Daily Bond Market Update

August 24, 2026

Market Review

Government bond prices closed mixed in trading on Friday (21/07). Indonesia Composite Bond Index decreased by 0.03% to 438.99. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark advanced 9.9 bps and 5.9 bps to 6.80% and 6.93%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark dropped 1.3 bps and 2.4 bps to 7.06% and 7.07%, respectively.

US government bond yields moved higher on Friday as investor jitters over the Treasury Department's extended debt repurchase program and soaring national debt continued to hover over markets. The 10-year USTreasury yield was up more than 3 basis points at 4.734%. Last Friday, the 10-year yielded as little as 4.63%, while yield on the 30-year US Treasury bond, one of the targets of the buyback plan, rose more than 3 basis points to 5.273%. A week ago, the long bond yielded 5.21%. Borrowing costs rebounded sharply Thursday, with both 10-year note and 30-year bond yields rising more than 5 basis points. That wiped out the 10-year yield's decline from Wednesday, when Treasury Secretary Scott Bessent intervened in the government bond market, ramping up in repurchases and aiming at easing pressure at the long end of the curve. Market participants are now looking ahead to Federal Reserve Chairman Kevin Warsh's upcoming speech at Jackson Hole Economic Policy Symposium, where he could offer insights on longer-term yields and the central bank's independence. The rise in bond yields and the Treasury's purchases all set the stage for what will be a very important Jackson Hole speech next week, which gives Warsh the opportunity to talk to markets, which are in need of more clarity on the central bank's plans. It seems as though Warsh wants the market to do the tightening for the Fed, and that's really what is happening with the recent surge in bond yields. Investors will also get the latest reading on the personal consumption expenditures price index, which is slated for release on Wednesday.

Bank Indonesia (BI) reported that economic liquidity, or broad money (M2), grew positively in July 2026, expanding by 8.3% year-on-year (yoy) to reach IDR10,371.1 trillion. This trend follows the 8.7% (yoy) growth recorded in June 2026. The expansion was driven by growth in narrow money (M1) of 10.0% (yoy) and quasi-money of 5.6% (yoy). M2 developments in July 2026 were primarily influenced by credit disbursement and net claims on the central government. Credit disbursement grew by 13.0% (yoy), an increase from the 12.1% (yoy) growth seen in June 2026. In this context, credit refers strictly to loans and excludes financial instruments treated as loans, such as debt securities, banker's acceptances, and repo claims. Furthermore, the credit figures exclude loans granted by overseas branches of commercial banks, as well as credit extended to the central government and non-residents. Meanwhile, net claims on the central government grew by 4.6% (yoy), following a 10.1% (yoy) growth in June 2026. BI also reported on adjusted reserve money (M0), which grew by 17.1% (yoy) in July 2026—up from 13.8% (yoy) in June 2026—to reach IDR2,254.5 trillion. This development was driven by a 17.1% (yoy) increase in adjusted commercial bank current accounts at Bank Indonesia and a 15.1% (yoy) rise in currency in circulation. Based on the factors influencing it, adjusted M0 growth accounts for the impact of liquidity incentives (adjusted monetary control). Money supply data is important to the bond market because it provides an indication of liquidity and monetary conditions in the economy. When money supply increases, financial-system liquidity generally becomes more abundant, which can increase demand for bonds and potentially push bond yields lower; conversely, slower money-supply growth or a contraction can reduce liquidity and put upward pressure on yields.

Corporate News

PEFINDO has assigned its idAA- rating with stable outlook to PT Bank Pembangunan Daerah Jawa Tengah (Bank Jateng). The rating reflects Bank Jateng's very strong business position supported by its captive market, as well as very strong capitalization indicators and liquidity profile. The rating is constrained by its moderate asset quality profile and concentrated funding profile. The rating could be raised if Bank Jateng strengthens its business profile substantially and consistently, accompanied by significant financial profile improvement. The rating may be lowered if Bank Jateng's business profile deteriorates substantially, such as through lost market presence, or if the financial profile weakens further, particularly in asset quality and profitability indicators.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.57	-38	6.80%	96.41
FR0108	9.66	-40	6.93%	96.97
FR0106	14.0	12	7.06%	100.57
FR0107	19.0	25	7.07%	100.58

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.87	6.85	2.00
Turkey	32.2	32.2	2.00
Singapore	2.34	2.36	-2.00
Thailand	2.10	2.09	0.80
Malaysia	3.79	3.76	2.60
Korea	4.38	4.33	5.10
China	1.69	1.69	0.10
Japan	2.88	2.85	3.20
US	4.74	4.71	2.90

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,155.7	16.6%
Bank Indonesia	1,909.0	27.4%
Mutual Fund	249.7	3.58%
Insurance & Pension Fund	1,433.5	20.5%
Foreigners	**896.4**	**12.8%**
Individual	588.9	8.44%
Others	743.5	10.7%
Total	**6,976.7**	**100.0%**

Source: DJPPR (as of August 18, 2026)

Currency Movement

FX Rate	21-Aug	(-1 day)	Chg. (%)
USD/IDR	17693	17746	-0.30%
EUR/USD	1.168	1.168	0.01%
GBP/USD	1.364	1.363	0.10%
USD/JPY	159.0	159.1	-0.06%
USD/SGD	1.269	1.272	-0.21%
USD/MYR	4.039	4.045	-0.16%

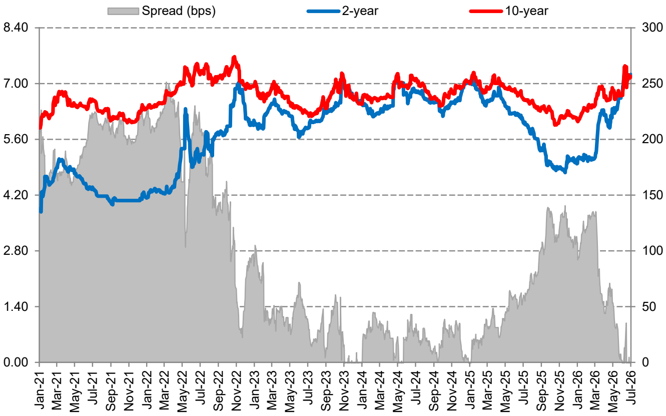
Source: Bloomberg

Money Market

	21-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	4.08	4.10	4.07	4.09
Lending	14.8	14.9	14.5	14.7

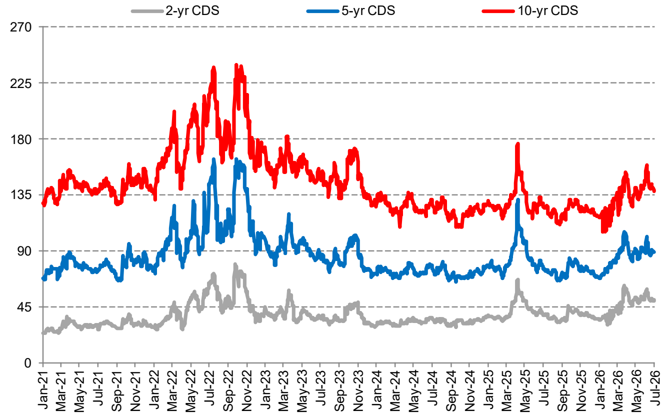
Source: Bloomberg

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
	SPN01260919	01-mo		670		-		-
	SPN03261118	03-mo		2,425		-		-
	SPN12270805	12-mo		8,632		-		-
	FR0110	06-yr		37,650		12,800		7.008%
18-Aug-26	FR0108	10-yr	**32,000**	16,187	**84,757**	10,300	**34,000**	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)

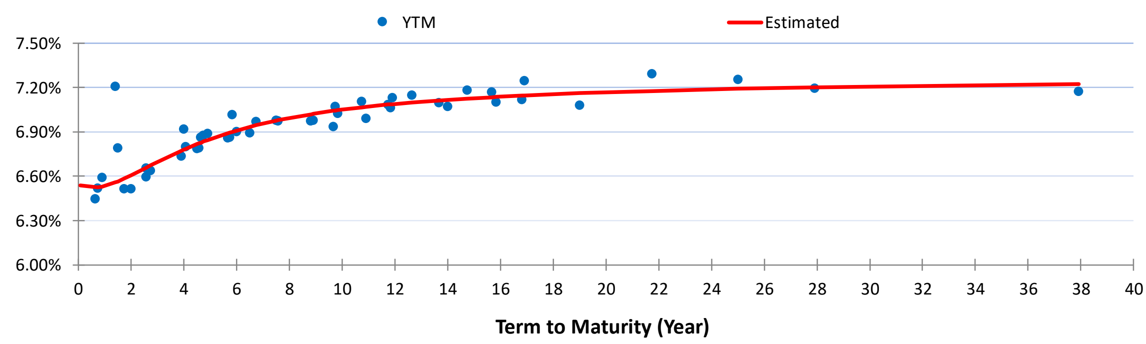
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
	SPNS08092026	01-mo		2,177		450		6.800%
	SPNS03022027	06-mo		3,745		1,000		6.900%
	SPNS12042027	09-mo		7,740		2,050		7.000%
11-Aug-26	PBS030	02-yr	**10,000**	8,673	**39,085**	3,900	**12,000**	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: 21-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.07	12.00%	100.33	5.620%	6.539%	100.35	2	0.066	Fair
FR0056	15-Sep-26	0.07	8.375%	100.13	5.713%	6.539%	100.11	-2	0.066	Fair
FR0090	15-Apr-27	0.65	5.125%	99.18	6.444%	6.523%	99.11	-7	0.618	Fair
FR0059	15-May-27	0.73	7.000%	100.32	6.517%	6.525%	100.32	0	0.694	Fair
FR0042	15-Jul-27	0.90	10.25%	103.09	6.590%	6.530%	103.19	10	0.848	Fair
FR0094	15-Jan-28	1.40	5.600%	97.91	7.206%	6.558%	98.73	82	1.311	Cheap
FR0047	15-Feb-28	1.49	10.00%	104.42	6.789%	6.564%	104.78	36	1.369	Cheap
FR0064	15-May-28	1.73	6.125%	99.37	6.511%	6.583%	99.25	-12	1.594	Dear
FR0095	15-Aug-28	1.99	6.375%	99.75	6.511%	6.605%	99.58	-17	1.833	Dear
FR0071	15-Mar-29	2.57	9.000%	105.57	6.594%	6.656%	105.44	-13	2.201	Dear
FR0101	15-Mar-29	2.57	6.875%	100.52	6.652%	6.656%	100.50	-2	2.255	Fair
FR0078	15-May-29	2.73	8.250%	103.94	6.636%	6.672%	103.87	-7	2.380	Fair
FR0104	15-Jul-30	3.90	6.500%	99.20	6.735%	6.771%	99.07	-12	3.370	Dear
FR0052	15-Aug-30	3.99	10.50%	112.25	6.917%	6.778%	112.80	55	3.278	Cheap
FR0082	15-Sep-30	4.07	7.000%	100.71	6.796%	6.785%	100.75	4	3.392	Fair
FR0087	15-Feb-31	4.49	6.500%	98.91	6.786%	6.816%	98.80	-11	3.824	Dear
FR0109	**15-Mar-31**	**4.57**	**5.875%**	**96.47**	**6.789%**	**6.821%**	**96.33**	**-13**	**3.828**	**Dear**
FR0085	15-Apr-31	4.65	7.750%	103.47	6.861%	6.827%	103.61	14	3.776	Cheap
FR0073	15-May-31	4.73	8.750%	107.43	6.875%	6.833%	107.63	19	3.794	Cheap
FR0054	15-Jul-31	4.90	9.500%	110.68	6.885%	6.844%	110.89	21	3.911	Cheap
FR0091	15-Apr-32	5.65	6.375%	97.76	6.858%	6.890%	97.61	-15	4.559	Dear
FR0110	15-May-32	5.74	7.250%	101.79	6.863%	6.894%	101.65	-15	4.559	Dear
FR0058	15-Jun-32	5.82	8.250%	105.80	7.014%	6.899%	106.37	57	4.546	Cheap
FR0074	15-Aug-32	5.99	7.500%	102.90	6.898%	6.908%	102.86	-4	4.777	Fair
FR0096	15-Feb-33	6.49	7.000%	100.55	6.893%	6.933%	100.34	-21	5.142	Dear
FR0065	15-May-33	6.74	6.625%	98.18	6.966%	6.944%	98.29	11	5.249	Cheap
FR0100	15-Feb-34	7.49	6.625%	97.98	6.976%	6.975%	97.98	0	5.793	Fair
FR0068	15-Mar-34	7.57	8.375%	108.13	6.972%	6.978%	108.10	-3	5.456	Fair
FR0080	15-Jun-35	8.82	7.500%	103.42	6.971%	7.019%	103.11	-31	6.343	Dear
FR0103	15-Jul-35	8.90	6.750%	98.51	6.976%	7.022%	98.22	-30	6.541	Dear
FR0108	**15-Apr-36**	**9.66**	**6.500%**	**96.98**	**6.933%**	**7.041%**	**96.24**	**-74**	**6.872**	**Dear**
FR0072	15-May-36	9.74	8.250%	108.19	7.068%	7.043%	108.38	19	6.629	Cheap
FR0088	15-Jun-36	9.82	6.250%	94.57	7.024%	7.045%	94.42	-15	7.071	Dear
FR0045	15-May-37	10.74	9.750%	119.62	7.102%	7.065%	119.94	33	6.845	Cheap
FR0093	15-Jul-37	10.91	6.375%	95.35	6.991%	7.069%	94.78	-57	7.622	Dear
FR0075	15-May-38	11.74	7.500%	103.27	7.083%	7.084%	103.26	0	7.648	Fair
FR0098	15-Jun-38	11.82	7.125%	100.47	7.063%	7.085%	100.30	-17	7.812	Dear
FR0050	15-Jul-38	11.91	10.50%	126.69	7.130%	7.087%	127.12	43	7.297	Cheap
FR0079	15-Apr-39	12.66	8.375%	110.10	7.146%	7.098%	110.53	42	7.778	Cheap
FR0083	15-Apr-40	13.66	7.500%	103.48	7.096%	7.112%	103.34	-14	8.348	Dear
FR0106	**15-Aug-40**	**13.99**	**7.125%**	**100.48**	**7.070%**	**7.116%**	**100.08**	**-41**	**8.767**	**Dear**
FR0057	15-May-41	14.74	9.500%	120.85	7.181%	7.125%	121.43	59	8.337	Cheap
FR0062	15-Apr-42	15.66	6.375%	92.60	7.169%	7.134%	92.90	30	9.325	Cheap
FR0092	15-Jun-42	15.83	7.125%	100.21	7.101%	7.136%	99.89	-32	9.288	Dear
FR0097	15-Jun-43	16.83	7.125%	100.08	7.115%	7.144%	99.80	-28	9.593	Dear
FR0067	15-Jul-43	16.91	8.750%	114.79	7.244%	7.145%	115.59	80	9.226	Cheap
FR0107	**15-Aug-45**	**19.00**	**7.125%**	**100.48**	**7.078%**	**7.160%**	**99.63**	**-85**	**10.33**	**Dear**
FR0076	15-May-48	21.75	7.375%	100.90	7.290%	7.176%	102.16	126	10.60	Cheap
FR0089	15-Aug-51	25.00	6.875%	95.67	7.253%	7.190%	96.37	70	11.57	Cheap
FR0102	15-Jul-54	27.92	6.875%	96.17	7.194%	7.200%	96.10	-7	11.98	Fair
FR0105	15-Jul-64	37.93	6.875%	96.13	7.173%	7.222%	95.51	-62	12.96	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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