Daily Bond Market Update

August 27, 2026

Market Review

Government bond prices closed higher in trading on Wednesday (26/07). Indonesia Composite Bond Index decreased by 0.08% to 439.18. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark advanced 6.2 bps and 2.1 bps to 6.87% and 6.99%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark increased 0.2 bps and 1.6 bps to 7.06% and 7.08%, respectively.

The personal consumption expenditures price index, which the Fed uses as its preferred forecasting tool, increased 0.2% in July, putting the annual inflation rate at 3.7%. Both were 0.1 percentage point above the Dow Jones consensus. But stripping out volatile food and energy costs, core PCE posted respective gains of 0.2% and 3.3%, in line with forecasts. While the Fed considers both measures, policymakers generally see core inflation as the better measure of longer-term trends. The report also showed that personal income rose 0.4% while spending increased 0.2%, both stronger than expected. The report comes with Fed officials weighing their next policy move as inflation, despite generally soft monthly readings this summer, is still well above the central bank's 2% goal. With the rate-setting Federal Open Market Committee (FOMC) not meeting formally in August, officials have a bit of a respite before making a decision at their next gathering on Sept. 15-16. Markets are pricing in only about a 1 in 3 probability of a move then, with the best chance for a rate hike coming in December. Though the FOMC doesn't meet, Fed officials this week gather at Jackson Hole, Wyoming, for their annual symposium, the highlight being a policy speech scheduled for Friday from Chairman Kevin Warsh. Since taking office in May, Warsh has been circumspect about where he sees policy heading, instead preferring that markets set the tone. Government bond yields have been on the rise lately. Both the 10- and 30-year Treasurys recently saw yields hit their highest levels since 2007, just before the global financial crisis. The surge has come from a variety of factors, including investors' concern about the Fed's commitment to its inflation target as well as debt and deficit issues.

Bank Indonesia (BI) has revealed a shift in the focus regarding the use of Bank Indonesia Rupiah Securities (SRBI). Moving forward, the instrument will be geared more towards strengthening interest rate policy transmission, aiming to moderate market interest rates and align them with overnight rates. The outstanding volume of SRBI will be gradually reduced to inject liquidity into the market. Currently, outstanding SRBI stands at approximately IDR1,050 trillion, down from a peak that neared IDR1,100 trillion. Through this adjustment in monetary strategy, the central bank ensures adequate liquidity for the banking and financial sectors. The SRBI policy is situated within BI's broader monetary policy mix framework. Pressure on the rupiah cannot be addressed solely by raising the benchmark interest rate, given that the national economy still requires support for growth. BI has opted to optimize instruments for deepening money and foreign exchange markets, as well as monetary operations, to maintain stability while fostering a conducive financing environment. The BI-Rate will be managed in a pre-emptive and forward-looking manner to safeguard rupiah stability. Rupiah exchange rate stabilization will be further reinforced through "smart intervention," and pro-market monetary operations will be optimized to enhance policy transmission effectiveness while maintaining sufficient liquidity for money markets, the banking sector, and the real sector. Monetary operations have successfully driven market interest rates down from a high of 6.5% to around 6%. The impact of this adjustment in banking funding costs is expected to flow through to the real sector. In addition to monetary operations, BI has reduced hedging costs to stimulate foreign capital inflows.

Corporate News

PEFINDO has lowered the corporate rating for PT Adhi Karya (Persero) Tbk (ADHI) and its outstanding bonds to id CCC from idB. Outlook for the corporate rating remains at CreditWatch with Negative Implication. This rating action follows the Company's inability to serve the coupon payment on its SR Bond III Phase III series B and C, amounting to IDR60.82 billion due on August 24, 2026. ADHI's inability to settle the maturing debt obligations within the remedial period may result in a further rating downgrade. PEFINDO may review the Company's rating if ADHI could resolve the concerns on its maturing debt obligations, including by demonstrating its capacity and sustainable resolution of its near-term financial obligations.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.55	-23	6.87%	96.16
FR0108	9.64	-15	6.99%	96.58
FR0106	14.0	-1	7.06%	100.54
FR0107	19.0	-16	7.08%	100.44

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.85	6.85	0.00
Turkey	31.9	31.9	-4.50
Singapore	2.27	2.28	-1.20
Thailand	2.09	2.10	-1.10
Malaysia	3.82	3.80	2.30
Korea	4.29	4.32	-3.20
China	1.69	1.68	0.30
Japan	2.89	2.89	-0.40
US	4.65	4.63	1.80

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,181.4	16.9%
Bank Indonesia	1,894.5	27.0%
Mutual Fund	250.3	3.57%
Insurance & Pension Fund	1,439.1	20.5%
Foreigners	**909.0**	**13.0%**
Individual	589.3	8.41%
Others	747.2	10.7%
Total	**7,010.7**	**100.0%**

Source: DJPPR (as of August 20, 2026)

Currency Movement

FX Rate	26-Aug	(-1 day)	Chg. (%)
USD/IDR	17712	17712	0.00%
EUR/USD	1.165	1.168	-0.21%
GBP/USD	1.360	1.365	-0.40%
USD/JPY	159.3	159.2	0.08%
USD/SGD	1.272	1.269	0.20%
USD/MYR	4.027	4.043	-0.40%

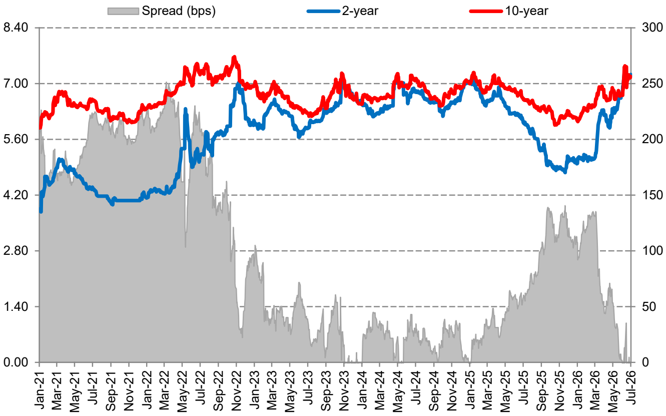
Source: Bloomberg

Money Market

	26-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	4.13	4.08	4.11	4.09
Lending	14.7	14.8	14.8	14.6

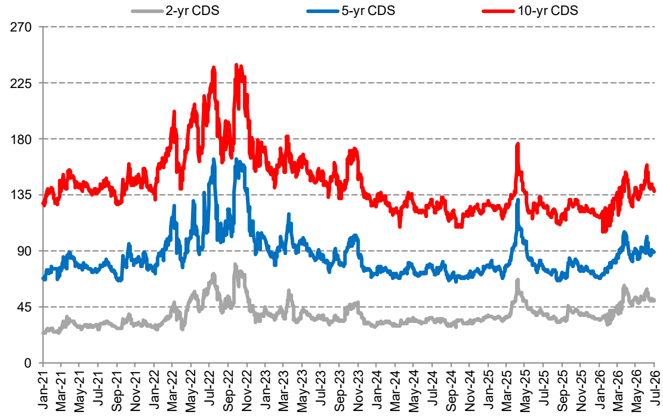
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
August 24, 2026	---
August 25, 2026	New Home Sales
August 26, 2026	Durable Goods; Personal Consumption Expenditure (PCE)
August 27, 2026	Initial Jobless Claims; Trade Balance
August 28, 2026	University of Michigan Consumer Survey (Final)
August 31, 2026	---
September 1, 2026	S&P Global Manufacturing PMI (Final); JOLTs Job Openings
September 2, 2026	Factory Orders
September 3, 2026	Initial Jobless Claims
September 4, 2026	Employment Report

Indonesia Economic Calendar

Date	Report
August 24, 2026	M2 Money Supply
August 25, 2026	---
August 26, 2026	Sukuk Auction
August 27, 2026	---
August 28, 2026	---
August 31, 2026	---
September 1, 2026	Conventional Auction; Inflation Rate
September 2, 2026	Trade Balance
September 3, 2026	S&P Global Manufacturing PMI
September 4, 2026	---

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)

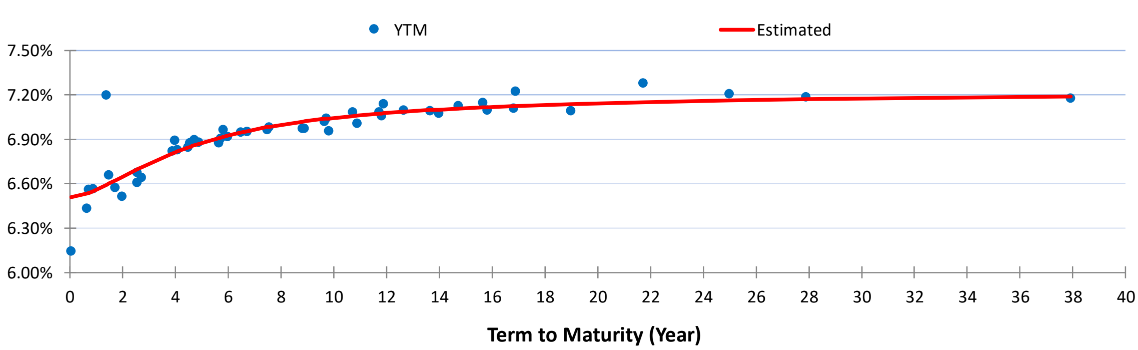
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
26-Aug-26	SPNS12102026	01-mo	10,000	1,771	23,543	1,000	10,000	6.552%
	SPNS01032027	06-mo		2,775		-		-
	SPNS25052027	09-mo		4,323		-		-
	PBS030	02-yr		3,602		1,150		6.639%
	PBS040	04-yr		4,128		3,700		6.813%
	PBS034	13-yr		2,608		1,650		7.099%
	PBS005	17-yr		1,779		1,300		7.109%
	PBS038	23-yr		2,557		1,200		7.162%

Source: DJPPR

Government Bonds Prices
Closing Data: 26-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.05	12.00%	100.31	5.336%	6.509%	100.28	-3	0.053	Fair
FR0056	15-Sep-26	0.05	8.375%	100.10	6.141%	6.509%	100.09	-1	0.053	Fair
FR0090	15-Apr-27	0.64	5.125%	99.20	6.433%	6.533%	99.13	-7	0.605	Fair
FR0059	15-May-27	0.72	7.000%	100.29	6.559%	6.538%	100.31	2	0.681	Fair
FR0042	15-Jul-27	0.88	10.25%	103.09	6.562%	6.550%	103.12	3	0.835	Fair
FR0094	15-Jan-28	1.39	5.600%	97.93	7.197%	6.592%	98.70	77	1.298	Cheap
FR0047	15-Feb-28	1.47	10.00%	104.59	6.659%	6.599%	104.69	10	1.356	Cheap
FR0064	15-May-28	1.72	6.125%	99.27	6.573%	6.622%	99.19	-8	1.580	Fair
FR0095	15-Aug-28	1.97	6.375%	99.75	6.513%	6.645%	99.51	-24	1.820	Dear
FR0071	15-Mar-29	2.55	9.000%	105.53	6.606%	6.697%	105.32	-21	2.188	Dear
FR0101	15-Mar-29	2.55	6.875%	100.46	6.675%	6.697%	100.41	-6	2.242	Fair
FR0078	15-May-29	2.72	8.250%	103.92	6.642%	6.712%	103.75	-17	2.366	Dear
FR0104	15-Jul-30	3.89	6.500%	98.91	6.820%	6.805%	98.97	5	3.355	Fair
FR0052	15-Aug-30	3.97	10.50%	112.33	6.890%	6.811%	112.64	31	3.266	Cheap
FR0082	15-Sep-30	4.06	7.000%	100.60	6.827%	6.817%	100.63	4	3.378	Fair
FR0087	15-Feb-31	4.48	6.500%	98.69	6.845%	6.844%	98.69	0	3.809	Fair
FR0109	**15-Mar-31**	**4.55**	**5.875%**	**96.14**	**6.876%**	**6.849%**	**96.24**	**10**	**3.812**	**Fair**
FR0085	15-Apr-31	4.64	7.750%	103.42	6.872%	6.854%	103.49	8	3.762	Fair
FR0073	15-May-31	4.72	8.750%	107.33	6.897%	6.859%	107.50	16	3.781	Cheap
FR0054	15-Jul-31	4.89	9.500%	110.69	6.880%	6.869%	110.75	6	3.898	Fair
FR0091	15-Apr-32	5.64	6.375%	97.69	6.874%	6.909%	97.53	-16	4.545	Dear
FR0110	15-May-32	5.72	7.250%	101.59	6.905%	6.913%	101.56	-3	4.543	Fair
FR0058	15-Jun-32	5.81	8.250%	106.03	6.965%	6.917%	106.27	24	4.536	Cheap
FR0074	15-Aug-32	5.98	7.500%	102.81	6.917%	6.924%	102.77	-3	4.762	Fair
FR0096	15-Feb-33	6.48	7.000%	100.27	6.947%	6.946%	100.28	1	5.126	Fair
FR0065	15-May-33	6.72	6.625%	98.27	6.950%	6.955%	98.24	-3	5.237	Fair
FR0100	15-Feb-34	7.48	6.625%	98.05	6.965%	6.982%	97.95	-10	5.781	Fair
FR0068	15-Mar-34	7.56	8.375%	108.07	6.980%	6.984%	108.05	-2	5.442	Fair
FR0080	15-Jun-35	8.81	7.500%	103.43	6.970%	7.019%	103.10	-33	6.330	Dear
FR0103	15-Jul-35	8.89	6.750%	98.53	6.973%	7.021%	98.22	-31	6.529	Dear
FR0108	**15-Apr-36**	**9.64**	**6.500%**	**96.39**	**7.020%**	**7.038%**	**96.27**	**-12**	**6.848**	**Dear**
FR0072	15-May-36	9.73	8.250%	108.38	7.042%	7.039%	108.40	2	6.619	Fair
FR0088	15-Jun-36	9.81	6.250%	95.04	6.955%	7.041%	94.45	-59	7.068	Dear
FR0045	15-May-37	10.73	9.750%	119.78	7.081%	7.058%	119.99	21	6.835	Cheap
FR0093	15-Jul-37	10.89	6.375%	95.26	7.004%	7.061%	94.84	-42	7.607	Dear
FR0075	15-May-38	11.73	7.500%	103.28	7.081%	7.073%	103.35	6	7.636	Fair
FR0098	15-Jun-38	11.81	7.125%	100.52	7.058%	7.074%	100.39	-13	7.800	Dear
FR0050	15-Jul-38	11.89	10.50%	126.63	7.136%	7.076%	127.20	57	7.283	Cheap
FR0079	15-Apr-39	12.64	8.375%	110.55	7.095%	7.085%	110.64	9	7.776	Fair
FR0083	15-Apr-40	13.65	7.500%	103.53	7.091%	7.097%	103.47	-5	8.336	Fair
FR0106	**15-Aug-40**	**13.98**	**7.125%**	**100.45**	**7.074%**	**7.100%**	**100.21**	**-23**	**8.753**	**Dear**
FR0057	15-May-41	14.73	9.500%	121.40	7.127%	7.107%	121.60	21	8.340	Cheap
FR0062	15-Apr-42	15.65	6.375%	92.81	7.146%	7.115%	93.07	27	9.320	Cheap
FR0092	15-Jun-42	15.81	7.125%	100.28	7.094%	7.117%	100.06	-21	9.277	Dear
FR0097	15-Jun-43	16.81	7.125%	100.17	7.106%	7.124%	100.00	-17	9.583	Dear
FR0067	15-Jul-43	16.90	8.750%	115.01	7.223%	7.125%	115.81	80	9.221	Cheap
FR0107	**15-Aug-45**	**18.98**	**7.125%**	**100.34**	**7.092%**	**7.137%**	**99.87**	**-47**	**10.31**	**Dear**
FR0076	15-May-48	21.73	7.375%	101.03	7.279%	7.150%	102.44	141	10.59	Cheap
FR0089	15-Aug-51	24.99	6.875%	96.17	7.207%	7.162%	96.68	51	11.59	Cheap
FR0102	15-Jul-54	27.90	6.875%	96.28	7.185%	7.171%	96.45	17	11.97	Cheap
FR0105	15-Jul-64	37.91	6.875%	96.11	7.174%	7.189%	95.92	-18	12.94	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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