Daily Bond Market Update

August 21, 2026

Market Review

Government bond prices closed higher in trading on Thursday (20/07). Indonesia Composite Bond Index increased by 0.65% to 439.10. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark declined 16 bps and 18 bps to 6.70% and 6.88%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark dropped 12 bps and 11 bps to 7.07% and 7.09%, respectively.

The number of Americans filing claims for unemployment benefits slipped last week, suggesting that the labor market remains stable. Initial claims for unemployment benefits fell 6,000 to 206,000 for the week ended August 15, the Labor Department said on Thursday. Economists polled by Reuters had forecast 210,000 claims for the latest week. Claims are hovering in the lower end of their 189,000-230,000 range for this year, indicating that layoffs remain low even if hiring is soft. The US jobless rate ticked down again last month to 4.1%, a historically low level. Labor market stability, together with signs of mild inflation, if sustained could allow the Federal Reserve to keep interest rates unchanged in September. The number of people receiving unemployment benefits after an initial week of aid, a proxy for hiring, rose 18,000 to a seasonally adjusted 1.799 million during the week ended August 8, the claims report showed. On the other hand, Federal Reserve officials indicated at their last meeting that they would need to raise interest rates soon unless there was more progress on bringing down inflation, according to minutes released this week. Ultimately, the Federal Open Market Committee voted 9-3 to keep the federal funds rate targeted in a range between 3.5%-3.75%, where it has been all year. The overnight borrowing rate serves as a guidepost for a variety of consumer debt including mortgages, credit cards and auto loans. Those who voted against the decision favored a quarter percentage point increase.

Indonesia's external debt position remained well-managed in the second quarter of 2026. The position stood at US$453.4 billion, representing a year-on-year (yoy) growth of 4.4%. This development was driven by an increase in public external debt—comprising both government and central bank debt—amidst a contraction in private external debt growth. Meanwhile, the government's external debt position was recorded at US$216.3 billion, reflecting 2.9% (yoy) growth; this was lower than the 3.8% (yoy) growth recorded in the first quarter of 2026. The movement in government external debt was primarily influenced by inflows into Government Securities (SBN), reflecting investor confidence in Indonesia's economic outlook. The government remains committed to upholding its credibility by meeting principal and interest payment obligations on time and managing external debt prudently, measurably, and flexibly to achieve efficient and optimal financing. Furthermore, the private sector external debt position in the second quarter of 2026 stood at US$194.6 billion, representing a 0.6% year-on-year (yoy) contraction—a smaller decline than the 1.3% (yoy) contraction recorded in the first quarter of 2026. This development was largely driven by the external debt of financial corporations, which contracted by 3.4% (yoy), compared to a 6.3% (yoy) contraction in the first quarter of 2026. Indonesia's external debt structure remains sound, supported by the application of prudent management principles. This is reflected in the ratio of Indonesia's external debt to Gross Domestic Product (GDP), which stood at 30.6% in the second quarter of 2026, with long-term debt accounting for 82.1% of the total. To maintain a sound external debt structure, Bank Indonesia and the Government continue to strengthen coordination in monitoring external debt developments.

Corporate News

PEFINDO has assigned its idA- rating with stable outlook for PT Mitra Tekno Madani (MTM). The rating reflects MTM's strong likelihood of support from PNM group, strong market position supported by its captive business, as well as strong operating management. The rating is constrained by the highly concentrated business profile and exposure to integration risks arising from its transformation into an operating holding company, as well as its moderate financial profile. The rating may be raised if MTM successfully integrates the acquired subsidiaries and materially strengthens its business profile through greater earnings diversification, accompanied by sustained deleveraging and stronger cash-flow protection and liquidity. The rating may come under pressure if MTM's financial profile weakens persistently due to higher-than-projected debt or weaker-than-expected earnings and cash-flow generation.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.57	63	6.70%	96.79
FR0108	9.66	124	6.88%	97.37
FR0106	14.0	108	7.07%	100.45
FR0107	19.0	115	7.09%	100.33

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.85	6.82	2.90
Turkey	32.2	32.4	-22.5
Singapore	2.36	2.34	1.20
Thailand	2.09	2.10	-0.80
Malaysia	3.76	3.76	0.40
Korea	4.33	4.34	-0.90
China	1.69	1.69	0.80
Japan	2.85	2.89	-4.30
US	4.71	4.65	5.80

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	20-Aug	(-1 day)	Chg. (%)
USD/IDR	17746	17833	-0.49%
EUR/USD	1.168	1.168	0.01%
GBP/USD	1.363	1.361	0.18%
USD/JPY	159.1	158.2	0.56%
USD/SGD	1.272	1.271	0.07%
USD/MYR	4.045	4.059	-0.33%

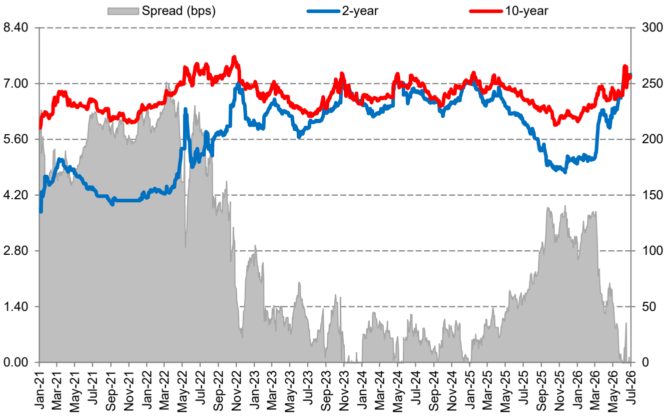
Source: Bloomberg

Money Market

	20-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	4.10	4.11	4.15	4.08
Lending	14.9	14.8	14.7	14.7

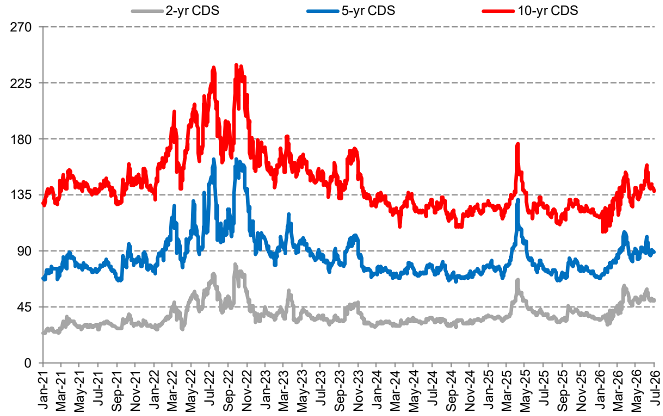
Source: Bloomberg

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%

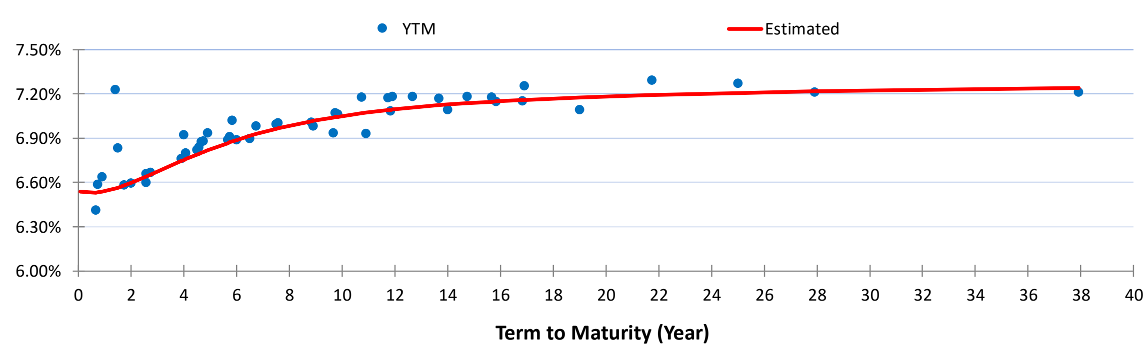
Source: DJPPR

Government Bonds Prices

Closing Data: 20-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%	100.35	5.801%	6.537%	100.36	1	0.069	Fair
FR0056	15-Sep-26	0.07	8.375%	100.15	5.728%	6.537%	100.11	-3	0.069	Fair
FR0090	15-Apr-27	0.65	5.125%	99.20	6.409%	6.532%	99.11	-9	0.621	Fair
FR0059	15-May-27	0.73	7.000%	100.27	6.587%	6.533%	100.32	4	0.697	Fair
FR0042	15-Jul-27	0.90	10.25%	103.07	6.634%	6.537%	103.19	12	0.850	Cheap
FR0094	15-Jan-28	1.41	5.600%	97.88	7.226%	6.559%	98.73	85	1.314	Cheap
FR0047	15-Feb-28	1.49	10.00%	104.37	6.832%	6.564%	104.79	42	1.371	Cheap
FR0064	15-May-28	1.74	6.125%	99.25	6.582%	6.579%	99.25	0	1.596	Fair
FR0095	15-Aug-28	1.99	6.375%	99.60	6.592%	6.596%	99.59	-1	1.835	Fair
FR0071	15-Mar-29	2.57	9.000%	105.57	6.596%	6.640%	105.49	-8	2.204	Fair
FR0101	15-Mar-29	2.57	6.875%	100.51	6.658%	6.640%	100.54	4	2.258	Fair
FR0078	15-May-29	2.74	8.250%	103.88	6.664%	6.653%	103.92	4	2.382	Fair
FR0104	15-Jul-30	3.90	6.500%	99.12	6.759%	6.744%	99.17	5	3.372	Fair
FR0052	15-Aug-30	3.99	10.50%	112.25	6.921%	6.751%	112.91	66	3.281	Cheap
FR0082	15-Sep-30	4.07	7.000%	100.70	6.799%	6.757%	100.84	15	3.395	Cheap
FR0087	15-Feb-31	4.49	6.500%	98.79	6.818%	6.788%	98.90	11	3.825	Cheap
FR0109	**15-Mar-31**	**4.57**	**5.875%**	**96.29**	**6.834%**	**6.794%**	**96.44**	**14**	**3.829**	**Cheap**
FR0085	15-Apr-31	4.65	7.750%	103.43	6.872%	6.800%	103.72	30	3.778	Cheap
FR0073	15-May-31	4.74	8.750%	107.43	6.878%	6.806%	107.74	32	3.797	Cheap
FR0054	15-Jul-31	4.90	9.500%	110.48	6.933%	6.817%	111.01	53	3.912	Cheap
FR0091	15-Apr-32	5.66	6.375%	97.63	6.886%	6.866%	97.72	9	4.561	Fair
FR0110	15-May-32	5.74	7.250%	101.57	6.910%	6.871%	101.76	18	4.559	Cheap
FR0058	15-Jun-32	5.82	8.250%	105.78	7.018%	6.876%	106.48	71	4.549	Cheap
FR0074	15-Aug-32	5.99	7.500%	102.96	6.887%	6.886%	102.97	1	4.780	Fair
FR0096	15-Feb-33	6.50	7.000%	100.53	6.896%	6.914%	100.44	-9	5.144	Fair
FR0065	15-May-33	6.74	6.625%	98.11	6.980%	6.926%	98.38	28	5.251	Cheap
FR0100	15-Feb-34	7.50	6.625%	97.87	6.995%	6.962%	98.06	18	5.795	Cheap
FR0068	15-Mar-34	7.57	8.375%	107.96	7.000%	6.966%	108.18	22	5.456	Cheap
FR0080	15-Jun-35	8.82	7.500%	103.20	7.005%	7.014%	103.14	-6	6.342	Fair
FR0103	15-Jul-35	8.91	6.750%	98.49	6.979%	7.017%	98.25	-25	6.544	Dear
FR0108	**15-Apr-36**	**9.66**	**6.500%**	**96.97**	**6.934%**	**7.040%**	**96.25**	**-72**	**6.875**	**Dear**
FR0072	15-May-36	9.74	8.250%	108.17	7.071%	7.043%	108.39	21	6.631	Cheap
FR0088	15-Jun-36	9.83	6.250%	94.31	7.062%	7.045%	94.42	11	7.069	Cheap
FR0045	15-May-37	10.74	9.750%	119.02	7.175%	7.069%	119.92	90	6.835	Cheap
FR0093	15-Jul-37	10.91	6.375%	95.79	6.931%	7.073%	94.75	-104	7.634	Dear
FR0075	15-May-38	11.74	7.500%	102.56	7.172%	7.090%	103.21	65	7.633	Cheap
FR0098	15-Jun-38	11.83	7.125%	100.33	7.081%	7.092%	100.25	-9	7.811	Fair
FR0050	15-Jul-38	11.91	10.50%	126.23	7.181%	7.094%	127.06	83	7.290	Cheap
FR0079	15-Apr-39	12.66	8.375%	109.81	7.180%	7.107%	110.45	64	7.772	Cheap
FR0083	15-Apr-40	13.66	7.500%	102.86	7.166%	7.123%	103.25	39	8.332	Cheap
FR0106	**15-Aug-40**	**14.00**	**7.125%**	**100.29**	**7.091%**	**7.127%**	**99.98**	**-31**	**8.764**	**Dear**
FR0057	15-May-41	14.75	9.500%	120.84	7.181%	7.137%	121.31	47	8.340	Cheap
FR0062	15-Apr-42	15.66	6.375%	92.53	7.177%	7.147%	92.79	26	9.325	Cheap
FR0092	15-Jun-42	15.83	7.125%	99.78	7.147%	7.149%	99.76	-1	9.275	Fair
FR0097	15-Jun-43	16.83	7.125%	99.76	7.149%	7.158%	99.66	-9	9.583	Fair
FR0067	15-Jul-43	16.91	8.750%	114.72	7.251%	7.159%	115.44	72	9.226	Cheap
FR0107	**15-Aug-45**	**19.00**	**7.125%**	**100.37**	**7.089%**	**7.175%**	**99.48**	**-89**	**10.33**	**Dear**
FR0076	15-May-48	21.75	7.375%	100.89	7.292%	7.191%	101.99	110	10.60	Cheap
FR0089	15-Aug-51	25.00	6.875%	95.46	7.271%	7.206%	96.19	73	11.55	Cheap
FR0102	15-Jul-54	27.92	6.875%	95.98	7.211%	7.216%	95.92	-5	11.97	Fair
FR0105	15-Jul-64	37.93	6.875%	95.69	7.208%	7.238%	95.31	-38	12.92	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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