Daily Bond Market Update

August 14, 2026

Market Review

Government bond prices closed higher in trading on Thursday (13/07). Indonesia Composite Bond Index increased by 0.11% to 433.65. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 5.1 bps and 2.9 bps to 7.08% and 7.16%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark declined 3.7 bps and 3.1 bps to 7.21% and 7.20%, respectively.

The producer price index (PPI), a measure of underlying inflation pressures, was unchanged in July. The figure was below the 0.2% Dow Jones consensus estimate and after falling 0.1% in June. The June figure was revised from a previously reported decline of 0.3%. Excluding food and energy, the core PPI rose 0.2%, against the forecast for a 0.3% gain. The core PPI excluding trade services increased 0.4%. On an annual basis, the headline PPI increased 4.7% for the all-items index and 4.2% for core, according to unadjusted figures. The report follows several other indicators telling a similar story—that after a ramp-up in inflation earlier this year fueled by the Iran war and President Donald Trump's tariffs, the rate of price increases is beginning to ease. Stock market futures were positive after the report while Treasury yields were lower. Traders further reduced the odds for a September rate hike from the Federal Reserve. Services prices rose 0.2% for the month, pushed by a 6.5% surge in portfolio management. Federal Reserve officials have been weighing the various inputs to the price picture as several key officials have been pushing for interest rate hikes to get inflation back to the central bank's 2% target. Market expectations have switched in recent days, with traders now pricing in a rate hike in October or December after putting heavy odds that the Federal Open Market Committee would move at its next meeting on Sept. 15-16. In other economic news Thursday, initial jobless claims rose to a seasonally adjusted 209,000 for the week ended Aug. 8, up 9,000 from the prior period and above the 204,000 estimate.

Credit growth accelerated to 12.67% year-on-year (yoy), up from 11.51% the previous month, with total outstanding loans reaching IDR 9,081 trillion. By usage type, investment loans recorded the highest growth at 24.9%, followed by working capital loans at 8.94% and consumer loans at 5.75%. Loans to micro, small, and medium enterprises (MSMEs) also maintained a positive trend, growing by 1.05% (yoy), although this pace remained relatively modest compared to corporate loans, which surged by 20.45%. A development requiring public attention—particularly among young people fond of online shopping—is the spike in bank-provided "Buy Now Pay Later" (BNPL) financing. As of June 2026, outstanding BNPL balances grew by 33.54% (yoy) to IDR 30.7 trillion, with the number of user accounts reaching 32.77 million. Meanwhile, BNPL financing provided by finance companies grew even faster, rising 57.02% (yoy) to IDR 13.40 trillion. Regarding savings, Third-Party Funds (DPK)—or public deposits in banks—grew by 10.21% (yoy) to IDR 10,282 trillion, with savings accounts recording the fastest growth among deposit types at 12.16%. Although credit growth outpaced deposit growth, causing a slight decline in banking liquidity ratios, the Financial Services Authority (OJK) confirmed that liquidity levels remain well above the safety threshold. In terms of credit health, quality actually improved; the gross non-performing loan (NPL) ratio fell to 2.09% from 2.17% the previous month. Meanwhile, bank profitability (Return on Assets/ROA) stood at 2.47%, and bank capitalization (Capital Adequacy Ratio/CAR) remained strong at 23.70%.

Corporate News

PEFINDO has affirmed its idB ratings for PT PP Properti Tbk (PPRO). Outlook for the corporate rating is stable. The rating reflects the Company's relatively diversified property locations, very weak financial profile, and its sensitivity to changes in macroeconomic conditions. In PEFINDO’s view, PPRO's capacity to serve its financial obligations under the homologation scheme will remain vulnerable in the medium term amid its efforts to execute its business initiatives and improve its operating performance. PEFINDO may consider a rating upgrade if PPRO is able to strengthen its operating management post-restructuring and bring a significant improvement in its EBITDA generation, combined with an improved financial profile, including stronger cash generation from asset sales to accelerate debt repayment. The rating may be lowered if there is a strong indication that the Company faces liquidity pressure to serve its financial obligations.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.59	20	7.08%	95.34
FR0108	9.68	19	7.16%	95.44
FR0106	14.0	32	7.21%	99.27
FR0107	19.0	33	7.20%	99.28

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.76	6.78	-2.00
Turkey	32.3	32.3	-6.50
Singapore	2.26	2.27	-1.10
Thailand	2.04	2.04	-0.60
Malaysia	3.74	3.74	0.10
Korea	4.30	4.30	0.00
China	1.70	1.70	-0.60
Japan	2.87	2.85	2.20
US	4.64	4.70	-5.10

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,162.9	16.7%
Bank Indonesia	1,900.2	27.3%
Mutual Fund	250.5	3.59%
Insurance & Pension Fund	1,433.2	20.6%
Foreigners	**895.6**	**12.8%**
Individual	588.0	8.43%
Others	740.6	10.6%
Total	**6,970.9**	**100.0%**

Source: DJPPR (as of August 12, 2026)

Currency Movement

FX Rate	13-Aug	(-1 day)	Chg. (%)
USD/IDR	17870	17875	-0.03%
EUR/USD	1.153	1.153	0.02%
GBP/USD	1.349	1.350	-0.06%
USD/JPY	159.5	159.4	0.05%
USD/SGD	1.281	1.281	0.00%
USD/MYR	4.087	4.085	0.04%

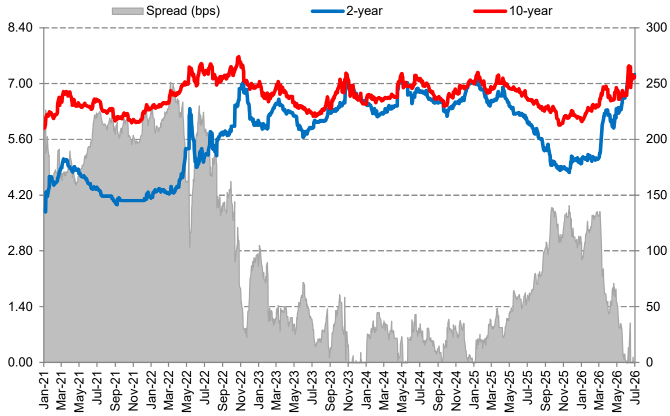
Source: Bloomberg

Money Market

	13-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	4.15	4.12	4.12	4.03
Lending	14.7	14.8	14.9	15.0

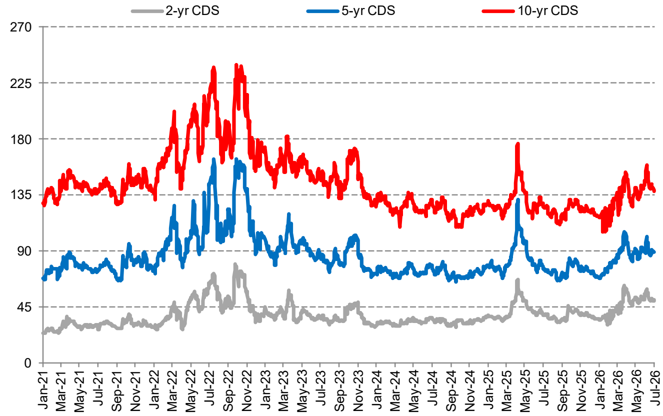
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
August 10, 2026	**---**
August 11, 2026	**NFIB Index of Small Business Optimism**
August 12, 2026	**Consumer Price Index**
August 13, 2026	**Initial Jobless Claims; Producer Price Index**
August 14, 2026	**Retail Sales**
August 17, 2026	**NY Empire State Manufacturing Index**
August 18, 2026	**Industrial Production**
August 19, 2026	**---**
August 20, 2026	**Initial Jobless Claims; FOMC Minutes**
August 21, 2026	**S&P Global Manufacturing PMI Flash**

Indonesia Economic Calendar

Date	Report
August 10, 2026	**Consumer Confidence**
August 11, 2026	**Sukuk Auction; Retail Sales**
August 12, 2026	**---**
August 13, 2026	**---**
August 14, 2026	**---**
August 17, 2026	**---**
August 18, 2026	**Conventional Auction; External Debt**
August 19, 2026	**Interest Rate Decision**
August 20, 2026	**---**
August 21, 2026	**Balance of Payment; M2 Money Supply**

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
4-Aug-26	SPN01260905	01-mo	**32,000**	2,205	**70,719**	1,000	**32,000**	6.890%
	SPN12261105	03-mo		2,676		1,000		7.040%
	SPN12270805	12-mo		5,320		5,000		7.150%
	FR0110	06-yr		34,494		15,800		7.296%
	FR0108	10-yr		10,151		3,800		7.320%
	FR0106	14-yr		8,017		1,200		7.350%
	FR0107	19-yr		4,223		3,050		7.350%
	FR0102	29-yr		1,725		400		7.370%
	FR0105	39-yr		1,908		750		7.389%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

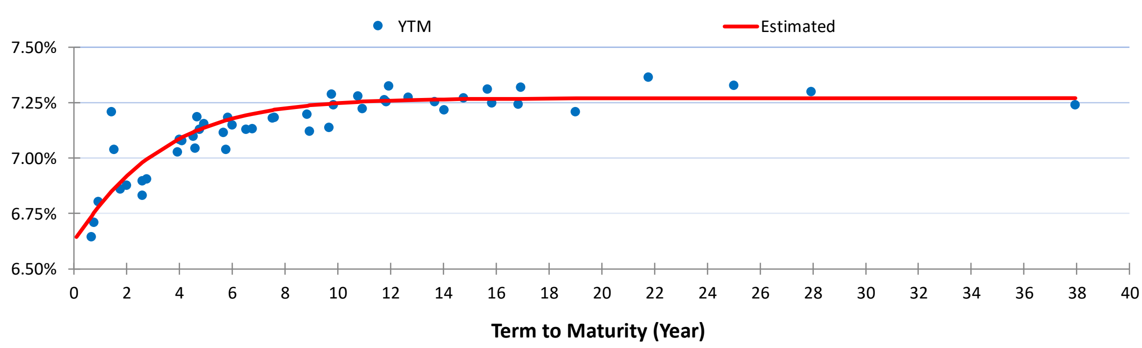
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
11-Aug-26	SPNS08092026	01-mo	**10,000**	2,177	**39,085**	450	**12,000**	6.800%
	SPNS03022027	06-mo		3,745		1,000		6.900%
	SPNS12042027	09-mo		7,740		2,050		7.000%
	PBS030	02-yr		8,673		3,900		7.060%
	PBS040	04-yr		6,874		2,550		7.130%
	PBSG02	07-yr		3,758		700		7.196%
	PBS034	13-yr		3,046		850		7.230%
	PBS038	23-yr		3,072		500		7.245%

Source: DJPPR

Government Bonds Prices
Closing Data: 13-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.09	12.00%	100.47	5.513%	6.642%	100.45	-2	0.087	Fair
FR0056	15-Sep-26	0.09	8.375%	100.16	5.996%	6.642%	100.13	-3	0.087	Fair
FR0090	15-Apr-27	0.67	5.125%	99.03	6.644%	6.740%	98.95	-8	0.638	Fair
FR0059	15-May-27	0.75	7.000%	100.19	6.708%	6.753%	100.16	-3	0.715	Fair
FR0042	15-Jul-27	0.92	10.25%	102.97	6.802%	6.778%	103.04	7	0.868	Fair
FR0094	15-Jan-28	1.42	5.600%	97.88	7.208%	6.849%	98.33	45	1.332	Cheap
FR0047	15-Feb-28	1.51	10.00%	104.13	7.038%	6.860%	104.42	29	1.325	Cheap
FR0064	15-May-28	1.76	6.125%	98.80	6.859%	6.890%	98.74	-6	1.612	Fair
FR0095	15-Aug-28	2.01	6.375%	99.08	6.876%	6.919%	99.00	-9	1.793	Fair
FR0071	15-Mar-29	2.59	9.000%	105.04	6.830%	6.979%	104.70	-34	2.219	Dear
FR0101	15-Mar-29	2.59	6.875%	99.94	6.896%	6.979%	99.75	-19	2.273	Dear
FR0078	15-May-29	2.76	8.250%	103.29	6.904%	6.994%	103.08	-21	2.397	Dear
FR0104	15-Jul-30	3.92	6.500%	98.22	7.026%	7.083%	98.03	-19	3.384	Dear
FR0052	15-Aug-30	4.01	10.50%	111.70	7.083%	7.088%	111.72	2	3.147	Fair
FR0082	15-Sep-30	4.09	7.000%	99.72	7.078%	7.093%	99.67	-5	3.405	Fair
FR0087	15-Feb-31	4.51	6.500%	97.74	7.097%	7.117%	97.66	-8	3.712	Fair
FR0109	**15-Mar-31**	**4.59**	**5.875%**	**95.49**	**7.043%**	**7.121%**	**95.19**	**-30**	**3.841**	**Dear**
FR0085	15-Apr-31	4.67	7.750%	102.19	7.184%	7.125%	102.43	24	3.785	Cheap
FR0073	15-May-31	4.76	8.750%	106.41	7.129%	7.129%	106.42	2	3.806	Fair
FR0054	15-Jul-31	4.92	9.500%	109.55	7.155%	7.137%	109.65	10	3.922	Cheap
FR0091	15-Apr-32	5.68	6.375%	96.60	7.113%	7.167%	96.35	-25	4.568	Dear
FR0110	15-May-32	5.76	7.250%	100.98	7.036%	7.170%	100.36	-63	4.571	Dear
FR0058	15-Jun-32	5.84	8.250%	105.00	7.181%	7.173%	105.05	5	4.559	Fair
FR0074	15-Aug-32	6.01	7.500%	101.69	7.147%	7.178%	101.55	-15	4.615	Dear
FR0096	15-Feb-33	6.52	7.000%	99.34	7.129%	7.193%	99.01	-33	4.974	Dear
FR0065	15-May-33	6.76	6.625%	97.31	7.132%	7.200%	96.95	-36	5.259	Dear
FR0100	15-Feb-34	7.52	6.625%	96.83	7.180%	7.216%	96.62	-21	5.607	Dear
FR0068	15-Mar-34	7.59	8.375%	106.86	7.183%	7.217%	106.66	-20	5.458	Dear
FR0080	15-Jun-35	8.84	7.500%	101.95	7.195%	7.236%	101.69	-27	6.339	Dear
FR0103	15-Jul-35	8.93	6.750%	97.58	7.120%	7.237%	96.83	-75	6.546	Dear
FR0108	**15-Apr-36**	**9.68**	**6.500%**	**95.60**	**7.137%**	**7.245%**	**94.87**	**-73**	**6.866**	**Dear**
FR0072	15-May-36	9.76	8.250%	106.62	7.287%	7.246%	106.92	30	6.619	Cheap
FR0088	15-Jun-36	9.85	6.250%	93.11	7.240%	7.246%	93.06	-5	7.063	Fair
FR0045	15-May-37	10.76	9.750%	118.17	7.279%	7.253%	118.41	23	6.836	Cheap
FR0093	15-Jul-37	10.93	6.375%	93.67	7.222%	7.254%	93.44	-23	7.605	Dear
FR0075	15-May-38	11.76	7.500%	101.84	7.262%	7.258%	101.88	4	7.634	Fair
FR0098	15-Jun-38	11.85	7.125%	98.99	7.252%	7.258%	98.94	-5	7.796	Fair
FR0050	15-Jul-38	11.93	10.50%	124.93	7.325%	7.259%	125.56	63	7.280	Cheap
FR0079	15-Apr-39	12.68	8.375%	108.99	7.274%	7.261%	109.11	12	7.769	Cheap
FR0083	15-Apr-40	13.68	7.500%	102.09	7.254%	7.264%	102.01	-8	8.327	Fair
FR0106	**15-Aug-40**	**14.02**	**7.125%**	**99.21**	**7.216%**	**7.264%**	**98.79**	**-42**	**8.446**	**Dear**
FR0057	15-May-41	14.76	9.500%	119.94	7.270%	7.265%	120.01	6	8.331	Fair
FR0062	15-Apr-42	15.68	6.375%	91.36	7.309%	7.266%	91.73	37	9.298	Cheap
FR0092	15-Jun-42	15.85	7.125%	98.85	7.247%	7.267%	98.67	-18	9.259	Dear
FR0097	15-Jun-43	16.85	7.125%	98.86	7.242%	7.267%	98.62	-24	9.565	Dear
FR0067	15-Jul-43	16.93	8.750%	114.01	7.318%	7.267%	114.29	29	9.219	Cheap
FR0107	**15-Aug-45**	**19.02**	**7.125%**	**99.16**	**7.207%**	**7.268%**	**98.53**	**-63**	**9.93**	**Dear**
FR0076	15-May-48	21.77	7.375%	100.11	7.363%	7.269%	101.13	102	10.57	Cheap
FR0089	15-Aug-51	25.02	6.875%	94.85	7.327%	7.269%	95.49	64	11.13	Cheap
FR0102	15-Jul-54	27.94	6.875%	94.97	7.299%	7.269%	95.31	34	11.91	Cheap
FR0105	15-Jul-64	37.95	6.875%	95.31	7.239%	7.269%	94.93	-38	12.90	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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