

Daily Bond Market Update

June 8, 2026

Market Review

Government bond prices extended to weaken in trading on Friday (05/06). Indonesia Composite Bond Index decreased by 0.39% to 434.76. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark advanced 13 bps and 10 bps to 6.92% and 6.85%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark increased 11 bps and 5.9 bps to 7.01% and 6.97%, respectively.

Job growth unexpectedly surged in May as the US labor market continued a solid year of expansion, according to the Bureau of Labor Statistics' report. Non-farm payrolls jumped 172,000 for the period, down slightly from the 179,000 in April but far above the Dow Jones consensus estimate for 80,000. The unemployment rate held steady at 4.3%, as expected. Average hourly earnings rose 0.3% for the month and were up 3.4% over the past year, both in line with the Wall Street consensus. The report came against a background of muted expectations as employers have held their ground in a low-hire, low-fire environment. While job gains have been largely concentrated in just a few sectors, layoffs also have been moderate, though some signs are building that artificial intelligence is having an impact on labor rolls. In addition to the strong jobs numbers for May, revisions for prior months also presented an even better picture. Stock market futures were mostly negative following the release, while Treasury yields move sharply higher. The household survey, which is used to calculate the unemployment rate, also reflected a solid labor market, with the rolls of the employed rising by 149,000. The labor force participation rate was steady at 61.8%, while a broader measure of unemployment that includes discouraged workers and those holding part-time jobs for economic reasons edged lower to 8.1%.

The state budget deficit as of May 31, 2026, was recorded at IDR180.4 trillion, equivalent to 0.70% of Gross Domestic Product (GDP). This was conveyed by the Minister of Finance at a press conference on Friday (05/06). This deficit grew 763.2% (yoy) compared to the same period last year, which was recorded at IDR20.9 trillion. The deficit was caused by the difference between total state revenues of IDR1,185 trillion as of the end of May. The growth reached 19.1% (yoy). All revenue components grew positively. Tax revenues reached IDR834.4 trillion, climbing 22.1% from IDR683.3 trillion in May 2025. Customs and excise revenues also continued their positive growth from April, after contracting throughout the first quarter of 2026. Realization reached IDR123.8 trillion, increased 0.7% (yoy). Meanwhile, non-tax state revenues (PNBP) have reached IDR226.4 trillion, growing 19.9% (yoy). Overall Government spending was recorded at IDR1,365.4 trillion, up 34.4% (yoy). The Minister of Finance stated that this growth aligns with the government's strategy to balance spending throughout the year. Furthermore, the primary balance recorded a surplus of IDR58.6 trillion. This continues the positive trend at the end of April after experiencing a deficit throughout the first quarter of 2026. Meanwhile, the Organization for Economic Co-operation and Development (OECD) projects that Indonesia's 2026 state budget deficit will widen to the fiscal limit of 3% of Gross Domestic Product (GDP). In the June 2026 edition of the OECD Economic Outlook report, the international institution explained that the estimated fiscal deficit is higher than the government's initial target.

Corporate News

PT Medco Energi Internasional Tbk (MEDC) plans to exercise a call option on its Shelf-Registered Bond V Phase I 2023 Series B with a principal value of IDR260 billion. In an announcement made by the Company on Friday (June 5th), the measure was taken as part of the Company's liability management and financial management strategy. MEDC explained that the call option plan refers to Amendment II to the Trustee Agreement of Shelf-Registered Bond V Phase I 2023, as outlined in Deed No. 66 dated June 23, 2023. The Company stated that the call option will be exercised on all Series B Bonds issued through a public offering with a principal value of IDR260 billion. The call option premium is set at 103.650% of the bond's principal value. The call option exercise is scheduled for July 7, 2026. The bond's yield to maturity is recorded at 8.52%. Management stated that the exercise of this purchase option is part of the Company's liability management strategy to optimize the funding structure and support the company's future financial management needs.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.78	-49	6.92%	95.78
FR0108	9.9	-72	6.85%	97.53
FR0106	14.2	-101	7.01%	101.00
FR0107	19.2	-63	6.97%	101.60

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.98	7.00	-2.40
Turkey	32.0	31.8	24.0
Singapore	2.07	2.07	-0.20
Thailand	2.21	2.23	-1.70
Malaysia	3.57	3.56	0.80
Korea	4.25	4.23	2.40
China	1.72	1.71	0.90
Japan	2.66	2.66	-0.10
US	4.53	4.48	5.60

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,188.4	17.4%
Bank Indonesia	1,881.8	27.5%
Mutual Fund	259.4	3.79%
Insurance & Pension Fund	1,389.5	20.3%
Foreigners	865.2	12.6%
Individual	552.7	8.07%
Others	710.1	10.4%
Total	6,847.0	100.0%

Source: DJPPR (as of May 22, 2026)

Currency Movement

FX Rate	5-Jun	(-1 day)	Chg. (%)
USD/IDR	18020	18033	-0.07%
EUR/USD	1.152	1.161	-0.77%
GBP/USD	1.334	1.342	-0.61%
USD/JPY	160.3	160.0	0.17%
USD/SGD	1.291	1.285	0.47%
USD/MYR	4.030	4.012	0.45%

Source: Bloomberg

Money Market

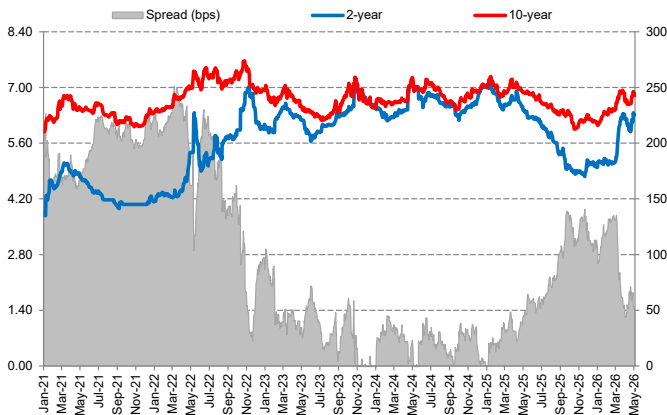
	5-Jun	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.90	5.90	5.90	5.90
1M	5.03	5.03	5.03	5.03
3M	5.46	5.46	5.46	5.46
LIBOR				
1M	4.96	4.96	4.96	4.96
3M	4.85	4.85	4.85	4.85
6M	4.68	4.68	4.68	4.68

Indonesia Interest Rates

Deposit 1M	3.73	3.70	3.74	3.63
Lending	15.1	14.8	14.7	14.3

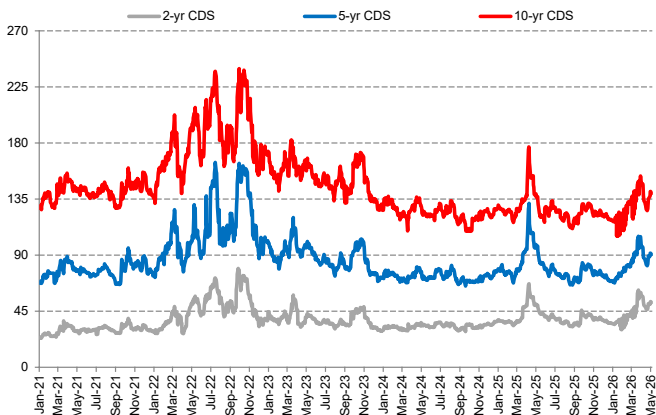
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
June 1, 2026	S&P Global Manufacturing PMI
June 2, 2026	JOLTs Job Openings
June 3, 2026	ADP Employment; Factory Orders
June 4, 2026	Initial Jobless Claims
June 5, 2026	US Employment Report (Non-Farm Payrolls)
June 8, 2026	Consumer Inflation Expectations
June 9, 2026	Balance of Trade
June 10, 2026	Consumer Price Index (CPI)
June 11, 2026	Initial Jobless Claims; Producer Price Index (PPI)
June 12, 2026	Michigan Consumer Sentiment

Indonesia Economic Calendar

Date	Report
June 1, 2026	---
June 2, 2026	Sukuk Auction; Inflation Rate
June 3, 2026	Trade Balance
June 4, 2026	S&P Global Manufacturing PMI
June 5, 2026	---
June 8, 2026	Foreign Exchange Reserves
June 9, 2026	Conventional Auction
June 10, 2026	Consumer Confidence
June 11, 2026	Retail Sales
June 12, 2026	Indonesia's International Investment Position

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
26-May-26	SPN12260702	01-mo	36,000	1,305	57,305	-	36,850	-
	SPN03260831	03-mo		1,721		1,000		5.900%
	SPN12270517	12-mo		4,667		3,700		6.500%
	FR0109	05-yr		20,197		14,450		6.670%
	FR0108	10-yr		8,488		3,150		6.700%
	FR0106	14-yr		6,142		5,000		6.860%
	FR0107	19-yr		5,942		3,500		6.869%
	FR0102	29-yr		4,668		4,050		6.970%
	FR0105	39-yr		4,175		2,000		6.980%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

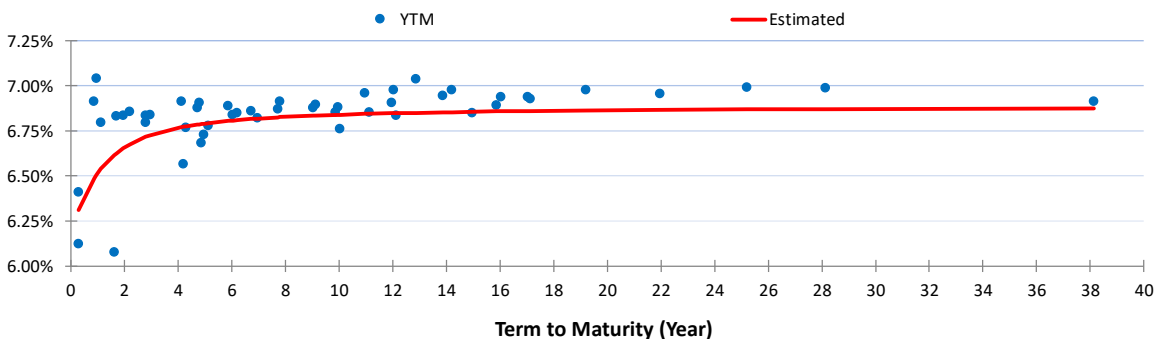
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
2-Jun-26	SPNS13072026	01-mo	12,000	2,100	26,047	1,000	8,850	6.200%
	SPNS23112026	06-mo		2,710		2,550		6.400%
	SPNS01032027	09-mo		5,335		4,000		6.680%
	PBS030	02-yr		5,154		300		6.689%
	PBS040	04-yr		2,292		200		6.697%
	PBS034	13-yr		2,572		500		6.849%
	PBS005	17-yr		2,477		100		6.795%
	PBS038	23-yr		3,407		200		6.908%

Source: DJPPR

Government Bonds Prices
Closing Data: 5-Jun-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.28	12.00%	101.50	6.123%	6.311%	101.50	1	0.269	Fair
FR0056	15-Sep-26	0.28	8.375%	100.48	6.409%	6.311%	100.53	5	0.269	Fair
FR0090	15-Apr-27	0.86	5.125%	98.54	6.912%	6.486%	98.87	33	0.820	Cheap
FR0059	15-May-27	0.94	7.000%	99.96	7.042%	6.505%	100.44	48	0.895	Cheap
FR0042	15-Jul-27	1.11	10.25%	103.59	6.794%	6.538%	103.90	31	1.006	Cheap
FR0094	15-Jan-28	1.61	5.600%	99.28	6.077%	6.616%	98.46	-81	1.485	Dear
FR0047	15-Feb-28	1.70	10.00%	104.95	6.830%	6.626%	105.31	36	1.510	Cheap
FR0064	15-May-28	1.95	6.125%	98.73	6.835%	6.653%	99.05	32	1.794	Cheap
FR0095	15-Aug-28	2.20	6.375%	99.03	6.855%	6.676%	99.38	35	1.978	Cheap
FR0071	15-Mar-29	2.78	9.000%	105.46	6.795%	6.716%	105.68	23	2.401	Cheap
FR0101	15-Mar-29	2.78	6.875%	100.10	6.833%	6.716%	100.38	29	2.455	Cheap
FR0078	15-May-29	2.95	8.250%	103.68	6.840%	6.725%	104.01	32	2.579	Cheap
FR0104	15-Jul-30	4.11	6.500%	98.54	6.913%	6.770%	99.04	50	3.459	Cheap
FR0052	15-Aug-30	4.20	10.50%	114.18	6.565%	6.772%	113.40	-78	3.348	Dear
FR0082	15-Sep-30	4.28	7.000%	100.83	6.769%	6.774%	100.81	-2	3.595	Fair
FR0087	15-Feb-31	4.70	6.500%	98.50	6.877%	6.784%	98.86	36	3.904	Cheap
FR0109	15-Mar-31	4.78	5.875%	95.86	6.907%	6.786%	96.32	47	4.027	Cheap
FR0085	15-Apr-31	4.86	7.750%	104.34	6.684%	6.788%	103.92	-42	3.986	Dear
FR0073	15-May-31	4.95	8.750%	108.35	6.729%	6.789%	108.11	-24	4.002	Dear
FR0054	15-Jul-31	5.11	9.500%	111.56	6.779%	6.792%	111.51	-4	3.955	Fair
FR0091	15-Apr-32	5.87	6.375%	97.56	6.887%	6.805%	97.94	38	4.761	Cheap
FR0058	15-Jun-32	6.03	8.250%	106.86	6.839%	6.807%	107.03	17	4.583	Cheap
FR0074	15-Aug-32	6.20	7.500%	103.22	6.850%	6.809%	103.43	21	4.816	Cheap
FR0096	15-Feb-33	6.70	7.000%	100.74	6.858%	6.815%	100.97	23	5.176	Cheap
FR0065	15-May-33	6.95	6.625%	98.94	6.819%	6.818%	98.94	1	5.461	Fair
FR0100	15-Feb-34	7.70	6.625%	98.54	6.870%	6.824%	98.81	27	5.818	Cheap
FR0068	15-Mar-34	7.78	8.375%	108.67	6.911%	6.825%	109.22	55	5.664	Cheap
FR0080	15-Jun-35	9.03	7.500%	104.14	6.876%	6.834%	104.43	29	6.330	Cheap
FR0103	15-Jul-35	9.12	6.750%	99.02	6.896%	6.834%	99.43	41	6.535	Cheap
FR0108	15-Apr-36	9.87	6.500%	97.51	6.851%	6.838%	97.59	9	7.087	Fair
FR0072	15-May-36	9.95	8.250%	109.73	6.881%	6.839%	110.06	33	6.857	Cheap
FR0088	15-Jun-36	10.04	6.250%	96.32	6.762%	6.839%	95.77	-55	7.082	Dear
FR0045	15-May-37	10.95	9.750%	121.13	6.957%	6.843%	122.13	100	7.071	Cheap
FR0093	15-Jul-37	11.12	6.375%	96.31	6.854%	6.844%	96.38	7	7.601	Fair
FR0075	15-May-38	11.95	7.500%	104.79	6.904%	6.847%	105.26	48	7.886	Cheap
FR0098	15-Jun-38	12.04	7.125%	101.20	6.976%	6.847%	102.25	105	7.761	Cheap
FR0050	15-Jul-38	12.12	10.50%	129.85	6.833%	6.847%	129.72	-12	7.270	Dear
FR0079	15-Apr-39	12.87	8.375%	111.19	7.036%	6.850%	112.89	170	8.006	Cheap
FR0083	15-Apr-40	13.87	7.500%	104.87	6.945%	6.853%	105.72	85	8.591	Cheap
FR0106	15-Aug-40	14.21	7.125%	101.33	6.975%	6.853%	102.43	110	8.699	Cheap
FR0057	15-May-41	14.95	9.500%	124.54	6.848%	6.855%	124.48	-6	8.638	Fair
FR0062	15-Apr-42	15.87	6.375%	95.05	6.892%	6.857%	95.37	33	9.624	Cheap
FR0092	15-Jun-42	16.04	7.125%	101.78	6.939%	6.857%	102.58	80	9.225	Cheap
FR0097	15-Jun-43	17.04	7.125%	101.86	6.936%	6.859%	102.64	78	9.533	Cheap
FR0067	15-Jul-43	17.12	8.750%	118.41	6.927%	6.859%	118.86	45	9.212	Cheap
FR0107	15-Aug-45	19.21	7.125%	101.55	6.976%	6.862%	102.77	121	10.23	Cheap
FR0076	15-May-48	21.96	7.375%	104.67	6.956%	6.865%	105.73	106	11.00	Cheap
FR0089	15-Aug-51	25.21	6.875%	98.63	6.990%	6.868%	100.07	143	11.57	Cheap
FR0102	15-Jul-54	28.13	6.875%	98.61	6.988%	6.870%	100.05	144	11.95	Cheap
FR0105	15-Jul-64	38.14	6.875%	99.50	6.912%	6.875%	99.99	49	13.04	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation





Research Team		
Helmi Therik, FRM	Head of Research	helmi@shinhan.com
Billy Ibrahim Djaya	Research Analyst	billy.ibrahim@shinhan.com
Muhammad Adra Wijasena	Fixed Income Analyst	adra.wijasena@shinhan.com

Office
<p>PT. Shinhan Sekuritas Indonesia Member of Indonesia Stock Exchange</p>
<p>Head Office : Equity Tower Floor. 50 Sudirman Central Business District Lot 9 Jl. Jend. Sudirman Kav. 52-53 Senayan Jakarta 12920 Indonesia Telp.: (+62-21) 80869900 Fax : (+62-21) 22057925</p>

Disclaimer: All opinions and estimates included in this report constitute our judgments as of the date of this report and are subject to changes without notice. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. It is not an offer to sell or solicitation of an offer to buy any securities. Clients should consider whether it is suitable for their particular circumstances before acting on any opinions and recommendations in this report. This report is distributed to our clients only, and any unauthorized use, duplication, or redistribution of this report is prohibited.