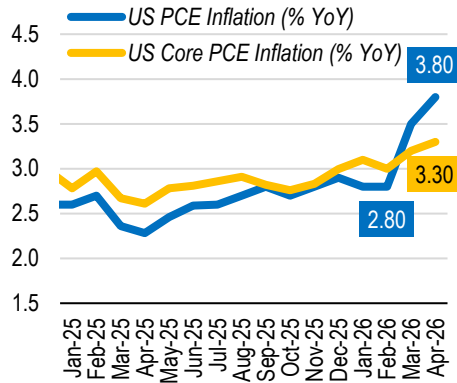




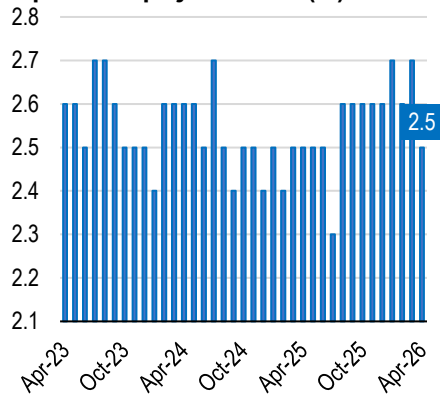
## Data Highlights of the Week

### US PCE Inflation



Source: Bloomberg

### Japan Unemployment Rate (%)



Source: Bloomberg

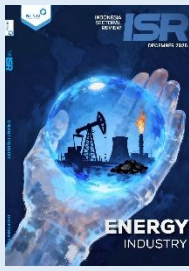
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## The Shadow of Stagflation in Developed Countries and the Consolidation of Indonesia's Strategic Commodities

### Global Economic

- **During the period of May 25–31, 2026, global geopolitical developments were marked by a critical stalemate in the military confrontation between the United States (US) and Israel against Iran and its proxies**, where the stability of the fragile ceasefire agreed upon in April is now on the verge of complete collapse. Diplomatic efforts through a draft peace Memorandum of Understanding (MoU) faced major obstacles after US President Donald Trump demanded strict amendments regarding uranium monitoring and the unconditional opening of the Strait of Hormuz, while at the same time Israel expanded its ground operations in Lebanon to the north of the Litani River, triggering massive rocket retaliation from Hezbollah that targeted deep into Israeli urban centers and triggered a new spike in global crude oil prices.
- **US PCE price inflation in Apr'26 rose to 3.8% YoY (Mar'26: 3.5%), the highest increase since May'23.** On a monthly basis, PCE inflation rose 0.4% MoM, easing slightly from its sharpest rise since Jun'22 in the previous month (Mar'26: 0.7%). Goods prices increased 0.7% MoM (Mar'26: 1.4%), while services inflation was stable at 0.3%. The core PCE index rose slightly to 3.3% YoY (Mar'26: 3.2%), the highest since late 2023. Amid rising prices, the US economy was also revised down in Q1-2026 to 1.6% annualized growth, lower than the initial estimate (2%) due to downward revisions in investment and consumer spending.
- **The minutes of the European Central Bank (ECB) meeting in Apr'26 showed that several ECB members viewed the decision to hold interest rates as difficult and indicated they would support a rate hike if proposed.** Policymakers warned that energy-driven supply shocks were proving more persistent than previously anticipated, raising the risk of broader and more entrenched inflationary pressures, while the conflict in the Middle East was seen as a major source of uncertainty for inflation and growth. Members also acknowledged the increasingly difficult monetary policy decisions, as slowing economic activity and weakening confidence coincided with rising inflation risks. Several officials noted that even with two projected interest rate hikes this year, inflation was still expected to remain slightly above the ECB's target.
- **Bank of Japan (BoJ) Deputy Governor Ryozo Himino said the central bank remains committed to further interest rate hikes**, although the timing and pace will depend on how the Middle East conflict affects Japan's economy and inflation. However, he avoided signaling when the next rate hike might occur, noting that policymakers are closely monitoring the economic and price impacts of geopolitical tensions in the Middle East. Himino also said the BoJ aims to maintain market credibility through appropriate monetary policy management and stable achievement of the inflation target.
- **Japan's unemployment rate fell to 2.5% in Apr'26 (Mar'26: 2.7%), the lowest level since Jul'25.** The number of unemployed people fell by 70,000 to 1.79 million and reached an eight-month low. Meanwhile, employment surged by 610,000 to a record high of 68.76 million, while the labor force increased by 53,000 to a record 70.55 million. On a non-seasonal basis, the labor force participation rate rose to 64.4% (Mar'26: 63.6%; Apr'25: 63.7%), with the job vacancy-to-applicant ratio remaining stable at 1.18.
- **The Bank of Korea (BoK) maintained its policy rate at 2.5%**, marking its eighth consecutive rate hold, despite remaining in its easing cycle. The decision reflects policymakers' cautious stance, as they balance geopolitical risks with a weakening won and resurgent inflationary pressures stemming from rising oil prices. The May meeting was the first chaired by new Governor Shin Hyun-song, who took office last month.
- **During the Jan–Apr'26 period, China's economy performed resiliently, marked by a shift in investment to high-tech sectors and a massive surge in industrial profits.** Despite a 10.3% YoY decline in total foreign direct investment (FDI) to CNY287.7 billion, global investors' commitment to innovation remains strong, as evidenced by a 20.3% surge in FDI in the high-tech industry (accounting for 40.4% of total FDI) and a 6.8% YoY growth in the number of new foreign-invested enterprises. Meanwhile, China's industrial profits

### Upcoming Week's Economic Calendar

Time	Development Release
Jun 1-5	Purchasing Manager's Index Several Countries
Jun 1	Japan's Private Capital Expenditure Q1-2026 Eurozone Unemployment Rate Apr'26
Jun 2	South Korea inflation rate May'26 Indonesia's inflation rate May'26 Indonesia's trade balance Apr'26 Preliminary estimate of the Eurozone inflation rate for May'26
Jun 3	Australia GDP Q1-2026
Jun 5	Reserve Bank of India benchmark interest rate India GDP Q1-2026 Canadian unemployment rate May'26 US Non-Farm Payroll May'26 US Unemployment Rate May'26 US average hourly earnings May'26

surged 18.2% YoY—with April growth reaching 24.7%, the highest level since Nov'23—driven by surging global demand for artificial intelligence (AI) and rising oil prices due to the Middle East conflict, particularly in the computer/electronics manufacturing and non-ferrous metal smelting sectors, which recorded profit growth above 100%.

### Domestic Economy

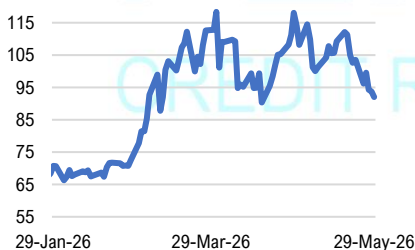
- **The Indonesian government is finalizing the operational readiness of PT Danantara Sumberdaya Indonesia (DSI) as a state-owned one-stop export company for strategic natural resource commodities**—starting with coal, palm oil, and ferro alloy—as of June 1, 2026. This policy aims to tighten export supervision, optimize the absorption of Export Proceeds (DHE), and prevent the practice of under-invoicing (manipulating invoice values to be lower than the original) and transfer pricing (engineering transaction prices between companies within a group to avoid taxes). During the transition period leading to full implementation on January 1, 2027, the government ensures that the flow of goods and ongoing international trade contracts will not be disrupted, with the initial obligation being to report export activity documents electronically through the Directorate General of Customs and Excise system.

### Week Ahead Highlights

The conflict between the US and Iran will remain a focus of attention as progress in negotiations has been minimal, particularly regarding the flow of shipping traffic in the Strait of Hormuz. Regarding economic data, this week will see the release of PMI data from various countries, which will show the current state of the private sector amidst uncertainty. Among several key countries, the US will release its employment data amidst the upcoming primary elections across the country, while the Eurozone will also release its Apr'26 unemployment rate data along with the May'26 inflation rate and Apr'26 retail sales. In Asia, China will release its key government PMI data, while Japan will release wage growth and private capital expenditure data. India will release its Q1-2026 GDP data in the same week as the release of its monetary policy. Meanwhile, domestically, Indonesia will release its May'26 inflation data, as well as its trade balance and foreign tourist arrivals data in Apr'26.

### Spotlight on Commodity Price Trends (as of May 29, 2026)

#### Brent Crude Oil (USD/Barrel)



Closing (USD/BRL)	(% Change)			
	WoW	MoM	YoY	YTD
92.05	-11.10	-22.01	43.49	51.27

#### Gold (USD/roy oz)

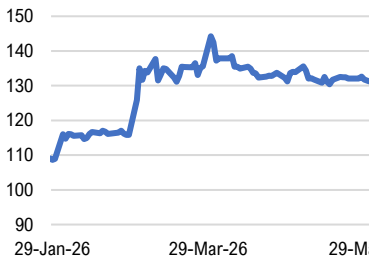


Closing (USD/t Oz)	(% Change)			
	WoW	MoM	YoY	YTD
4,540.26	0.68	-0.17	36.84	5.11

### Commodity prices were mixed, with energy prices weakening amid easing geopolitical tensions, while gold and CPO gained support from demand-related factors.

- **Brent crude oil prices declined sharply by 11.10% over the past week**, marking the steepest weekly drop since early April, amid growing market optimism over the prospects of peace between the United States and Iran. Negative sentiment for oil prices emerged after reports indicated that both countries had reached a preliminary agreement to extend the ceasefire and ease shipping restrictions through the Strait of Hormuz, raising expectations of reduced risks to global energy supply disruptions. Hopes that the strategic waterway, which carries approximately 20% of the world's oil and gas supply, could resume more normal operations prompted investors to reduce the geopolitical risk premium that had previously supported oil prices. Nevertheless, the market continues to monitor uncertainties surrounding the implementation of the agreement and the gradual recovery of shipping traffic and energy production in the region.
- **Gold prices increased by 0.68% over the past week** amid rising investor demand for safe-haven assets following developments in ceasefire negotiations between the United States and Iran. The gain was supported by a weaker U.S. dollar, which enhanced the attractiveness of precious metals for global investors, as well as lower oil prices that helped ease pressure on financial markets. In addition, gold received technical support after rebounding from its lowest level in two months. However, further gains remained limited by concerns over persistently elevated U.S. inflation driven by higher energy prices, reinforcing expectations that the Federal Reserve will maintain higher interest rates for longer. This environment increases the opportunity cost of holding non-yielding assets such as gold, thereby limiting more significant price appreciation during the week.
- **Coal prices declined by 0.61% over the past week** amid pressure from falling oil prices and abundant global coal supply, despite several supportive developments emerging from Asia. The decline was driven by easing concerns in energy markets as optimism grew over a potential peace agreement between the United States and Iran, which contributed

Steam Coal (USD/MT)



Closing (USD/Ton)	(% Change)			
	WoW	MoM	YoY	YTD
131.25	-0.61	-1.80	30.08	22.09

to lower oil prices, a substitute commodity for coal. At the same time, the market remained focused on China, where domestic coal supply remained abundant and additional shipments from Mongolia and Russia could further increase availability. Some factors temporarily supported prices, including production disruptions following a mining accident in Shanxi and rising electricity demand caused by heatwaves across several Asian countries. However, these positive developments were insufficient to offset pressure from expectations of ample supply and broader weakness across energy markets.

- **Crude palm oil (CPO) prices increased by 1.09% over the past week**, marking a second consecutive week of gains, supported by positive sentiment in the global vegetable oil market. The increase was primarily driven by higher soybean oil and palm oil prices in the Dalian market, which enhanced the competitiveness of CPO amid intense competition in the global vegetable oil sector. In addition, market participants continued to monitor Indonesia's palm oil export policy, which remains surrounded by uncertainty regarding the distribution of exports through a state-owned agency, raising concerns about potential supply disruptions and encouraging hedging among traders. On the other hand, positive sentiment was partially offset by data showing that European Union palm oil imports declined compared to the previous year. Nevertheless, optimism regarding demand prospects and broader vegetable oil market performance continued to support CPO prices throughout the week.

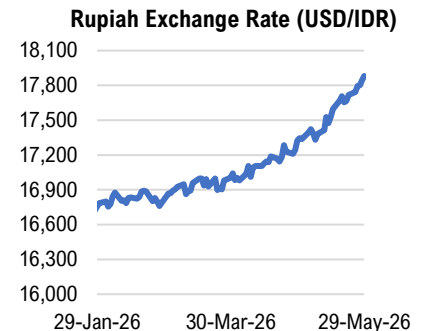
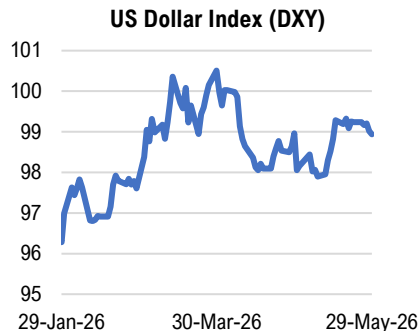
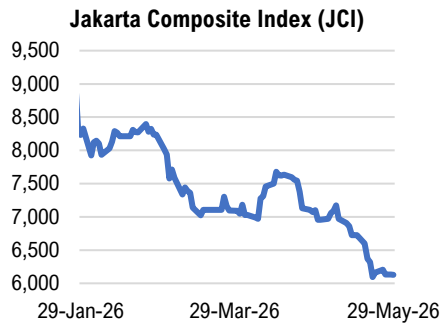
Other Commodities	Closing Price	WoW (%)	MoM (%)	YoY (%)	YTD (%)	Other Commodities	Closing Price	WoW (%)	MoM (%)	YoY (%)	YTD (%)
Natural Gas (USD/MMBtu)	3.29	13.18	24.29	-6.59	-10.74	Crude Palm Oil (MYR/Ton)	4,535.00	1.09	-0.94	15.34	11.98
Nickel (USD/MT)	18,914.15	0.72	-1.45	18.48	12.65	Rubber (USD/Kg)	229.00	3.25	6.31	37.79	27.29
Copper (USD/MT)	13,636.00	-0.23	4.86	42.52	9.76	Wheat (cents/bu)	610.50	-5.53	-4.94	14.33	20.41
Aluminum (USD/MT)	3,666.50	0.47	5.10	49.62	22.40	Corn (cents/bu)	446.75	-3.56	-4.23	-0.06	1.48
Iron Ore (USD/MT)	107.28	-1.12	-2.82	11.09	0.42	Sugar (c/lb)	14.06	-4.35	-4.22	-17.29	-6.33

**The JCI declined due to both external and domestic pressures, although positive sentiment from global markets provided limited support. The US dollar weakened on hopes for a US-Iran peace deal, while the rupiah remained under pressure from energy risks, domestic factors, and fragile market sentiment.**

- **Wall Street equities posted gains over the past week, with the Nasdaq Composite rising 2.39%, the S&P 500 advancing 1.43%, and the Dow Jones Industrial Average (DJIA) increasing 0.90%.** The rally was primarily driven by strong performance in technology and artificial intelligence (AI)-related stocks, pushing both the S&P 500 and Nasdaq to new record highs. Positive sentiment was fueled by Nvidia's latest AI product announcement, which strengthened optimism regarding the growth outlook for the technology sector and lifted several other technology and software stocks. Investors also welcomed signs of resilience in the U.S. economy, as manufacturing data showed expansion for a fifth consecutive month. From a geopolitical perspective, expectations of a potential peace agreement between the United States and Iran further supported market sentiment, although negotiations remain ongoing. Meanwhile, investors continued to monitor inflation trends and the Federal Reserve's interest rate outlook, both of which could influence market direction in the coming months.
- **JCI declined by 0.56% over the past week and closed at 6,127.38 at the end of the trading week.** The market correction was driven by a combination of global and domestic factors that prompted investors to adopt a more cautious stance, including the MSCI index rebalancing process, the depreciation of the Indonesian rupiah against the U.S. dollar, and uncertainty surrounding developments in negotiations between the United States and Iran. Pressure on the rupiah, which weakened to around IDR17,881 per U.S. dollar, further reduced investor appetite for risk assets and weighed on the domestic equity market. On the other hand, positive sentiment from gains across most Asian equity markets, supported by the rally in Wall Street technology stocks and lower global oil prices, provided some support to the market. However, these factors were insufficient to offset external and domestic pressures, resulting in a weekly decline for the JCI, with the healthcare sector acting as the main drag while the infrastructure sector delivered the strongest performance.
- **The US Dollar Index weakened over the week amid market expectations for progress in US-Iran negotiations.** The DXY closed at 98.94 on May 29, 2026, down 0.30% from May 22, 2026. The decline came as markets expected a US-Iran agreement to reopen the Strait of Hormuz, moving closer. The previous closure of the key oil route had pushed oil prices higher and worsened the inflation outlook. This led some market participants to expect that the Federal Reserve could raise interest rates this year.
- **The rupiah weakened against the US dollar.** USD/IDR closed at IDR17,881 per USD on May 29, 2026, up 0.93% from May 22, 2026. The surge in Brent oil prices amid uncertainty over US-Iran negotiations heightened concerns about energy supply disruptions. Domestic pressure was also visible at the close on May 29, 2026, when the rupiah weakened 0.48% to IDR17,874/USD, with the psychological area of IDR17,900–IDR18,000/USD becoming a market-influencing level. Technical analysis showed a medium-term

bearish trend, with potential weakening toward IDR17,900–IDR17,950/USD and the risk of forming an all-time low at IDR18,000/USD, while the nearest resistance stood at IDR17,800/USD.

- **The rupiah weakened and approached a new psychological level.** In May, the rupiah depreciated by 2.91% and became the weakest currency in Asia, followed by the South Korean won, which weakened by 2.1%, and the Japanese yen, which weakened by 1.67%. Since the start of Q2-2026, the rupiah has depreciated by 4.92%. Pressure came from US-Iran geopolitical risks, oil prices, domestic dollar demand, Indonesia’s balance of payments deficit of USD9.15 billion, and a current account deficit of USD4 billion. Markets also monitored the effectiveness of the export proceeds policy, the risk of a lower debt outlook or rating downgrade, and the psychological level of IDR18,000 per USD.



Closing	(% Change)			
	WoW	MoM	YoY	YTD
6,127.38	-0.56	-13.71	-14.61	-29.14

Closing	(% Change)			
	WoW	MoM	YoY	YTD
98.94	-0.30	-0.02	-0.34	0.63

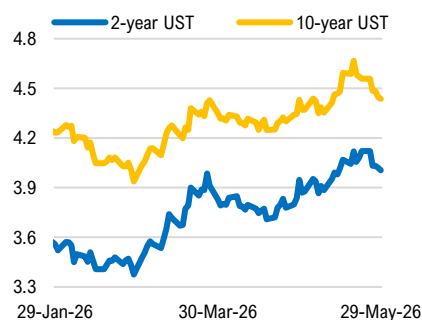
Closing	(% Change)			
	WoW	MoM	YoY	YTD
17,881	0.93	3.20	9.65	7.20

### Financial Market Development

Other Stock Indices	Closing	WoW (%)	MoM (%)	YoY (%)	YTD (%)	Other Exchange Rates	Closing	WoW (%)	MoM (%)	YoY (%)	YTD (%)
S&P500 (AS)	7,580.06	1.43	6.22	28.21	10.73	Euro (EUR/USD)	1.17	0.48	-0.15	2.54	-0.74
Dow Jones (AS)	51,032.46	0.90	4.44	20.88	6.18	Canadian Dollar (USD/CAD)	1.38	-0.18	0.79	-0.12	0.50
Nasdaq (AS)	26,972.62	2.39	9.32	40.66	16.05	Poundsterling (GBP/USD)	1.35	0.17	-0.14	-0.27	-0.14
Euro Stoxx 50 (Zona Euro)	6,050.54	0.52	4.02	12.65	4.47	Japanese Yen (USD/JPY)	159.27	0.06	-0.71	10.44	1.63
FTSE100 (Inggris)	10,409.28	-0.54	1.92	19.42	4.81	Chinese Yuan (USD/CNY)	6.77	-0.46	-1.07	-5.84	-3.19
Nikkei225 (Jepang)	66,329.50	4.72	10.70	72.58	31.76	Singapore Dollar (USD/SGD)	1.28	-0.26	-0.37	-0.82	-0.68
Shanghai (Tiongkok)	4,068.57	-1.08	-0.95	20.96	2.51	Malaysian Ringgit (USD/MYR)	3.96	-0.08	0.33	-6.56	-2.34
Hang Seng (Hong Kong)	25,182.39	-1.65	-3.56	6.83	-1.75	Thailand Baht (USD/THB)	32.50	-0.51	-0.83	-0.21	3.21

### Key Data Developments in Global and National Bond Markets

#### 2-Year and 10-Year US Treasury Yields (%)

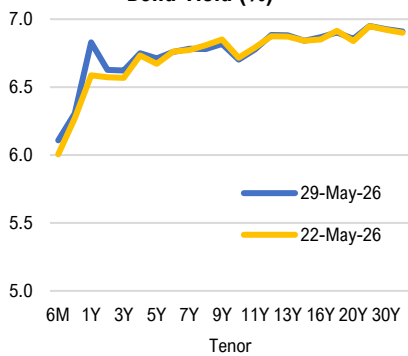


Closing (%)	(bps Change)			
	WoW	MoM	YoY	YTD
2Y: 4.004	-12	6	7	53
5Y: 4.141	-12	6	14	42
10Y: 4.436	-12	1	2	27

**The bond market moved mixed; global sentiment improved, but investors remained selective toward government and corporate instruments amid fiscal pressure, rupiah weakness, financing needs, and refinancing risk.**

- **US Treasury yields fell as sentiment toward global bond assets improved.** The 2-year yield fell 12 bps to 4.004%, the 5-year yield fell 12 bps to 4.141%, and the 10-year yield fell 12 bps to 4.436% on May 29, 2026, compared with May 22, 2026. The decline occurred as investors remained optimistic about the prospect of resolving the Iran war, although the US-Iran ceasefire remained fragile. Oil prices also fell as markets hoped peace negotiations would continue. Markets also awaited April personal consumption expenditures (PCE) data as the Fed’s preferred inflation indicator.
- **Japanese government bond yields increased amid market concerns over fiscal conditions.** The 10-year yield rose to 2.809% on May 20, 2026, its highest level since 1996. Pressure emerged after Japanese Prime Minister Sanae Takaichi prepared a supplementary budget of about JPY3 trillion, equivalent to USD19 billion. The package was aimed at cushioning the impact of higher energy prices, subsidy needs, and yen weakness. Markets questioned the government’s ability to increase spending without adding to the debt burden. The government still stated that total bond issuance for the calendar year 2026 remained unchanged from the initial target. The 30-year yield also exceeded 4%. The move reflected investor concerns over fiscal risk and inflationary pressure in Japan.
- **Russia sought financing through yuan-denominated government bonds.** Russia’s Finance Ministry began accepting bids for 10-year bonds with a maximum coupon of 8%, after its first issuance last year raised CNY20 billion, or about USD2.9 billion, in two stages. The issuance was conducted to meet budget needs resulting from higher military spending and

**Weekly Development of Government Bond Yield (%)**



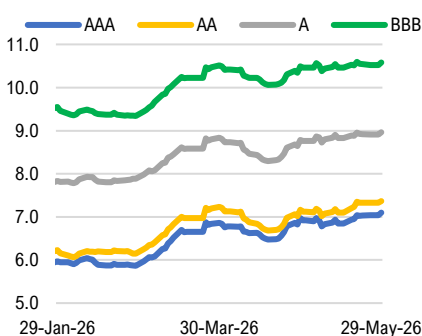
Closing (%)	(bps Change)			
	WoW	MoM	YoY	YTD
2Y: 6.701	2	34	45	170
5Y: 6.752	4	-4	31	120
10Y: 6.720	-2	-18	-12	65

**5 Year Credit Default Swap (CDS)**



Closing	(% Change)			
	WoW	MoM	YoY	YTD
89.59	-2.48	-0.07	13.96	30.11

**3-Year Corporate Bond Yield per Rating (%)**



Source: Bloomberg

- weaker oil revenue. The fiscal deficit is targeted at 1.6% of gross domestic product this year, but it has widened to about 2.5% in the first four months. Bond purchase payments and coupon payments can be made in Chinese yuan or Russian rubles. The government also faced the maturity of two dollar bonds worth about USD3 billion on May 27.
- Indonesia's government debt securities market moved in a narrow range as the government assessed the resilience of the domestic economy.** The 2-year yield rose 2 bps to 6.701%, while the 5-year yield rose 4 bps to 6.752% on May 29, 2026. The 10-year yield fell 2 bps to 6.720%. Indonesia's 5-year CDS fell 2.48% to 89.59. Deputy Finance Minister Juda Agung said economic resilience was supported by the national energy mix, a prudent fiscal strategy, spending controls, revenue optimization, and diversification of non-USD financing. Indonesia's economy grew 5.61% in the first quarter of 2026. Inflation remained at 2.42% in April 2026, while the fiscal deficit was kept at 0.64%. The government also viewed the yields and spreads of government debt securities as still well-maintained.
  - The government held an auction of State Sharia Securities (SBSN) to finance the 2026 state budget.** The indicative target was set at IDR12 trillion on June 2, 2026. The series offered included SPNS 13072026, SPNS 23112026, SPNS 01032027, PBS030, PBS040, PBS034, PBS005, and PBS038. Tenors ranged from short-term maturities to 2049. Fixed coupons for the PBS series ranged from 5% to 6.875%. Settlement was scheduled for June 4, 2026.
  - The Government Bond (SUN) auction showed improving investor demand, but issuance costs increased.** Total incoming bids at the May 26, 2026, auction rose 11.5% to IDR57.3 trillion from IDR51.39 trillion on May 12, 2026. The awarded amount also increased to IDR38.85 trillion from IDR30.30 trillion. Investors continued to demand higher yields in short- and medium-term tenors. The SPN yield rose 35 bps to 6.5% from 6.15%, while the FR0105 yield rose 5 bps to 6.97% from 6.92%. The bid-to-cover ratio for FR0109 fell to 1.4x from 4.47x, but the awarded amount increased to IDR14.45 trillion from IDR3.35 trillion. The awarded amount for FR0106 also rose to IDR5 trillion from IDR4.45 trillion. By contrast, the awarded amount for the 38-year FR0105 fell to IDR2 trillion from IDR3.1 trillion. The shift occurred as the rupiah weakened, oil prices rose, and investor concerns over fiscal conditions increased.
  - The government assessed that global debt issuance could increase dollar supply and support the rupiah.** Finance Minister Purbaya Yudhi Sadewa said the government sold about USD3.4 billion last week, consisting of USD2 billion in dollar bonds and USD1.25 billion equivalent in euro-denominated bonds, with tenors of 5 and 10 years. The funds were said to be able to enter next week and add to the domestic dollar supply. Purbaya also stated that the government would push the rupiah toward IDR15,000 per USD.
  - Indonesia and Thailand increased short-term debt issuance to address market volatility driven by the US-Iran war and rising energy inflation risks.** Bank Indonesia increased outstanding SRBI to IDR126.7 trillion, with the 12-month yield at 6.76% as of May 22, 2026, higher than the 2-year government bond yield of 6.53%, while the rupiah was recorded as Asia's worst-performing currency this quarter. In Thailand, the government relied on promissory notes and treasury bills to finance a THB400 billion stimulus and subsidy package, with outstanding promissory notes reaching THB1.16 trillion at the end of March 2026. Long-term bonds came under selling pressure as the yield spread between 2-year and 10-year bonds widened to 110 bps. The Thai government targeted raising about USD5 billion to support cost-of-living reduction programs and subsidies, while keeping interest costs low through short-term instruments.
  - The increase in yields on government debt securities began to weigh on the outlook for the corporate bond market.** The yield on 10-year government debt securities rose to around 6.7% on May 26, 2026, from about 6% at the start of the year. Doni Kuswantoro, a fixed-income analyst at PT Manulife Aset Manajemen Indonesia, said corporate bond prices tend to lag government bond prices due to lower trading frequency, less flexible issuance processes, and investors' greater use of buy-and-hold strategies. Corporate bond issuance still grew 20.56% year over year to IDR67.05 trillion through the end of April 2026, according to PEFINDO data. The yield on 3-year AAA-rated corporate bonds was around 5.8% in the first quarter of 2026, slightly above the 5.7%–5.8% range in the fourth quarter of 2025, but still below the 7% range in the first quarter of 2025. The increase in the BI Rate to 5.25% and higher yields on government debt could prompt some issuers to

adopt a wait-and-see stance. Refinancing needs remained a supporting factor, with corporate bonds maturing in May–December 2026 reaching IDR124 trillion.

- PT Bursa Efek Indonesia (BEI) updated the Alternative Market Operator System (SPPA) to enhance trading in debt securities.** The amended Securities Trading Regulation, implemented through SPPA, took effect on February 19, 2024, with improvements to trading limit features, price references, transaction corrections and cancellations, and transaction activity records. SPPA was designed to accommodate the trading of Debt Securities and Sukuk (EBUS), from over-the-counter (OTC) trading to order-book trading. As of 2023, 33 EBUS market participants were using SPPA services. Transaction value through SPPA reached IDR139 trillion in 2023, up 12% from 2022. The system is connected to the Securities Transaction Reporting Recipient System (PLTE) and supports multilateral matching and bilateral negotiation mechanisms. SPPA also serves as the Primary Dealer trading infrastructure for Government Bonds (SUN) and State Sharia Securities (SBSN) by the Ministry of Finance’s Directorate General of Budget Financing and Risk Management.
- PT Adira Dinamika Multi Finance Tbk (ADMF) prepared IDR200 billion for the principal repayment of Shelf-Registered Mudharabah Sukuk I Mandala Multifinance Phase III 2023 Series B, which matures on June 22, 2026, as well as IDR4.25 billion for profit-sharing payments to sukuk holders.** All funds came from the company’s internal cash, were guaranteed to be available in the company’s account, and the repayment was scheduled to proceed on time without having a significant impact on ADMF’s operations, financial condition, or business continuity.
- PT Energi Mega Persada Tbk (ENRG) channeled bond proceeds to subsidiaries for bank debt repayments.** ENRG provided a loan of USD11.89 million (IDR210.79 billion) to PT Energi Maju Abadi (EMA) and USD5.50 million (IDR97.54 billion) to PT Imbang Tata Alam (ITA) on May 22, 2026. The funds came from the net proceeds of the Shelf-Registered Bond I Energi Mega Persada Phase III 2026 public offering. EMA used the funds to repay the remaining principal debt to PT Bank Mandiri Tbk (BMRI). ITA used the funds to repay part of the principal under credit facility A to BMRI. The loans have a maximum term of 5 years from the date of disbursement. The interest rate was set at 9.25% per year, in line with the Series C bond coupon in Shelf-Registered Bond I Phase III. The transaction is an affiliated transaction because ENRG directly and/or indirectly owns shares in EMA and ITA. Management said the transaction had no impact on ENRG’s operations, legal condition, financial condition, or business continuity.

# PEFINDO

## The Most Traded Bonds During the Week

### Government Bonds

Series	Coupon (%)	Matured (mm/dd/yy)	Size (IDR Mio)	Price	Yield (%)	Volume (Mio Unit)
FR0109	5.88	03/15/31	10,000.00	96.60	6.72	18,676,964
PBS032	4.88	07/15/26	60.00	99.75	6.92	10,190,245
FR0108	6.50	04/15/36	12,100.00	98.57	6.70	9,474,941
PBS038	6.88	12/15/49	35,000.00	100.39	6.84	8,441,084
PBS003	6.00	01/15/27	1,198.00	99.40	7.00	6,086,551

### Corporate Bonds

Instruments	Rating	Coupon (%)	Matured (mm/dd/yy)	Size (IDR Mio)	Price	Yield (%)	Volume (Mio Unit)
Shelf Registration Bond I BUMI Phase V Year 2026 Series B	idA+	8.75	05/26/29	1,000	100.50	--	970,900
Shelf Registration Sukuk Mudharabah IV Indah Kiat Pulp & Paper Phase I Year 2024 Series B	idA+(sy)	10.75	10/04/29	60,960	108.80	7.73	796,960
Shelf Registration Bond VI Adira Finance Phase V Year 2025 Series B	idAAA	6.95	02/14/28	50,000	100.33	6.74	691,500
Shelf Registration Sukuk Mudharabah II Wijaya Karya Phase II Year 2022 Series A	idB(sy)	6.50	02/18/27	40,000	95.00	--	649,480
Shelf Registration Bond II Wijaya Karya Phase II Year 2022 Series A	idB	6.50	02/18/27	20,000	41.98	--	531,600

## Corporate Bonds Issuance

Throughout the fourth week of May 2026, 1 companies issued corporate debt securities valued at IDR1,839 billion.

No.	Companies	Instruments	Issuance Date	Value [IDR Billion]	Interest Rate [%]	Tenor [Year]	Rating
1	PT Bumi Resources Tbk	Shelf Registration Bond I Phase V Year 2026 Series A	May-29-2026	600.04	7.50	1	idA+
2	PT Bumi Resources Tbk	Shelf Registration Bond I Phase V Year 2026 Series B	May-29-2026	905.98	8.75	3	idA+
3	PT Bumi Resources Tbk	Shelf Registration Bond I Phase V Year 2026 Series C	May-29-2026	333.86	9.05	5	idA+
<b>Total</b>				<b>1,839.88</b>			






Source: KSEI, IDX, database PEFINDO.

## Corporate Bonds Maturity for June 2026 Reaches IDR11.55 Trillion.

No.	Company	Instruments	Maturity Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
1	PT Lontar Papyrus Pulp & Paper Industry	Shelf Registration Bond III Phase III Year 2025 Series A	Jun-1-2026	201.65	7.00	1	idA
2	PT Bank Rakyat Indonesia (Persero) Tbk	Shelf Registration Commercial Paper I Year 2025 Phase I Series C	Jun-2-2026	20.00	4.85	1	idA1+
3	PT Provident Investasi Bersama Tbk	Shelf Registration Bond I Phase II Year 2023 Series B	Jun-7-2026	429.00	8.50	3	idA
4	PT Bussan Auto Finance	Shelf Registration Bond III Phase III Year 2025 Series A	Jun-8-2026	240.00	6.50	1	idAAA
5	PT Pegadaian	Shelf Registration Bond VI Phase II Year 2025 Series A	Jun-8-2026	2,148.11	6.65	1	idAAA
6	PT Pegadaian	Shelf Registration Social Bond I Phase II Year 2025 Series A	Jun-8-2026	954.25	6.65	1	idAAA
7	PT Pegadaian	Shelf Registration Sukuk Mudharabah III Phase IV Year 2025 Series A	Jun-8-2026	1,517.22	6.65	1	idAAA <sub>(sy)</sub>
8	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond III Phase III Year 2023 Series B	Jun-8-2026	296.00	6.50	3	AAA <sub>(idn)</sub>
9	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Bond III Phase I Year 2021 Series C	Jun-10-2026	300.00	9.25	5	idAA-
10	PT Bank Syariah Indonesia Tbk	Shelf Registration Sustainability Sukuk Mudharabah I Phase I Year 2024 Series B	Jun-14-2026	220.00	6.70	2	idAAA <sub>(sy)</sub>
11	PT BFI Finance Indonesia Tbk	Shelf Registration Bond V Phase V Year 2023 Series B	Jun-15-2026	850.00	7.00	3	AA <sub>(idn)</sub>
12	PT Pegadaian	Shelf Registration Bond V Phase III Year 2023 Series B	Jun-16-2026	400.00	6.20	3	idAAA
13	PT Suparma Tbk	MTN III Year 2021 Phase I	Jun-17-2026	83.79	5.50	5	-
14	PT Pelabuhan Indonesia (Persero)	Bond I Year 2016 Series D	Jun-21-2026	50.00	9.50	10	idAAA
15	PT Waskita Karya Realty	MTN III Phase II Year 2022	Jun-21-2026	120.00	12.10	4	-
16	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Sukuk Mudharabah I Phase III Year 2023 Series B	Jun-22-2026	200.00	8.50	3	idAAA <sub>(sy)</sub>
17	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond V Phase IV Year 2025 Series A	Jun-22-2026	327.43	6.75	1	idA+
18	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond USD II Phase III Year 2025 Series A	Jun-22-2026	USD1.52 mn/IDR24.66 bn	5.75	1	idA+
19	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Sukuk Mudharabah IV Phase IV Year 2025 Series A	Jun-22-2026	357.08	6.75	1	idA <sub>(sy)</sub>
20	PT Len Industri (Persero)	MTN I Phase I Year 2023 Series A	Jun-22-2026	100.00	11.45	3	-
21	PT MNC Kapital Indonesia Tbk	Shelf Registration Bond V Phase II Year 2025 Series A	Jun-22-2026	3.50	9.00	1	idBBB+
22	PT Waskita Karya Realty	MTN III Phase III Year 2022	Jun-26-2026	120.00	12.10	4	-
23	PT BFI Finance Indonesia Tbk	Shelf Registration Bond VI Phase II Year 2025 Series A	Jun-27-2026	414.30	6.45	1	AA <sub>(idn)</sub>
24	PT KB Finansia Multi Finance	Bond II Year 2023 Series B	Jun-27-2026	500.00	7.30	3	AAA <sub>(idn)</sub>
25	PT MNC Kapital Indonesia Tbk	Shelf Registration Bond III Phase II Year 2023 Series B	Jun-27-2026	83.56	11.25	3	idBBB+
26	PT Permodalan Nasional Madani	Sukuk Mudharabah Jangka Menengah VII Year 2025 Phase I	Jun-27-2026	180.00	Floating	1	idAAA <sub>(sy)</sub>
27	PT Bank Victoria International Tbk	Shelf Registration Subordinated Bond II Phase I Year 2019	Jun-28-2026	250.00	11.75	7	idBBB
28	PT Waskita Karya Realty	MTN III Phase IV Year 2022	Jun-29-2026	100.00	12.10	4	-
29	PT Angkasa Pura Indonesia	Bond I Year 2016 Series C	Jun-30-2026	900.00	9.00	10	idAAA
30	Efek Beragun Aset Avrist AM CF 01 – Tagihan Spaylater Kelas A	Efek Beragun Aset Avrist AM CF 01 – Tagihan Spaylater Class A	Jun-30-2026	160.00	8.50	1	-
<b>Total</b>				<b>11,550.55</b>			

## Weekly Sector Highlights

During May 25–29, 2026, domestic sectoral sentiment was largely influenced by the impact of the rupiah depreciation, the increase in the BI policy rate, and the announcement of a single-channel export policy.

Industries	Sentiment & Significance	News Highlights
Automotive		<b>Interest Rate Hikes Weigh on Demand in the Automotive Sector.</b> The increase in Bank Indonesia's policy rate to 5.25% is beginning to exert pressure on the automotive industry, particularly through the potential rise in vehicle loan interest rates that could weaken consumer purchasing power. Given that most vehicle purchases in Indonesia still rely on financing, industry players are urging multifinance companies not to adjust interest rates too quickly to maintain demand. On the consumer side, higher interest rates may lead to increased installment payments, prompting more selective purchasing decisions. Amid the depreciation of the rupiah, several brand holder agents are also holding back on raising vehicle prices to preserve purchasing power.
Banking		<b>Banking Profit Growth Expected to Remain Moderate in the First Half of 2026.</b> The performance of major banks continued to record positive growth through April 2026, although most remained constrained by various pressures, including tighter liquidity and elevated interest rates. Bank Mandiri stood out for significant profit growth, driven by strong credit expansion, higher net interest income, and more efficient provisioning costs. Meanwhile, BRI and BNI posted only modest profit growth despite relatively strong credit expansion, due to higher provisioning costs and limited fee-based income growth. On the other hand, BCA recorded the most moderate profit growth, in line with a slight contraction in net interest income and slower credit expansion. Looking ahead, pressure on bank profitability is expected to persist through the first half of 2026, driven by rising cost of funds and credit growth outpacing third-party fund growth. Nevertheless, industry fundamentals remain strong, with banks with high CASA ratios, strong digital efficiency, and solid asset quality expected to outperform amid the profit normalization phase.
Insurance and Guarantee		<b>BI Rate Increases, General Insurance Industry Takes a Selective Approach to Investment Management.</b> The increase in the BI Rate to 5.25% has a dual impact on the general insurance industry: providing opportunities for higher investment returns while simultaneously posing the risk of declining valuations in existing bond portfolios, particularly long-duration instruments. Instruments such as deposits, government securities (SBN), and bonds have become more attractive for new fund placements. Amid these conditions, the industry is adopting a more cautious stance by prioritizing liquid investments such as deposits to ensure readiness for claim payments. Bonds remain of interest, but with a more selective approach, particularly focusing on instruments with strong credit quality and appropriate tenors. Financial Services Authority (OJK) data indicate that total industry investments reached IDR133.33 trillion as of March 2026, dominated by government securities, while investment returns grew 8.77% YoY to IDR1.86 trillion. Industry players need to gradually and prudently optimize asset allocation strategies, including considering a hold-to-maturity approach to mitigate the risk of declining valuations in existing bond holdings.
Metal and Gold		<b>Gold Issuers Remain Resilient Amid Price Pressures and Global Uncertainty.</b> The performance of metal issuers in the first quarter of 2026 showed variation, influenced by commodity price volatility, production risks, and domestic policy measures. Although gold prices remain relatively high, pressures from a strengthening US dollar, rising bond yields, and the Fed's interest rate policies may limit short-term price increases. Nevertheless, strong demand for gold as a safe-haven asset amid global uncertainty continues to support issuers' performance outlook. On the domestic front, policies related to exports and foreign exchange placement may introduce additional short-term uncertainty for industry players. Overall, the sector's outlook remains solid in the first half of 2026, supported by global demand and ongoing central bank gold accumulation, which sustains its investment appeal.
Mining		<b>Regulatory Uncertainty on Export Policies Weighs on Commodity Issuer Sentiment.</b> Uncertainty surrounding the implementation of the single-channel export policy through PT Danantara Sumberdaya Indonesia (DSI) has begun to weigh on the outlook for energy sector issuers, particularly due to the potential reduction in flexibility and pressure on margins. The lack of technical clarity has prompted market participants to adopt a wait-and-see approach, while also triggering negative sentiment amid concerns that DSI may act not only as a verifier but also as a trading entity. These risks are further exacerbated by scrutiny from several global rating agencies, which have highlighted the potential for market distortions and increased government intervention to raise Indonesia's risk premium. Issuers with significant export exposure, particularly in the coal sector, are considered the most vulnerable to these policy impacts, while stock volatility is expected to remain elevated until regulatory clarity is achieved. Overall, clarity in technical regulations and

Industries	Sentiment & Significance	News Highlights
<b>Multifinance</b>	●●●	<p>consistency in implementation will be key factors in maintaining market confidence and the competitiveness of national exports.</p> <p><b>Multifinance Credit Quality Under Pressure Amid Economic Challenges.</b> The multifinance industry is facing pressure on credit quality, as reflected in the increase in the non-performing financing (NPF) ratio to 2.83% in March 2026, up from 2.44% in November 2025. This rise in non-performing financing has occurred alongside a slowdown in financing receivables growth, which expanded by only around 1% YoY amid still challenging economic conditions. In response, several companies have begun tightening their strategies, including by increasing financing selectivity, strengthening underwriting processes, and focusing on lower-risk sectors that continue to offer attractive margins.</p>
<b>Oil and Gas</b>	○	<p><b>New Oil Import Scheme Enhances Flexibility and Energy Resilience.</b> The government is preparing Presidential Regulation No. 26/2026, which will govern a new oil import scheme. Under this policy, in addition to Pertamina, Public Service Agencies (BLU) will also be mandated to conduct direct imports using mechanisms tailored to the characteristics of each supplier country, including opening opportunities for imports from Russia. Nevertheless, the government remains cautious by considering factors such as oil quality, price volatility, as well as logistics and delivery timelines. The policy is also designed to provide legal certainty and risk mitigation for industry players in international energy transactions. From an industry perspective, the involvement of BLU is seen as having the potential to create healthier and more efficient competition in crude oil procurement, while also enhancing agility in responding to global market dynamics.</p>
<b>Plantation and Agriculture</b>	●●	<p><b>Awaiting Technical Clarity on CPO Export Mechanism Through SOEs.</b> Palm oil industry players are still awaiting technical clarity regarding the planned involvement of Danantara Sumberdaya Indonesia (DSI) in the governance of crude palm oil (CPO) exports, which is scheduled for full implementation starting in 2027. The presence of DSI is expected to enhance transparency and monitoring of cross-border export-import activities, while also reducing discrepancies in trade reporting. To date, detailed implementation guidelines and transition stages have not been comprehensively communicated, even though regulatory certainty is needed for adjustments in contracts, logistics, and exporters' operations. Amid this uncertainty, palm oil export performance has come under pressure, as reflected in the significant decline in export volumes in March 2026 due to a surge in global logistics costs and sharply rising insurance premiums.</p>
<b>Property</b>	○	<p><b>Credit Risks Accompany Plan for 40-Year Mortgage Tenor.</b> The proposed extension of mortgage (KPR) tenors to up to 40 years is expected to improve installment affordability and support home ownership, particularly among younger generations. However, the scheme also introduces several long-term risks, particularly the risk of default when borrowers retire before their loans are fully repaid. The banking sector has responded positively to the initiative, while emphasizing the importance of selective implementation, supported by strong underwriting and risk mitigation measures such as credit life insurance or additional guarantees. Successful implementation will also depend heavily on the availability of stable long-term funding, given that banks' current funding structures are still dominated by short-term sources. On the other hand, extending loan tenors is not seen as a structural solution, as total interest paid by borrowers will be higher despite lower monthly installments. With the upward trend in mortgage NPLs reaching 3.14% as of March 2026, prudence will be key to maintaining credit quality going forward.</p>
<b>Transportation and Vehicle Rental</b>	●●	<p><b>Rupiah Depreciation Pressures Costs in the Transportation and Logistics Sector.</b> The weakening of the rupiah against the US dollar has begun to exert pressure on the transportation and logistics sector through rising operational costs, particularly in components dependent on imports. Nevertheless, some transportation issuers have been able to maintain margin stability due to the dominance of local procurement, while remaining cautious about potential long-term impacts on pricing and public mobility. This resilience is supported by strengthened operational efficiency, including optimization of fleet utilization and the use of technology. The logistics sector is also facing pressure, particularly from rising costs of imported raw materials, which affect the operations of industries that rely on logistics services. Overall, the rupiah depreciation is expected to continue driving businesses to enhance efficiency to sustain performance amid economic uncertainty.</p>

Source: Bloomberg Technoz, CNBC Indonesia, CNN Indonesia, Detik Finance, Harian Kontan, Investor Daily, and Kompas (2026).

## Weekly Economic Update

Presented by the Economic Research Division of PEFINDO

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Commodity and Stock Market Development	: Yollanda Nalita
Exchange Rates and Bond Market Development	: Ahmad Nasrudin
Issuance and Maturity Corporate Debt Securities	: Wasis Kurnianto
Sectoral Highlights	: Anindita Budi Rahmayani

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