

WEEKLY ECONOMIC UPDATE

Period of August 11–15, 2025

Presented by:

Economic Research Division, PT Peningkat Efek Indonesia (PEFINDO)

EXECUTIVE SUMMARY

- Global economic developments over the past week have focused primarily on the meeting between Trump and Putin in Alaska, which discussed resolving the Russia-Ukraine war. Furthermore, there is news that Trump will announce the next Fed chairman slightly earlier. Recent economic data shows US consumer inflation unchanged at 2.7%, below expectations, despite rising core and producer inflation. In Europe, the Eurozone and the UK reported slightly slower economic growth in Q2-2025, with a labor market that remains relatively unsettled. Japan also reported economic growth, albeit at a more accelerated pace. China continues to implement various policies to stimulate its domestic economy, including lifting restrictions on home purchases, subsidizing interest rates for businesses, and allocating a special ultra-long-term bond fund to support equipment upgrades in key sectors. India received a sovereign rating upgrade from S&P Global last week to BBB (stable). Most recently, the Bank of Thailand cut interest rates by 25 basis points.
- Regarding the trade war, the US extended the trade negotiation period with various countries until the end of October and with China until mid-November. Nvidia and AMD have reportedly agreed to share 15% of revenue from certain chip sales in China with the US government. Meanwhile, China is reportedly planning to impose high anti-dumping duties on Canada in retaliation for Canada's imposition of tariffs on Chinese steel.
- Domestically, the retail sales survey results for June 2025 and the July 2025 forecast are reported to show positive growth. Meanwhile, car sales in July 2025 decreased 18.4% year-on-year. Externally, Indonesia's foreign debt growth in Q2 2025 is reported to have slowed. Last week, the government set the basic macroeconomic assumptions for the 2026 Draft State Budget (RAPBN) and the state budget target, targeting economic growth at 5.4%, while the fiscal balance is targeted to experience a lower deficit of 2.48% of GDP.
- Overall, major commodity prices moved variably: oil and coal were pressured by expectations of supply surplus, high interest rates, and weak demand particularly from China, while gold declined due to US inflation data, though its medium-term outlook remains positive amid macroeconomic and geopolitical risks. On the other hand, CPO strengthened significantly, supported by a surge in exports from Malaysia and Indonesia as well as favorable international trade policies.
- Global stock markets moved variably over the past week: Wall Street and European markets posted weekly gains despite pressure from hotter US inflation data and geopolitical tensions, Asian markets strengthened in line with positive regional economic data, and the Indonesian stock market (JCI) outperformed with a sharp rally supported by foreign inflows and positive sentiment from trade and monetary developments.
- In the exchange rate market, the weaker US dollar has paved the way for strengthening in various currencies from other countries. Indonesia itself experienced a 0.17% appreciation over the week in line with significant foreign capital inflows due to a weaker dollar, the easing of conflict in the Middle East, and the release of relatively strong domestic economic data.
- From the bond market, the 10-year US Treasury bond yield remained around 4.3% after rebounding on recent economic data that fueled concerns about a more hawkish Fed policy. Bearish conditions also occurred in various regions, including the Eurozone, the UK, and Asia, with the exception of Thailand, which recently cut its benchmark interest rate.
- In contrast, the domestic market experienced hawkish conditions, with the 2-year yield remaining unchanged while the 10-year yield decreased 2 bps to 6.39%. The decline was driven by foreign capital inflows and a significant decrease in risk premiums. Last week also saw a Government Securities Auction, in which the government successfully raised IDR32 trillion.
- On August 11-15, 2025, issuances of bonds reached IDR0.05 trillion. Meanwhile, throughout August 2025, PEFINDO recorded debt securities that matured at IDR10.78 trillion. Then, in September 2025, October 2025, and November 2025, debt securities that matured were valued at IDR14.84 trillion, IDR13.16 trillion, and IDR14.40 trillion, respectively.
- From August 11-15, 2025, several sectors have shown notable growth, including infrastructure, which saw a 32.34% year-to-date increase in its index driven by expectations of improved performance and potential rate cuts. The energy sector is advancing with Indonesia's strategic push for 100 GW of solar power, supported by international cooperation and industrial downstreaming. The mining and metals sector is expanding through major investments in bauxite processing and aluminum smelting. Banking remains stable, with smaller banks opting for organic capital growth. Property and bonded zones have contributed significantly to exports and employment, reflecting investor confidence. In contrast, the automotive sector is experiencing contraction, as the GIIAS 2025 failed to significantly boost sales amid high interest rates and weakened purchasing power. The agriculture sector faces funding bottlenecks in its flagship food estate program, while illegal mining in Halmahera has sparked national concern due to environmental and legal violations.

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A. MACROECONOMIC DEVELOPMENT

1) Global Economy

- US President Donald Trump and Russian President Vladimir Putin met in Alaska on Friday, August 15, to discuss the future of the war in Ukraine. White House envoy Steve Witkoff revealed the outcome of the negotiations. It was stated that Russia had agreed to concessions regarding five Ukrainian regions at the center of the fighting (Crimea, Donetsk, Luhansk, Zaporizhzhia, and Kherson), particularly East Donetsk Province. All regions, previously part of Ukraine, are now under Russian control following the referendum. Ukraine, on the other hand, will receive strong security guarantees from the United States and European countries, such as the implementation of NATO's Article 5 treaty. However, Ukraine does not recognize the referendum, and on Monday, Trump will host Zelensky and several European leaders to discuss the next steps.
- US consumer inflation remained at 2.7% year-on-year in July 2025, below the 2.8% forecast. Relative price pressures increased for transportation commodities, but remained stable for food. Meanwhile, housing inflation slowed slightly, and energy costs fell further. Meanwhile, core inflation jumped to a five-month high of 3.1% YoY (June 25: 2.9%), above the 3% forecast. Meanwhile, US core producer inflation rose to a five-month high of 3.3%, above the 2.5% expected. Annual core producer inflation jumped to 3.7% from 2.6%, higher than the 2.9% estimate.
- US President Donald Trump said he might announce the next Federal Reserve chairman "a little bit earlier," narrowing the choices to "three or four" candidates, whom he described as "all good, all great." Trump reiterated his criticism of the current chairman, blaming him for keeping interest rates steady and previously calling for his resignation. Although Trump had considered firing Powell, he kept his term running until May.
- The Euro Area economy grew slightly slower in Q2 2025 at 1.4% YoY (Q1 2025: 1.5%), in line with the initial estimate. The slowdown was driven by the initial tariff increases in Q1, while uncertainty over US trade measures has prompted greater caution among businesses and households. Among countries for which data is available, Ireland recorded the highest growth (16.2%), followed by Cyprus (3.3%), and Lithuania (3%). The slowest growth was recorded in Germany (0.4%) and Italy (0.4%).
- The number of people employed in the Eurozone rose 0.1% quarter-on-quarter in Q2-2025 to 171.695 million (Q1-2025: 0.2%), marking the 17th consecutive year of slow but consistent employment growth. Among the largest economies, employment grew the most in Spain (0.7%) and France (0.3%), offsetting declines in Germany and Italy (both -0.1%). On an annual basis, employment grew 0.7% year-on-year.
- The UK economy's initial estimate is for growth to slow slightly in Q2-2025, at 1.2% YoY (Q1-2025: 1.3%), but exceeding the 1% projection. Household consumption (1.1% vs. 0.9%) and government consumption (1.7% vs. 1.5%) accelerated, while exports recovered by 3% (vs. -0.5%), and import growth slowed to 3.3% (vs. 7.5%). Conversely, gross fixed capital formation growth slowed sharply to 1.3% (from 3.5%), while business investment remained almost stagnant at 0.1% (from 6.1%).
- The UK unemployment rate in Apr-Jun'25 was reported at 4.7%, unchanged from the previous period, in line with market expectations and the highest level since May-Jul'21. On the wage side, UK fixed wages (excluding bonuses) rose 5% year-on-year to GBP 679/week in April-June 2025, unchanged from the previous period, in line with market expectations, and remained at their weakest pace in nearly three years. Adjusted for inflation, real wages rose 0.9%, the lowest since May-July 2023. Including bonuses, average weekly earnings rose 4.6% year-on-year to GBP 724/week, remaining the slowest pace in nine months. Adjusted for inflation, total earnings rose 0.5%, the weakest increase since April-June 2023.
- Japan's preliminary estimate for Q2-2025 is that it grew by 1.0% (annualized) (Q1-2025: 0.6%), continuing its fifth consecutive quarter of annual growth, supported by resilient private consumption amid government measures to ease inflationary pressures. Capital expenditure also increased, extending its five-quarter growth streak due to higher spending in anticipation of monetary tightening, digitalization, and supply chain diversification. Furthermore, net trade provided a boost, as exports rebounded sharply due to accelerated shipments to the US in anticipation of tariffs that have not yet fully taken effect. Economists warn that tariff headwinds could intensify in the coming quarters.
- The South Korean government will unveil plans to restructure the petrochemical sector, which is in a "serious" situation. The Industry Minister emphasized that the petrochemical industry must take voluntary measures, including facility adjustments, and that South Korean petrochemical companies should learn from the restructuring of the shipbuilding industry in the late 2010s, when shipbuilders were forced to liquidate assets and streamline operations amid a sharp decline in orders.
- China reported an unemployment rate of 5.2% in July 2025 (5% in June 2025). This marked the highest figure since March 2025. Meanwhile, the average weekly working hours for corporate employees nationwide remained stable at 48.5 hours. From January to July 2025, the national urban unemployment rate averaged 5.2%, reflecting stability in the labor market.
- The Beijing municipal government announced the lifting of restrictions on the number of homes residents can purchase in suburban areas, particularly outside the Fifth Ring Road. This policy marked a significant change from the previous limit of two units per household. This move is expected to unlock demand among multigenerational families and suburban investors, in line with China's broader "gradual easing" strategy. The announcement immediately triggered a surge in property visits and buyer demand, indicating renewed interest and potential short-term price support.

- China will provide interest subsidies to businesses in eight consumer service sectors, including catering and tourism, to support service consumption amid a slowing economy. This measure aims to reduce financing costs for service industry operators and boost the consumer market. Eligible businesses can receive a 1% interest subsidy on loans from 21 national banks and nine government departments, with the maximum loan amount eligible for the interest subsidy for a single entity reaching CNY 1 million (USD139,095). The central and provincial governments will cover 90% and 10% of the subsidy costs, respectively, with a maximum term of one year.
- China allocated CNY 188 billion (USD25.9 billion) from its 2025 ultra-long-term special bond fund to support equipment upgrades in key sectors. The funding will cover approximately 8,400 projects spanning industry, energy equipment, electricity, transportation, logistics, environmental infrastructure, education, healthcare, and more. This plan, part of the "two new" policies, aims to increase total investment to over CNY1 trillion, with stricter scrutiny to accelerate modernization in key sectors.
- S&P Global Ratings revised India's credit rating upward to 'BBB' from 'BBB-' and changed the outlook to stable from positive, citing economic resilience and continued fiscal consolidation. Strong growth momentum, credible monetary policy, and increased public spending are the key drivers of the upgrade. The impact of Trump's tariffs is expected to be manageable, with India's fundamentals expected to support growth over the next 2-3 years. The stable outlook reflects expectations that policy continuity and strong infrastructure investment will support India's long-term growth, while prudent fiscal and monetary policies will help manage debt and interest burdens over the next 24 months.
- The Bank of Thailand cut its benchmark interest rate by 25 basis points to 1.50%, bringing it to its lowest level since February 2023. The decision comes amid deflationary conditions and the central bank's efforts to return inflation to its target range (1%-3%). The central bank reaffirmed its commitment to a policy framework focused on price stability, sustainable growth, and financial stability.

2) Trade War

- The US Treasury Secretary stated that they will conclude trade negotiations with the remaining countries by the end of October. Meanwhile, the pause in the tariff war with China will also be extended for 90 days until mid-November. This has allowed the US to pause tariff increases as retailers begin preparing for the holiday season.
- Nvidia and AMD have agreed to share 15% of revenue from certain chip sales in China with the US government, in exchange for export licenses for Nvidia's H20 and AMD's MI308 chips. This unprecedented deal reflects the White House's strategic use of trade exemptions amid ongoing tariff pressure. The move underscores Washington's evolving approach to technology exports and its balancing act between national security and economic interests. Meanwhile, China continues to urge the US to relax export controls on high-bandwidth memory (HBM) chips.
- China will impose high anti-dumping duties of 26.2% on hydrogenated butyl rubber from Arlanxeo Canada and 40.5% on the same product from another Canadian company. Additionally, import duties of 13.8%-30.1% will be imposed on similar goods from Japan. China will also impose a 75.8% import duty on all Canadian rapeseed imports. This policy was taken in retaliation for Canada's plan to raise tariffs on Chinese steel. Furthermore, Beijing launched a new investigation into Canadian pea starch following complaints from the local industry.

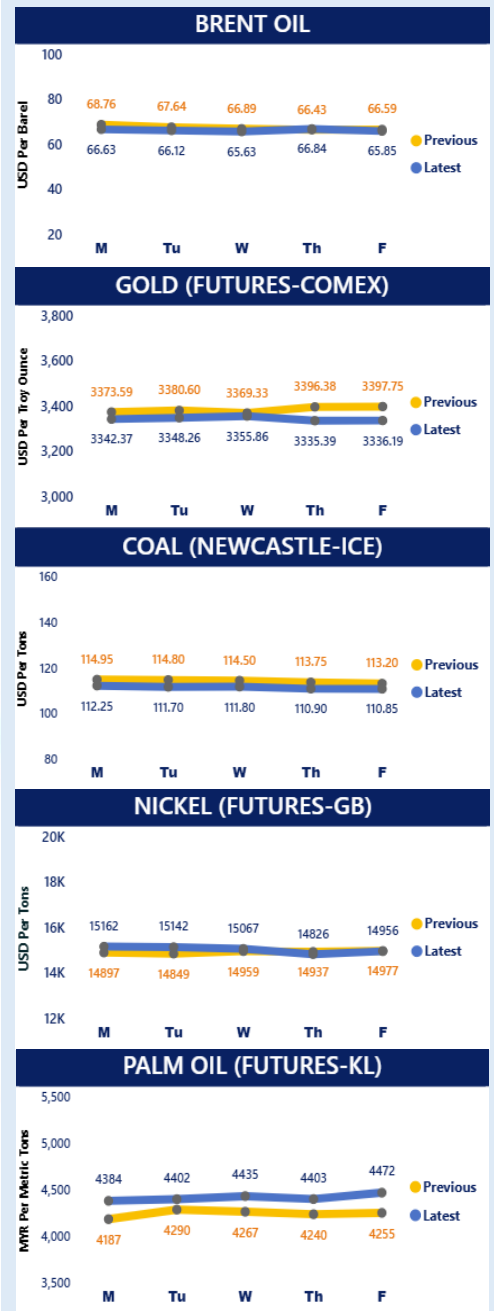
3) Domestic Economy

- Retail sales in June 2025 were reported to have grown 1.3% YoY to 231.9 (May 2025: 1.9% YoY) due to increased sales of goods related to public holidays and collective leave for religious holidays and school holidays. Meanwhile, in July 2025, retail sales are estimated to have grown 4.8% YoY to 222.5, due to increased sales of spare parts and accessories, food, beverages and tobacco, and motor vehicle fuel.
- Car sales in Indonesia in July 2025 fell 18.4% YoY to 60,552 units (Jun 2025: -22.6%). This marked the third consecutive monthly decline, highlighting growing concerns in the national automotive sector. Despite the decline, GAIKINDO still projects car sales in 2025 to reach 750,000-900,000 units, although GAIKINDO acknowledged that this target could be revised lower amid declining sales in the first half. Throughout January-July 2025, cumulative sales reached 435,390 units, 10.1% lower than in January-July 2025.
- Indonesia's external debt in Q2-2025 was reported to have slowed to 6.1% YoY (Q1-2025: 6.4% YoY) to USD433.3 billion. Government external debt accelerated and grew 10.0% YoY (Q1-2025: 7.6% YoY) to USD210.1 billion due to increased foreign capital inflows into domestic government securities (SBN). Private external debt reportedly continued to contract by -0.7% YoY (Q1-2025: -1.0% YoY) to USD194.9 billion. The contraction primarily occurred in non-financial companies (-1.4% YoY), in contrast to the external debt of financial institutions, which continued to grow by 2.3% YoY. Overall, Indonesia's external debt remains healthy, with a ratio to GDP of 30.5%, dominated by long-term tenors (85.0% of total external debt).
- The government has established basic macroeconomic assumptions for the 2026 Draft State Budget. Economic growth is targeted at 5.4%, higher than the 2025 outlook (4.7-5.0%). Inflation remains targeted at 2.5%, while the rupiah exchange rate is targeted at IDR16,500/USD, and the 10-year Government Bond (SUN) interest rate is estimated at 6.9%. Meanwhile, the 2026 Draft State Budget targets a deficit of 2.48% of GDP, or IDR638.8 trillion. State revenues are targeted to grow 9.8% to IDR3,147.7 trillion, while state spending is estimated to grow 7.3% to IDR3,786.5 trillion. The Minister of Finance explained that the 2026 Draft State Budget deficit will be carefully maintained and lower than the 2025 outlook (2.78%), with the main deficit management strategy being to maintain a safe debt ratio at around 39.96% of GDP.

B. COMMODITY MARKET DEVELOPMENT

- Oil prices closed down 1.11% WoW, as market participants awaited the meeting between the US President and the Russian President, which could potentially lead to easing sanctions against Moscow related to the war in Ukraine. Brent oil prices fell to the level of USD65.85 per barrel. Predictions of a continuously increasing oil market surplus also weighed on sentiment, in addition to the prospect of persistently high US interest rates. The number of oil rigs, which serves as a future supply indicator, rose by one to 412 units this week.
- Gold prices recorded a weekly decline of 1.81% after US inflation data, which was higher than expected, reduced the chances of an interest rate cut. Meanwhile, market focus shifted to the meeting between the US President and Russia. However, some analysts argued that macroeconomic and geopolitical risks will further increase in the second half of this year, thereby strengthening the appeal of gold as a safe-haven asset. Thus, the bullish outlook for gold remains intact.
- Coal prices, which had been bullish at the end of July, were again overshadowed by a negative trend. Coal prices recorded a weekly decline of 2.08%. Expectations of weak demand became a burden for coal price movements, especially in China, the world's largest coal consumer. China's industrial production will decline in July. Market consensus resulted in a median projection of industrial production growth of 6% YoY, lower than June's growth of 6.8%. As China's economy continues to slow, energy demand is also likely to be sluggish, and there is a perception that coal demand will weaken amid abundant production. China reported its production rose nearly 4% during the first seven months of this year, after an increase during the first six months.
- CPO prices recorded a weekly increase of 5.10%, reaching the highest level in the past four months. CPO prices closed at MYR4,472 per ton. The movement of CPO prices was driven by an increase in Malaysian palm oil exports in the first 2 weeks of August, which surged 2.13% (AmSpec Agri Malaysia). In Indonesia, BPS also reported that CPO and its derivative exports in the first semester of 2025 grew 24.81% YoY to USD11.43 billion, with volumes reaching 11 million tons. This increase was driven by the recovery of global demand as well as the zero-tariff agreement for CPO exports to the European Union through the implementation of CEPA. On the other hand, the Indonesian government will strictly crack down on the illegal exploitation of natural resources, after a survey found that oil palm plantations covering 3.7 million hectares (14,300 square miles) were operating in violation of the law.

Chart 1. Several Commodity Price Developments on a Weekly Basis (W-to-W)

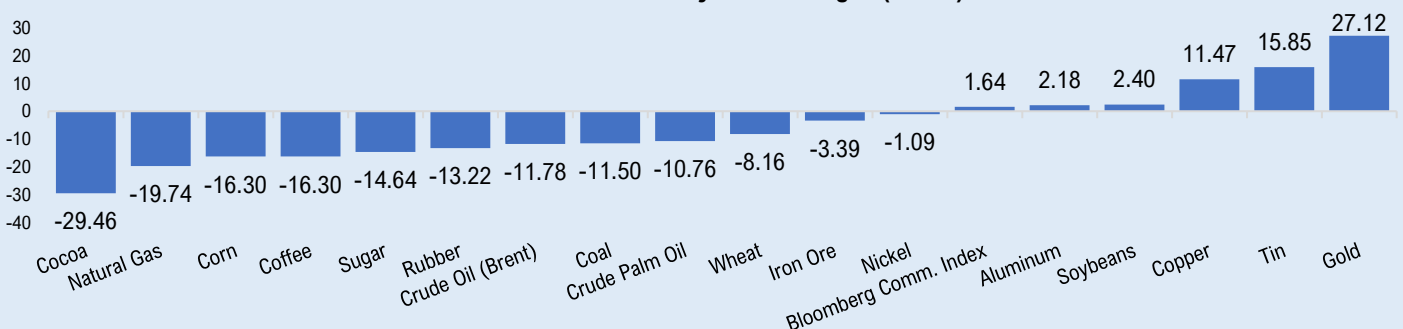


Previous : 08/04/25 – 08/08/25

Latest : 08/11/25 – 08/15/25

Source: Bloomberg & Investing (2025).

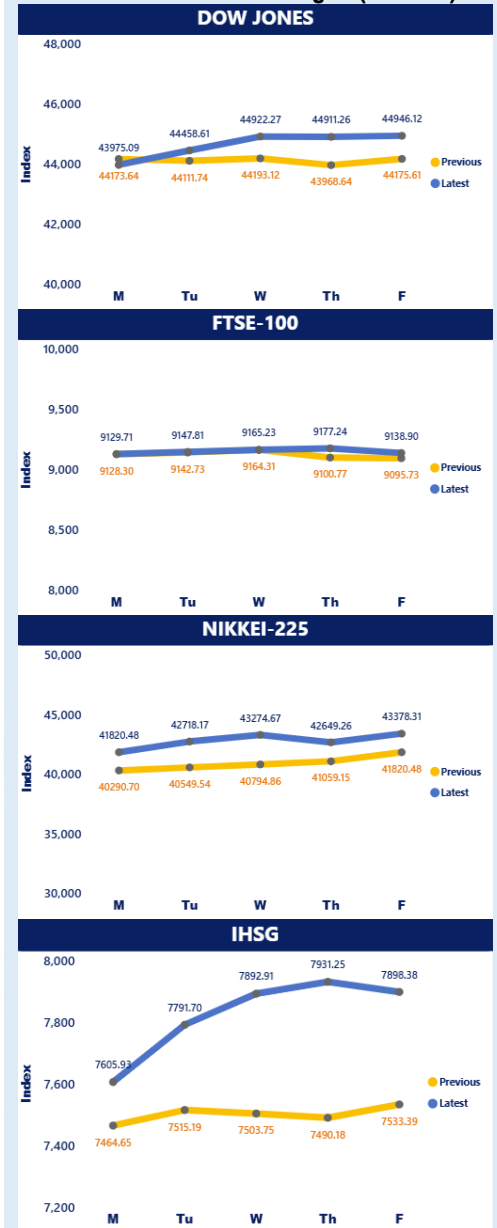
Chart 2. 2025 Commodity Price Changes (%YTD)



C. STOCK MARKET DEVELOPMENT

- Wall Street stock markets still recorded a weekly gain, amid a report of producer prices that were hotter than expected, dampening expectations of a potential interest rate cut. At the end of the week, the Dow Jones Industrial Average index briefly hit an intraday record high, driven by a surge in UnitedHealth shares. UnitedHealth Group shares rose nearly 12%, the largest daily gain since March 2020, after Warren Buffett's company announced a new investment in the health insurance firm. For the week, the S&P 500 rose 0.94%, the Nasdaq gained 0.81%, and the Dow Jones Industrial Average strengthened 1.74%.
- European stock markets weakened at the end of the week, but still recorded weekly gains in the past week. Investors also monitored an important meeting between the United States and Russia. Weekly gains in European stocks were supported by the market closing at the highest level in more than two months on Thursday (8/14), with aerospace, defense, and financial stocks providing the biggest boost after investors reviewed a series of corporate earnings reports. Most regional indexes posted gains, with the DAX 30 index rising 0.81% WoW, France's CAC 40 index strengthening 2.33% WoW, while the FTSE index gained 0.47% WoW.
- Asian stock markets followed the upward trend of global markets. Japan's Nikkei 225 index rose 3.73% WoW, amid data showing Japan's economy grew 0.30% in the second quarter. China's Shanghai Composite index strengthened 1.70% WoW, while Hong Kong's Hang Seng index gained 1.65% WoW.
- JCI surged 4.84% in the past week, closing at the level of 7,898.38. The IHSG increase was influenced by many positive sentiments, such as the 90-day extension of the tariff agreement between the United States (US) and China. In addition, US inflation data showing moderate figures was believed to strengthen market expectations for a cut in the US central bank's benchmark interest rate, The Fed. Furthermore, foreign capital inflows returned strongly to Indonesia's stock market, reaching IDR4.86 trillion in the past week, also influencing the IHSG's movement. Over the week, 10 out of 11 sectoral indexes strengthened, led by the technology sector index (15.41%), while the basic materials sector index was the only one to decline, down 2.89%.

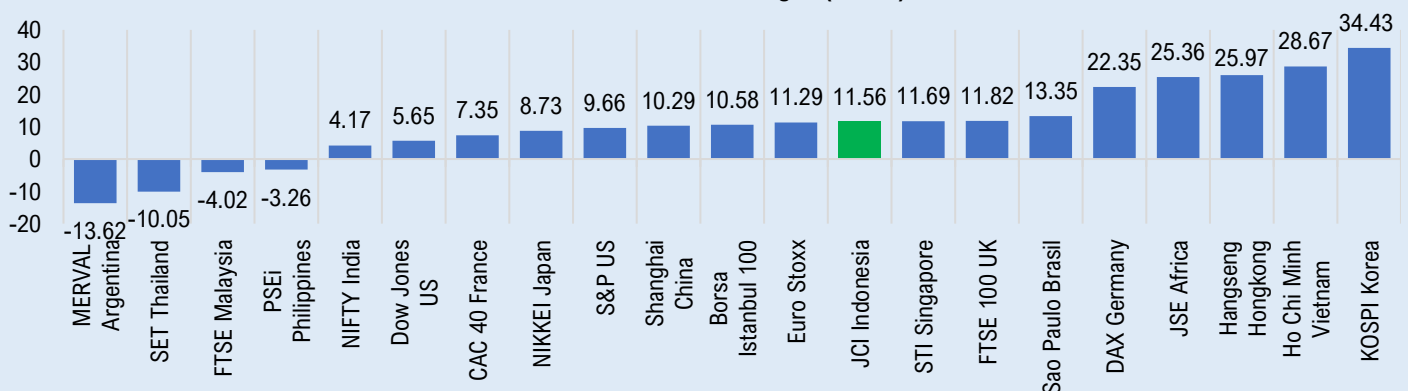
Chart 3. Weekly Stock Price Movements In several Stock Exchanges (W-to-W)



Previous : 08/04/25 – 08/08/25
Latest : 08/11/25 – 08/15/25

Source: Bloomberg & Investing (2025).

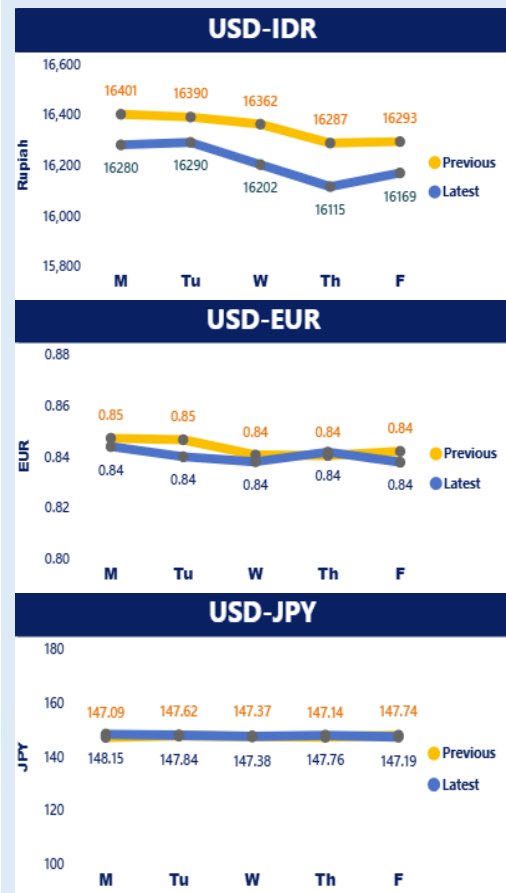
Chart 4. Stock Price Changes (%YTD)



D. EXCHANGE RATE DEVELOPMENT

- The dollar index fell to 97.85 after concerns about weakening consumer spending due to rising US retail sales eased. The Trump-Putin meeting in Alaska is attracting attention, with the Ukraine ceasefire still uncertain. Furthermore, the market is still awaiting next week's Jackson Hole symposium for signals on the Fed's policy stance.
- In Europe, the euro moved around USD1.16/EUR as traders considered the economic, political, and monetary outlook related to the resolution of the Russia-Ukraine conflict. Meanwhile, although the ECB ended its easing cycle last July, some market participants see the possibility of another ECB interest rate cut before the end of the year. Furthermore, the British pound traded at USD1.36/GBP, its highest in about five weeks, after UK GDP beat estimates. This stronger-than-expected data reduces the likelihood of further Bank of England interest rate cuts in the near future.
- In Asia, the Japanese yen traded relatively stronger compared to the previous week (JPY147.19/USD) following comments by US Treasury Secretary Scott Bessent, who stated that the Bank of Japan was behind the curve in dealing with inflation. The Chinese yuan depreciated to CNY7.28/USD in line with still-weak economic data. Meanwhile, the Indian rupee traded around INR87.7/USD amid high tariffs from the US and a dovish outlook from the RBI.
- The rupiah appreciated by 0.17% to IDR16,169/USD, in line with the easing of conflict in the Middle East, the release of strong domestic economic data, and a weaker US dollar. During the period of August 11-14, 2025, Bank Indonesia (BI) reported foreign capital inflows of IDR15.31 trillion from the domestic financial market. The majority of foreign capital inflows occurred in the SBN market, reaching IDR7.88 trillion, followed by the stock market at IDR5.37 trillion, and in the Bank Indonesia Rupiah Securities (SRBI) market at IDR2.05 trillion.

Chart 5. Movement of Weekly Exchange Rates in Several Countries (W-to-W)

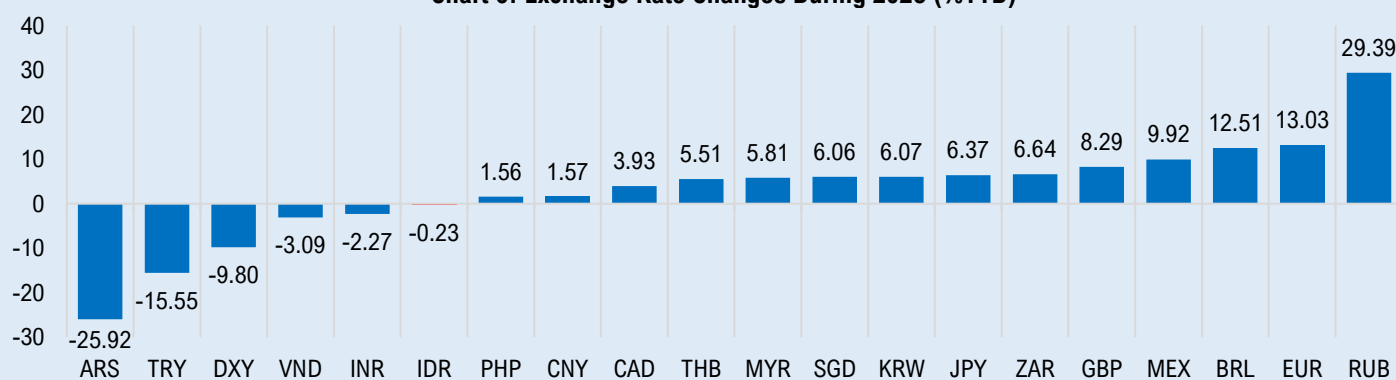


Previous : 08/04/25 – 08/08/25
Latest : 08/11/25 – 08/15/25

Source: Bloomberg & Investing (2025).

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Chart 6. Exchange Rate Changes During 2025 (%YTD)



E. DEBT SECURITIES MARKET DEVELOPMENT

1) Yield

- The 10-year US Treasury yield was bearish and held around 4.3% on Friday, maintaining a rebound as fresh economic data offset the urgency of repeated interest rate cuts by the Fed, adding to a hawkish shift in Fed policy expectations this year following high producer prices. The results rekindled concerns that expansionary fiscal policy and tariffs by the government could prevent inflation from reaching the Fed's target, in contrast to the weak CPI figures released earlier this week.
- In the Eurozone, the market was bearish, with the 10-year bond yield rising 10 basis points to 2.79%. The bearish market also extended to the UK government bond market, with the 10-year yield rising to 4.70%, near a two-week high, after key labor market data showed the labor market was still not fully relaxed and could still handle the £26 billion tax hikes imposed by the Labour government.
- In Asian markets, the yield on Japan's 10-year government bond rose above 1.56% as stronger-than-expected GDP data and growing expectations of a Bank of Japan interest rate hike sparked selling in government bonds. JGB yields also strengthened after US Treasury Secretary Scott Bessent said the BoJ was lagging behind in tackling inflation. Meanwhile, in other countries, bearish conditions also loomed over individual markets. In China, the 10-year bond yield rose to 1.75%, India to 6.41%, and Malaysia to 3.38%. Thailand was among those experiencing a significant decline (10 bps) to 1.34% following its central bank's interest rate cut.
- In the domestic market, the 2-year yield curve flattened to 5.61%, while the 10-year yield fell 2 bps to 6.39%. The decline in the 10-year yield was due to foreign capital inflows into the domestic market as domestic economic data continued to show solid conditions. The risk premium indicated by the 5-year CDS also fell again to 68.39 (-8.25%).
- The Indonesian government successfully raised IDR32 trillion from the auction of eight series of Government Securities (SUN) on August 12, 2025. Total bids reached IDR162.32 trillion. The FR109 series contributed the largest absorption, with a value of IDR9.90 trillion, with an average yield of 5.875%, and a maturity of March 15, 2031. The government will hold its 13th Government Securities (SUN) auction on Tuesday, August 19, 2025, offering seven series of Government Sharia Securities (SBSN) with varying coupon rates starting from 5.875% and also discounted yields. This auction aims to partially meet the 2025 State Budget financing target and is targeting a proceeds of IDR9-18 trillion.

2) Index

- The Indonesia Composite Bond Index (ICBI) recorded an increase to 422.90 (+0.26%) compared to the previous weekend. The increase was supported by the positive performance of the government bond index to 413.10 (+0.26%) and the corporate bond index to 492.14 (+0.24%).
- The decline in the benchmark yield to 5.67% (-4 bps) did not necessarily reduce all 3-year corporate bond yields last week. The yield on AAA-rated bonds remained relatively unchanged at 6.232% (0 bps), while the yield on AA-rated bonds rose to 6.516% (+1 bps). Yields on A-rated and BBB-rated bonds decreased to 7.891% (-8 bps) and 9.732% (-13 bps), respectively.

Chart 7. Indonesian Government Bond Yield Curve

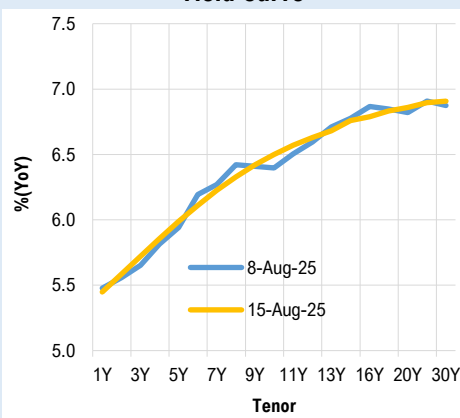


Chart 8. Bond Index

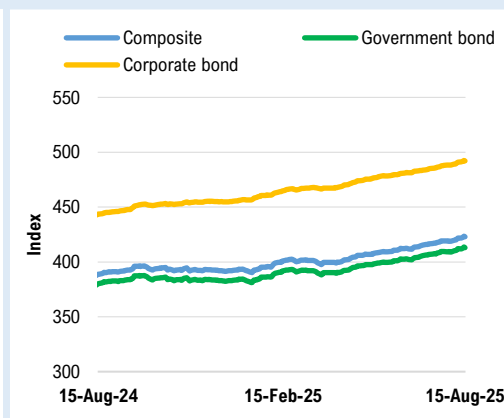
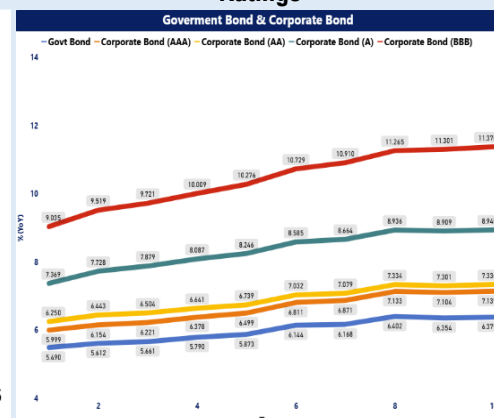


Chart 9. Corporate Bond Yields for Various Ratings



Note: data as of Friday, August 15, 2025.

Source: Bloomberg (2025), PHEI, processed by PEFINDO.

F. GOVERNMENT AND CORPORATE BONDS TRADING

Table 1. The Most Active Government Bond Transactions During the Week by Volume

Series	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Units)
FR0104	6.5	07/15/30	51,161	102.7	5.858	26,732,233
PBS003	6	01/15/27	300	101.3	5.024	18,563,755
FR0106	7.125	08/15/40	2,500	103.4	6.766	16,335,399
FR0103	6.75	07/15/35	5,000	102.6	6.395	14,185,656
FR0108	6.5	04/15/36	150,000	100.7	6.407	13,097,573
FR0087	6.5	02/15/31	100	100	--	6,884,004
FR0107	7.125	08/15/45	300	102.8	6.87	6,675,330
FR0091	6.375	04/15/32	200	100	6.373	6,494,329
FR0101	6.875	04/15/29	1,300	103.6	5.768	4,494,427
PBS030	5.875	07/15/28	5,000	100.5	5.691	4,153,818

Source: Bloomberg (2025).

Table 2. The Most Active Corporate Bond Transactions During the Week by Volume

Instrument	Rating	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Units)
Sukuk Mudharabah I Armadian Tritunggal Year 2023	irA-	9.75	11/24/25	86,470	99.8	10.522	724,720
Shelf Registration Sukuk Mudharabah II Oki Pulp & Paper Mills Phase I Year 2025 Series A	idA+(sy)	10	03/25/28	60,000	102.51	8.905	496,080
Shelf Registration Bond VI Tower Bersama Infrastructure Phase VI Year 2025 Series A	AA+(idn)	7	03/21/28	50,000	101.55	6.344	400,000
Bond II Integrasi Jaringan Ekosistem Year 2025 Series B	idA	11.5	07/08/28	50,000	100	11.496	392,070
Bond I Integrasi Jaringan Ekosistem Year 2024 Series B	idA	12.3	07/04/27	50,000	100	12.293	362,070
Shelf Registration Bond I OKI Pulp & Paper Mills Phase VI Year 2024 Series B	idA+	10.25	11/08/27	2,650	105.58	7.493	355,530
Shelf Registration Bond II Provident Investasi Bersama Phase III Year 2024 Series B	idA	9.75	09/18/27	50,000	104.91	7.183	328,300
Shelf Registration Sukuk Mudharabah III Indah Kiat Pulp & Paper Phase II Year 2023 Series B	idA+(sy)	10.25	08/25/26	5,000	103.92	6.239	325,740
Bond III OKI Pulp & Paper Mills Year 2022 Series B	idA+	10.5	11/04/25	2,000	100.6	7.501	294,950
Shelf Registration Bond VI Federal International Finance Phase V Year 2025 Series A	idAAA	6.4	04/25/26	100,000	100.06	6.309	280,000

Source: Bloomberg (2025).

G. ISSUANCE AND MATURITY OF CORPORATE DEBT SECURITIES

1) Corporate Debt Securities Issuance

Table 3. Corporate Debt Securities Issuance

No.	Company	Instruments	Issuance Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
1	PT Bank Mega Tbk	Subordinated MTN Year 2025	Aug-14-2025	50.00	8.50	5	-
Total				50.00			

Source: KSEI, IDX, PEFINDO database.

2) Corporate Debt Securities Maturity

Table 4. Corporate Debt Securities Maturity

No.	Company	Instruments	Maturity Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
AUGUST 2025							
1	PT Indomobil Finance Indonesia	Shelf Registration Bond IV Phase I Year 2020 Series C	Aug-4-2025	90.00	9.90	5	idAA-
2	PT Medco Power Indonesia	Shelf Registration Sukuk Wakalah I Phase I Year 2022 Series A	Aug-4-2025	280.00	8.00	3	idA(sy)
3	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond III Phase I Year 2022 Series B	Aug-5-2025	1,672.22	9.50	3	idA+
4	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Sukuk Mudharabah II Phase I Year 2022 Series B	Aug-5-2025	401.43	9.50	3	idA+(sy)
5	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond III Phase I Year 2022 Series B	Aug-5-2025	326.50	5.75	3	idAAA
6	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Sukuk Mudharabah II Phase I Year 2022 Series B	Aug-5-2025	270.00	5.75	3	idAAA(sy)
7	PT Wahana Inti Selaras	Bond I Year 2022 Series B	Aug-5-2025	600.00	7.75	3	idA+
8	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase VI Year 2024 Series A	Aug-7-2025	250.00	7.25	1	idA+
9	PT BRI Multifinance Indonesia	Bond I Year 2022	Aug-9-2025	700.00	6.95	3	idAA
10	PT Hino Finance Indonesia	Bond I Year 2022 Series B	Aug-9-2025	525.00	7.00	3	AAA(idn)
11	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond III Phase I Year 2022 Series B	Aug-9-2025	69.00	6.00	3	AAA(idn)
12	PT JACCS Mitra Pinasthika Mustika Finance Indonesia	Shelf Registration Bond I Phase I Year 2022 Series B	Aug-10-2025	500.00	7.40	3	AA(idn)
13	PT Elnusa Tbk	Shelf Registration Sukuk Ijarah I Phase I Year 2020	Aug-11-2025	700.00	9.00	5	idAA+(sy)
14	PT Mora Telematika Indonesia Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2020 Series B	Aug-11-2025	86.00	11.25	5	idA+(sy)
15	PT Permodalan Nasional Madani	Shelf Registration Bond V Phase I Year 2022 Series B	Aug-11-2025	116.00	5.85	3	idAAA
16	PT Tower Bersama Infrastructure Tbk	Shelf Registration Bond V Phase IV Year 2022 Series B	Aug-11-2025	721.39	6.35	3	AA+(idn)
17	PT Angkasa Pura Indonesia	Shelf Registration Bond I Phase II Year 2020 Series B	Aug-13-2025	159.00	8.50	5	idAAA
18	PT Kapuas Prima Coal Tbk	Bond I Year 2018 Series E	Aug-13-2025	6.67	17.80	7	idCCC
19	PT Mandiri Tunas Finance	Shelf Registration Bond V Phase I Year 2020 Series B	Aug-13-2025	386.00	8.60	5	idAAA
20	PT Samator Indo Gas Tbk	Shelf Registration Bond II Phase I Year 2020 Series B	Aug-14-2025	2.00	10.55	5	A(idn)
21	PT Samator Indo Gas Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2020	Aug-14-2025	5.00	10.55	5	A(idn)(sy)
22	PT Pegadaian	Shelf Registration Bond V Phase II Year 2022 Series B	Aug-16-2025	276.00	5.75	3	idAAA
23	PT Pegadaian	Shelf Registration Sukuk Mudharabah II Phase II Year 2022 Series B	Aug-16-2025	245.00	5.75	3	idAAA(sy)
24	PT Bank Tabungan Negara (Persero) Tbk	Shelf Registration Bond IV Phase I Year 2020 Series C	Aug-19-2025	196.00	8.40	5	AA+(idn)
25	PT Perkebunan Nusantara IV	Sukuk Ijarah II Year 2019 Series A	Aug-21-2025	10.00	11.20	6	idA(sy)
26	PT Perkebunan Nusantara IV	Sukuk Ijarah II Year 2019 Series C	Aug-22-2025	150.00	11.20	6	idA(sy)
27	PT Perkebunan Nusantara IV	Sukuk Ijarah II Year 2019 Series E	Aug-23-2025	200.00	11.20	6	idA(sy)
28	PT Intiland Development Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2022	Aug-25-2025	250.00	10.50	3	irA-

29	PT Waskita Fim Perkasa Realti	MTN II Year 2022	Aug-25-2025	165.00	13.06	3	-
30	PT Astra Sedaya Finance	Shelf Registration Bond V Phase V Year 2022 Series B	Aug-26-2025	373.00	6.35	3	AAA(idn)
31	PT Chandra Asri Pacific Tbk	Shelf Registration Bond III Phase I Year 2020 Series B	Aug-26-2025	357.70	8.70	5	idAA-
32	PT PP Properti Tbk	MTN XVI Year 2022	Aug-26-2025	300.00	10.00	3	-
33	PT Sinar Mas Multiartha Tbk	Shelf Registration Bond II Phase II Year 2022 Series C	Aug-26-2025	305.13	9.00	3	irAA
34	PT Waskita Karya Realty	MTN IV Waskita Karya Realty Year 2022	Aug-28-2025	85.00	11.41	3	-
Total				10,779.03			

SEPTEMBER 2025

1	PT Lontar Papyrus Pulp & Paper Industry	Shelf Registration Bond I Phase III Year 2022 Series B	Sep-1-2025	702.46	10.25	3	idA
2	PT Merdeka Copper Gold Tbk	Shelf Registration Bond III Phase III Year 2022 Series B	Sep-1-2025	1,729.40	8.25	3	idA+
3	PT Perusahaan Pengelola Aset	Bond I Year 2020 Series B	Sep-1-2025	345.00	10.55	5	idAA
4	PT XL Axiata Tbk	Shelf Registration Bond II Phase I Year 2022 Series A	Sep-1-2025	735.23	6.75	3	AAA(idn)
5	PT XL Axiata Tbk	Shelf Registration Sukuk Ijarah III Phase I Year 2022 Series A	Sep-1-2025	680.92	6.75	3	AAA(idn)(sy)
6	PT Permodalan Nasional Madani	Sukuk Mudharabah Jangka Menengah VI Phase I Year 2024	Sep-2-2025	500.00	Floating	1	idAAA(sy)
7	PT Graha Informatika Nusantara	MTN II Series A	Sep-3-2025	10.00	11.00	5	-
8	PT Graha Informatika Nusantara	MTN II Series B	Sep-3-2025	25.00	11.00	5	-
9	PT Graha Informatika Nusantara	MTN II Series C	Sep-3-2025	25.00	11.00	5	-
10	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond II Phase I Year 2020 Series B	Sep-3-2025	67.00	7.70	5	AAA(idn)
11	PT Pupuk Indonesia (Persero)	Shelf Registration Bond II Phase I Year 2020 Series B	Sep-3-2025	857.84	7.70	5	idAAA
12	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase II Year 2018 Series D	Sep-5-2025	1,324.00	8.75	7	idAAA
13	PT Pegadaian	Shelf Registration Sukuk Mudharabah III Phase II Year 2024	Sep-7-2025	808.80	6.65	1	idAAA(sy)
14	PT Pegadaian	Shelf Registration Social Sukuk Mudharabah I Phase II Year 2024	Sep-7-2025	1,412.91	6.65	1	idAAA(sy)
15	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Bond VII Phase VI Year 2024 Series A	Sep-7-2025	500.00	6.70	1	idAAA
16	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Sukuk Musyarakah I Phase III Year 2024	Sep-7-2025	274.00	6.70	1	idAAA(sy)
17	PT Jasa Marga (Persero) Tbk	Shelf Registration Bond II Phase I Year 2020 Series B	Sep-8-2025	286.00	8.25	5	idAA
18	PT Medikaloka Hermina Tbk	Shelf Registration Bond I Phase I Year 2020 Series B	Sep-8-2025	21.00	8.50	5	idAA
19	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Bond IV Phase I Year 2020 Series A	Sep-8-2025	312.00	6.70	5	idAAA
20	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Sukuk Ijarah IV Phase I Year 2020 Series A	Sep-8-2025	39.00	6.70	5	idAAA(sy)
21	PT Mayora Indah Tbk	Shelf Registration Bond II Phase I Year 2020 Series C	Sep-9-2025	295.00	7.90	5	idAA
22	PT Global Mediacom Tbk	Shelf Registration Bond II Phase I Year 2020 Series C	Sep-11-2025	1.08	12.00	5	idA+
23	PT Global Mediacom Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2020 Series C	Sep-11-2025	0.43	12.00	5	idA+(sy)
24	PT Oto Multiartha	Shelf Registration Bond I Phase II Year 2024 Series A	Sep-14-2025	255.27	6.55	1	idAAA
25	PT Federal International Finance	Shelf Registration Bond VI Phase IV Year 2024 Series A	Sep-16-2025	1,252.17	6.55	1	idAAA
26	PT Global Mediacom Tbk	Shelf Registration Bond III Phase II Year 2022 Series B	Sep-16-2025	139.16	10.00	3	idA+
27	PT Global Mediacom Tbk	Shelf Registration Sukuk Ijarah III Phase II Year 2022 Series B	Sep-16-2025	96.60	10.00	3	idA+(sy)
28	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond I Phase II Year 2020 Series C	Sep-16-2025	276.55	11.50	5	idA+
29	PT Pyridam Farma Tbk	Shelf Registration Bond I Phase II Year 2023	Sep-20-2025	400.00	9.50	2	irA-
30	PT Bank Mayapada Internasional Tbk	Subordinated Bond V Year 2018	Sep-21-2025	803.00	10.50	7	idBBB-
31	PT Provident Investasi Bersama Tbk	Shelf Registration Bond II Phase III Year 2024 Series A	Sep-25-2025	512.29	8.00	1	idA
32	PT JACCS Mitra Pinasthika Mustika Finance Indonesia	MTN III Phase I Year 2022	Sep-28-2025	150.00	6.52	3	AA(idn)
Total				14,837.08			

OCTOBER 2025

1	PT Bank Pembangunan Daerah Kalimantan Selatan	MTN Year 2022	Oct-4-2025	343.00	8.00	3	A(idn)
2	PT Bank Pembangunan Daerah Kalimantan Selatan	Sukuk Mudharabah <i>Jangka Manengah</i> Year 2022	Oct-4-2025	150.00	8.00	3	A(idn)(sy)
3	PT BFI Finance Indonesia Tbk	Shelf Registration Bond VI Phase I Year 2024 Series A	Oct-5-2025	100.00	6.60	1	AA-(idn)
4	PT Mora Telematika Indonesia Tbk	Shelf Registration Sukuk Ijarah I Phase III Year 2020 Series B	Oct-7-2025	56.15	11.25	5	idA+(sy)
5	PT Sejahterarraya Anugrahjaya Tbk	Bond I Year 2022 Series A	Oct-7-2025	407.90	9.75	3	idA
6	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Bond III Phase II Year 2018 Series B	Oct-10-2025	483.00	9.00	7	idAAA
7	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Sukuk Ijarah III Phase II Year 2018 Series B	Oct-10-2025	45.00	9.00	7	idAAA(sy)
8	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond III Phase II Year 2022 Series B	Oct-11-2025	1,603.93	9.75	3	idA+
9	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Sukuk Mudharabah II Phase II Year 2022 Series B	Oct-11-2025	455.19	9.75	3	idA+(sy)
10	PT JACCS Mitra Pinasthika Mustika Finance Indonesia	MTN III Phase II Year 2022	Oct-11-2025	150.00	6.76	3	AA(idn)
11	PT Astra Sedaya Finance	Shelf Registration Bond VI Phase IV Year 2024 Series A	Oct-12-2025	1,184.20	6.45	1	AAA(idn)
12	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond USD II Phase I Year 2024 Series A	Oct-14-2025	USD7,63 mn (IDR124,15 bn)	5.75	1	idA+
13	PT Merdeka Battery Materials Tbk	Bond II Year 2024 Series A	Oct-15-2025	216.02	6.80	1	idA
14	PT XL Axiata Tbk	Shelf Registration Bond I Phase I Year 2018 Series D	Oct-16-2025	19.00	10.10	7	AAA(idn)
15	PT XL Axiata Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2018 Series D	Oct-16-2025	34.00	10.10	7	AAA(idn)(sy)
16	PT Bank Rakyat Indonesia (Persero) Tbk	Shelf Registration Green Bond I Phase II Year 2023 Series B	Oct-17-2025	4,154.35	6.35	2	idAAA
17	PT Bukit Makmur Mandiri Utama	Bond II Year 2024 Series A	Oct-18-2025	251.04	7.25	1	idA+
18	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Bond VI Phase IV Year 2024 Series A	Oct-20-2025	785.00	6.45	1	idAAA
19	PT Indonesia Infrastructure Finance	Shelf Registration Bond I Phase II Year 2020 Series C	Oct-21-2025	120.00	6.90	5	idAAA
20	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Bond II Phase II Year 2020 Series C	Oct-22-2025	548.00	10.50	5	idAA-
21	PT Indosat Tbk	Shelf Registration Bond IV Phase I Year 2022 Series A	Oct-26-2025	875.00	7.00	3	idAAA
22	PT Indosat Tbk	Shelf Registration Sukuk Ijarah IV Phase I Year 2022 Series A	Oct-26-2025	375.00	7.00	3	idAAA(sy)
23	PT Federal International Finance	Shelf Registration Bond V Phase IV Year 2022 Series B	Oct-28-2025	676.24	6.80	3	idAAA
Total				13,156.16			

NOVEMBER 2025

1	PT Wijaya Karya (Persero) Tbk	Shelf Registration Bond III Phase I Year 2022 Series A	Nov-3-2025	479.80	9.90	3	idCCC
2	PT Wijaya Karya (Persero) Tbk	Shelf Registration Sukuk Mudharabah III Phase I Year 2022 Series A	Nov-3-2025	109.33	9.90	3	idCCC(sy)
3	PT Oki Pulp and Paper Mills	Bond III Year 2022 Series B	Nov4--2025	1,742.78	10.50	3	idA+
4	PT Oki Pulp and Paper Mills	Sukuk Mudharabah II Year 2022 Series B	Nov-4-2025	255.19	10.50	3	idA+(sy)
5	PT Indonesia Infrastructure Finance	Shelf Registration Bond II Phase II Year 2024 Series A	Nov-5-2025	200.00	6.30	1	idAAA
6	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase III Year 2018 Series D	Nov-8-2025	380.00	9.75	7	idAAA
7	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Sukuk Mudharabah I Phase II Year 2018 Series D	Nov-8-2025	155.00	9.75	7	idAAA(sy)
8	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond III Phase II Year 2022	Nov-8-2025	3,535.61	6.98	3	idAAA
9	PT Semen Indonesia (Persero) Tbk	Shelf Registration Bond II Phase I Year 2022 Series A	Nov-9-2025	290.85	7.20	3	idAAA
10	PT Sinar Mas Multiartha Tbk	Shelf Registration Bond I Phase II Year 2020 Series B	Nov-11-2025	874.00	10.25	5	irAA
11	PT Bank CIMB Niaga Tbk	Subordinated Bond III Year 2018 Series B	Nov-15-2025	75.00	10.00	7	idAA
12	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	Shelf Registration Subordinated Bond II Phase II Year 2020 Series A	Nov-17-2025	162.58	8.50	5	idA+
13	PT Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat	Shelf Registration Bond II Phase II Year 2020 Series B	Nov-18-2025	392.00	8.75	5	idA+
14	PT Oki Pulp and Paper Mills	Shelf Registration Bond I Phase VI Year 2024 Series A	Nov-18-2025	664.55	7.50	1	idA+

15	PT Oki Pulp and Paper Mills	Shelf Registration Bond USD I Phase VI Year 2024 Series A	Nov-18-2025	USD5.33 mn (IDR79.35 bn)	7.50	1	idA+
16	PT Armadian Tritunggal	Sukuk Mudharabah I Year 2023	Nov-24-2025	2,000.00	9.75	2	irA-
17	PT Bank Rakyat Indonesia (Persero) Tbk	MTN Year 2022 Series B	Nov-24-2025	3,000.00	6.98	3	-
Total				14,396.03			

Source: KSEI, IDX, PEFINDO database.



PEFINDO
CREDIT RATING AGENCY

H. NEWS ANALYSIS

Table 5. News Highlights Over The Past Week

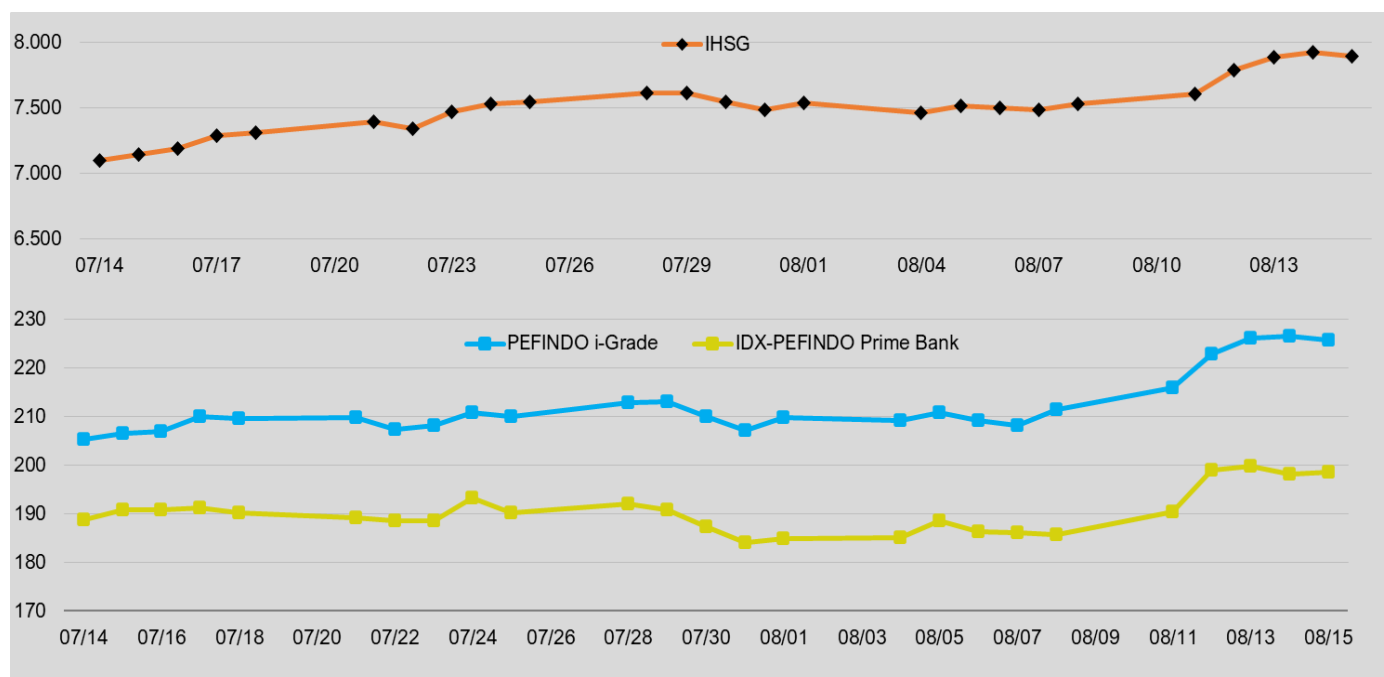
Industries	News Headlines and Analysis
Automotive	<p>GIIAS Fails to Boost Car Sales (Harian Kontan–08/12/2025). The Association of Indonesian Automotive Industries (Gaikindo) recorded a modest 1.75% month-on-month (MoM) growth in retail car sales. Although there was growth, the result is clearly unsatisfactory, especially considering it was recorded following the Gaikindo Indonesia International Auto Show (GIIAS) 2025. For comparison, GIIAS 2024 managed to boost car sales by 7.67% MoM. This situation further underscores the decline in consumer purchasing power, which has led to a continued drop in car sales since the beginning of the year. Nevertheless, Gaikindo has not revised its 2025 car sales target, which remains at 900,000 units. In the fourth quarter of 2025, the automotive industry still has potential sales momentum from the Gaikindo Jakarta Auto Show (GJAW). However, despite large discounts offered at automotive exhibitions, these price cuts have not significantly reduced monthly installments due to persistently high loan interest rates. Consumers are now more rational in considering total costs. Various pressures—such as rising prices of LCGC, the 12% VAT, and the weakening rupiah exchange rate—remain key factors causing consumers to delay car purchases.</p>
Banking	<p>Smaller Banks to Focus on Organic Capital Growth (Harian Kontan–08/11/2025). Several small banks have no plans to undertake corporate actions to strengthen their capital this year. The current capital levels are considered sufficient to support business expansion. Capital increases will be pursued organically through financial performance growth. Some banks have successfully increased their core capital organically over the past year. The rise in core capital indicates that these banks still have room to extend financing.</p>
Construction	<p>Infrastructure Sector Stocks Strengthen Amid Rate Cut Prospects (Harian Kontan–08/14/2025). The potential for interest rate cuts by Bank Indonesia (BI) and the Federal Reserve (The Fed) could positively impact the strengthening of the infrastructure sector index. Year-to-date (YTD), the infrastructure sector index has recorded a gain of 32.34%. The possibility of lower interest rates may reduce interest expenses and improve profit margins for infrastructure issuers. Additionally, the strengthening of stocks in this sector is also driven by expectations of performance growth. Stocks in transportation and energy infrastructure are likely to gain a larger share of future prospects, especially if major National Strategic Projects (PSN) begin to progress in the second half of the year.</p>
Insurance and Guarantee	<p>Positive Reception for Specialized Insurance for Electric Vehicles (Harian Ekonomi Neraca–08/14/2025). The Financial Services Authority (OJK) has given a positive signal in response to requests from several insurance policy providers for the establishment of specific regulations for battery-based electric vehicle (EV) insurance. This initiative aims to promote greater financial inclusion within society. Motor vehicle insurance providers are hopeful that OJK and the General Insurance Association of Indonesia (AAUI) will soon formulate insurance regulations specifically tailored for battery-based electric vehicles, due to the differing risk factors compared to conventional internal combustion engine (ICE) or fossil fuel-powered vehicles. To date, most insurance providers in Indonesia have already been offering insurance products and services for electric vehicles. However, the policies, premiums, and types of services have not yet been differentiated and are still treated the same as those for conventional vehicles.</p>
Mining	<p>Illegal Mining in Halmahera Tengah Draws National Attention (Harian Ekonomi Neraca–08/09/2025). Gebe Island, a small island located in Halmahera Tengah, North Maluku, has come under public scrutiny over the past week due to long-standing illegal mining activities in the area. The House of Representatives (DPR) has urged the government to respond to protests from local communities and activists regarding the widespread illegal mining practices and the distribution of illicit diesel fuel on Gebe Island. The issue first surfaced following reports of illegal nickel exploitation by two companies: PT Mineralindo Resources Indonesia (PT MRI) and PT Smart Marsindo. The mining activities are suspected to be taking place in production forest areas protected by law. Operating without official permits means there is no environmental impact assessment (Amdal), no reclamation responsibility, resulting in forest damage, murky water, and violations of indigenous land rights. Local residents have voiced strong opposition to the illegal mining operations, even staging demonstrations at the Attorney General's Office in Jakarta. However, these actions have yet to yield any concrete outcomes.</p>
Metal and Gold	<p>Inalum Prepares for Bauxite Downstreaming (Harian Kontan–08/15/2025). Among the 18 downstreaming projects proposed by the Downstreaming Task Force, two involve bauxite processing, one of which is an aluminum smelter industry. The project, located in Mempawah, West Kalimantan, carries an investment value of IDR60 trillion and has the potential to create 14,700 jobs. PT Indonesia Asahan Aluminium (Inalum) stated that the company's current main focus is the development of SGAR Phase 2 Mempawah, with a capacity of 1 million tons per year, and the expansion of the aluminum smelter (Smelter 2 Mempawah), with a capacity of 600,000 tons per year, scheduled to begin production in 2028. This development will lead</p>

Industries	News Headlines and Analysis
	to an increase in alumina and aluminum production capacities to 2 million tons per year for alumina and 900,000 tons per year for aluminum.
Plantation and Agriculture	Flagship Program Stalled by Funding Issues (Harian Kontan–08/13/2025). President Prabowo’s flagship food security program continues to face a winding path, as reflected in internal issues within one of the state-owned enterprises leading the initiative, PT Agrinas Pangan Nusantara. The mandate assigned to Agrinas Pangan is critical: managing the national food estate. However, Joao Angelo De Sousa Mota, the former President Director of Agrinas Pangan who recently resigned, stated that the company has yet to receive funding to implement its programs. He also criticized the working approach of BPI Danantara, describing it as overly bureaucratic and lacking a business-oriented mindset. As an example, he noted that his team had submitted feasibility studies to Danantara three times but had yet to receive approval or funding—stating that the budget remains at zero. He even claimed to have used his own salary to cover the company’s operational expenses. Joao’s resignation highlights the many issues plaguing Danantara, including convoluted bureaucracy and a lack of focus on business expansion.
Power and Energy	Aiming to Build 100 GW Solar Power Plants, Minister Visits Solar PV Manufacturer in China (Investor Daily–08/14/2025). The Minister of Energy and Mineral Resources conducted a working visit to China to explore cooperation in the development of solar power plants (PLTS) with a total capacity of 100 GW. During the visit, the Minister met with executives from Trina Solar, a photovoltaic (PV) solar panel manufacturer, to discuss the development of Indonesia’s solar energy ecosystem. The meeting aimed to expand collaboration in developing the solar energy supply chain and ecosystem within the country. This initiative is a strategic step toward achieving energy resilience, leveraging Indonesia’s abundant solar energy potential, which reaches 3,294 gigawatt peak (GWp). One of the key discussion points was strengthening cooperation with PT Trina Mas Agra Indonesia (TMAI), a joint venture between Trina Solar and a local partner operating in the Kendal Special Economic Zone, Central Java. The presence of TMAI is expected to reduce dependence on imported components for the energy industry and accelerate industrial downstreaming. This cooperation also aligns with President Prabowo Subianto’s priority program to build 100 GW of solar power plants, including the village solar power initiative through the Village Cooperative scheme.
Property	Investment Contribution of Bonded Zones (Special Economic Zones/SEZs) (Harian Ekonomi Neraca–08/09/2025). The Directorate General of Customs and Excise (DJBC) of the Ministry of Finance recorded that bonded zones contributed 27.94 percent to national exports, with a total value reaching IDR1,114.64 trillion. This export contribution comes from various leading commodities such as textiles, electronics, footwear, and automotive products. As of August 2025, there are 1,512 companies actively operating as bonded zone enterprises. The 2024 Economic Impact Study of TPB and KITE (based on 2023 data) showed that bonded zone companies received a total of IDR69.63 trillion in fiscal incentives. Meanwhile, additional investment flowing into bonded zones was recorded at IDR221.53 trillion. Customs and Excise remains optimistic that this performance reflects investor confidence in the stability of government policy and legal certainty. Bonded zones also contribute to employment, with 1.73 million jobs created throughout 2025. Furthermore, the 2024 Economic Impact Study of TPB and KITE also noted economic activity in various business sectors surrounding bonded zones (indirect economic activity), including 120,366 trade businesses, 149,308 accommodation businesses, 144,141 food businesses, and 81,912 transportation businesses.

Source: Harian Kontan, Harian Ekonomi Neraca, and Investor Daily (2025).

I. PEFINDO Stock Index Development

Chart 11. PEFINDO Stock Index Performance



Source: IDX, Bloomberg (2025).

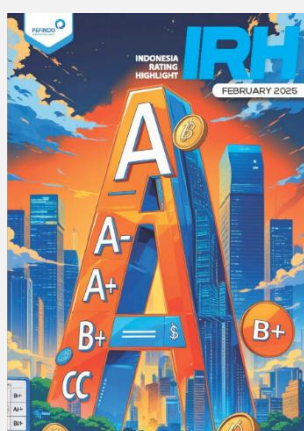
Table 6. PEFINDO Stock Index Weekly Changes

Periode	Unit	IHSG	PEFINDO i-Grade	Prime Bank
7/18/2025	% (WoW)	3.75%	1.84%	-2.09%
7/25/2025	% (WoW)	3.17%	0.17%	0.03%
8/1/2025	% (WoW)	-0.08%	-0.06%	-2.77%
8/8/2025	% (WoW)	-0.06%	0.71%	0.38%
8/15/2025	% (WoW)	4.84%	6.78%	6.91%

Source: IDX, Bloomberg (2025).

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