Daily Bond Market Update

August 4, 2026

Market Review

Government bond prices closed higher in trading on Monday (03/07). Indonesia Composite Bond Index slightly increased by 0.01% to 430.67. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 6.8 bps and 5.2 bps to 7.25% and 7.24%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark declined 1.1 bps and 0.8 bps to 7.32% and 7.27%, respectively.

The US manufacturing sector continued to expand in July 2026, although the pace of improvement moderated slightly. The S&P Global US Manufacturing Purchasing Managers' Index (PMI) stood at 53.9, compared with the previous month's reading. A PMI above 50 indicates an overall expansion in manufacturing activity, meaning that American factories continued to report improving business conditions, stronger production levels, and rising demand. The latest survey showed that operating conditions had improved for twelve consecutive months, reflecting the sector's continued resilience despite uncertainty surrounding trade policy, global economic conditions, and input costs. Production and new orders remained in expansionary territory, while manufacturers continued to benefit from domestic demand and efforts by customers to secure supplies amid concerns about future price increases and supply-chain disruptions. However, the survey also indicated that growth in output and new orders had lost some momentum, suggesting that the sector's recovery was becoming more gradual rather than accelerating sharply. At the same time, manufacturers continued to face elevated costs for raw materials, transportation, and imported components, creating pressure on companies to raise their selling prices. These inflationary pressures are particularly important for financial markets because persistent increases in manufacturing costs could complicate the Federal Reserve's efforts to bring inflation sustainably under control.

Indonesia's inflation moderated in July 2026, indicating that domestic price pressures remained relatively well contained. According to the latest data, the country's Consumer Price Index recorded annual inflation of 2.88% (yoy), declining markedly from 3.34% in June 2026 and falling below the market's median expectation of approximately 3.20%. This represented the lowest inflation rate in three months and remained comfortably within Bank Indonesia's target range of 1.5%–3.5%, suggesting that overall price stability continued to be preserved. Meanwhile, core inflation, which excludes volatile food prices and government-administered prices, stood at 2.76%, unchanged from the previous month and slightly below the market forecast of 2.80%. The stability of core inflation implies that underlying price pressures arising from domestic demand have yet to accelerate excessively. The easing inflationary environment may provide Bank Indonesia with greater flexibility to maintain its current policy rate, particularly if the rupiah and global financial-market conditions remain broadly stable. Nevertheless, Indonesia's inflation outlook continues to face several important risks, including potential disruptions to agricultural production, increases in global energy prices, renewed depreciation of the rupiah, and geopolitical tensions that could raise import and distribution costs. Consequently, although the July figures offer an encouraging indication of improving price conditions, the central bank is likely to retain a cautious and measured approach in determining the future direction of monetary policy.

Corporate News

PEFINDO has affirmed its idA rating with stable outlook to PT Integrasi Jaringan Ekosistem (IJE). PEFINDO views that IJE's Samurai Bond issuance is expected to weaken JE's financial leverage in the near term, as the proceeds will primarily fund its debt-funded capital expenditure (capex). Nevertheless, projected financial leverage is anticipated to remain within the tolerance thresholds for the rating category over the next two years. Over the medium term, the Company's financial profile is expected to gradually strengthen as these investments begin contributing to earnings, supported by higher take-up rates across the newly developed network. The rating reflects IJE's good quality infrastructure, potential exponential revenue growth from its business expansion, and strong financial flexibility. The rating is constrained by moderate financial profile, the risk of demonstrating a stable performance given the Company's relatively new in the operating stage, and regulatory risks related to network expansion.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.62	27	7.25%	94.69
FR0108	9.71	35	7.24%	94.90
FR0106	14.0	10	7.32%	98.28
FR0107	19.0	3	7.27%	98.49

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.84	6.81	3.40
Turkey	32.3	32.3	-4.00
Singapore	2.34	2.34	0.50
Thailand	2.05	2.05	0.30
Malaysia	3.71	3.71	0.80
Korea	4.34	4.34	0.00
China	1.71	1.71	0.00
Japan	2.82	2.79	3.10
US	4.68	4.74	-5.80

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	3-Aug	(-1 day)	Chg. (%)
USD/IDR	17990	18000	-0.06%
EUR/USD	1.151	1.153	-0.16%
GBP/USD	1.343	1.348	-0.37%
USD/JPY	157.2	157.4	-0.14%
USD/SGD	1.282	1.283	-0.05%
USD/MYR	4.096	4.086	0.23%

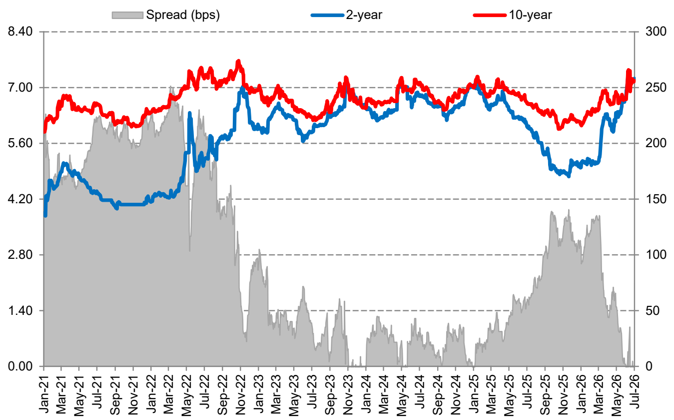
Source: Bloomberg

Money Market

	3-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	4.11	4.12	4.01
Lending	14.4	14.7	14.9	15.1

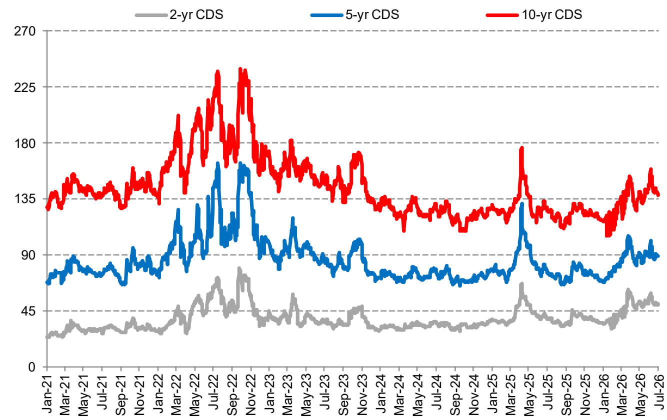
Source: Bloomberg

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%

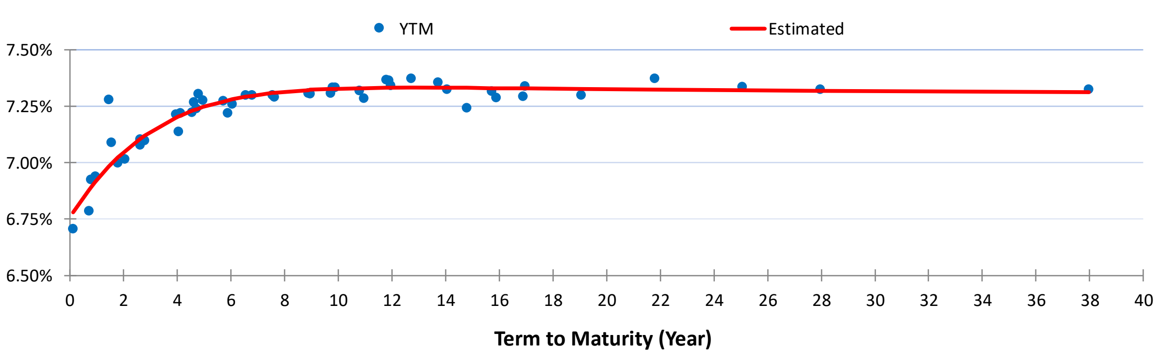
Source: DJPPR

Government Bonds Prices

Closing Data: 3-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.12	12.00%	100.55	6.705%	6.780%	100.57	2	0.113	Fair
FR0056	15-Sep-26	0.12	8.375%	100.19	6.478%	6.780%	100.16	-3	0.113	Fair
FR0090	15-Apr-27	0.70	5.125%	98.88	6.784%	6.877%	98.81	-7	0.664	Fair
FR0059	15-May-27	0.78	7.000%	100.04	6.925%	6.890%	100.07	3	0.740	Fair
FR0042	15-Jul-27	0.95	10.25%	102.96	6.939%	6.915%	103.00	4	0.893	Fair
FR0094	15-Jan-28	1.45	5.600%	97.74	7.277%	6.982%	98.12	39	1.358	Cheap
FR0047	15-Feb-28	1.54	10.00%	104.14	7.089%	6.993%	104.30	15	1.351	Cheap
FR0064	15-May-28	1.78	6.125%	98.55	6.997%	7.022%	98.51	-4	1.637	Fair
FR0095	15-Aug-28	2.04	6.375%	98.81	7.014%	7.049%	98.74	-7	1.818	Fair
FR0071	15-Mar-29	2.62	9.000%	104.50	7.078%	7.105%	104.44	-6	2.241	Fair
FR0101	15-Mar-29	2.62	6.875%	99.44	7.103%	7.105%	99.45	1	2.296	Fair
FR0078	15-May-29	2.78	8.250%	102.84	7.097%	7.119%	102.79	-5	2.420	Fair
FR0104	15-Jul-30	3.95	6.500%	97.58	7.214%	7.199%	97.63	5	3.405	Fair
FR0052	15-Aug-30	4.04	10.50%	111.59	7.138%	7.203%	111.36	-23	3.172	Dear
FR0082	15-Sep-30	4.12	7.000%	99.23	7.218%	7.208%	99.26	3	3.427	Fair
FR0087	15-Feb-31	4.54	6.500%	97.25	7.223%	7.228%	97.22	-2	3.734	Fair
FR0109	**15-Mar-31**	**4.62**	**5.875%**	**94.61**	**7.268%**	**7.232%**	**94.75**	**13**	**3.859**	**Cheap**
FR0085	15-Apr-31	4.70	7.750%	101.99	7.239%	7.235%	102.00	2	3.810	Fair
FR0073	15-May-31	4.78	8.750%	105.73	7.304%	7.239%	106.00	28	3.826	Cheap
FR0054	15-Jul-31	4.95	9.500%	109.09	7.276%	7.245%	109.23	14	3.944	Cheap
FR0091	15-Apr-32	5.70	6.375%	95.86	7.274%	7.271%	95.87	1	4.587	Fair
FR0058	15-Jun-32	5.87	8.250%	104.85	7.218%	7.275%	104.57	-27	4.583	Dear
FR0074	15-Aug-32	6.04	7.500%	101.16	7.259%	7.280%	101.06	-10	4.635	Dear
FR0096	15-Feb-33	6.54	7.000%	98.47	7.299%	7.291%	98.50	4	4.989	Fair
FR0065	15-May-33	6.79	6.625%	96.43	7.299%	7.296%	96.45	1	5.274	Fair
FR0100	15-Feb-34	7.54	6.625%	96.15	7.298%	7.308%	96.09	-6	5.624	Fair
FR0068	15-Mar-34	7.62	8.375%	106.24	7.291%	7.309%	106.13	-11	5.475	Dear
FR0080	15-Jun-35	8.87	7.500%	101.24	7.306%	7.321%	101.14	-10	6.353	Fair
FR0103	15-Jul-35	8.95	6.750%	96.40	7.305%	7.322%	96.29	-11	6.552	Dear
FR0108	**15-Apr-36**	**9.71**	**6.500%**	**94.46**	**7.306%**	**7.326%**	**94.32**	**-14**	**6.869**	**Dear**
FR0072	15-May-36	9.79	8.250%	106.31	7.332%	7.326%	106.35	4	6.639	Fair
FR0088	15-Jun-36	9.87	6.250%	92.48	7.333%	7.327%	92.52	4	7.077	Fair
FR0045	15-May-37	10.79	9.750%	117.89	7.318%	7.330%	117.81	-9	6.856	Fair
FR0093	15-Jul-37	10.96	6.375%	93.21	7.285%	7.330%	92.89	-32	7.620	Dear
FR0075	15-May-38	11.79	7.500%	101.02	7.367%	7.331%	101.30	28	7.639	Cheap
FR0098	15-Jun-38	11.87	7.125%	98.12	7.364%	7.331%	98.37	25	7.800	Cheap
FR0050	15-Jul-38	11.96	10.50%	124.82	7.342%	7.331%	124.93	11	7.302	Cheap
FR0079	15-Apr-39	12.71	8.375%	108.17	7.371%	7.331%	108.51	34	7.773	Cheap
FR0083	15-Apr-40	13.71	7.500%	101.22	7.356%	7.331%	101.43	21	8.326	Cheap
FR0106	**15-Aug-40**	**14.04**	**7.125%**	**98.28**	**7.323%**	**7.331%**	**98.21**	**-7**	**8.442**	**Fair**
FR0057	15-May-41	14.79	9.500%	120.27	7.241%	7.330%	119.37	-90	8.366	Dear
FR0062	15-Apr-42	15.71	6.375%	91.29	7.316%	7.329%	91.17	-12	9.322	Dear
FR0092	15-Jun-42	15.88	7.125%	98.48	7.287%	7.329%	98.09	-39	9.271	Dear
FR0097	15-Jun-43	16.88	7.125%	98.38	7.292%	7.328%	98.04	-34	9.572	Dear
FR0067	15-Jul-43	16.96	8.750%	113.79	7.339%	7.328%	113.67	-12	9.238	Dear
FR0107	**15-Aug-45**	**19.05**	**7.125%**	**98.23**	**7.298%**	**7.326%**	**97.95**	**-28**	**9.92**	**Dear**
FR0076	15-May-48	21.80	7.375%	100.01	7.372%	7.323%	100.55	54	10.60	Cheap
FR0089	15-Aug-51	25.05	6.875%	94.75	7.336%	7.320%	94.93	18	11.15	Cheap
FR0102	15-Jul-54	27.97	6.875%	94.70	7.323%	7.318%	94.76	6	11.91	Fair
FR0105	15-Jul-64	37.98	6.875%	94.25	7.325%	7.313%	94.40	15	12.82	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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