Daily Bond Market Update

July 20, 2026

Market Review

Government bond prices closed mixed in trading on Friday (17/07). Indonesia Composite Bond Index increased by 0.05% to 430.43. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 2.2 bps and gained 1.5 bps to 7.17% and 7.22%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark advanced 1.4 bps and 1.6 bps to 7.24% and 7.24%, respectively.

Recent US retail-sales data show that consumer spending remains resilient, even though the headline increase was relatively modest. Retail and services sales rose by 0.2% in June 2026, while stronger gains in motor vehicles, online shopping, and the retail control group suggested that underlying household demand remained healthy. The figures reinforced expectations that consumer spending continued to support US economic growth during the second quarter and reduced concerns about an immediate recession. For the US Treasury market, the report was mildly bearish because stronger economic activity tends to push bond prices lower and yields higher. Investors interpreted the data as reducing the urgency for the Federal Reserve to cut interest rates in the near term, particularly while inflation remains above the central bank's preferred level. The impact was most visible in short- and medium-term Treasury yields, which are highly sensitive to changes in monetary-policy expectations, although longer-term yields may also remain elevated if resilient consumption sustains inflationary pressure. Nevertheless, the outlook remains uncertain because slower wage growth, low household savings, rising borrowing costs, and potentially higher energy prices could weaken consumer spending in the coming months. Overall, the latest retail-sales report suggests that the US consumer remains an important source of economic strength, but continued resilience may also encourage the Federal Reserve to maintain restrictive monetary policy.

The latest Business Survey conducted by Bank Indonesia indicates increasing business activity in the second quarter of 2026. This was reflected by a Weighted Net Balance (WNB) of 12.97%, up from 10.11% in the previous period. The increase in business activity was driven by stronger performance in most key sectors, including Agriculture, Forestry and Fishing, Construction, as well as Mining and Quarrying, alongside Accommodation and Food Service Activities given maintained demand during several recent national religious holidays (HBKN) and the school holiday high season during the second quarter of 2026. Production capacity utilisation in the second quarter of 2026 was recorded at 73.80%, increasing from 73.33% in the first quarter of 2026. This increase primarily stemmed from Agriculture, Forestry and Fishing, Mining and Quarrying, as well as Electricity Supply. Meanwhile, corporate financial conditions remained sound in terms of liquidity and profitability, accompanied by persistently loose access to credit. A Weighted Net Balance (WNB) of 11.75% indicates that respondents predict maintained business activity in the third quarter of 2026. Sectoral performance is expected to increase, among others, in the Manufacturing Industry and Wholesale and Retail Trade, and Repair of Motor Vehicles and Motorcycles in line with maintained private demand, as well as Construction due to the ongoing implementation of several public and private sector projects. In addition, respondents also anticipate business activity in the Mining and Quarrying sector to increase in response to lower rainfall that will boost mining activity.

Corporate News

PT Sarana Multi Infrastruktur (Persero) (SMII) confirmed that it has prepared funds to repay the principal of its Shelf Registration Bond II Phase III Year 2019 Series D which will mature on October 30, 2026. The principal value of the bonds to be repaid reaches IDR945.25 billion. The company conveyed this readiness through information disclosure to the Indonesia Stock Exchange (IDX) as a form of compliance with the provisions of IDX Regulation Number I.A.3 concerning Issuer Reporting Obligations. SMII stated that it has the readiness of funds to repay the principal of Shelf Registration Bond II Phase III Year 2019 Series D amounting to IDR945.25 billion which will mature on October 30, 2026. The President Director of PT Sarana Multi Infrastruktur (Persero), Reynaldi Hermansjah, submitted the notification to the President Director of the Indonesia Stock Exchange as part of the issuer's reporting obligations to the regulator. The company confirmed its readiness to pay the principal of the bonds to ensure that the repayment process at maturity can run according to schedule.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.66	8	7.17%	94.94
FR0108	9.8	-10	7.22%	95.00
FR0106	14.1	-12	7.24%	99.00
FR0107	19.1	-17	7.24%	98.83

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.75	6.75	0.10
Turkey	31.9	31.7	20.5
Singapore	2.21	2.21	0.30
Thailand	1.99	1.99	0.50
Malaysia	3.63	3.63	0.80
Korea	4.30	4.30	0.00
China	1.73	1.74	-0.40
Japan	2.69	2.71	-1.90
US	4.55	4.55	-0.50

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,160.3	16.9%
Bank Indonesia	1,883.7	27.4%
Mutual Fund	247.0	3.60%
Insurance & Pension Fund	1,420.5	20.7%
Foreigners	**892.1**	**13.0%**
Individual	539.9	7.87%
Others	720.7	10.5%
Total	**6,864.1**	**100.0%**

Source: DJPPR (as of July 15, 2026)

Currency Movement

FX Rate	17-Jul	(-1 day)	Chg. (%)
USD/IDR	17895	17985	-0.50%
EUR/USD	1.144	1.144	-0.03%
GBP/USD	1.345	1.348	-0.19%
USD/JPY	162.4	162.4	0.01%
USD/SGD	1.292	1.290	0.11%
USD/MYR	4.097	4.073	0.58%

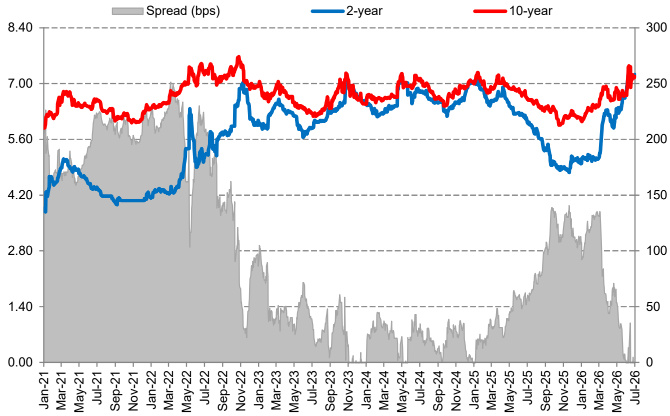
Source: Bloomberg

Money Market

	17-Jul	(-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	4.03	4.03	3.98	3.78
Lending	14.8	15.0	14.7	14.6

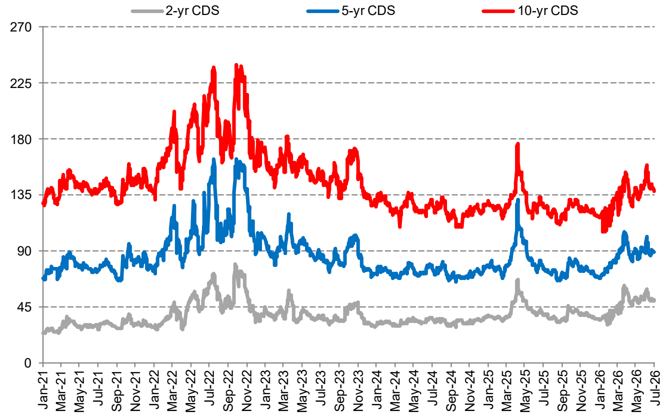
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
July 13, 2026	**---**
July 14, 2026	**Consumer Price Index**
July 15, 2026	**Producer Price Index**
July 16, 2026	**Initial Jobless Claims; Retail Sales**
July 17, 2026	**Industrial Production**
July 20, 2026	**CB Leading Index**
July 21, 2026	**ADP Employment Change Weekly**
July 22, 2026	**---**
July 23, 2026	**Initial Jobless Claims; FOMC Minutes**
July 24, 2026	**S&P Global Composite PMI Flash**

Indonesia Economic Calendar

Date	Report
July 13, 2026	**---**
July 14, 2026	**Sukuk Auction**
July 15, 2026	**External Debt Position**
July 16, 2026	**---**
July 17, 2026	**Business Survey Report**
July 20, 2026	**Prompt Manufacturing Index (PMI) 2Q26**
July 21, 2026	**Conventional Auction**
July 22, 2026	**Interest Rate Decision**
July 23, 2026	**M2 Money Supply**
July 24, 2026	**Loan Growth**

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
	SPN01260808	01-mo		1,455		1,200		6.900%
	SPN12261008	03-mo		1,767		1,750		7.050%
	SPN12270708	12-mo		4,546		-		-
	FR0109	05-yr		19,395		11,500		7.104%
7-Jul-26	FR0108	10-yr	**32,000**	13,729	**55,086**	9,000	**32,000**	7.170%
	FR0106	14-yr		5,105		2,950		7.220%
	FR0107	19-yr		3,582		1,550		7.230%
	FR0102	29-yr		3,188		2,300		7.340%
	FR0105	39-yr		2,319		1,750		7.358%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
	SPNS08092026	01-mo		2,538		500		6.800%
	SPNS03022027	06-mo		2,277		1,000		7.098%
	SPNS12042027	09-mo		5,047		3,500		7.134%
14-Jul-26	PBS030	02-yr	**10,000**	3,106	**32,471**	650	**10,000**	7.134%
	PBS040	04-yr		5,633		650		7.249%
	PBSG02	07-yr		2,978		550		7.260%
	PBS034	13-yr		3,602		500		7.308%
	PBS038	23-yr		7,290		2,650		7.310%

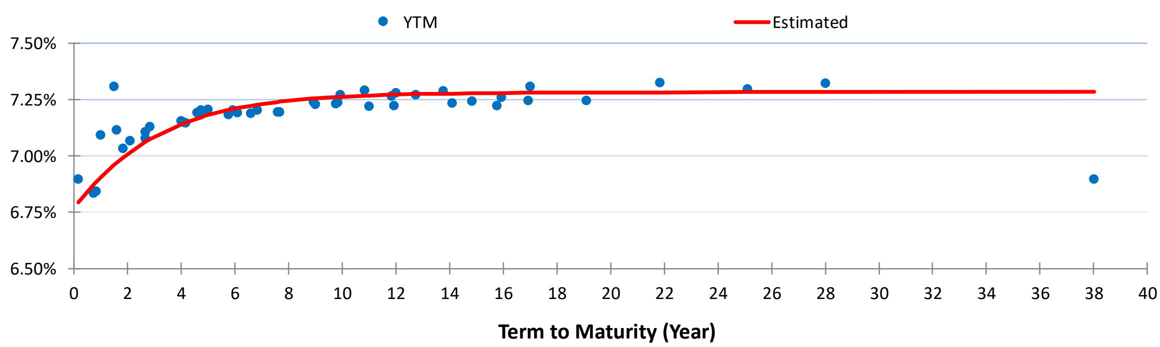
Source: DJPPR

Government Bonds Prices

Closing Data: 17-Jul-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.16	12.00%	100.80	6.423%	6.794%	100.80	0	0.158	Fair
FR0056	15-Sep-26	0.16	8.375%	100.19	6.897%	6.794%	100.22	3	0.158	Fair
FR0090	15-Apr-27	0.75	5.125%	98.79	6.833%	6.874%	98.74	-5	0.709	Fair
FR0059	15-May-27	0.83	7.000%	100.11	6.843%	6.884%	100.08	-3	0.785	Fair
FR0042	15-Jul-27	0.99	10.25%	102.95	7.092%	6.905%	103.16	21	0.937	Cheap
FR0094	15-Jan-28	1.50	5.600%	97.64	7.306%	6.960%	98.10	46	1.402	Cheap
FR0047	15-Feb-28	1.58	10.00%	104.21	7.113%	6.969%	104.45	25	1.396	Cheap
FR0064	15-May-28	1.83	6.125%	98.46	7.033%	6.993%	98.52	6	1.681	Fair
FR0095	15-Aug-28	2.08	6.375%	98.68	7.067%	7.015%	98.77	9	1.863	Fair
FR0071	15-Mar-29	2.66	9.000%	104.56	7.076%	7.061%	104.62	5	2.286	Fair
FR0101	15-Mar-29	2.66	6.875%	99.42	7.104%	7.061%	99.54	12	2.341	Cheap
FR0078	15-May-29	2.83	8.250%	102.80	7.129%	7.073%	102.95	15	2.464	Cheap
FR0104	15-Jul-30	4.00	6.500%	97.77	7.153%	7.140%	97.81	4	3.452	Fair
FR0052	15-Aug-30	4.08	10.50%	111.65	7.148%	7.144%	111.69	4	3.218	Fair
FR0082	15-Sep-30	4.17	7.000%	99.48	7.144%	7.148%	99.46	-1	3.474	Fair
FR0087	15-Feb-31	4.59	6.500%	97.34	7.191%	7.165%	97.43	9	3.781	Fair
FR0109	**15-Mar-31**	**4.66**	**5.875%**	**94.90**	**7.181%**	**7.168%**	**94.94**	**4**	**3.907**	**Fair**
FR0085	15-Apr-31	4.75	7.750%	102.15	7.201%	7.171%	102.28	12	3.856	Cheap
FR0073	15-May-31	4.83	8.750%	106.23	7.192%	7.174%	106.32	9	3.875	Fair
FR0054	15-Jul-31	5.00	9.500%	109.46	7.206%	7.180%	109.59	13	3.991	Cheap
FR0091	15-Apr-32	5.75	6.375%	96.24	7.183%	7.203%	96.15	-10	4.636	Fair
FR0058	15-Jun-32	5.92	8.250%	104.95	7.203%	7.207%	104.94	-1	4.629	Fair
FR0074	15-Aug-32	6.08	7.500%	101.49	7.190%	7.211%	101.39	-10	4.684	Dear
FR0096	15-Feb-33	6.59	7.000%	99.02	7.189%	7.222%	98.84	-17	5.042	Dear
FR0065	15-May-33	6.83	6.625%	96.92	7.202%	7.227%	96.79	-13	5.325	Dear
FR0100	15-Feb-34	7.59	6.625%	96.72	7.194%	7.239%	96.46	-26	5.678	Dear
FR0068	15-Mar-34	7.67	8.375%	106.84	7.194%	7.240%	106.57	-27	5.528	Dear
FR0080	15-Jun-35	8.92	7.500%	101.68	7.240%	7.254%	101.58	-9	6.405	Fair
FR0103	15-Jul-35	9.00	6.750%	96.88	7.227%	7.255%	96.71	-18	6.605	Dear
FR0108	**15-Apr-36**	**9.75**	**6.500%**	**94.94**	**7.231%**	**7.261%**	**94.74**	**-20**	**6.924**	**Dear**
FR0072	15-May-36	9.84	8.250%	107.03	7.235%	7.261%	106.85	-18	6.697	Dear
FR0088	15-Jun-36	9.92	6.250%	92.88	7.269%	7.262%	92.93	5	7.130	Fair
FR0045	15-May-37	10.84	9.750%	118.16	7.291%	7.267%	118.38	21	6.905	Cheap
FR0093	15-Jul-37	11.00	6.375%	93.68	7.218%	7.268%	93.32	-36	7.676	Dear
FR0075	15-May-38	11.84	7.500%	101.83	7.264%	7.271%	101.78	-5	7.704	Fair
FR0098	15-Jun-38	11.92	7.125%	99.23	7.221%	7.271%	98.84	-39	7.873	Dear
FR0050	15-Jul-38	12.00	10.50%	125.46	7.279%	7.271%	125.55	9	7.359	Fair
FR0079	15-Apr-39	12.75	8.375%	109.05	7.271%	7.273%	109.03	-2	7.841	Fair
FR0083	15-Apr-40	13.76	7.500%	101.83	7.286%	7.276%	101.91	9	8.389	Fair
FR0106	**15-Aug-40**	**14.09**	**7.125%**	**99.05**	**7.233%**	**7.276%**	**98.67**	**-38**	**8.513**	**Dear**
FR0057	15-May-41	14.84	9.500%	120.31	7.241%	7.277%	119.94	-36	8.411	Dear
FR0062	15-Apr-42	15.76	6.375%	92.09	7.223%	7.278%	91.60	-48	9.399	Dear
FR0092	15-Jun-42	15.92	7.125%	98.74	7.259%	7.278%	98.56	-18	9.326	Dear
FR0097	15-Jun-43	16.92	7.125%	98.84	7.244%	7.279%	98.50	-34	9.636	Dear
FR0067	15-Jul-43	17.01	8.750%	114.16	7.306%	7.279%	114.21	5	9.295	Fair
FR0107	**15-Aug-45**	**19.09**	**7.125%**	**98.76**	**7.245%**	**7.280%**	**98.40**	**-36**	**9.99**	**Dear**
FR0076	15-May-48	21.84	7.375%	100.54	7.324%	7.281%	101.00	46	10.67	Cheap
FR0089	15-Aug-51	25.10	6.875%	95.18	7.296%	7.282%	95.33	15	11.22	Cheap
FR0102	15-Jul-54	28.01	6.875%	94.72	7.321%	7.282%	95.16	44	11.96	Cheap
FR0105	15-Jul-64	38.02	6.875%	99.72	6.896%	7.283%	94.76	-495	13.40	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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