Daily Bond Market Update

July 31, 2026

Market Review

Government bond prices closed mixed in trading on Thursday (30/07). Indonesia Composite Bond Index increased by 0.07% to 430.13. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark advanced 4.0 bps and declined 0.8 bps to 7.32% and 7.29%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark gained 4.0 bps and 0.4 bps to 7.3% and 7.28%, respectively.

The latest US Personal Consumption Expenditures Price Index offered some relief from the sharp inflationary pressures recorded earlier in 2026. According to the Bureau of Economicc Analysis, the headline PCE Price Index declined by 0.1% (mtm) in June 2026, while its annual rate moderated to 3.7% from 4.1% in May; meanwhile, the core PCE index, which excludes volatile food and energy prices and is closely monitored by the Federal Reserve, increased by only 0.1% during the month and eased slightly to 3.3% (yoy). The softer monthly readings could support US Treasury prices and place downward pressure on yields, particularly at shorter maturities, because investors may interpret the data as reducing the probability of further monetary tightening. Nevertheless, with both headline and core inflation still considerably above the Fed’s 2% objective, a rapid series of interest-rate cuts remains unlikely. The Federal Open Market Committee maintained the federal funds target range at 3.50%–3.75% on July 29 and continued to describe inflation as elevated, with three policymakers even preferring a quarter-percentage-point increase. Consequently, the June PCE report may encourage the Fed to keep interest rates unchanged while waiting for further evidence that inflation is sustainably declining, rather than immediately shifting toward monetary easing.

The government is relying on state spending and investment as the main drivers of economic growth in the second half of 2026. This step was taken to maintain economic growth towards the target of 5.4% in 2026. The government will accelerate the realization of state spending and investment in the second half of 2026 to maintain the momentum of national economic growth. The Coordinating Minister for Economic Affairs stated that these two components will be the main drivers of the economy in the third and fourth quarters of 2026. This step was taken to support the achievement of the national economic growth target of 5.4% in 2026. Throughout the first half of 2026, realized state spending reached IDR1,656 trillion, or 43.1% of the State Budget target of IDR3,842.7 trillion. Annually, realized state spending grew 17.8% compared to the same period last year. Of this total, central government spending reached IDR1,298.6 trillion, while transfers to regions realized IDR357.4 trillion. The government hopes that accelerated budget absorption in the second half of this year will provide a greater boost to economic activity. On the other hand, investment realization in the first half of 2026 reached IDR1,010.6 trillion, a 7.2% increase compared to the same period last year. Despite the growth, the government still sees significant room to increase investment realization. Coordinating Minister Airlangga stated that one of the efforts being taken is optimizing the Debottlenecking Task Force to overcome various investment obstacles, particularly related to the licensing process. Previously, the Minister of Investment and Downstreaming/Head of the Investment Coordinating Board (BKPM), Rosan Roeslani, stated that the government continues to improve the investment climate through the implementation of Government Regulation (PP) Number 28 of 2025 concerning the Implementation of Risk-Based Business Licensing.

Corporate News

PEFINDO has assigned PT Pupuk Kalimantan Timur (PPKT)'s rating at idAAA with stable outlook. The corporate rating is mainly driven by the very strong likelihood of support from PT Pupuk Indonesia (Persero) as the parent company. The Company's standalone credit profile reflects its very strong business position, secured gas supply and optimized operations as well as very strong financial profile, but is constrained by the Company's exposure to the volatility of commodity prices. The rating may be lowered if PPKT aggressively finances its expansion with substantially larger debt than projected without a corresponding improvement in business performance. Any unfavorable change in the subsidy scheme and the distribution area for subsidized fertilizer that represents lower support from PIHC, and significantly lower-than-anticipated global fertilizer prices will also put pressure on the Company's rating.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.63	-15	7.32%	94.42
FR0108	9.72	5	7.29%	94.55
FR0106	14.1	-34	7.33%	98.18
FR0107	19.1	1	7.28%	98.46

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.81	6.80	0.40
Turkey	32.3	32.4	-6.50
Singapore	2.41	2.37	3.80
Thailand	2.06	2.05	1.60
Malaysia	3.71	3.72	-0.10
Korea	4.34	4.34	0.00
China	1.71	1.72	-1.10
Japan	2.80	2.75	5.10
US	4.67	4.68	-0.50

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,081.5	15.7%
Bank Indonesia	1,974.6	28.6%
Mutual Fund	249.6	3.62%
Insurance & Pension Fund	1,428.9	20.7%
Foreigners	**892.0**	**12.9%**
Individual	544.6	7.89%
Others	734.3	10.6%
Total	**6,905.6**	**100.0%**

Source: DJPPR (as of July 29, 2026)

Currency Movement

FX Rate	30-Jul	(-1 day)	Chg. (%)
USD/IDR	18085	18055	0.17%
EUR/USD	1.153	1.147	0.53%
GBP/USD	1.347	1.337	0.72%
USD/JPY	159.5	163.4	-2.37%
USD/SGD	1.282	1.289	-0.58%
USD/MYR	4.090	4.091	-0.01%

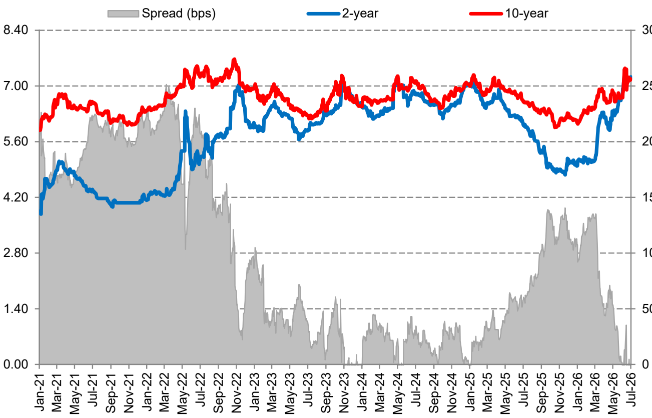
Source: Bloomberg

Money Market

	30-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	4.15	4.09	4.08	4.04
Lending	15.1	14.6	14.7	14.8

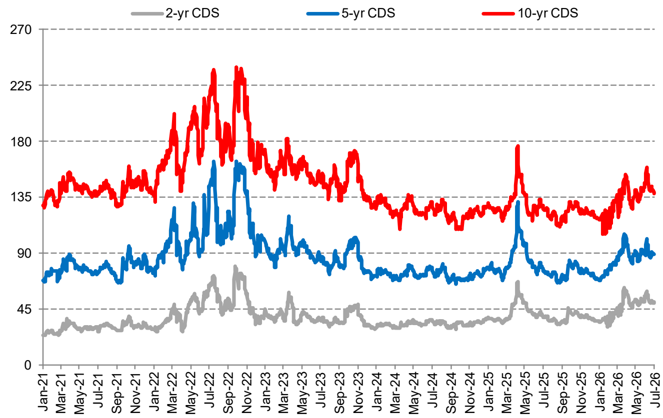
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
July 27, 2026	Durable Goods Orders
July 28, 2026	Advance Economic Indicator Report
July 29, 2026	US Interest Rate Decision
July 30, 2026	Initial Jobless Claims; PCE Price Index
July 31, 2026	Advance Estimate GDP
August 3, 2026	US Manufacturing PMI
August 4, 2026	Job Openings & Labor Turnover Survey
August 5, 2026	ADP National Employment Report
August 6, 2026	Initial Jobless Claims
August 7, 2026	Employment Report; Consumer Credit

Indonesia Economic Calendar

Date	Report
July 27, 2026	---
July 28, 2026	Sukuk Auction
July 29, 2026	---
July 30, 2026	---
July 31, 2026	---
August 3, 2026	Inflation Rate; Trade Balance
August 4, 2026	Conventional Auction; S&P Global Manufacturing PMI
August 5, 2026	GDP Growth Rate
August 6, 2026	---
August 7, 2026	Foreign Exchange Reserves

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		1,310		1,200		6.800%
	SPNS03022027	06-mo		3,185		2,000		7.000%
	SPNS12042027	09-mo		6,407		4,000		7.122%
28-Jul-26	PBS030	02-yr	10,000	4,747	24,881	1,700	10,000	7.199%
	PBS040	04-yr		4,193		600		7.300%
	PBS034	13-yr		3,483		200		7.308%
	PBS005	17-yr		676		100		7.336%
	PBS038	23-yr		880		200		7.316%

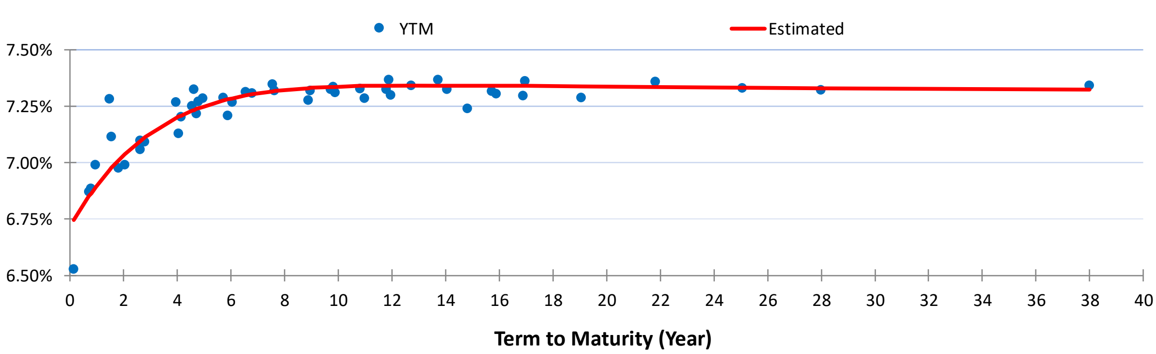
Source: DJPPR

Government Bonds Prices

Closing Data: 30-Jul-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.13	12.00%	100.66	6.046%	6.745%	100.63	-3	0.124	Fair
FR0056	15-Sep-26	0.13	8.375%	100.19	6.528%	6.745%	100.18	-1	0.124	Fair
FR0090	15-Apr-27	0.71	5.125%	98.82	6.871%	6.851%	98.81	0	0.675	Fair
FR0059	15-May-27	0.79	7.000%	100.07	6.884%	6.865%	100.09	2	0.751	Fair
FR0042	15-Jul-27	0.96	10.25%	102.94	6.988%	6.892%	103.06	12	0.904	Cheap
FR0094	15-Jan-28	1.46	5.600%	97.73	7.280%	6.965%	98.13	41	1.368	Cheap
FR0047	15-Feb-28	1.55	10.00%	104.12	7.113%	6.977%	104.35	23	1.361	Cheap
FR0064	15-May-28	1.79	6.125%	98.59	6.974%	7.008%	98.52	-6	1.648	Fair
FR0095	15-Aug-28	2.05	6.375%	98.85	6.989%	7.038%	98.75	-10	1.829	Fair
FR0071	15-Mar-29	2.63	9.000%	104.56	7.056%	7.097%	104.47	-9	2.252	Fair
FR0101	15-Mar-29	2.63	6.875%	99.45	7.096%	7.097%	99.46	1	2.307	Fair
FR0078	15-May-29	2.79	8.250%	102.86	7.092%	7.113%	102.82	-4	2.430	Fair
FR0104	15-Jul-30	3.96	6.500%	97.41	7.266%	7.198%	97.63	22	3.415	Cheap
FR0052	15-Aug-30	4.05	10.50%	111.63	7.129%	7.203%	111.38	-25	3.183	Dear
FR0082	15-Sep-30	4.13	7.000%	99.28	7.202%	7.208%	99.26	-2	3.438	Fair
FR0087	15-Feb-31	4.55	6.500%	97.14	7.250%	7.230%	97.21	7	3.744	Fair
FR0109	**15-Mar-31**	**4.63**	**5.875%**	**94.40**	**7.323%**	**7.233%**	**94.73**	**32**	**3.868**	**Cheap**
FR0085	15-Apr-31	4.71	7.750%	102.08	7.217%	7.237%	102.00	-8	3.821	Fair
FR0073	15-May-31	4.79	8.750%	105.87	7.271%	7.241%	106.00	14	3.838	Cheap
FR0054	15-Jul-31	4.96	9.500%	109.06	7.285%	7.248%	109.24	18	3.954	Cheap
FR0091	15-Apr-32	5.72	6.375%	95.80	7.287%	7.275%	95.84	5	4.597	Fair
FR0058	15-Jun-32	5.88	8.250%	104.90	7.207%	7.280%	104.56	-34	4.595	Dear
FR0074	15-Aug-32	6.05	7.500%	101.12	7.267%	7.285%	101.03	-9	4.645	Fair
FR0096	15-Feb-33	6.55	7.000%	98.39	7.313%	7.297%	98.47	8	4.999	Fair
FR0065	15-May-33	6.80	6.625%	96.39	7.307%	7.302%	96.41	2	5.284	Fair
FR0100	15-Feb-34	7.55	6.625%	95.88	7.347%	7.315%	96.05	17	5.630	Cheap
FR0068	15-Mar-34	7.63	8.375%	106.08	7.317%	7.316%	106.09	1	5.483	Fair
FR0080	15-Jun-35	8.88	7.500%	101.44	7.276%	7.330%	101.09	-35	6.367	Dear
FR0103	15-Jul-35	8.96	6.750%	96.30	7.319%	7.330%	96.23	-7	6.561	Fair
FR0108	**15-Apr-36**	**9.72**	**6.500%**	**94.34**	**7.323%**	**7.335%**	**94.26**	**-8**	**6.878**	**Fair**
FR0072	15-May-36	9.80	8.250%	106.30	7.334%	7.335%	106.29	-1	6.650	Fair
FR0088	15-Jun-36	9.88	6.250%	92.64	7.309%	7.336%	92.45	-18	7.091	Dear
FR0045	15-May-37	10.80	9.750%	117.84	7.326%	7.339%	117.74	-10	6.865	Fair
FR0093	15-Jul-37	10.97	6.375%	93.22	7.284%	7.339%	92.82	-40	7.631	Dear
FR0075	15-May-38	11.80	7.500%	101.35	7.325%	7.341%	101.23	-13	7.658	Dear
FR0098	15-Jun-38	11.88	7.125%	98.10	7.366%	7.341%	98.30	20	7.810	Cheap
FR0050	15-Jul-38	11.97	10.50%	125.23	7.298%	7.341%	124.86	-38	7.322	Dear
FR0079	15-Apr-39	12.72	8.375%	108.43	7.341%	7.341%	108.43	0	7.791	Fair
FR0083	15-Apr-40	13.72	7.500%	101.12	7.366%	7.341%	101.34	22	8.334	Cheap
FR0106	**15-Aug-40**	**14.05**	**7.125%**	**98.27**	**7.324%**	**7.341%**	**98.12**	**-15**	**8.453**	**Dear**
FR0057	15-May-41	14.80	9.500%	120.30	7.239%	7.341%	119.27	-103	8.377	Dear
FR0062	15-Apr-42	15.72	6.375%	91.30	7.315%	7.340%	91.08	-22	9.332	Dear
FR0092	15-Jun-42	15.89	7.125%	98.32	7.304%	7.340%	97.99	-33	9.276	Dear
FR0097	15-Jun-43	16.89	7.125%	98.35	7.296%	7.339%	97.94	-41	9.581	Dear
FR0067	15-Jul-43	16.97	8.750%	113.57	7.360%	7.339%	113.56	-1	9.240	Fair
FR0107	**15-Aug-45**	**19.06**	**7.125%**	**98.36**	**7.286%**	**7.336%**	**97.84**	**-51**	**9.93**	**Dear**
FR0076	15-May-48	21.81	7.375%	100.17	7.358%	7.334%	100.43	26	10.61	Cheap
FR0089	15-Aug-51	25.06	6.875%	94.81	7.330%	7.331%	94.80	-1	11.16	Fair
FR0102	15-Jul-54	27.98	6.875%	94.71	7.322%	7.329%	94.63	-8	11.93	Fair
FR0105	15-Jul-64	37.99	6.875%	94.07	7.340%	7.324%	94.26	19	12.81	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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