

# Daily Bond Market Update

May 26, 2026

## Market Review

### Government bond prices closed higher in trading on Monday (25/05).

Indonesia Composite Bond Index increased by 0.13% to 437.44. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 4.7 bps and 6.2 bps to 6.61% and 6.63%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark advanced 1.4 bps and declined 1.3 bps to 6.84% and 6.80%, respectively.

### The US trade deficit with China has narrowed sharply in recent years.

According to data from the US Census Bureau, the goods trade deficit fell from \$382 billion in 2022 to \$202 billion in 2025. The trend has continued into 2026, with the deficit standing at \$33 billion in the first quarter alone. This decline has been driven primarily by weaker imports of Chinese goods. Imports to the US fell from \$536 billion in 2022 to \$308 billion in 2025. Exports to China also declined during the same period, dropping from \$154 billion to \$106 billion, although at a slower pace. As a result, the overall trade gap narrowed despite reduced trade flows in both directions. China's export slowdown to the United States during the trade war was partly offset by stronger shipments to other markets, particularly the European Union and ASEAN countries. At the same time, an analysis by the Center for Strategic and International Studies (CSIS) suggests that while the bilateral US-China trade deficit has decreased, the broader US trade imbalance with Asia has not followed the same pattern. Instead, manufacturing activity and trade flows appear to have shifted toward other Asian economies, including Taiwan, Vietnam, Thailand and India. Between 2018 and 2025, the US trade deficit with Taiwan alone increased by 865%, according to the CSIS analysis. The findings suggest that tariffs may have redirected supply chains and trade imbalances rather than substantially reducing their overall scale. Based on current quarterly figures, the US trade deficit with China could decline further in 2026 and potentially finish well below 2025 levels.

### Bank Indonesia (BI) recorded positive economic liquidity, or broad money supply (M2).

In April 2026, M2 was recorded at IDR10,253.7 trillion, representing 9.2% year-on-year (yoy) growth. This slowed from the previous month's 9.7% growth (yoy). Based on its components, the Money Supply Development Analysis states that M2 growth was supported by growth in narrow money supply (M1) of 13.6% (yoy) and quasi-money of 4.7% (yoy). Specifically, M1, with a 57.9% share of M2, was recorded at IDR5,936.1 trillion in April 2026, representing 13.6% (yoy) growth. M1 growth was influenced by growth in rupiah demand deposits of 21.3% (yoy). This continued the 26.4% (yoy) growth seen in March. Similarly, rupiah savings accounts for occasional withdrawals grew by 7.1% (yoy), lower than the previous month. Meanwhile, currency outside commercial banks and People's Economic Banks (BPR) in April 2026 was recorded at IDR1,186.3 trillion, representing a 15.7% (yoy) growth, higher than the 10.8% growth in the previous month. Furthermore, quasi-money, with a 41.5% share of M2, recorded positive growth of 4.7% (yoy) to IDR4,253.6 trillion in April 2026, continuing the 5.2% (yoy) growth in the previous month. This growth was driven by a 0.6% (yoy) growth in foreign currency demand deposits, compared to 4.3% (yoy) growth in March 2026. Meanwhile, time deposits and other savings grew by 4.6% (yoy) and 17.4% (yoy), respectively, following growth of 4.4% year-on-year and 16.2% (yoy) in the previous month. M2 growth in April 2026 was primarily driven by net claims on the Central Government. Net claims on the monetary system to Pempus grew by 38.6% (yoy), continuing the previous month's growth of 39.1% (yoy).

## Corporate News

### PEFINDO has assigned its idBBB+ rating with stable outlook to PT Pindad.

The rating reflects Pindad's position as a core subsidiary of PT Len Industri (Persero) (LEN), the holding company of DEFEND ID. The Company's standalone credit profile is supported by stable revenue from its firearms business segment and diversified product portfolio. However, these strengths are constrained by its aggressive capital structure and weak cash flow protection metrics, high dependence on the state budget, as well as exposure to fluctuations in raw material and component costs. Any change in the credit profile of DEFEND ID may trigger a similar rating action to Pindad. The rating could also be under pressure if Pindad's degree of importance to DEFEND ID deteriorates, as indicated by the Company's lower contribution.

## IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.81	19	6.61%	97.02
FR0108	9.9	44	6.63%	99.06
FR0106	14.2	-13	6.84%	102.57
FR0107	19.2	14	6.80%	103.39

Source: PHEI

## 10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	7.03	7.09	-6.40
Turkey	32.9	33.3	-45.0
Singapore	2.06	2.11	-5.10
Thailand	2.34	2.37	-3.20
Malaysia	3.58	3.60	-1.90
Korea	4.14	4.14	0.00
China	1.75	1.75	0.10
Japan	2.69	2.75	-5.70
US	4.56	4.56	0.00

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%
<b>Foreigners</b>	<b>865.2</b>	<b>12.6%</b>
Individual	552.7	8.07%
Others	710.1	10.4%
<b>Total</b>	<b>6,847.0</b>	<b>100.0%</b>

Source: DJPPR (as of May 22, 2026)

## Currency Movement

FX Rate	25-May	(-1 day)	Chg. (%)
USD/IDR	17743	17709	0.19%
EUR/USD	1.164	1.160	0.35%
GBP/USD	1.350	1.343	0.53%
USD/JPY	158.9	159.2	-0.17%
USD/SGD	1.277	1.280	-0.23%
USD/MYR	3.953	3.969	-0.41%

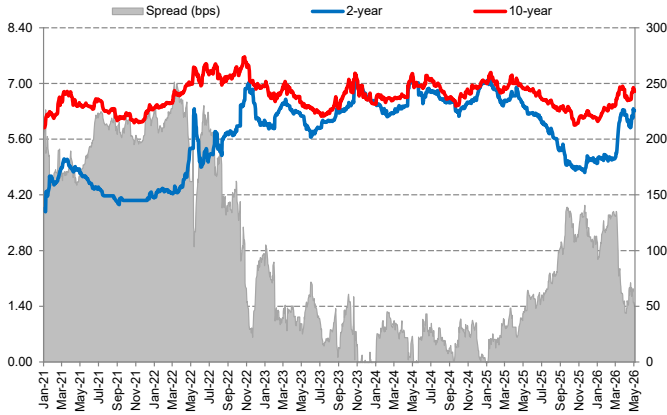
Source: Bloomberg

## Money Market

	25-May	(-1 day)	(-1 week)	(-1 month)
<b>JIBOR</b>				
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
<b>LIBOR</b>				
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
<b>Indonesia Interest Rates</b>				
Deposit 1M	3.74	3.68	3.61	3.56
Lending	15.0	15.0	14.6	14.3

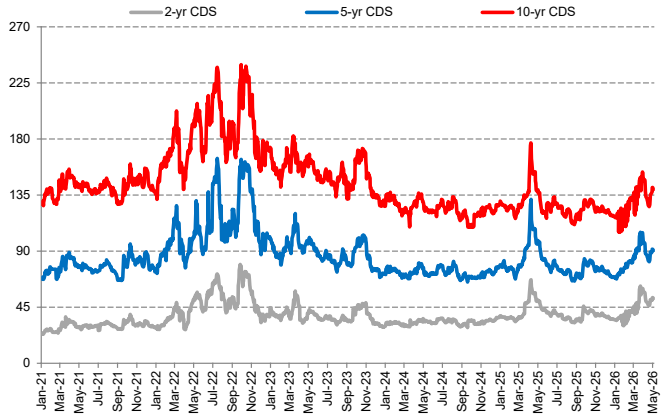
Source: Bloomberg

### Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

### Credit Default Swap



Source: Bloomberg

### US Economic Calendar

Date	Report
May 18, 2026	---
May 19, 2026	Pending Home Sales
May 20, 2026	Minutes of Fed's May FOMC Meeting
May 21, 2026	Initial Jobless Claims
May 22, 2026	Consumer Sentiment
May 25, 2026	---
May 26, 2026	CB Consumer Confidence
May 27, 2026	Money Supply
May 28, 2026	Initial Jobless Claims; PCE Price Index
May 29, 2026	Durable Goods Orders

### Indonesia Economic Calendar

Date	Report
May 18, 2026	External Debt Position
May 19, 2026	Sukuk Auction
May 20, 2026	Interest Rate Decision
May 21, 2026	---
May 22, 2026	Balance of Payments; M2 Money Supply
May 25, 2026	---
May 26, 2026	Conventional Auction
May 27, 2026	---
May 28, 2026	---
May 29, 2026	---

### Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
12-May-26	SPN01260617	01-mo	36,000	4,195	51,399	3,850	30,300	5.250%
	SPN12260813	03-mo		1,651		1,650		5.900%
	SPN12270517	12-mo		4,260		1,000		6.150%
	FR0109	05-yr		14,982		3,350		6.679%
	FR0108	10-yr		7,482		4,200		6.730%
	FR0106	14-yr		4,891		4,450		6.840%
	FR0107	19-yr		5,175		4,400		6.830%
	FR0102	29-yr		4,717		4,300		6.919%
	FR0105	39-yr		4,046		3,100		6.930%

Source: DJPPR

### Auction Result: Sukuk (in Billion IDR)

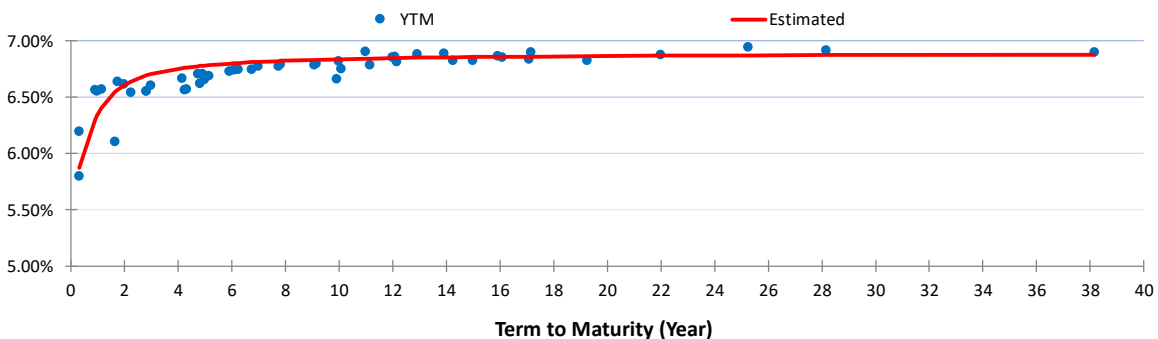
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
19-May-26	SPNS13072026	01-mo	12,000	930	18,795	500	12,000	5.750%
	SPNS23112026	06-mo		1,589		1,500		5.850%
	SPNS03022027	09-mo		4,499		2,450		6.100%
	PBS030	02-yr		3,664		1,250		6.540%
	PBS040	04-yr		1,184		500		6.597%
	PBSG02	07-yr		1,590		750		6.749%
	PBS034	13-yr		640		600		6.810%
	PBS038	23-yr		4,699		4,450		6.870%

Source: DJPPR

**Government Bonds Prices**  
Closing Data: 25-May-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.31	12.00%	101.77	5.797%	5.871%	101.81	4	0.298	Fair
FR0056	15-Sep-26	0.31	8.375%	100.60	6.193%	5.871%	100.73	12	0.298	Cheap
FR0090	15-Apr-27	0.89	5.125%	98.79	6.560%	6.297%	98.99	21	0.850	Cheap
FR0059	15-May-27	0.97	7.000%	100.41	6.553%	6.335%	100.62	21	0.926	Cheap
FR0042	15-Jul-27	1.14	10.25%	103.93	6.570%	6.402%	104.15	22	1.037	Cheap
FR0094	15-Jan-28	1.64	5.600%	99.23	6.102%	6.542%	98.55	-68	1.514	Dear
FR0047	15-Feb-28	1.73	10.00%	105.35	6.638%	6.559%	105.51	16	1.542	Cheap
FR0064	15-May-28	1.98	6.125%	99.11	6.614%	6.601%	99.13	2	1.825	Fair
FR0095	15-Aug-28	2.23	6.375%	99.65	6.540%	6.634%	99.46	-19	2.011	Dear
FR0071	15-Mar-29	2.81	9.000%	106.15	6.552%	6.689%	105.81	-34	2.433	Dear
FR0101	15-Mar-29	2.81	6.875%	100.82	6.552%	6.689%	100.46	-37	2.488	Dear
FR0078	15-May-29	2.98	8.250%	104.37	6.600%	6.701%	104.11	-26	2.612	Dear
FR0104	15-Jul-30	4.14	6.500%	99.41	6.664%	6.755%	99.08	-33	3.496	Dear
FR0052	15-Aug-30	4.23	10.50%	114.27	6.563%	6.758%	113.54	-74	3.377	Dear
FR0082	15-Sep-30	4.31	7.000%	101.59	6.566%	6.761%	100.87	-72	3.630	Dear
FR0087	15-Feb-31	4.73	6.500%	99.17	6.705%	6.773%	98.90	-27	3.939	Dear
<b>FR0109</b>	<b>15-Mar-31</b>	<b>4.81</b>	<b>5.875%</b>	<b>96.96</b>	<b>6.621%</b>	<b>6.774%</b>	<b>96.35</b>	<b>-61</b>	<b>4.065</b>	<b>Dear</b>
FR0085	15-Apr-31	4.89	7.750%	104.28	6.706%	6.776%	103.98	-30	4.014	Dear
FR0073	15-May-31	4.98	8.750%	108.75	6.651%	6.778%	108.20	-54	4.034	Dear
FR0054	15-Jul-31	5.14	9.500%	112.03	6.687%	6.782%	111.62	-42	3.989	Dear
FR0091	15-Apr-32	5.90	6.375%	98.31	6.727%	6.796%	97.97	-33	4.798	Dear
FR0058	15-Jun-32	6.06	8.250%	107.42	6.736%	6.799%	107.10	-31	4.618	Dear
FR0074	15-Aug-32	6.23	7.500%	103.79	6.741%	6.801%	103.48	-30	4.852	Dear
FR0096	15-Feb-33	6.73	7.000%	101.35	6.744%	6.808%	101.01	-34	5.213	Dear
FR0065	15-May-33	6.98	6.625%	99.19	6.772%	6.811%	98.98	-21	5.493	Dear
FR0100	15-Feb-34	7.73	6.625%	99.12	6.771%	6.819%	98.84	-28	5.856	Dear
FR0068	15-Mar-34	7.81	8.375%	109.45	6.791%	6.819%	109.28	-17	5.703	Dear
FR0080	15-Jun-35	9.06	7.500%	104.77	6.785%	6.829%	104.47	-30	6.371	Dear
FR0103	15-Jul-35	9.15	6.750%	99.70	6.793%	6.830%	99.45	-25	6.577	Dear
<b>FR0108</b>	<b>15-Apr-36</b>	<b>9.90</b>	<b>6.500%</b>	<b>98.85</b>	<b>6.659%</b>	<b>6.835%</b>	<b>97.61</b>	<b>-124</b>	<b>7.142</b>	<b>Dear</b>
FR0072	15-May-36	9.98	8.250%	110.22	6.819%	6.835%	110.11	-11	6.895	Dear
FR0088	15-Jun-36	10.07	6.250%	96.41	6.747%	6.836%	95.79	-63	7.113	Dear
FR0045	15-May-37	10.98	9.750%	121.63	6.905%	6.840%	122.20	57	7.109	Cheap
FR0093	15-Jul-37	11.15	6.375%	96.82	6.785%	6.841%	96.40	-42	7.642	Dear
FR0075	15-May-38	11.98	7.500%	105.22	6.853%	6.844%	105.30	8	7.925	Fair
FR0098	15-Jun-38	12.07	7.125%	102.16	6.858%	6.845%	102.27	11	7.815	Cheap
FR0050	15-Jul-38	12.15	10.50%	130.11	6.814%	6.845%	129.79	-32	7.303	Dear
FR0079	15-Apr-39	12.90	8.375%	112.64	6.879%	6.848%	112.93	29	8.071	Cheap
FR0083	15-Apr-40	13.90	7.500%	105.45	6.883%	6.851%	105.75	30	8.637	Cheap
<b>FR0106</b>	<b>15-Aug-40</b>	<b>14.24</b>	<b>7.125%</b>	<b>102.71</b>	<b>6.823%</b>	<b>6.852%</b>	<b>102.44</b>	<b>-26</b>	<b>8.772</b>	<b>Dear</b>
FR0057	15-May-41	14.98	9.500%	124.83	6.825%	6.854%	124.53	-30	8.674	Dear
FR0062	15-Apr-42	15.90	6.375%	95.33	6.862%	6.856%	95.38	5	9.664	Fair
FR0092	15-Jun-42	16.07	7.125%	102.62	6.853%	6.856%	102.58	-4	9.286	Fair
FR0097	15-Jun-43	17.07	7.125%	102.89	6.835%	6.858%	102.65	-23	9.603	Dear
FR0067	15-Jul-43	17.15	8.750%	118.79	6.895%	6.859%	118.88	9	9.254	Fair
<b>FR0107</b>	<b>15-Aug-45</b>	<b>19.24</b>	<b>7.125%</b>	<b>103.22</b>	<b>6.821%</b>	<b>6.862%</b>	<b>102.77</b>	<b>-45</b>	<b>10.34</b>	<b>Dear</b>
FR0076	15-May-48	21.99	7.375%	105.62	6.875%	6.866%	105.73	11	11.08	Cheap
FR0089	15-Aug-51	25.24	6.875%	99.17	6.944%	6.869%	100.06	88	11.63	Cheap
FR0102	15-Jul-54	28.16	6.875%	99.51	6.914%	6.871%	100.03	53	12.04	Cheap
FR0105	15-Jul-64	38.17	6.875%	99.67	6.899%	6.877%	99.97	30	13.09	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation





Research Team		
<b>Helmi Therik, FRM</b>	Head of Research	<a href="mailto:helmi@shinhan.com">helmi@shinhan.com</a>
<b>Billy Ibrahim Djaya</b>	Research Analyst	<a href="mailto:billy.ibrahim@shinhan.com">billy.ibrahim@shinhan.com</a>
<b>Muhammad Adra Wijasena</b>	Fixed Income Analyst	<a href="mailto:adra.wijasena@shinhan.com">adra.wijasena@shinhan.com</a>

Office
<p><b>PT. Shinhan Sekuritas Indonesia</b> Member of Indonesia Stock Exchange</p>
<p><b>Head Office :</b> 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>

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