Daily Bond Market Update

July 22, 2026

Market Review

Government bond prices extended to weaken in trading on Tuesday (21/07). Indonesia Composite Bond Index decreased by 0.02% to 430.21. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark advanced 0.5 bps and 1.1 bps to 7.24% and 7.28%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark increased 2.1 bps and 2.8 bps to 7.31% and 7.29%, respectively.

US Treasury yields were higher across the curve on Tuesday as investors mapped escalating tensions across the Middle East and reports of mediation efforts to put a stop to ongoing hostilities. The yield on the 10-year US Treasury note was up more than 3 basis points at 4.63%. The 2-year Treasury note yield, which more closely tracks short-term Federal Reserve interest rate policy, gained more than 4 basis points to 4.264%. BMO Capital Markets said the Treasury market has remained relatively steady despite the latest escalation in the Middle East, as reports that mediators have tabled fresh ceasefire proposals tempered oil prices on Tuesday. With little US economic data due this week, however, strategists warn that government bonds could remain vulnerable to abrupt moves in energy prices and developments in the Iran conflict. On the other hand, the Conference Board Leading Economic Index (LEI) for the US declined by 0.2% in June 2026 to 99.1, following a 0.1% increase in May. However, the LEI is down by only 0.3% over the first half of 2026, a much smaller rate of decline than its 1.1% contraction over the second half of 2025. While some components of the LEI were little changed, the largest positive contribution from the yield spread, followed by marginal positive input from the remaining financial components, were not enough to offset weak consumer expectations and a drop in building permits across most of its categories.

Moody's Ratings remains concerned about policy uncertainty and fiscal sustainability risks in Indonesia. This has been reinforcing its cautious outlook and warning that downside risks are likely to persist. While there have been some positive developments, the balance of risks has turned "a little bit more negative" since the ratings agency downgraded Indonesia's rating outlook to negative this year. The view mirrors persistent investor concern over President Prabowo Subianto's economic agenda. Worries over fiscal discipline, central bank independence and the government's expanding role in key sectors have weighed on Indonesian assets this year, fueling a selloff that's left the nation's bonds, currency and stocks among the region's worst performers. One area of particular risk is PT Danantara Sumberdaya Indonesia, a new agency created in May to oversee raw-material exports. Moody's also sees Indonesia's narrow revenue base as a growing constraint, leaving the government with little room to finance ambitious programs like the free lunch program. There have been some positives. Indonesia has scaled back its lunch program budget amid rising energy subsidy costs to keep the deficit within legal limits. Officials are also reviewing the budget to identify additional ways to save. Others aren't so worried. Just last week, S&P Global Ratings affirmed Indonesia's investment-grade rating and stable outlook even after Moody's and Fitch Ratings lowered their assessments, signaling confidence that the country's credit strengths remain intact. The next six to 12 months may prove pivotal. Moody's is closely watching foreign-exchange reserve adequacy, policy credibility, the health of its state-owned enterprises and governance around Danantara.

Corporate News

PT Oki Pulp & Paper Mills will issue two bond instruments in Rupiah and US dollars with a total value of IDR3 trillion and US$25 million. Based on a brief prospectus on the Indonesia Stock Exchange (IDX), the Company plans to offer Rupiah-denominated bonds in two series. Series A has a principal value of IDR1.76 trillion with a fixed coupon rate of 10% and a 3-year tenor. Meanwhile, Series B has a principal value of IDR282 billion with a fixed coupon of 10.5%, and a 5-year tenor. In addition to issuing Rupiah bonds, Oki Pulp & Paper also offers US dollar-denominated bonds with a maximum target of US$25 million. For Series A, Oki Pulp & Paper offers an issuance value of US$11.875 million with a fixed coupon of 6.75% and a 3-year tenor. Meanwhile, Series B has an issuance value of US$6.143 million, a coupon rate of 7.25%, and a 5-year tenor. These bonds have received an idAA- rating from PT Pemeringkat Efek Indonesia (Pefindo) and an idAA+ (Single A Plus) rating from PT Kredit Rating Indonesia (KRI).

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.65	-2	7.24%	94.69
FR0108	9.7	-8	7.28%	94.58
FR0106	14.1	-18	7.31%	98.40
FR0107	19.1	-28	7.29%	98.33

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.79	6.81	-2.40
Turkey	32.2	32.1	10.5
Singapore	2.22	2.24	-2.00
Thailand	2.02	2.02	-0.90
Malaysia	3.65	3.64	0.90
Korea	4.34	4.34	0.00
China	1.74	1.74	0.00
Japan	2.72	2.69	3.10
US	4.63	4.59	3.60

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,159.3	16.9%
Bank Indonesia	1,888.8	27.5%
Mutual Fund	249.2	3.63%
Insurance & Pension Fund	1,422.2	20.7%
Foreigners	**887.9**	**12.9%**
Individual	540.9	7.87%
Others	725.7	10.6%
Total	**6,874.1**	**100.0%**

Source: DJPPR (as of July 17, 2026)

Currency Movement

FX Rate	21-Jul	(-1 day)	Chg. (%)
USD/IDR	17883	17942	-0.33%
EUR/USD	1.140	1.141	-0.14%
GBP/USD	1.338	1.343	-0.41%
USD/JPY	163.2	162.5	0.41%
USD/SGD	1.291	1.291	0.02%
USD/MYR	4.088	4.093	-0.11%

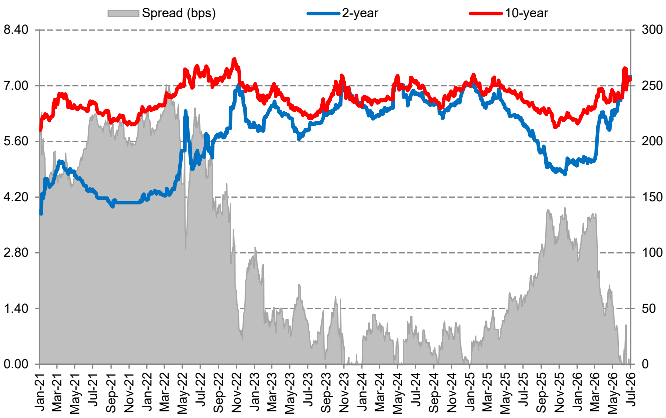
Source: Bloomberg

Money Market

	21-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	4.01	4.01	4.01	3.92
Lending	14.9	14.9	14.9	14.9

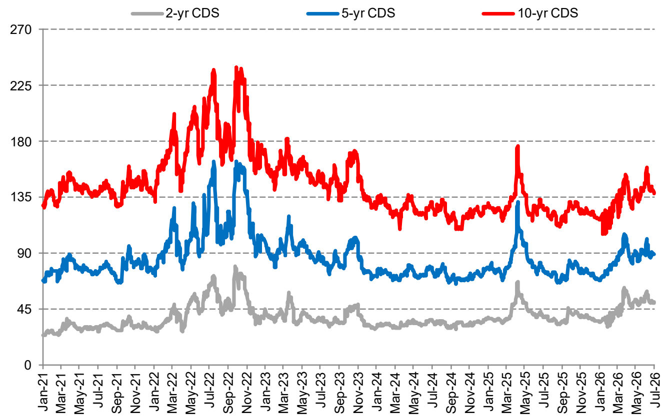
Source: Bloomberg

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
	SPN01260822	01-mo		670		-		-
	SPN03261021	03-mo		3,458		1,000		7.050%
	SPN12270722	12-mo		5,281		4,000		7.150%
	FR0109	05-yr		24,023		8,800		7.259%
21-Jul-26	FR0108	10-yr	**32,000**	16,318	**67,895**	9,750	**32,000**	7.290%
	FR0106	14-yr		10,304		4,700		7.299%
	FR0107	19-yr		3,379		1,750		7.330%
	FR0102	29-yr		1,520		350		7.380%
	FR0105	39-yr		2,942		1,650		7.390%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

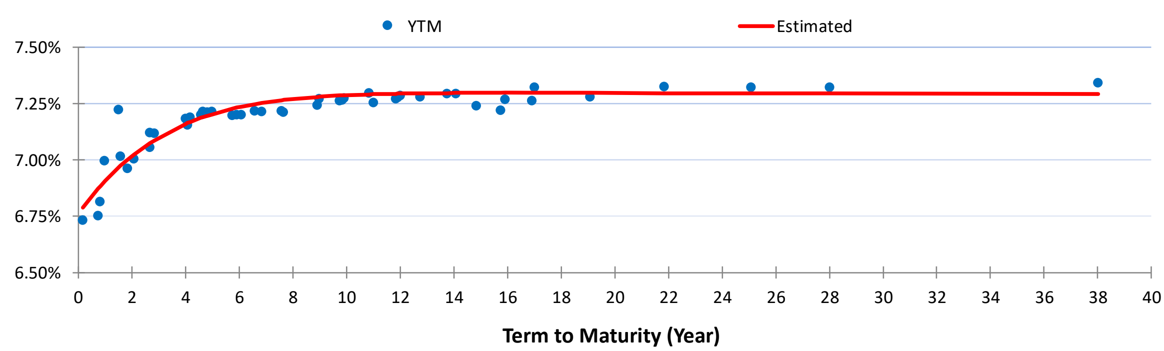
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
	SPNS08092026	01-mo		2,538		500		6.800%
	SPNS03022027	06-mo		2,277		1,000		7.098%
	SPNS12042027	09-mo		5,047		3,500		7.134%
14-Jul-26	PBS030	02-yr	**10,000**	3,106	**32,471**	650	**10,000**	7.134%
	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: 21-Jul-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.15	12.00%	100.80	6.265%	6.789%	100.74	-5	0.148	Fair
FR0056	15-Sep-26	0.15	8.375%	100.21	6.731%	6.789%	100.21	0	0.147	Fair
FR0090	15-Apr-27	0.73	5.125%	98.85	6.751%	6.873%	98.76	-9	0.699	Fair
FR0059	15-May-27	0.82	7.000%	100.13	6.814%	6.883%	100.08	-5	0.775	Fair
FR0042	15-Jul-27	0.98	10.25%	103.02	6.996%	6.905%	103.13	10	0.927	Cheap
FR0094	15-Jan-28	1.49	5.600%	97.76	7.221%	6.965%	98.11	34	1.392	Cheap
FR0047	15-Feb-28	1.57	10.00%	104.34	7.016%	6.974%	104.41	8	1.386	Fair
FR0064	15-May-28	1.82	6.125%	98.59	6.962%	6.999%	98.52	-7	1.672	Fair
FR0095	15-Aug-28	2.07	6.375%	98.80	7.004%	7.024%	98.76	-4	1.853	Fair
FR0071	15-Mar-29	2.65	9.000%	104.61	7.054%	7.073%	104.57	-4	2.276	Fair
FR0101	15-Mar-29	2.65	6.875%	99.39	7.120%	7.073%	99.51	13	2.330	Cheap
FR0078	15-May-29	2.82	8.250%	102.82	7.117%	7.086%	102.91	9	2.454	Fair
FR0104	15-Jul-30	3.99	6.500%	97.67	7.182%	7.159%	97.75	8	3.440	Fair
FR0052	15-Aug-30	4.07	10.50%	111.61	7.155%	7.163%	111.59	-2	3.207	Fair
FR0082	15-Sep-30	4.16	7.000%	99.32	7.189%	7.167%	99.40	8	3.462	Fair
FR0087	15-Feb-31	4.58	6.500%	97.31	7.200%	7.186%	97.36	5	3.770	Fair
FR0109	**15-Mar-31**	**4.65**	**5.875%**	**94.78**	**7.214%**	**7.189%**	**94.87**	**9**	**3.895**	**Fair**
FR0085	15-Apr-31	4.74	7.750%	102.13	7.206%	7.193%	102.19	6	3.845	Fair
FR0073	15-May-31	4.82	8.750%	106.15	7.210%	7.196%	106.22	7	3.863	Fair
FR0054	15-Jul-31	4.99	9.500%	109.42	7.213%	7.202%	109.48	6	3.980	Fair
FR0091	15-Apr-32	5.74	6.375%	96.19	7.195%	7.227%	96.04	-14	4.625	Dear
FR0058	15-Jun-32	5.91	8.250%	104.96	7.200%	7.231%	104.81	-15	4.619	Dear
FR0074	15-Aug-32	6.07	7.500%	101.45	7.198%	7.235%	101.27	-18	4.673	Dear
FR0096	15-Feb-33	6.58	7.000%	98.88	7.217%	7.247%	98.72	-16	5.030	Dear
FR0065	15-May-33	6.82	6.625%	96.86	7.214%	7.252%	96.66	-20	5.314	Dear
FR0100	15-Feb-34	7.58	6.625%	96.59	7.217%	7.264%	96.32	-27	5.665	Dear
FR0068	15-Mar-34	7.65	8.375%	106.73	7.211%	7.265%	106.41	-32	5.516	Dear
FR0080	15-Jun-35	8.91	7.500%	101.67	7.241%	7.279%	101.42	-25	6.395	Dear
FR0103	15-Jul-35	8.99	6.750%	96.61	7.271%	7.280%	96.55	-6	6.590	Fair
FR0108	**15-Apr-36**	**9.74**	**6.500%**	**94.74**	**7.261%**	**7.285%**	**94.58**	**-16**	**6.910**	**Dear**
FR0072	15-May-36	9.82	8.250%	106.83	7.263%	7.286%	106.66	-16	6.683	Dear
FR0088	15-Jun-36	9.91	6.250%	92.85	7.274%	7.286%	92.77	-8	7.119	Fair
FR0045	15-May-37	10.82	9.750%	118.14	7.294%	7.290%	118.17	3	6.894	Fair
FR0093	15-Jul-37	10.99	6.375%	93.43	7.253%	7.291%	93.16	-27	7.660	Dear
FR0075	15-May-38	11.82	7.500%	101.79	7.269%	7.293%	101.60	-19	7.693	Dear
FR0098	15-Jun-38	11.91	7.125%	98.81	7.275%	7.293%	98.67	-14	7.852	Dear
FR0050	15-Jul-38	11.99	10.50%	125.42	7.283%	7.294%	125.33	-9	7.348	Fair
FR0079	15-Apr-39	12.74	8.375%	108.99	7.278%	7.295%	108.84	-14	7.829	Dear
FR0083	15-Apr-40	13.75	7.500%	101.77	7.292%	7.296%	101.73	-3	8.377	Fair
FR0106	**15-Aug-40**	**14.08**	**7.125%**	**98.54**	**7.292%**	**7.296%**	**98.50**	**-4**	**8.486**	**Fair**
FR0057	15-May-41	14.83	9.500%	120.31	7.240%	7.297%	119.74	-57	8.401	Dear
FR0062	15-Apr-42	15.75	6.375%	92.11	7.220%	7.297%	91.44	-67	9.389	Dear
FR0092	15-Jun-42	15.91	7.125%	98.67	7.266%	7.297%	98.39	-28	9.313	Dear
FR0097	15-Jun-43	16.91	7.125%	98.69	7.260%	7.297%	98.34	-35	9.619	Dear
FR0067	15-Jul-43	16.99	8.750%	113.99	7.321%	7.297%	114.02	2	9.279	Fair
FR0107	**15-Aug-45**	**19.08**	**7.125%**	**98.44**	**7.277%**	**7.296%**	**98.24**	**-20**	**9.96**	**Dear**
FR0076	15-May-48	21.83	7.375%	100.54	7.323%	7.296%	100.85	30	10.66	Cheap
FR0089	15-Aug-51	25.08	6.875%	94.91	7.321%	7.295%	95.20	29	11.19	Cheap
FR0102	15-Jul-54	28.00	6.875%	94.71	7.322%	7.294%	95.03	32	11.95	Cheap
FR0105	15-Jul-64	38.01	6.875%	94.07	7.340%	7.292%	94.65	58	12.83	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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