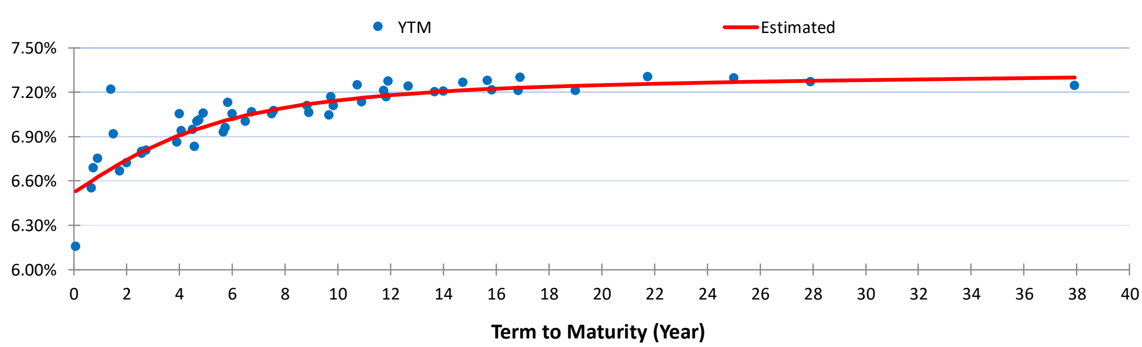
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
11-Aug-26	SPNS08092026	01-mo	10,000	2,177	39,085	450	12,000	6.800%
	SPNS03022027	06-mo		3,745		1,000		6.900%
	SPNS12042027	09-mo		7,740		2,050		7.000%
	PBS030	02-yr		8,673		3,900		7.060%
	PBS040	04-yr		6,874		2,550		7.130%
	PBSG02	07-yr		3,758		700		7.196%
	PBS034	13-yr		3,046		850		7.230%
	PBS038	23-yr		3,072		500		7.245%

Source: DJPPR

Government Bonds Prices
Closing Data: 19-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.07	12.00%	100.39	5.982%	6.528%	100.38	-1	0.071	Fair
FR0056	15-Sep-26	0.07	8.375%	100.14	6.157%	6.528%	100.12	-2	0.071	Fair
FR0090	15-Apr-27	0.65	5.125%	99.10	6.551%	6.598%	99.06	-4	0.623	Fair
FR0059	15-May-27	0.74	7.000%	100.21	6.685%	6.607%	100.26	6	0.699	Fair
FR0042	15-Jul-27	0.90	10.25%	102.99	6.752%	6.626%	103.12	13	0.852	Cheap
FR0094	15-Jan-28	1.41	5.600%	97.88	7.217%	6.682%	98.56	69	1.316	Cheap
FR0047	15-Feb-28	1.49	10.00%	104.28	6.916%	6.691%	104.62	34	1.373	Cheap
FR0064	15-May-28	1.74	6.125%	99.12	6.665%	6.717%	99.03	-9	1.598	Fair
FR0095	15-Aug-28	1.99	6.375%	99.36	6.722%	6.742%	99.33	-4	1.836	Fair
FR0071	15-Mar-29	2.57	9.000%	105.14	6.783%	6.796%	105.11	-2	2.204	Fair
FR0101	15-Mar-29	2.57	6.875%	100.17	6.798%	6.796%	100.18	0	2.258	Fair
FR0078	15-May-29	2.74	8.250%	103.54	6.804%	6.811%	103.52	-1	2.382	Fair
FR0104	15-Jul-30	3.91	6.500%	98.78	6.860%	6.901%	98.64	-14	3.372	Dear
FR0052	15-Aug-30	3.99	10.50%	111.79	7.053%	6.907%	112.34	55	3.280	Cheap
FR0082	15-Sep-30	4.08	7.000%	100.21	6.939%	6.913%	100.30	9	3.393	Fair
FR0087	15-Feb-31	4.50	6.500%	98.30	6.947%	6.940%	98.33	2	3.824	Fair
FR0109	**15-Mar-31**	**4.57**	**5.875%**	**96.29**	**6.832%**	**6.945%**	**95.86**	**-43**	**3.832**	**Dear**
FR0085	15-Apr-31	4.66	7.750%	102.92	7.001%	6.950%	103.12	21	3.776	Cheap
FR0073	15-May-31	4.74	8.750%	106.88	7.012%	6.955%	107.13	24	3.795	Cheap
FR0054	15-Jul-31	4.91	9.500%	109.96	7.057%	6.964%	110.37	41	3.910	Cheap
FR0091	15-Apr-32	5.66	6.375%	97.44	6.929%	7.004%	97.09	-34	4.561	Dear
FR0110	15-May-32	5.74	7.250%	101.34	6.959%	7.008%	101.11	-23	4.559	Dear
FR0058	15-Jun-32	5.83	8.250%	105.24	7.130%	7.012%	105.82	58	4.546	Cheap
FR0074	15-Aug-32	5.99	7.500%	102.16	7.051%	7.020%	102.31	15	4.774	Cheap
FR0096	15-Feb-33	6.50	7.000%	99.99	7.001%	7.041%	99.79	-21	5.141	Dear
FR0065	15-May-33	6.74	6.625%	97.66	7.065%	7.051%	97.73	7	5.248	Fair
FR0100	15-Feb-34	7.50	6.625%	97.54	7.054%	7.079%	97.40	-14	5.793	Dear
FR0068	15-Mar-34	7.58	8.375%	107.52	7.074%	7.081%	107.48	-4	5.452	Fair
FR0080	15-Jun-35	8.83	7.500%	102.53	7.106%	7.118%	102.46	-8	6.333	Fair
FR0103	15-Jul-35	8.91	6.750%	97.97	7.060%	7.120%	97.58	-38	6.537	Dear
FR0108	**15-Apr-36**	**9.66**	**6.500%**	**96.23**	**7.043%**	**7.138%**	**95.59**	**-64**	**6.863**	**Dear**
FR0072	15-May-36	9.75	8.250%	107.48	7.167%	7.139%	107.68	20	6.620	Cheap
FR0088	15-Jun-36	9.83	6.250%	94.00	7.107%	7.141%	93.77	-23	7.065	Dear
FR0045	15-May-37	10.75	9.750%	118.42	7.248%	7.159%	119.16	74	6.826	Cheap
FR0093	15-Jul-37	10.91	6.375%	94.32	7.133%	7.162%	94.10	-22	7.604	Dear
FR0075	15-May-38	11.75	7.500%	102.26	7.210%	7.176%	102.53	27	7.628	Cheap
FR0098	15-Jun-38	11.83	7.125%	99.64	7.168%	7.177%	99.57	-7	7.797	Fair
FR0050	15-Jul-38	11.91	10.50%	125.39	7.274%	7.179%	126.27	89	7.274	Cheap
FR0079	15-Apr-39	12.66	8.375%	109.30	7.238%	7.189%	109.73	43	7.762	Cheap
FR0083	15-Apr-40	13.67	7.500%	102.54	7.203%	7.201%	102.56	2	8.324	Fair
FR0106	**15-Aug-40**	**14.00**	**7.125%**	**99.30**	**7.205%**	**7.205%**	**99.30**	**0**	**8.736**	**Fair**
FR0057	15-May-41	14.75	9.500%	119.97	7.267%	7.213%	120.53	56	8.317	Cheap
FR0062	15-Apr-42	15.67	6.375%	91.62	7.280%	7.221%	92.13	51	9.292	Cheap
FR0092	15-Jun-42	15.83	7.125%	99.15	7.215%	7.222%	99.08	-7	9.254	Fair
FR0097	15-Jun-43	16.83	7.125%	99.16	7.210%	7.230%	98.97	-19	9.562	Dear
FR0067	15-Jul-43	16.92	8.750%	114.21	7.298%	7.231%	114.68	47	9.211	Cheap
FR0107	**15-Aug-45**	**19.00**	**7.125%**	**99.10**	**7.212%**	**7.244%**	**98.78**	**-32**	**10.27**	**Dear**
FR0076	15-May-48	21.75	7.375%	100.76	7.304%	7.258%	101.26	50	10.59	Cheap
FR0089	15-Aug-51	25.01	6.875%	95.20	7.295%	7.270%	95.48	28	11.54	Cheap
FR0102	15-Jul-54	27.92	6.875%	95.30	7.270%	7.279%	95.20	-10	11.92	Dear
FR0105	15-Jul-64	37.93	6.875%	95.24	7.244%	7.298%	94.58	-66	12.87	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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SEKURITAS INDONESIA

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