

WEEKLY ECONOMIC UPDATE

Period of March 17 – 21, 2025

Presented by:

Economic Research Division, PT Peningkat Efek Indonesia (PEFINDO)

EXECUTIVE SUMMARY

- Throughout the third week of March 2025, there was news that the global economic growth projection was revised down to 3.1% and 2.9% for 2025 and 2026 according to the OECD report as trade barriers and policy uncertainty increased. Several major world central banks such as the Federal Reserve, Bank of England, Bank of Japan, and People's Bank of China held their policy meetings this week and all of them still held interest rates. Efforts to restore the Chinese economy continue to be carried out by the country's government. It is reported that China will launch a special action plan to increase domestic consumption, including increasing people's income and establishing a childcare subsidy scheme. Then to strengthen the resilience of its strategic metal supply amid the trade war and energy transition, China plans to increase its strategic reserves of its main industrial metals, including cobalt, copper, nickel, and lithium.
- Domestically, Moody's is reported to still maintain Indonesia's sovereign credit rating at Baa2 with a stable outlook. Bank Indonesia, which also held its routine meeting, again took the policy to hold the BI-Rate at 5.75%. In line with the correction of global economic growth estimates, the OECD also lowered its projection for Indonesia's economic growth in 2025 from 5.2% to 4.9% and 5.0% for 2026. The latest economic indicators show that national economic liquidity (M2) in Feb'25 is still growing solidly (5.7% YoY), accompanied by maintained foreign debt (growing 5.1% YoY) with the ratio of foreign debt to GDP decreasing to 30.3%. Indonesia's trade surplus in Feb'25 is also still on a good trend with a value of USD3.12 billion. Finally, to increase market confidence and reduce pressure on the stock market, the OJK issued a Share Buyback Implementation Policy without going through a General Meeting of Shareholders (GMS).
- Overall, commodity markets showed mixed movements this week. Crude oil prices rose due to the impact of new US sanctions on Iran and OPEC+'s production cut plans, while gold prices posted their third consecutive weekly gain despite the strengthening US dollar. On the other hand, coal prices continued to decline due to reduced thermal power generation in China and lower coal usage in Europe. Meanwhile, CPO prices corrected again following the decline in soybean oil prices and expectations of reduced palm oil exports from Malaysia. Overall, geopolitical and economic uncertainties continue to influence commodity price movements.
- Global stock markets showed mixed movements this week. Wall Street experienced a slight increase after comments from the US President raised hopes for lighter tariffs, while European stocks declined due to trade tensions and geopolitical conflicts. Asian stock markets also had mixed performances, with Hong Kong experiencing a significant drop, while Japan posted an increase. In Indonesia, the JCI weakened sharply, influenced by pressure on large banking stocks and a significant decline in the technology sector, while foreign investors recorded a substantial net sell. Global uncertainties and domestic market conditions have impacted overall stock market movements.
- The dollar index strengthened, reaching 104.09, driven by reduced speculation of a weaker dollar. The euro and pound strengthened against the dollar, influenced by the revision of the US tariff strategy and easing geopolitical tensions. In Asia, the Indian rupee strengthened, while the Chinese yuan, Japanese yen, and Korean won weakened. Southeast Asian currencies, including the rupiah, generally weakened against the dollar. A strong dollar caused the rupiah's weakening, foreign capital outflows, and negative global market sentiment.
- The US Treasury market showed a bullish trend with a decline in 2-year and 10-year bond yields. This decline occurred after the Federal Reserve maintained its benchmark interest rate but lowered its economic growth projection and raised its inflation forecast. In the Eurozone, the yield curve was also bullish, but in the UK, the yield curve showed a bearish trend. Several Asian countries, including India, Malaysia, and Thailand, experienced a decline in 10-year bond yields. In contrast, countries like China, Japan, and South Korea were relatively stable.
- Indonesia's domestic bond yield curve showed a steep bearish trend, indicating increased long-term risks. 2-year and 10-year bond yields increased significantly despite net buying by foreign investors. The increase in Indonesia's investment risk is reflected in the 5-year Credit Default Swap (CDS) premium, which increased to the highest level since November 2023, indicating an increase in the risk of debt default.
- Moody's Ratings maintained Indonesia's debt rating at investment grade Baa2 with a stable outlook. Still, they provided notes related to fiscal, potential weakening growth, and the impact of establishing the Investment Management Agency. Bank Indonesia raised the discount rate on Bank Indonesia Rupiah Securities (SRBI) in its weekly auction in response to the weakening stock market, bonds, and the Rupiah exchange rate. Market interest in the SRBI auction also decreased drastically.
- The Indonesia Composite Bond Index (ICBI) fell to 399.39, aligning with corrections to government and corporate bond indices. The increase in benchmark bond yields triggered an increase in corporate bond yields with various ratings, from AAA to BBB.
- On March 17-21, 2025, issuances of bonds reached IDR3.25 trillion. Meanwhile, throughout March 2025, PEFINDO recorded debt securities that matured at IDR15.48 trillion. Then, in April 2025, May 2025, and June 2025, debt securities that matured were valued at IDR10.24 trillion, IDR5.24 trillion, and IDR12.23 trillion, respectively.
- Throughout this week, we highlighted news from 13 (thirteen) industrial sectors. Among the thirteen industries, we made news from the insurance and guarantee industry with the title "Co-Insurance Scheme Prepared for Health Insurance" and from the mining industry with the title "Mining Industry Chooses to Stop Activities" as the main highlights of our selected news.

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A. MACROECONOMIC DEVELOPMENT

1) Global Economy

- The Organisation for Economic Co-operation and Development (OECD) revised its G20 growth projections for 2025 to 3.1% from 3.3% and for 2026 to 2.9% from 3.2%. Higher trade barriers and policy uncertainty that dampen investment and spending are the main reasons. Advanced economies such as the United States (US), Eurozone, and the UK are expected to grow more slowly than prior projection in 2025 and 2026, while Canada is expected to slow significantly and Mexico to contract in 2025-2026. In contrast, China's economy is expected to grow higher in 2025 to 4.8% (previously 4.7%), before finally slowing again to 4.4% in 2026.
- The Fed maintained the Fed Funds Rate at 4.25%-4.5% and extended the pause in its interest rate cutting cycle. Policymakers noted that uncertainty in the economic outlook has increased but still anticipate about 50 bps of interest rate cuts this year. GDP growth forecasts were revised lower, the unemployment rate was revised higher, and PCE inflation was projected to be higher and reach 2% only in 2027. Starting in Apr'24, the Fed will slow the pace of the decline in its holdings of Treasury securities by reducing the redemption limit on Treasury securities from USD25 billion to USD5 billion.
- US initial jobless claims rose 2,000 to 223,000 in the second week of March, slightly below market expectations (224,000) but still at a historic low. Meanwhile, recurring claims rose by 33,000 in the first week of March. These results continue to show that the US labor market remains strong despite restrictive monetary policy and a series of data indicating a softening in Q1-2025. Meanwhile, claims for federal employee efficiency programs fell by 514 to 1,066. Despite the decline, the report is still appropriate as the DOGE layoffs coupled with severance packages prevent employees from claiming benefits immediately after being laid off.
- The US Current Account Report for 2024 showed that the deficit widened to USD228.2 billion (up 25.2%), to USD1.13 trillion. This is equivalent to 3.9% of GDP, up from 3.3% of GDP in 2023. The increase in the deficit was driven by a larger goods deficit, along with the shift in the primary income balance from a surplus in 2023 to a deficit in 2024.
- Canada's inflation rate in Feb'25 jumped to 2.6% YoY (Jan'25: 1.9% YoY) and was the highest in eight months, well above market expectations (2.2%). The surge was largely due to the expiration of the goods and services tax relief and the harmonized tax in the middle of the period, triggering a sharp increase in the prices of eligible goods. From the previous month, the expiration of the tax credits pushed the consumer price index up 1.1%, the most since May 2022.
- Eurozone consumer price inflation in Feb'25 eased to 2.3% YoY, slightly below the initial estimate (2.4%) and down from a six-month high in Jan'25 (2.5%). However, this was still above the Central Bank's target. Inflation in services (3.7% vs. 3.9% in Jan'25) and energy (0.2% vs. 1.9%) slowed, while inflation in raw food (3.0% vs. 1.4%) and non-energy industrial goods (0.6% vs. 0.5%) accelerated. Core inflation eased back to 2.6%, reaching its lowest level since Jan'22. The slowdown in inflation was also supported by the Eurozone wage rate report in Q4-2024 which was reported to have risen by 4.1% YoY, the weakest increase this year after growing by 4.3% YoY in the previous quarter.
- The Bank of England (BoE) maintained the Bank Rate at 4.5% by an 8-1 vote. The BoE took a wait-and-see approach amid persistently high inflation and global economic uncertainty. The BoE highlighted that given the medium-term inflation outlook, a gradual and cautious approach to easing monetary policy restrictions was still appropriate.
- The UK unemployment rate remained steady at 4.4% in Nov'24-Jan'25, in line with expectations and remaining at its highest level since Mar-May'24. The number of people unemployed for up to 12 months increased, while those unemployed for more than 12 months decreased. Compared with the same period last year, unemployment increased for both short-term and long-term job seekers. Overall, the level of economic activity remained unchanged at 21.5%.
- UK regular wages (excluding bonuses) rose 5.9% YoY in Nov'24-Jan'25 to GBP667/week, steady for the second straight month. This was the strongest increase since Feb-Apr'24. Including bonuses, UK average weekly earnings rose 5.8% YoY to GBP711/week. This marked a slowdown from Oct-Dec'24 growth (6.1%), which was the strongest increase in 13 months. After adjusting for inflation, total earnings grew 2.1%, slowing from Oct-Dec'24 (2.6%), and the slowest pace since Jul-Sep'24.
- The Bank of Japan (BoJ) kept its key short-term interest rate unchanged at around 0.5%, which is still the highest level since 2008, in line with market expectations. The Board of Governors adopted a cautious stance, focusing on assessing the impact of rising global economic risks from higher US tariffs and overseas headwinds on Japan's fragile recovery.
- Japan's inflation rate eased in Feb'25 from a 2-year high (Jan'25: 4.0%) to 3.7% YoY. The decline came amid sharp declines in electricity (9.0% vs 18.0% in Jan'25) and gas (3.4% vs 6.8%) prices following the government's restoration of energy subsidies. In addition, food price increases slowed slightly after hitting a 15-month high in Jan'25 (7.6% vs 7.8%). Core inflation eased to 3.0% from a 19-month high in Jan'25 (3.2%).
- Australian Treasurer Jim Chalmers said they would avoid a "race to the bottom" on tariffs. He argued that the Trump administration's trade policies were "self-defeating and self-sabotaging." He stressed that Australia must prioritize resilience over retaliation amid rising global challenges. Chalmers also criticized the US decision to remove Australia from its steel and aluminum tariff exemptions, saying it was "disappointing, unnecessary, senseless, and wrong".
- The People's Bank of China (PBoC) maintained its one-year and five-year Loan Prime Rates (LPR) at 3.1% and 3.6% respectively, which are still record lows. However, the PBoC recently said it would further cut interest rates and banks' reserve requirement ratios at an appropriate time to turn around the sluggish economy. On the fiscal front, China will also roll out more stimulus measures early this month to boost domestic demand & consumption and cushion the impact of tariff hikes imposed by the US.

- China's State Council unveiled a special action plan to boost domestic consumption, including raising residents' incomes and establishing a childcare subsidy scheme. The plan came a week after Premier Li Qiang's work report to Congress focused on boosting household spending to cushion the impact of weak external demand. The action plan calls for raising urban and rural incomes, as well as measures to stabilize the stock market, details of which have yet to be announced. China will expand property income channels through measures to stabilize the stock market and develop more bond products for individual investors.
- China plans to increase its strategic reserves of key industrial metals, including cobalt, copper, nickel, and lithium, to strengthen supply resilience amid rising energy transition demand and geopolitical tensions. China's National Food and Strategic Commodity Reserve has launched price and supply inquiries for some metals, following a signal from the National Development and Reform Commission (NDRC) to speed up stockpiling efforts. However, the Chinese government will remain cautious about the timing and scale of purchases to avoid disrupting prices. Meanwhile, expanding storage facilities for essential commodities such as grains, oil, and fertilizers while diversifying suppliers to mitigate risks from trade disruptions, including those caused by US tariffs, will continue.
- China's unemployment rate in Feb'25 edged up to 5.4% (Jan'25: 5.2%; market expectation: 5.1%). This is the highest unemployment rate since Feb'23. The unemployment rate for registered local residents was 5.6%, while non-local residents were 5% and non-local agricultural residents were 5.1%. For the first two months of this year, the average unemployment rate was 5.3%, unchanged from February 2024.

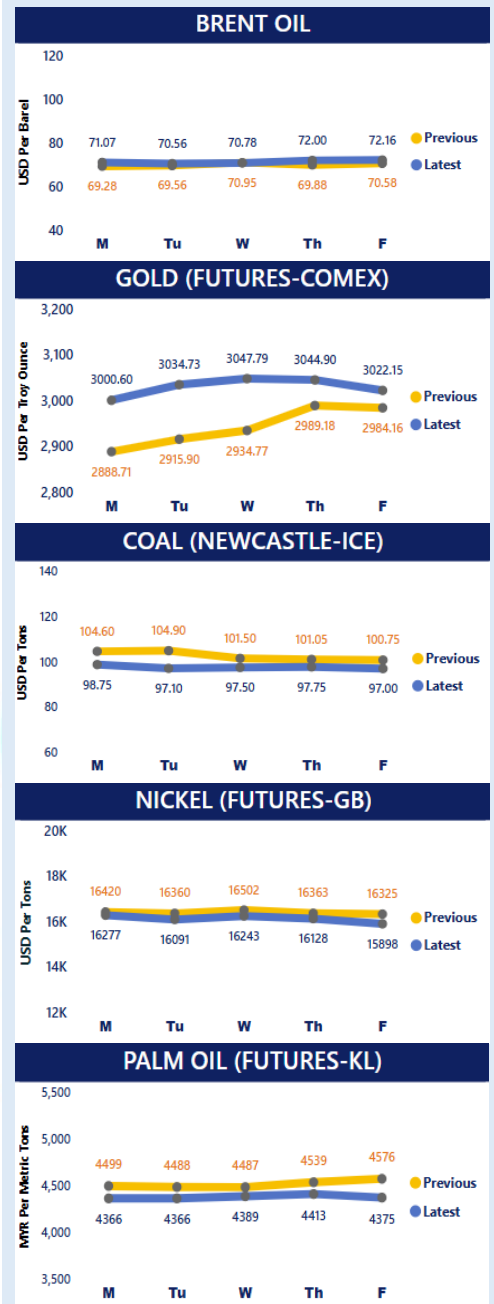
2) Domestic Economy

- Moody's Rating Agency maintains Indonesia's sovereign credit rating at Baa2 with a stable outlook. This is based on the assessment that the Indonesian economy remains resilient supported by stable and solid economic growth, maintained credibility of monetary and fiscal policies, and the advantages of natural resources and demographic bonuses. Strong domestic demand, especially in household consumption and investment, will drive economic growth in 2025-2026.
- Bank Indonesia maintains the BI-Rate at 5.75% as expected. This decision was taken to support the central bank's efforts to maintain inflation in the range of 2.5±1% for 2025 and 2026 while ensuring the stability of the rupiah exchange rate amid global uncertainty and supporting economic growth. BI assesses that global economic uncertainty must be addressed carefully and wisely, implying that the room for lowering BI's benchmark interest rate in the near future is still limited.
- The OECD also lowered its projection for Indonesia's economic growth in 2025 from 5.2% to 4.9%. Nevertheless, the OECD projects that Indonesia's economic growth will increase slightly to 5.0% in 2026. The uncertain global economic conditions, including tighter trade policies and the impact of monetary policies in various countries, are the main factors that shape this latest projection. However, Indonesia's export growth is still supported by the shift in the global supply chain due to tighter trade policies in several countries.
- Economic liquidity or broad money (M2) in Feb'25 grew 5.7% YoY to IDR9,239.9 trillion (Jan'25: 5.5%). The acceleration in liquidity growth was driven by stable credit growth (9.0% YoY), as well as an increase in net foreign assets by 4.1% YoY (Jan'25: 2.4%). On the other hand, receivables to the central government contracted 5.7% YoY (Jan'25: -14.1%).
- Indonesia's external debt in Jan'25 accelerated by growing 5.1% YoY to USD427.5 billion (Dec'24: 4.2% YoY). The increase in external debt was driven by government debt which grew 5.3% YoY (Dec'24: 3.3%) due to an increase in foreign capital inflows in international Government Securities. Meanwhile, private external debt decreased by 1.7% YoY (Dec'24: -1.7% YoY) due to a deeper contraction in financial institution debt. Overall, Indonesia's external debt to GDP ratio decreased to 30.3% (Dec'24: 30.5%) with the share of long-term external debt reaching 84.7% of total external debt.
- Indonesia's trade surplus in Feb'25 jumped to USD3.12 billion (Feb'24: USD0.83 billion) and exceeded market expectations (USD2.45 billion). The increase in the surplus was driven by a surge in exports (14.05% YoY) which continued its eleventh consecutive month of growth and became the highest growth since Jan'23. Meanwhile, imports continued to grow 2.3% YoY after contracting 2.73% in January. The continued growth in imports reflects the strengthening of domestic demand ahead of the Ramadan period.
- The Financial Services Authority (*Otoritas Jasa Keuangan/ OJK*) issued a Policy on the Implementation of Stock Buybacks issued by Public Companies in significantly fluctuating market conditions or share buybacks without going through a General Meeting of Shareholders (GMS). Chief Executive of the Capital Market Supervisory Agency, Derivatives and Carbon Exchange, Inarno Djajadi, said that this policy is expected to increase market confidence and reduce pressure, and is a follow-up to the meeting with stakeholders in the capital market held on March 3, 2025.

B. COMMODITY MARKET DEVELOPMENT

- Crude oil prices posted their second consecutive weekly gain following the announcement of new sanctions by the United States (US) on Iran. The US Department of the Treasury announced new sanctions that for the first time target an independent refinery from China, as well as several entities and ships involved in the supply of Iranian crude oil to China. On the other hand, oil price movements were also influenced by the latest production plans from the OPEC+ group, which raised expectations of a tighter supply. These plans include monthly cuts ranging from 189,000 barrels per day (bpd) to 435,000 bpd until June 2026. Brent crude oil rose 2.24% week-on-week (WoW) to USD72.16 per barrel.
- Gold prices slightly eased at the end of the week due to the strengthening of the US dollar and profit-taking actions. However, ongoing geopolitical and economic uncertainties, along with the prospect of interest rate cuts by the US Federal Reserve, kept the precious metal on track for its third consecutive weekly gain. Gold posted a 1.27% WoW increase, reaching USD3,022.15 per ounce. Gold, traditionally considered a safe-haven asset during periods of geopolitical and economic uncertainty, and typically thriving in a low-interest-rate environment, has set 16 record highs this year.
- Coal prices are still in a bearish trend. Prices have seen a significant decline in the past week, down by 3.72% WoW. The price movement of coal is influenced by the expected decrease in thermal power generation and coal shipments to China. Additionally, the use of coal for energy is also declining in Europe. Thermal power generation in China, mostly consisting of coal-fired power plants, fell by 5.80% in January and February compared to the same period in 2024. The decline in thermal power generation is offset by a 4.50% YoY increase in hydropower production, which is the second-largest source of electricity in China.
- CPO prices corrected again by 4.39% WoW, marking the second consecutive weekly correction. The decline in CPO prices followed the movement in soybean oil prices. Soybean oil prices on the Dalian Exchange (China) dropped by 0.12%, while prices on the Chicago Board of Trade (US) fell by 0.44%. On the demand side, AmSpec Agri estimated that Malaysian palm oil exports for the period of March 1-20 decreased by 5% compared to the same period last month. Meanwhile, Intertek Testing Services estimated that exports of Malaysian palm oil products for the same period fell by 14.2%.

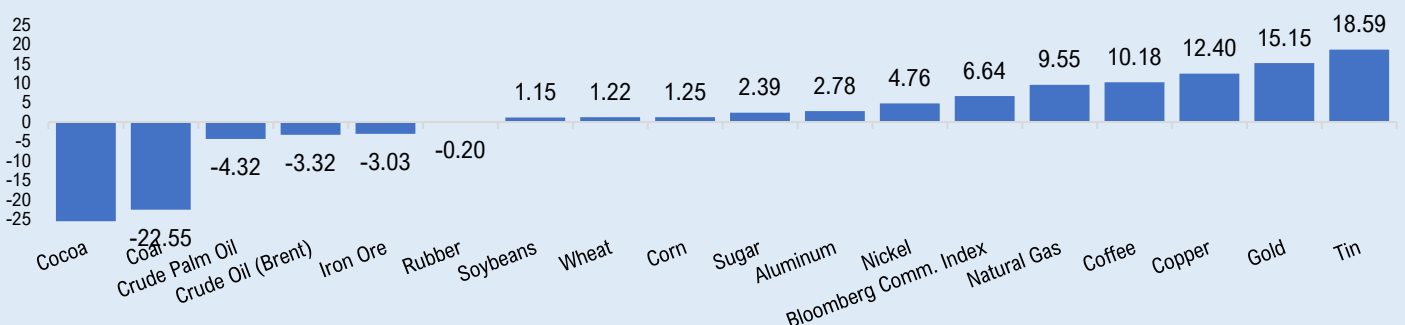
Chart 1. Several Commodity Price Developments on a Weekly Basis (W-to-W)



Previous : 03/10/25 – 03/14/25
Latest : 03/17/25 – 03/21/25

Source: Bloomberg & Investing (2025).

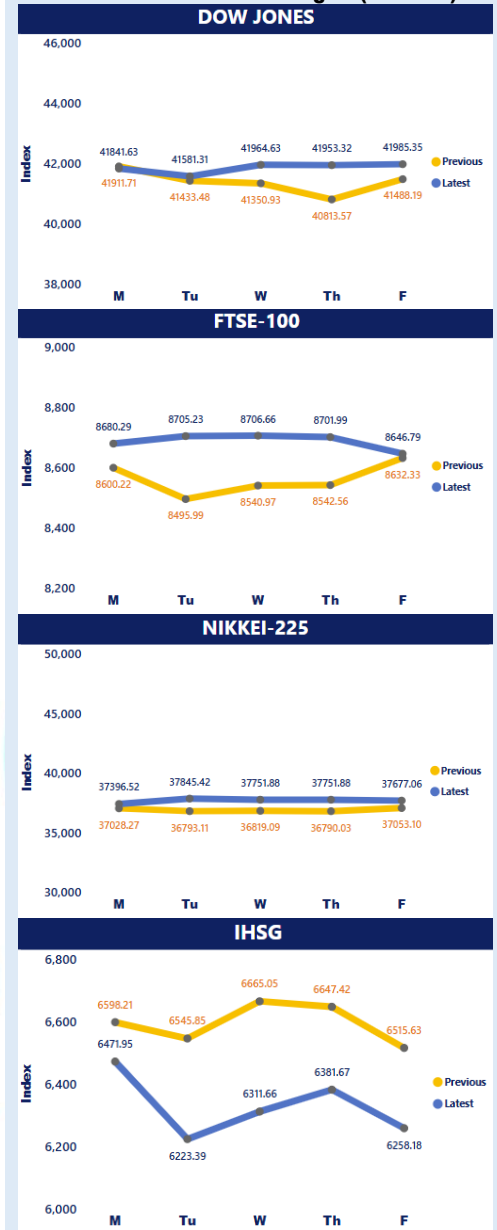
Chart 2. 2025 Commodity Price Changes (%YTD)



C. STOCK MARKET DEVELOPMENT

- Wall Street stock indices posted a slight increase at the end of the week, recovering earlier losses after comments from the US President raised hopes that the tariffs announced and scheduled to take effect in early April might not be as severe as initially feared. Weekly, the S&P 500 Index rose by 0.51%, the Nasdaq Composite Index increased by 0.17%, and the Dow Jones Industrial Average rose by 1.20%. This marked the biggest weekly gain for the Dow in two months. Meanwhile, the Nasdaq and S&P 500 managed to halt a four-week losing streak.
- European stocks fell at the end of the week, following the global market downturn caused by uncertainty over trade tensions and geopolitical conflicts. The travel and leisure sector was among the hardest hit after a fire led to the temporary closure of Heathrow Airport, the busiest airport in Europe. The European benchmark index, Stoxx 600, which includes stocks across Europe, dropped by 0.60% in its third consecutive decline. However, on a weekly basis, this index still posted a gain of 0.50%. Major stock indices in Europe also ended the week with mixed performances, with Germany's DAX Index rose by 0.18% WoW, France's CAC Index fell by 0.41%, and the UK's FTSE Index increased by 0.17% WoW.
- Asian stock markets showed mixed performances over the past week. The Hong Kong market plunged more than 2% on Friday (March 21) due to uncertainties surrounding US import tariff policies and their potential impact on the global economy. The Hang Seng Index in Hong Kong recorded a 1.13% WoW decline. Meanwhile, Japan's Nikkei 225 Index rose 1.68% WoW amid an increase in Japan's core inflation in February. China's Shanghai Composite Index also dropped 1.60% WoW.
- JCI dropped by 3.95% during the past week, closing at 6,258.18. Several large-cap banking stocks once again weighed down the JCI's performance over the week. Amid the bearish trend in Indonesia's stock market, foreign investors recorded a net sell of IDR7.13 trillion over the week. This foreign net sell was nearly double compared to the previous week, which was only IDR3.69 trillion. Eleven sector indices also weakened along with the IHSG, with the deepest correction occurring in the technology sector, which fell 8.37% WoW.

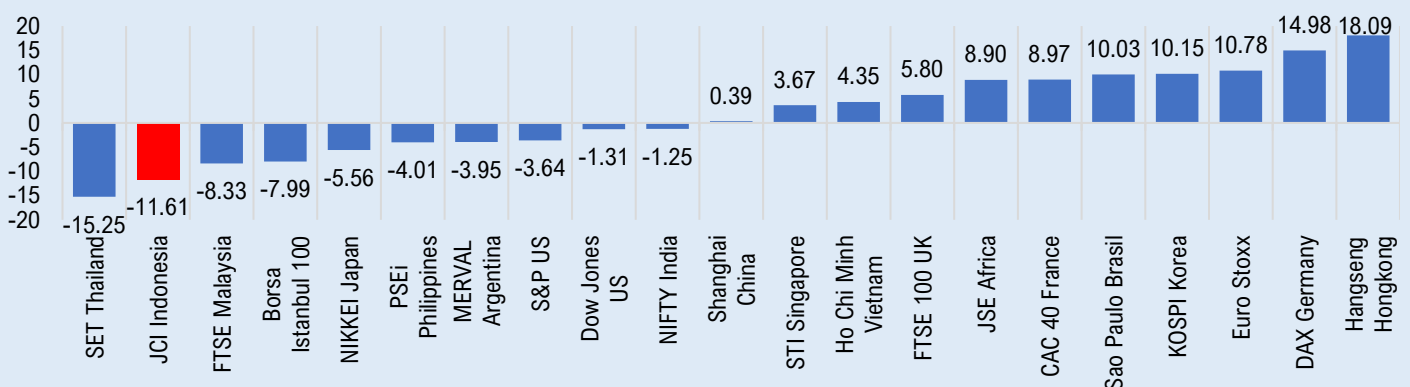
Chart 3. Weekly Stock Price Movements in Several Stock Exchanges (W-to-W)



Previous : 03/10/25 – 03/14/25
Latest : 03/17/25 – 03/21/25

Source: Bloomberg & Investing (2025).

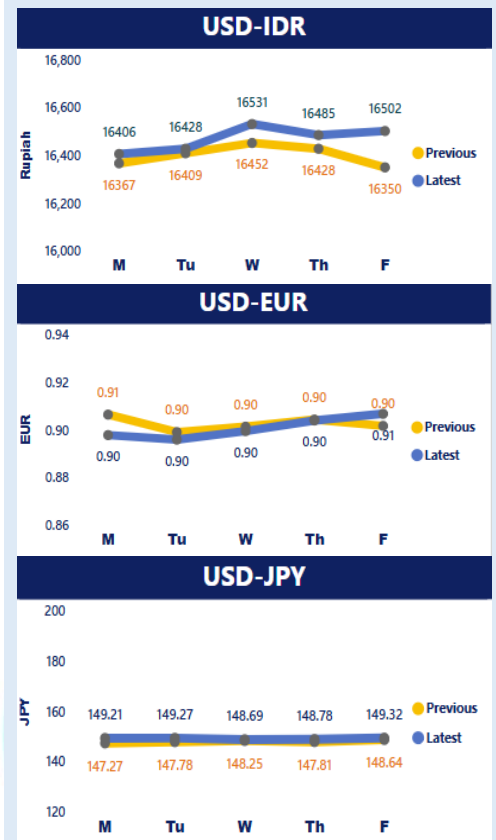
Chart 4. Stock Price Changes (%YTD)



D. EXCHANGE RATE DEVELOPMENT

- The dollar index rose to 104.09 (+0.36%) at the end of last week, March 21, 2025. The strengthening occurred amid increasing bets on a weaker dollar. Speculative traders in the currency market turned bearish on the US dollar for the first time since Donald Trump won the US presidential election last year. According to data from the Commodity Futures Trading Commission for the week ended March 18, traders collected USD932 million worth of bets that the dollar will weaken.
- The euro appreciated EUR1.08 (-0.56%) per US dollar on Friday, March 21, 2025. Likewise, the pound sterling also appreciated GBP1.29 (-0.12%). The euro exchange rate against the US dollar benefited from improved risk sentiment as the White House revised its tariff strategy before its implementation on April 2. According to the Wall Street Journal, the US administration is expected to lift some industry-specific tariffs while imposing reciprocal tariffs on countries with strong trade ties. In addition, geopolitical tensions eased after talks between Ukrainian and US officials in Riyadh.
- In Asia, the Indian rupee appreciated most amid a stronger dollar. The rupee closed at INR85.98 (-1.18%), followed by the Malaysian ringgit at MYR4.42 (-0.52%). In contrast, the Chinese yuan depreciated to CNY7.25 (+0.20%). Likewise, the Japanese yen and South Korean won depreciated to JPY149.32 (+0.46%) and KRW1,465 (+0.90%), respectively.
- In Southeast Asia, the Thai baht depreciated to THB33.95 (+0.93%), the Philippine peso to PHP57.34 (+0.16%), and the Singapore dollar to SGD1.34 (+0.13%). Swap markets in Asia indicated a slight increase in bets on interest rate cuts in the region as the dollar slumped. Swaps from India, Malaysia, and Thailand signaled further policy easing as a weaker dollar strengthened regional currencies, allowing central banks to focus on growth recovery rather than actively supporting their exchange rates.
- The rupiah depreciated almost 1% during the week. The exchange rate closed at IDR16,502 (+0.93%). A stronger dollar and foreign capital outflow pressure weakened the rupiah last week. Foreigners recorded a net sell of IDR4.25 trillion during March 17-20, 2025. In addition, the weakening of the rupiah occurred amid a global market landscape that tended to be negative following the outbreak of the crisis in Turkey, the escalation of conflict tensions in Gaza, and the approaching deadline for implementing the United States import tariff policy on April 2.

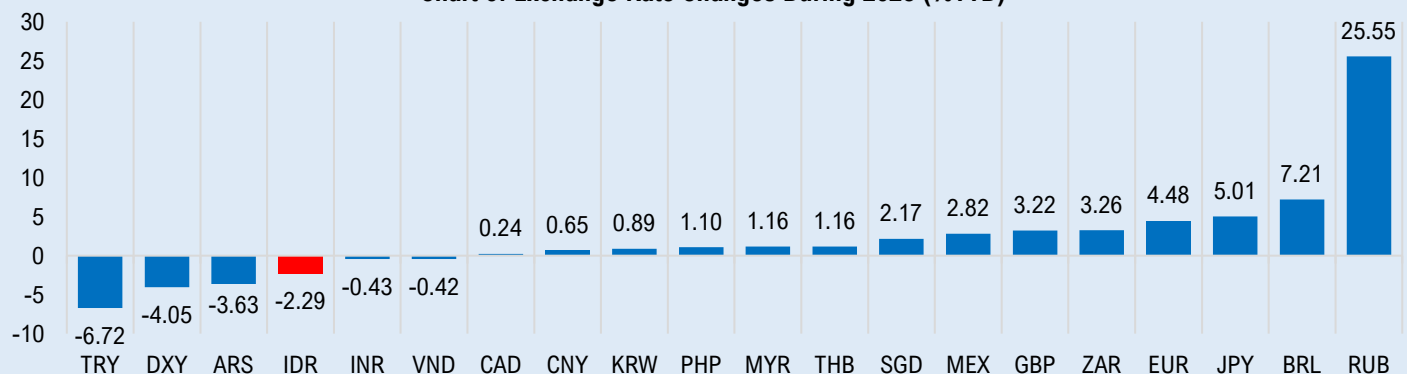
Chart 5. Movement of Weekly Exchange Rates in Several Countries (W-to-W)



Previous : 03/10/25 – 03/14/25
Latest : 03/17/25 – 03/21/25

Source: Bloomberg & Investing (2025).

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



E. DEBT SECURITIES MARKET DEVELOPMENT

1) Yield

- The US Treasury market was bullish last week. The 2-year yield fell to 3.948% (-7 bps). Likewise, the 10-year yield fell similarly to 4.246% (-7 bps). Yields fell slightly after the Federal Reserve kept interest rates unchanged but lowered its collective outlook for economic growth while raising its inflation forecast. Fed officials updated their interest rate and economic projections for 2025 to 2027. They reduced the pace at which the central bank lets bond holdings off its balance sheet. The revisions to FOMC members' projections had a 'stagflationary' feel, with growth and inflation forecasts moving in opposite directions. The Fed's latest moves come as US President Donald Trump's trade policies, particularly his tariffs on global trading partners, have kept investors wary and raised concerns about a possible recession.
- The bullish yield curve flattened in the Eurozone, where the 2-year yield fell to 2.128% (-5 bps), more moderate than the decline in the 10-year yield to 2.764% (-11 bps). In contrast to the Eurozone market, the UK yield curve was bearish, where the 2-year and 10-year yields fell to 4.259% (+8 bps) and 4.711% (+5 bps) respectively.
- Several Asian countries reported a decline in the 10-year yield, such as India to 6.625% (-7 bps), Malaysia to 3.738% (-2 bps), and Thailand to 2.037% (-8 bps). In contrast, China's percentage was relatively stable at 1.853% (+0 bps). The percentages in Japan and South Korea were also relatively similar compared to the previous week's close at 1.517% (+1 bps) and 2.808% (+0 bps). Likewise, Singapore's percentage is around 2.661% (+1 bps)
- The domestic yield curve is steepening bearishly, reflecting the increasing long-term risk of the domestic market amid the recent budget deficit. The 2-year yield rose to 6.699% (+10 bps), while the 10-year yield rose to 7.183% (+21 bps). Although foreigners recorded a net purchase of IDR 6.35 trillion from March 17 to 20, 2025, investors increased their risk perception of domestic bonds, reflected in the increase in the 5-year CDS.
- Referring to Bloomberg data, Indonesia's Credit Default Swap (CDS) premium for the 5-year tenor rose to its highest since November 2023. A week ago, the CDS premium had shot up to 11%. In the past month, Indonesia's investment risk level has jumped 17.4% month-to-date, the largest monthly increase since September 2022.
- Global credit rating agency Moody's Ratings released Indonesia's debt rating. The country's debt rating, investment grade Baa2, was unchanged and maintained a stable outlook. Moody released several notes regarding fiscal issues, potential weakening growth, and the impact of the formation of the Danantara Investment Management Agency. According to Moody's, recent public spending cuts could lead to slightly lower growth in the first half of 2025.
- Bank Indonesia raised the discount rate of its monetary operations instrument, Bank Indonesia Rupiah Securities (SRBI), in its weekly auction amid falling stock indices, government bond prices, and a weakening rupiah exchange rate. The longest tenor SRBI discount rate, 12 months, was 6.43%, up from 6.401% in the previous auction. In addition, market interest in the auction was sluggish, only IDR14.86 trillion, down almost half compared to the bid value in the previous week's auction.

2) Index

- The Indonesia Composite Bond Index (ICBI) fell to 399.39 (-0.47%) on Friday, March 21, 2025. The decline was amid a correction in the government bond index to 390.01 (-0.49%). Meanwhile, the corporate bond index also fell more moderately to 467.23 (-0.05%).
- The increase in benchmark yields triggered the increase in the 3-year corporate bond yield last week. The 3-year government bond yield rose to 6.729% (+15 bps). As a result, the corporate bond yield rose to 7.019% (+13 bps) for the AAA rating category, 7.524% (+15 bps) for the AA rating category, 9.310% (+12 bps) for the A rating category, and 10.761% (+17 bps) for the BBB rating category.

Chart 7. Indonesian Government Bond Yield Curve

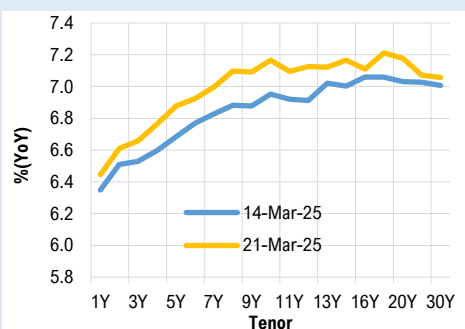


Chart 8. Bond Index

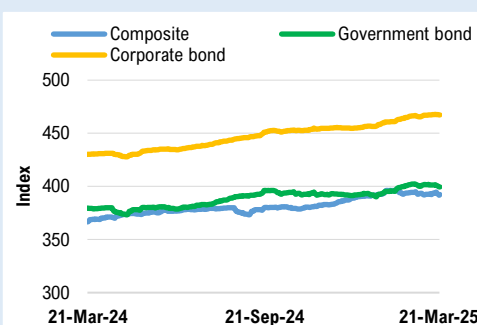
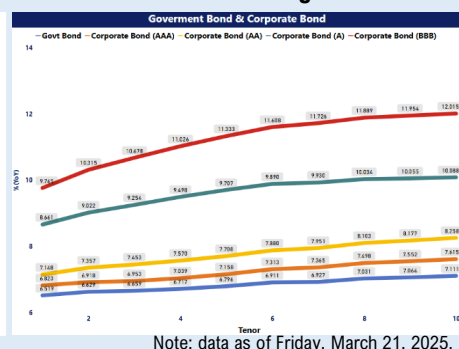


Chart 9. Corporate Bond Yields for Various Ratings



Note: data as of Friday, March 21, 2025.

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

F. GOVERNMENT AND CORPORATE BONDS TRADING

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

| Series | Coupon (%) | Maturity Date (mm/dd/yy) | Size (IDR Million) | Price | Yield (%) | Volume (Million Units) |
|--------|------------|--------------------------|--------------------|--------|-----------|------------------------|
| FR0103 | 6.75 | 07/15/35 | 25,000 | 97.20 | 7.14 | 34,165,159 |
| FR0104 | 6.50 | 07/15/30 | 15,000 | 98.55 | 6.83 | 28,848,791 |
| PBS003 | 6.00 | 01/15/27 | 30,000 | 98.85 | 6.68 | 8,244,078 |
| PBS038 | 6.88 | 12/15/49 | 5,000 | 96.50 | 7.18 | 5,585,189 |
| FR0096 | 7.00 | 02/15/33 | 2,000 | 99.45 | 7.09 | 5,157,103 |
| FR0100 | 6.63 | 02/15/34 | 940 | 98.00 | 6.93 | 4,390,141 |
| FR0091 | 6.38 | 04/15/32 | 9,995 | 96.94 | 6.93 | 3,953,736 |
| FR0106 | 7.13 | 08/15/40 | 2,000 | 99.95 | 7.13 | 2,816,007 |
| FR0107 | 7.13 | 08/15/45 | 7,900 | 100.93 | 7.04 | 2,454,583 |
| PBS032 | 4.88 | 07/15/26 | 500 | 98.40 | 6.16 | 2,339,134 |

Source: Bloomberg (2025).

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

| Instrument | Rating | Coupon (%) | Maturity Date (mm/dd/yy) | Size (IDR Million) | Price | Yield (%) | Volume (Million Units) |
|---|-----------------------|------------|--------------------------|--------------------|--------|-----------|------------------------|
| Shelf Registration Bond V Merdeka Copper Gold Phase II Year 2025 Series B | idA+ | 8.75 | 02/25/28 | 100 | 102.00 | 7.97 | 1,761,535 |
| Shelf Registration Bond III Sinar Mas Multiartha Phase I Year 2024 | irAA | 10.00 | 04/05/29 | 50,000 | 110.23 | 7.06 | 920,000 |
| Shelf Registration Bond VI Tower Bersama Infrastructure Phase VI Year 2025 Series B | AA+(idn) | 7.25 | 03/21/30 | 50,000 | 100.00 | -- | 797,200 |
| Shelf Registration Bond III Sinar Mas Multifinance Phase I Year 2023 Series B | irA+ | 10.25 | 02/07/26 | 5,000 | 101.03 | 8.99 | 705,827 |
| Bond II Pindo Deli Pulp and Paper Mills Year 2022 Series B | idA+ | 10.25 | 07/14/25 | 142,850 | 99.21 | 12.90 | 613,400 |
| Bond III OKI Pulp & Paper Mills Year 2022 Series B | idA+ | 10.50 | 11/04/25 | 20,000 | 102.30 | 6.60 | 564,000 |
| Shelf Registration Bond I Petrosea Phase II Year 2025 Series B | idA+ | 8.75 | 03/21/30 | 1,500 | 99.75 | -- | 512,310 |
| Bond II Pindo Deli Pulp and Paper Mills Year 2022 Series C | idA+ | 11.00 | 07/14/27 | 95,000 | 108.00 | 7.20 | 472,000 |
| Shelf Registration Bond V MNC Kapital Indonesia Phase I Year 2024 Series A | idBBB+ | 9.25 | 01/20/26 | 74,280 | 100.11 | 9.11 | 445,680 |
| Shelf Registration Sukuk Mudharabah I Mandala Finance Phase III Year 2023 Series B | idAAA _(sy) | 8.50 | 06/22/26 | 5,000 | 101.75 | 7.02 | 398,860 |

Source: Bloomberg (2025).

G. ISSUANCE AND MATURITY 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 Astra Sedaya Finance | Shelf Registration Bond VI Phase V Year 2025 Series A | Mar-17-2025 | 1,500.00 | 6.45 | 1 | AAA(idn) |
| 2 | PT Astra Sedaya Finance | Shelf Registration Bond VI Phase V Year 2025 Series B | Mar-17-2025 | 1,000.00 | 6.75 | 3 | AAA(idn) |
| 3 | PT Bintang Express Sarana | LTN I Year 2024 Phase III | Mar-18-2025 | 245.00 | 12.00 | 7 | - |
| 4 | PT Hino Finance Indonesia | Shelf Registration Bond I Phase I Year 2025 Series A | Mar-21-2025 | 410.94 | 6.50 | 1 | AA+(idn) |
| 5 | PT Hino Finance Indonesia | Shelf Registration Bond I Phase I Year 2025 Series B | Mar-21-2025 | 89.97 | 6.90 | 3 | AA+(idn) |
| Total | | | | 3,245.90 | | | |

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 |
|-------------------|--|---|---------------|----------------------|------------|---------------|-----------|
| MARCH 2025 | | | | | | | |
| 1 | PT Chandra Asri Pacific Tbk | Shelf Registration Bond I Phase II Year 2018 Series C | 1-Mar-25 | 300.00 | 9.00 | 7 | idAA- |
| 2 | PT Merdeka Copper Gold Tbk | Shelf Registration Bond IV Phase V Year 2024 Series A | 2-Mar-25 | 750.00 | 7.25 | 1 | idA+ |
| 3 | PT Sampoerna Agro Tbk | Shelf Registration Bond I Phase III Year 2022 Series A | 2-Mar-25 | 75.00 | 7.15 | 3 | idA |
| 4 | PT Sampoerna Agro Tbk | Shelf Registration Sukuk Ijarah I Phase III Year 2022 Series A | 2-Mar-25 | 75.00 | 7.15 | 3 | idA(sy) |
| 5 | PT Tower Bersama Infrastructure Tbk | Shelf Registration Bond V Phase III Year 2022 Series B | 2-Mar-25 | 500.00 | 5.90 | 3 | AA+(idn) |
| 6 | PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk | Shelf Registration Subordinated Bond II Phase I Year 2020 Series A | 3-Mar-25 | 132.00 | 8.60 | 5 | idA+ |
| 7 | PT Sampoerna Agro Tbk | Shelf Registration Bond I Phase I Year 2020 Series B | 3-Mar-25 | 91.50 | 9.75 | 5 | idA |
| 8 | PT Sampoerna Agro Tbk | Shelf Registration Sukuk Ijarah I Phase I Year 2020 Series B | 3-Mar-25 | 125.00 | 9.75 | 5 | idA(sy) |
| 9 | PT Multi Sandang Tamajaya | MTN I Year 2019 Series B | 6-Mar-25 | 75.00 | 12.00 | 5 | - |
| 10 | PT Merdeka Copper Gold Tbk | Shelf Registration Bond III Phase I Year 2022 Series B | 8-Mar-25 | 2,041.00 | 7.80 | 3 | idA+ |
| 11 | PT Tamaris Hidro | Bond I Year 2022 Series A | 8-Mar-25 | 200.00 | 5.50 | 3 | idAAA(sf) |
| 12 | PT Bussan Auto Finance | Shelf Registration Bond I Phase V Year 2022 | 17-Mar-25 | 775.00 | 5.90 | 3 | AAA(idn) |
| 13 | PT Adira Dinamika Multi Finance Tbk | Shelf Registration Bond V Phase III Year 2022 Series B | 22-Mar-25 | 830.00 | 5.60 | 3 | idAAA |
| 14 | PT Adira Dinamika Multi Finance Tbk | Shelf Registration Sukuk Mudharabah IV Phase III Year 2022 Series B | 22-Mar-25 | 49.00 | 5.60 | 3 | idAAA(sy) |
| 15 | PT Astra Sedaya Finance | Shelf Registration Bond V Phase IV Year 2022 Series B | 22-Mar-25 | 1,971.90 | 5.70 | 3 | idAAA |
| 16 | PT Federal International Finance | Shelf Registration Bond V Phase III Year 2022 Series B | 25-Mar-25 | 806.97 | 5.60 | 3 | idAAA |
| 17 | PT Indomobil Finance Indonesia | Shelf Registration Bond IV Phase III Year 2022 Series B | 25-Mar-25 | 382.00 | 6.50 | 3 | idAA- |
| 18 | PT Integra Indocabinet Tbk | Shelf Registration Bond I Phase II Year 2022 Series A | 25-Mar-25 | 197.47 | 9.00 | 3 | idA- |
| 19 | PT Integra Indocabinet Tbk | Shelf Registration Sukuk Mudharabah I Phase II Year 2022 Series A | 25-Mar-25 | 83.80 | 9.00 | 3 | idA-(sy) |
| 20 | PT Bank CIMB Niaga Tbk | Shelf Registration Sukuk Mudharabah I Phase III Year 2020 Series C | 27-Mar-25 | 391.00 | 7.25 | 5 | idAAA(sy) |
| 21 | PT Provident Investasi Bersama Tbk | Shelf Registration Bond II Phase II Year 2024 Series A | 28-Mar-25 | 455.65 | 8.00 | 1 | idA |
| 22 | PT Bank Rakyat Indonesia (Persero) Tbk | Shelf Registration Green Bond I Phase III Year 2024 Series A | 30-Mar-25 | 1,237.67 | 6.15 | 1 | idAAA |
| 23 | PT Oki Pulp and Paper Mills | Bond II Year 2022 Series B | 30-Mar-25 | 1,800.54 | 9.00 | 3 | idA+ |

| | | | | | | | |
|-------------------|---|---|-------------|------------------|------|---|-----------|
| 24 | PT Permodalan Nasional Madani | Shelf Registration Bond V Phase II Year 2024 Series A | 30-Mar-25 | 1,335.15 | 6.40 | 1 | idAA+ |
| 25 | PT Maybank Indonesia Finance | Shelf Registration Bond III Phase II Year 2022 | 30-Mar-25 | 800.00 | 5.80 | 3 | AAA(idn) |
| Total | | | | 15,480.64 | | | |
| APRIL 2025 | | | | | | | |
| 1 | PT Barito Pacific Tbk | Shelf Registration Bond I Phase II Year 2020 Series B | 1-Apr-25 | 136.00 | 9.10 | 5 | idA+ |
| 2 | PT Barito Pacific Tbk | Shelf Registration Bond II Phase II Year 2022 Series A | 1-Apr-25 | 185.60 | 8.50 | 3 | idA+ |
| 3 | PT Sinar Mas Agro Resources and Technology Tbk | Shelf Registration Bond II Phase I Year 2020 Series B | 3-Apr-25 | 166.50 | 9.00 | 5 | idAA- |
| 4 | PT Samator Indo Gas Tbk | Shelf Registration Sukuk Ijarah II Phase V Year 2022 Series A | 5-Apr-25 | 118.80 | 7.75 | 3 | A(idn) |
| 5 | PT Bumi Serpong Damai Tbk | Shelf Registration Bond III Phase I Year 2022 Series A | 7-Apr-25 | 547.25 | 6.75 | 3 | idAA |
| 6 | PT Bumi Serpong Damai Tbk | Shelf Registration Sukuk Ijarah I Phase I Year 2022 Series A | 7-Apr-25 | 63.50 | 6.75 | 3 | idAA(sy) |
| 7 | PT Lontar Papyrus Pulp and Paper Industry | Shelf Registration Bond II Phase III Year 2024 Series A | 7-Apr-25 | 612.41 | 8.25 | 1 | idA |
| 8 | PT Sarana Multigriya Finansial (Persero) | Shelf Registration Bond VII Phase IV Year 2024 Series A | 7-Apr-25 | 843.70 | 6.40 | 1 | idAAA |
| 9 | PT Oki Pulp and Paper Mills | Shelf Registration Bond I Phase III Year 2024 Series A | 8-Apr-25 | 513.11 | 8.00 | 1 | idA+ |
| 10 | PT Oki Pulp and Paper Mills | Shelf Registration Bond USD I Phase III Year 2024 Series A | 8-Apr-25 | USD0.19 mn | 5.75 | 1 | idA+ |
| 11 | PT Oki Pulp and Paper Mills | Shelf Registration Green Bond I Phase III Year 2024 Series A | 8-Apr-25 | 59.03 | 8.00 | 1 | idA+ |
| 12 | PT Wahana Ottomitra Multiartha Tbk | Shelf Registration Bond IV Phase II Year 2022 Series B | 8-Apr-25 | 465.00 | 6.30 | 3 | AA(idn) |
| 13 | PT Merdeka Battery Materials Tbk | Bond I Year 2024 Series A | 10-Apr-25 | 525.00 | 7.50 | 1 | idA |
| 14 | PT Federal International Finance | Shelf Registration Bond VI Phase III Year 2024 Series A | 12-Apr-25 | 1,109.44 | 6.40 | 1 | idAAA |
| 15 | PT Mahkota Group Tbk | MTN I Year 2022 | 12-Apr-25 | 90.00 | 9.00 | 3 | - |
| 16 | PT Indah Kiat Pulp and Paper Tbk | Shelf Registration Bond IV Phase IV Year 2024 Series A | 14-Apr-25 | 454.78 | 7.75 | 1 | idA+ |
| 17 | PT Indah Kiat Pulp and Paper Tbk | Shelf Registration Bond USD I Phase III Year 2024 Series A | 14-Apr-25 | USD0.30 mn | 5.75 | 1 | idA+ |
| 18 | PT Indah Kiat Pulp and Paper Tbk | Shelf Registration Sukuk Mudharabah III Phase IV Year 2024 Series A | 14-Apr-25 | 158.00 | 7.75 | 1 | idA+(sy) |
| 19 | PT BFI Finance Indonesia Tbk | Shelf Registration Bond V Phase IV Year 2023 Series B | 14-Apr-25 | 385.00 | 7.00 | 2 | AA-(idn) |
| 20 | PT Lontar Papyrus Pulp and Paper Industry | Shelf Registration Bond I Phase II Year 2022 Series B | 22-Apr-25 | 1,406.01 | 9.50 | 3 | idA |
| 21 | PT Pembangunan Perumahan (Persero) Tbk | Shelf Registration Bond III Phase II Year 2022 Series A | 22-Apr-25 | 140.00 | 6.50 | 3 | idA |
| 22 | PT Pembangunan Perumahan (Persero) Tbk | Shelf Registration Sukuk Mudharabah I Phase II Year 2022 Series A | 22-Apr-25 | 60.00 | 6.50 | 3 | idA(sy) |
| 23 | PT Permodalan Nasional Madani | Shelf Registration Bond IV Phase II Year 2022 Series B | 22-Apr-25 | 626.50 | 5.50 | 3 | idAA+ |
| 24 | PT Pegadaian | Shelf Registration Bond V Phase I Year 2022 Series B | 26-Apr-25 | 598.00 | 5.35 | 3 | idAAA |
| 25 | PT Pegadaian | Shelf Registration Sukuk Mudharabah II Phase I Year 2022 Series B | 26-Apr-25 | 320.00 | 5.35 | 3 | idAAA(sy) |
| 26 | PT Merdeka Copper Gold Tbk | Shelf Registration Bond III Phase II Year 2022 Series A | 28-Apr-25 | 310.00 | 7.80 | 3 | idA+ |
| 27 | PT JACCS Mitra Pinasthika Mustika Finance Indonesia | Shelf Registration Bond I Phase III Year 2024 Series A | 29-Apr-25 | 150.00 | 6.70 | 1 | AA(idn) |
| 28 | PT Permodalan Nasional Madani | Shelf Registration Bond III Phase III Year 2020 Series B | 30-Apr-25 | 194.90 | 9.00 | 5 | idAA+ |
| Total | | | | 10,238.51 | | | |
| MAY 2025 | | | | | | | |
| 1 | PT Astra Sedaya Finance | Shelf Registration Bond VI Phase III Year 2024 Series A | May-3-2025 | 953.59 | 6.40 | 1 | AAA(idn) |
| 2 | PT Indosat Tbk | Shelf Registration Bond II Phase III Year 2018 Series D | May-3-2025 | 266.00 | 8.20 | 7 | idAAA |
| 3 | PT Perusahaan Listrik Negara (Persero) | Shelf Registration Bond III Phase VII Year 2020 Series B | May-6-2025 | 99.16 | 8.25 | 5 | idAAA |
| 4 | PT Bank Mandiri (Persero) Tbk | Shelf Registration Bond II Phase I Year 2020 Series A | May-12-2025 | 350.00 | 7.75 | 5 | idAAA |

| | | | | | | | |
|--------------|---------------------------------------|--|-------------|-----------------|-------|---|-----------------------|
| 5 | PT Adira Dinamika Multi Finance Tbk | Shelf Registration Bond VI Phase III Year 2024 Series A | May-13-2025 | 1,079.20 | 6.40 | 1 | idAAA |
| 6 | PT Adira Dinamika Multi Finance Tbk | Shelf Registration Sukuk Mudharabah V Phase III Year 2024 Series A | May-13-2025 | 338.98 | 6.40 | 1 | idAAA _(sy) |
| 7 | PT Intisumber Hasil Sempurna Global | MTN I Year 2020 | May-19-2025 | 160.00 | 10.50 | 5 | - |
| 8 | PT Adhi Commuter Properti Tbk | Bond II Year 2022 Series B | May-24-2025 | 102.00 | 11.00 | 3 | idBBB |
| 9 | PT Adhi Karya (Persero) Tbk | Shelf Registration Bond III Phase III Year 2022 Series A | May-24-2025 | 1,286.20 | 8.25 | 3 | idA- |
| 10 | PT Bank Tabungan Negara (Persero) Tbk | Shelf Registration Bond IV Phase II Year 2022 Series A | May-24-2025 | 600.00 | 5.50 | 3 | AA+(idn) |
| Total | | | | 5,235.12 | | | |

JUNE 2025

| | | | | | | | |
|--------------|---|--|-------------|---------------------------|----------|----|-----------------------|
| 1 | PT Oki Pulp and Paper Mills | Shelf Registration Bond I Phase IV Year 2024 Series A | 1-Jun-2025 | 229.77 | 8.00 | 1 | idA+ |
| 2 | PT Oki Pulp and Paper Mills | Shelf Registration Bond USD I Phase IV Year 2024 Series A | 1-Jun-2025 | USD0.10 mn (DR1.49 bn) | 5.75 | 1 | idA+ |
| 3 | PT Oki Pulp and Paper Mills | Shelf Registration Green Bond I Phase IV Year 2024 Series A | 1-Jun-2025 | 14.21 | 8.00 | 1 | idA+ |
| 4 | PT Indosat Tbk. | Shelf Registration Bond I Phase II Year 2015 Series E | 4-Jun-2025 | 427.00 | 10.40 | 10 | idAAA |
| 5 | PT Indosat Tbk. | Shelf Registration Sukuk Ijarah I Phase II Year 2015 Series E | 4-Jun-2025 | 175.00 | 10.40 | 10 | idAAA _(sy) |
| 6 | PT Bank Victoria International Tbk. | Shelf Registration Subordinated Bond I Phase II Year 2018 | 5-Jun-2025 | 350.00 | 11.00 | 7 | idBBB |
| 7 | PT Indah Kiat Pulp and Paper Tbk. | Shelf Registration Bond I Phase I Year 2020 Series C | 5-Jun-2025 | 12.10 | 11.00 | 5 | idA+ |
| 8 | Lembaga Pembiayaan Ekspor Indonesia | Shelf Registration Bond IV Phase I Year 2018 Series C | 6-Jun-2025 | 1,756.00 | 8.30 | 7 | idAAA |
| 9 | PT Surya Artha Nusantara Finance | Shelf Registration Bond IV Phase I Year 2022 Series B | 10-Jun-2025 | 600.00 | 7.05 | 3 | idAA+ |
| 10 | PT Dian Swastatika Sentosa Tbk. | Shelf Registration Bond I Phase II Year 2024 Series A | 15-Jun-2025 | 44.61 | 7.50 | 1 | idAA |
| 11 | PT Dian Swastatika Sentosa Tbk. | Shelf Registration Sukuk Mudharabah I Phase II Year 2024 Series A | 15-Jun-2025 | 44.60 | 7.50 | 1 | idAA _(sy) |
| 12 | PT Lontar Papyrus Pulp and Paper Industry | Shelf Registration Bond II Phase IV Year 2024 Series A | 15-Jun-2025 | 64.26 | 8.25 | 1 | idA |
| 13 | PT Permodalan Nasional Madani Ventura Syariah | Sukuk Mudharabah <i>Jangka Menengah II</i> Year 2022 | 16-Jun-2025 | 312.70 | Floating | 3 | - |
| 14 | PT Gratama Finance Indonesia | MTN I Year 2022 | 16-Jun-2025 | 100.00 | 7.00 | 3 | - |
| 15 | PT Bank Negara Indonesia (Persero) Tbk. | Green Bond I Year 2022 Series A | 21-Jun-2025 | 4,000.00 | 6.35 | 3 | idAAA |
| 16 | PT Telkom Indonesia (Persero) Tbk. | Shelf Registration Bond I Phase I Year 2015 Series B | 23-Jun-2025 | 2,100.00 | 10.25 | 10 | idAAA |
| 17 | PT Bank Syariah Indonesia Tbk. | Shelf Registration Sukuk Mudharabah <i>Berlandaskan Keberlanjutan I</i> Phase I Year 2024 Series A | 24-Jun-2025 | 1,700.00 | 6.65 | 1 | idAAA _(sy) |
| 18 | PT PP Presisi Tbk. | Shelf Registration Bond I Phase I Year 2022 Series A | 30-Jun-2025 | 102.28 | 9.50 | 3 | idBBB+ |
| 19 | PT Surya Artha Nusantara Finance | Shelf Registration Bond IV Phase III Year 2024 Series A | 30-Jun-2025 | 200.00 | 6.70 | 1 | AA(idn) |
| Total | | | | 12,234.01 | | | |

Notes: *) Amount in USD excluded.

Source: KSEI, IDX, PEFINDO database.

H. NEWS ANALYSIS

Table 5. News Highlights Over The Past Week

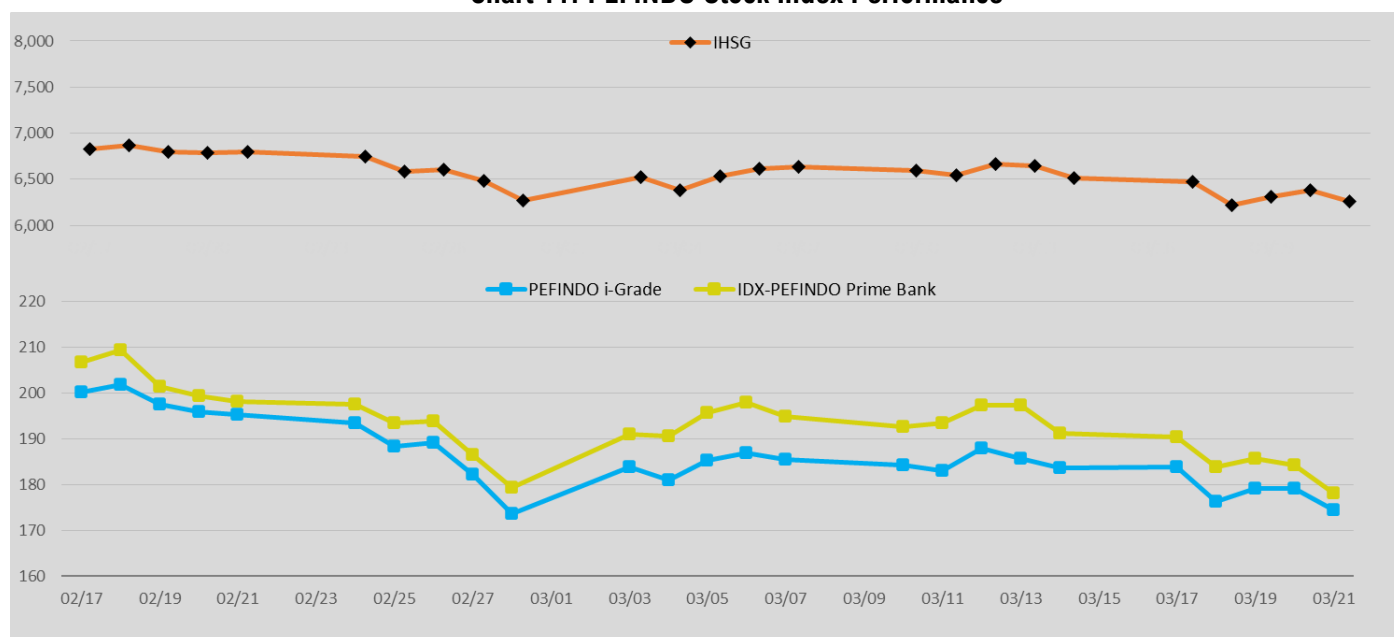
| Industries | News Headlines and Analysis |
|-----------------------------------|---|
| Automotive | Commercial Vehicles Still Sluggish (Harian Kontan-19/03/2025). This is because business uncertainty due to last year's political agenda and the value-added tax (VAT) policy has an impact on the performance of the automotive industry. In addition, strict motor vehicle credit regulations are a challenge that business actors must face in 2025 because most commercial vehicle sales are made on credit. On the other hand, early 2025 is still challenging because several government regulations were only finalized at the end of 2024. So, January this year has not been able to move optimally. |
| Banking | The Number of Problematic Home Ownership Credits Increases (Harian Kontan-18/03/2025). This happened because people's purchasing power decreased amidst the trend of high interest rates and layoffs. Another factor is that the relaxation program for credit restructuring affected by the COVID-19 pandemic ended in March 2024. However, some restructuring debtors were unable to recover, thus increasing the number of problem loans. |
| Hotel and Tourism | Tourism Sector Stung by Eid (Bisnis Indonesia-20/03/2025). This can be seen from data from the Ministry of Transportation (Kemenhub) which states that the movement of domestic tourists is 146 million trips. This is because the government has lowered the price of domestic economy class plane tickets by 13%-14% which can be booked from March 1, 2025, and the travel period starts from March 24 - April 7, 2025. Thus, this reduction is expected to provide an opportunity for people to take a holiday and back to their hometowns in Indonesia at a more affordable cost. |
| Insurance and Guarantee | Co-Insurance Scheme Prepared for Health Insurance (Harian Kontan-17/03/2025). This is done because the trend of increasing health insurance claims still overshadows the insurance industry due to high medical inflation. By implementing a co-insurance scheme, it is hoped that the amount of claims can be more controlled. Because the co-insurance policy will make all parties more involved in dealing with increasingly expensive health costs. The reason is that, so far, only insurance companies have faced the effects of medical inflation. |
| Metal and Gold | China's Strategy to Increase Copper Consumption (Bisnis Indonesia-18/03/2025). This was done because the United States government is known to have imposed a 20% tariff on Chinese products entering the country. In addition to the levy, the Bamboo Curtain Country must also face the threat of a 25% aluminum and steel tariff, along with other producing countries. On the other hand, China's copper production is expected to hit another record this year, although pressure on smelters is starting to increase. The industry continues to add capacity despite plunging processing costs, which are now very low. |
| Mining | Mining Industry Chooses to Stop Activities (Bisnis Indonesia-18/03/2025). This was triggered by the increasing cost of mining production, which has put pressure on the profits of domestic mining companies. In addition, the plan to increase royalties is believed to make the mineral and coal mining industry players even more out of breath. As is known, the government is discussing an increase in the nickel ore royalty rate from the previous single rate of 10% to a progressive rate starting from 14%-19%. The reason is that the increase in the royalty rate for mineral and coal commodities will hamper the expansion of the mining industry. |
| Multifinance | Multifinance Paylater NPF Still Climbing (Harian Kontan-18/03/2025). This can be seen from the increasing trend of non-performing financing (NPF) of paylater services in financing companies from data from the Financial Services Authority. NPF continues to climb, from 2.62% in August 2024 to 3.37% as of January 2026. Meanwhile, paylater financing receivables by multifinance increased 41.9% annually to IDR7.12 trillion as of January 2025. This rapid growth increases the risk of bad debts, especially if not balanced with effective risk management. In addition, the distribution of BNPL financing by financing companies as of September 2024 was dominated by the non-productive segment. This segment tends to have a higher credit risk, which can contribute to an increase in NPF. |
| Plantation and Agriculture | Coffee Supply Becomes Bitter (Bisnis Indonesia-18/03/2025). This was triggered by bad weather in the coffee production center of Vietnam and also major coffee producer Brazil, thus exacerbating the supply shortage that caused global coffee prices to soar. In Indonesia, some coffee roasters have switched to using lower-quality coffee beans. This is done to control production costs. One interesting development in the market over the past few years is that more coffee is being consumed in countries that produce the commodity. Almost one in three bags of coffee is used in coffee-producing countries, and that number continues to grow. |
| Power and Energy | Government Releases New Regulation on Power Purchase Agreement (Tabloid Kontan-17/03/2025). The issuance of the policy which has been in effect since March 4 aims to be a reference for the Perusahaan Listrik Negara (PLN) and Independent Power Producers (IPP) in preparing power purchase agreements (<i>Perjanjian Jual Beli Listrik/ PJBL</i>). In addition, this regulation provides legal certainty in the electricity purchase mechanism including clarity regarding the rights and obligations of each party, payment schemes, and risk allocation. The reason is, so far the issue of price negotiations has been very tough and has taken years. This also causes delays in project realization and uncertainty in payment schemes. |
| Property | Developers Complain to the House of Representatives Regarding the Three Million Homes Program (Bisnis Indonesia-20/03/2025). This was done, following the unclear program of 3 million housing units included in the national strategic project. The reason is, for 5 months the 3 million housing program has not progressed. In |

| Industries | News Headlines and Analysis |
|--|---|
| | <p>addition, the president is not enthusiastic about implementing the 3 million housing program even though the program has been included in the National Medium-Term Development Plan (<i>Rencana Pembangunan Jangka Menengah Nasional/ RPJMN</i>) for the 2025-2029 period. On the other hand, the presence of the Ministry of Housing and Settlement Areas has not helped encourage the growth of the property sector. This is because, until now, the Ministry has not launched a roadmap for property development.</p> |
| Telecommunication | <p>The Winding Road of Internet for Underdeveloped and Outermost Villages (Bisnis Indonesia-17/03/2025). This happened after the government decided on efficiency measures to support the country's priority programs including free nutritious meals. The cuts were up to 49.57% to IDR3.83 trillion. So with this cut, it is suspected that it will also affect the journey of the internet program to enter villages initiated by the government. This is because the presence of the Internet in underdeveloped areas is not only limited to building Internet infrastructure but also operations and maintenance after the infrastructure is present.</p> |
| Trading and Distribution | <p>Trade Balance Potentially Shrinks (Harian Kontan-18/03/2025). This is due to falling commodity prices and economic slowdown in China. The decline in exports on a monthly basis is estimated to be caused by a decline in coal exports, which in volume fell 1% annually or fell 9% monthly. Meanwhile, imports are estimated to grow 5.1% monthly. This is in line with the improving performance of Indonesian manufacturing, which has driven an increase in imports of raw materials.</p> |
| Vehicle Rental and Transportation | <p>Taxi Business Competition is Getting More Crowded (Harian Kontan-17/03/2025). This is clearly a challenge for transportation businessmen, especially since the competition emerged during this year's Ramadan and Eid, which are the peak of people's mobility. This is because, since last year, new taxi operator players have emerged, such as Evista, an electric taxi from Indonesia, and Xanh SM, an electric taxi from Vietnam. Both are trying to capture the taxi market share that has been held by application companies such as Grab, Gojek, and Maxim, as well as taxi operators such as Blue Bird and Gama.</p> |

Source: Harian Kontan and Bisnis Indonesia (2025).

I. PEFINDO Stock Index Development

Chart 11. PEFINDO Stock Index Performance



Source: IDX, Bloomberg (2025).

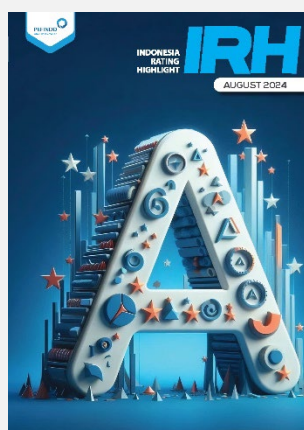
Table 6. PEFINDO Stock Index Weekly Changes

| Periode | Unit | IHSG | PEFINDO i-Grade | Prime Bank |
|-----------|---------|--------|-----------------|------------|
| 2/21/2025 | % (WoW) | 2.48% | 2.12% | 0.14% |
| 2/28/2025 | % (WoW) | -5.54% | -9.27% | -9.36% |
| 3/7/2025 | % (WoW) | -0.04% | -3.02% | -1.55% |
| 3/14/2025 | % (WoW) | -1.81% | -1.05% | -1.89% |
| 3/21/2025 | % (WoW) | -5.69% | -5.98% | -8.53% |

Source: IDX, Bloomberg (2025).

PEFINDO PUBLICATION

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Weekly Economic Update

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| | |
|---|-------------------|
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| Commodity and Stock Market Development | : Yollanda Nalita |
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