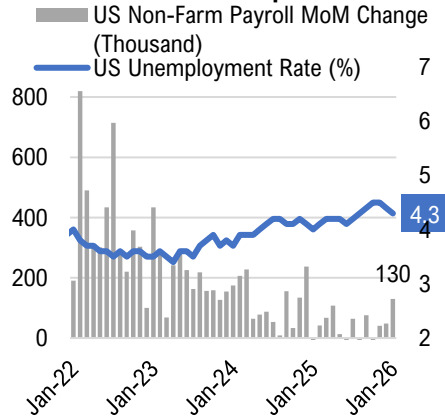




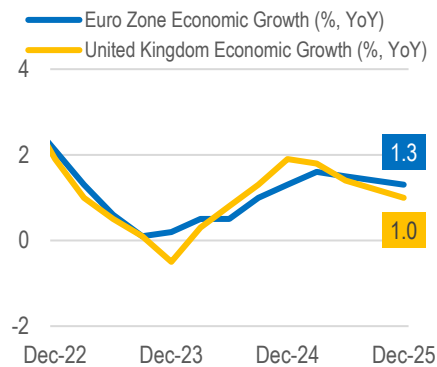
Data Highlights of the Week

US Labor Market Development



Source: Bloomberg

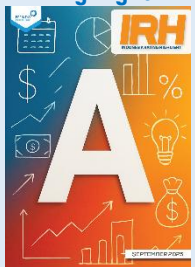
Euro Zone and United Kingdom Economic Growth



Source: Bloomberg

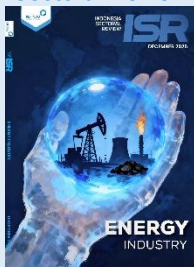
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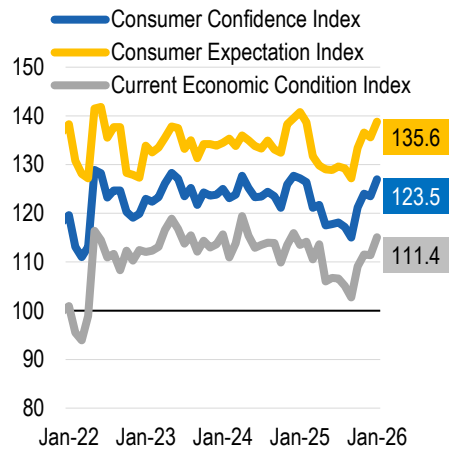
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Global Dynamics Week II-February 2026: Geopolitical Realignment and Divergent Economic Recovery.

Global Economic

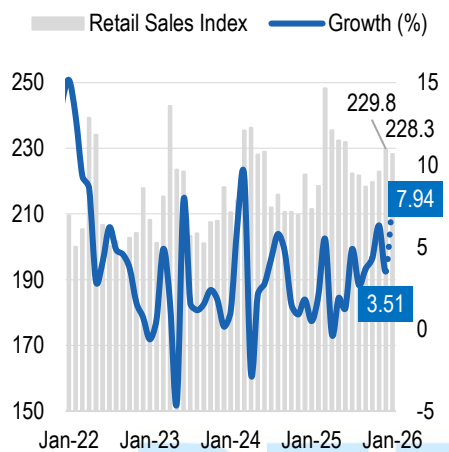
- Global geopolitical developments throughout the second week of February 2026 continued to show crucial developments and further emphasized the inward-looking positions of major economies.** The United States (US) officially withdrew from and halted funding for 31 UN agencies. This situation signaled a decline in global trade infrastructure and emphasized the onset of "The Great Decoupling." Furthermore, the power vacuum following the arrest of President Maduro in Venezuela has also increased uncertainty regarding the transitional government in that country and driven fluctuations in oil prices. In the Middle East, Iran's Revolutionary Guard Corps (IRGC) launched a series of intermediate-range ballistic missile tests as US and Iranian diplomatic delegations attempted negotiations in Oman, emphasizing the still-high tensions between the two countries and exacerbating the revenue crisis in the Suez Canal.
- Ahead of his summit with Xi Jinping in April, the Trump administration tactically postponed a series of technology security restrictions on Chinese companies**—including in the telecommunications, data center, and electric vehicle sectors—to maintain stability following the October trade truce that guaranteed the supply of rare earths for global manufacturing. In contrast to this de-escalation, the US has strengthened its economic alliance with Taiwan through a new trade pact that equalizes export tariffs to 15%, eliminates 99% of tariff barriers for American products, and commits Taiwan to spending USD84 billion on energy commodities and electrical equipment through 2029. This strategic move, reinforced by Taiwan's chip industry giant's planned USD250 billion investment in the US, demonstrates the US's efforts to balance preventive diplomacy with China while securing technological independence and market dominance through a deepening economic partnership with Taiwan.
- US economic data for January 2026 reflected a "soft landing" disinflation scenario, in which labor market resilience occurs as systemic price pressures ease.** Although job growth through 2025 was revised down significantly, the unexpected surge in nonfarm payrolls of 130,000 in January 2026—the highest in a year—along with a decline in the unemployment rate to 4.3% and a rise in labor force participation, suggests that the economic engine remains resilient amid public sector adjustments. With Jan'26 inflation slowing to 2.4% YoY and core inflation hitting its lowest point since 2021 (2.5% YoY), pressure on the central bank to maintain restrictive policy is starting to ease, although wage growth remaining solid at 3.7% YoY will be a crucial variable to closely monitor to ensure that consumption momentum does not trigger a future price rebound.
- The European economic landscape at the end of 2025 reflects sharp growth divergence and a risky policy transition.** While the Eurozone recorded a moderate 1.3% YoY expansion, buoyed by the impressive performance of Ireland and Spain amidst chronic German stagnation, the UK economy slowed to its weakest point (1.0% YoY) due to domestic fiscal pressures and Trump-era global trade tensions. On the eastern front, the Russian Central Bank took a contrarian step that surprised markets by cutting interest rates to 15.5%, demonstrating its priority on safeguarding growth over the risk of re-accelerating inflation.
- Developments in Japan at the beginning of 2026 indicate that structural issues remain hampering the Bank of Japan's (BoJ) monetary normalization.** Nominal wage growth of 2.4% has not been able to keep pace with inflationary pressures, resulting in twelve consecutive months of real wage contraction that erode household purchasing power. While the acceleration in base wages to 2.2% suggests positive transmission from wage negotiations, the slowdown in producer inflation to its lowest level since May'24 (2.3%) signals supply-side disinflation, which could reduce the urgency for further policy tightening. This dynamic confirms the BoJ's cautious stance; without substantial and sustained real wage increases, the monetary authority will likely remain on hold to avoid the risk of renewed deflation, despite persistent cost pressures.

Indonesia's Consumer Confidence Index



Source: Bank Indonesia

Indonesia's Retail Sales Index



Source: Bank Indonesia

Upcoming Week Economic Calendar

Date	Development Releases
Feb 16	Japan's Economic Growth Q4-2025
	Thailand's Economic Growth Q4-2025
Feb 17	UK Unemployment Rate Dec'25
	Industry Wage Growth Dec'25
	Canada's Inflation Rate Jan'26
Feb 18	UK's Inflation Rate Jan'26
	Indonesia's External Debt Level Dec'25
Feb 19	FOMC Meeting Minutes Jan'26
	Indonesia's Monetary Policy Meeting Feb'26
Feb 20	Japan's Inflation Rate Jan'26
	US PCE Inflation Rate Dec'25
	US Economic Growth Q4-2025
	Indonesia's Balance of Payments Q4-2025

- China's economy continues to struggle with deflationary pressures and persistent sluggish domestic demand.** Consumer inflation remains subdued at 0.2% YoY (Dec'25: 0.8%), and realized producer price (PPI) contraction is -1.4% YoY (Dec'25: -1.9%), now entering its 40th consecutive month. Despite signs of price stabilization thanks to government efforts to curb excessive price competition, the plunge in food prices and the sharp decline in core inflation to 0.8% confirm that consumption stimulus has so far failed to significantly boost public purchasing power. This situation was exacerbated by new credit disbursement of CNY4.71 trillion, which—despite the increase—remained below market expectations and the previous year's level, reflecting private sector scepticism about growth prospects and structural challenges in translating liquidity into productive real economic activity.
- India's inflation rate rose to 2.75% YoY in Jan'26, returning within the RBI's target range (2%-4%) for the first time since Aug'25.** This coincided with the first measurement of India's new Consumer Price Index (CPI), which updates the weightings of various items in the index based on the Household Consumption Expenditure Survey from the previous two fiscal years. Food inflation, which now accounts for a much smaller share of India's consumer basket, surged to 2.13% YoY (Dec'25: -2.71%).

Domestic Economy

- Indonesian consumer confidence is indicated to be strengthening, as the Consumer Confidence Index data released in Jan'26 rose to 127.0** (Dec'25: 123.5). The strengthening consumer confidence, which remains in the optimistic zone, is due to consumer confidence in current economic conditions and rising expectations for the future, reaching 115.1 and 138.8, respectively (Dec'25: 111.4 and 135.6). All six sub-indices strengthened.
- Retail sales in Indonesia grew 3.5% YoY in Dec'25 (Nov'25: 6.3%) and are expected to accelerate again, growing 7.9% YoY in Jan'26.** The acceleration in retail sales at the end of 2025 is due to increased public demand during the Christmas and New Year holidays. In Jan'26, despite expected year-on-year growth, retail sales contracted by -0.6% MoM as the Christmas and New Year period ended.
- Motorcycle sales in Indonesia grew 3.1% YoY in Jan'26 (14.5% in Dec'25), reaching a three-month high of 577,763 units.** This marked the sixth consecutive month of annual motorcycle sales growth, as various economic stimulus measures, such as interest rate cuts and stimulus measures, boosted domestic demand.
- Car sales in Indonesia grew 4.5% YoY in Jan'26 (14.3% in Dec'25), to 66,936 units.** However, this figure slowed by -28.7% MoM, suggesting a return to normal sales after the promotional period and a strengthening demand during the long year-end holidays. Throughout 2026, Gaikindo is targeting national car sales of 850,000 units, higher than the 2025 achievement of 803,687 units.

Week Ahead Highlights

The third week of February will be filled with various data releases that provide a snapshot of the global economy amid uncertainty over trade, monetary policy, and fiscal spending from major world economies. In the United States, there will be the release of Q4-2025 economic growth data, Dec'25 PCE inflation, and the Federal Reserve's minutes from its last meeting at the end of January. Meanwhile, Canada will report its inflation rate. In Europe, the UK will release employment and inflation data, which will form the basis for future monetary policy. In Asia, the Lunar New Year holiday week will delay data releases in China, shifting market attention to other countries, such as Japan, which will release its Q4-2025 economic growth and inflation data. In the ASEAN region, Malaysia will release its inflation data, while Thailand will report its Q4-2025 economic growth. Indonesia itself will hold a monetary policy meeting that week, along with the Philippines.

Spotlight on Commodity Price Trends
(as of February 13, 2026)

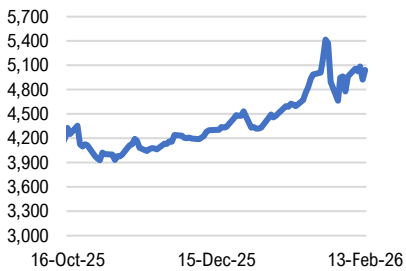
Commodity dynamics were overshadowed by oversupply risks, with selective gains in gold and coal.

Brent Crude Oil (USD/Barrel)



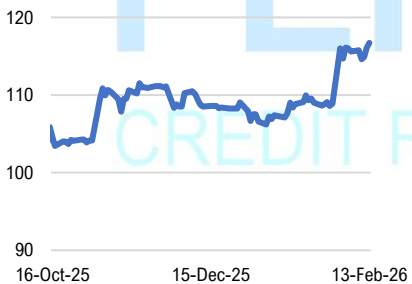
Closing (USD/Brl)	(% Change)			
	WoW	MoM	YoY	YTD
67.75	-0.44	3.48	-9.69	11.34

Gold (USD/troy oz)



Closing (USD/t Oz)	(% Change)			
	WoW	MoM	YoY	YTD
5,042.04	1.56	9.93	72.19	16.73

Steam Coal (USD/MT)



Closing (USD/Ton)	(% Change)			
	WoW	MoM	YoY	YTD
116.70	0.95	8.41	11.89	8.56

- Brent crude oil prices declined by around 0.44% week-on-week** to approximately USD67.75 per barrel, reflecting a shift in market fundamentals toward surplus expectations. Downward revisions to demand projections by the International Energy Agency signal a slowdown in global consumption, with a notable demand reduction projected for 2026. On the supply side, potential additional output from OPEC+ starting in April, along with the easing of Venezuela’s energy sanctions, reinforced expectations of ample supply. Data from the Energy Information Administration showed a sharp 8.5-million-barrel increase in U.S. crude inventories to 428.8 million barrels—far exceeding the 793,000-barrel forecast—while refinery utilization fell to 89.4%, indicating softer short-term demand. Meanwhile, easing tensions between the United States and Iran reduced geopolitical risk premiums, returning market focus to supply-demand fundamentals.
- Gold prices rose about 1.56% over the past week**, driven by shifting U.S. monetary policy expectations following softer-than-expected inflation data. The Consumer Price Index released by the United States Department of Labor showed January inflation at 0.2% month-on-month, below the 0.3% consensus, fueling speculation that the Federal Reserve has room to cut rates by roughly 63 basis points this year, potentially starting in July. The prospect of easing lowered real yields and enhanced gold’s appeal as a non-yielding asset. In addition, strong physical demand from China ahead of the Lunar New Year supported prices.
- Coal prices increased approximately 0.95% over the past week**, supported by a combination of industry restructuring sentiment and global supply disruptions. Positive momentum followed approval of a major USD19 billion acquisition by China Shenhua Energy from its parent China Energy Investment Corporation, boosting production capacity to 512 million tons per year and strengthening supply chain integration. Meanwhile, pro-coal policies by Donald Trump, including a USD175 million allocation for power plants, improved U.S. demand prospects. External factors such as Russian export disruptions due to Ukrainian drone attacks and supply constraints from Indonesia also underpinned prices, amid coal’s continued dominance in China’s energy mix at over 55%.
- CPO prices declined about 2.50% over the past week**, extending a four-day losing streak and closing at MYR4,050 per ton on Bursa Malaysia Derivatives. The main pressure stemmed from corrections in global vegetable oil markets, particularly Dalian soyoil and palm oil contracts, which fell 0.86% and 1.54%, respectively, alongside weaker soybean oil prices in Chicago. Negative momentum was amplified by the extended Lunar New Year holiday in China, potentially dampening trading volumes and short-term demand. Fundamentally, expectations of rising output in the coming months and Indonesia’s move to delay biodiesel expansion heightened oversupply concerns, while a stronger Malaysian ringgit made CPO more expensive for foreign buyers.

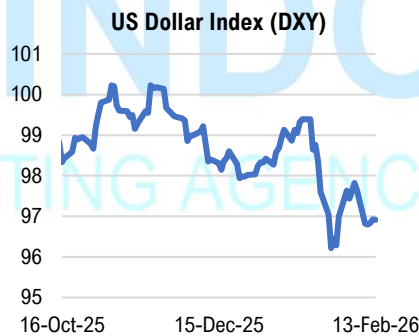
Other Commodities	Closing Price	WoW (%)	MoM (%)	YoY (%)	YTD (%)	Other Commodities	Closing Price	WoW (%)	MoM (%)	YoY (%)	YTD (%)
Natural Gas (USD/MMBtu)	3.24	-5.23	-5.15	-10.61	-12.02	Crude Palm Oil (MYR/Ton)	4,050.00	-2.50	-0.34	-11.07	0.00
Nickel (USD/MT)	16,844.00	-0.73	-4.44	4.55	1.23	Rubber (USD/Kg)	192.90	2.55	5.12	-2.87	7.23
Copper (USD/MT)	12,881.00	-0.87	-2.15	35.80	3.69	Wheat (cents/bu)	548.75	3.59	7.49	-5.02	8.23
Aluminium (USD/MT)	3,077.50	-0.24	-3.75	18.21	2.74	Corn (cents/bu)	431.75	0.35	2.86	-12.51	-1.93
Iron Ore (USD/MT)	100.91	-1.49	-8.89	-4.99	-5.54	Sugar (c/lb)	13.78	-2.34	-7.45	-31.68	-8.19

Global equities declined, while the JCI rebounded amid capital flow uncertainty. The Rupiah strengthened slightly following the USD's weakening, supported by Bank Indonesia's defensive policies amid global interest rate uncertainty.

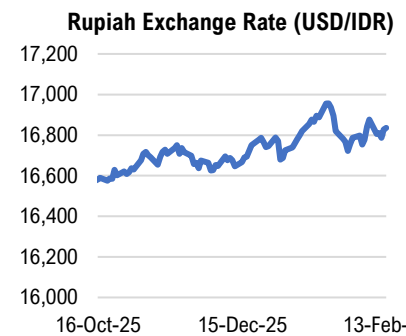
- **Wall Street ended the week lower**, with the S&P 500 down 1.39%, the Nasdaq Composite falling 2.10%, and the Dow Jones Industrial Average declining 1.23%, marking the largest weekly drop since November. The primary drag came from net sales of mega-cap technology stocks such as Nvidia and Apple, amid concerns that intensifying AI competition could pressure profit margins and increase capital expenditure requirements. Although softer January inflation briefly boosted expectations of rate cuts by the Federal Reserve, it was insufficient to offset the rotation into defensive sectors, such as utilities, real estate, and healthcare. Uncertainty ahead of a long weekend and evolving trade policy dynamics further heightened volatility.
- **JCI rose 3.49% during the week of February 9–13, 2026**, closing at 8,212.27, rebounding after pressure from an interim rebalancing freeze decision by Morgan Stanley Capital International. The gain came despite foreign net selling of IDR2.03 trillion during the week and IDR16.49 trillion year-to-date, indicating that sentiment recovery remains fragile. Investors continue to monitor MSCI's final decision regarding Indonesia's market classification, which could influence global capital flows. Externally, expectations of Federal Reserve rate cuts and global commodity price movements shaped volatility. Domestically, stable macroeconomic conditions, low inflation, and potential monetary easing provide supportive catalysts, though investors remain selective in the near term.
- **The USD index weakened, with the US Dollar Index (DXY) falling 0.74% to 96.92 for the week ending February 13, 2026**. This decline reflects the dollar's weakening against other major global currencies on a weekly basis, extending a 6.7% correction since last November to reach its lowest level in four years in January 2026. Although the index remains below the 100 level due to expectations of Fed rate cuts and fiscal policy uncertainty under the Trump administration, the market is beginning to see potential for a rebound. Analysts highlighted that easing hedging pressures following the nomination of Kevin Warsh as Fed Chair, along with improving US growth prospects and business confidence, are beginning to serve as tailwinds for the dollar. Nevertheless, market debate remains sharp between bullish sentiment that relies on the return of investor "animal spirits" and sceptical views that the dollar will continue to erode due to the Trump administration's desire for a weaker currency to support exports.
- **The Rupiah strengthened against the USD**. The Rupiah exchange rate (USD/IDR) appreciated 0.24% to IDR16,836 per USD for the week ending February 13, 2026, although offshore market movements on February 18, 2026, showed a slight 0.08% appreciation to IDR16,851/USD amid low trading volumes due to regional holidays. Market sentiment was influenced by Bank Indonesia's defensive stance, which is expected to maintain the benchmark interest rate at 4.75% to preserve exchange rate stability against the USD index, which strengthened back to 97.155. The Rupiah's appreciation was capped by high 10-year US Treasury yields and geopolitical dynamics related to the planned signing of a reciprocal trade agreement between Indonesia and the United States, which includes tariff exemptions for several flagship commodities.



Closing	(% Change)			
	WoW	MoM	YoY	YTD
8,212.27	3.49	-8.23	24.17	-5.03



Closing	(% Change)			
	WoW	MoM	YoY	YTD
96.92	-0.74	-2.24	-9.69	-1.43



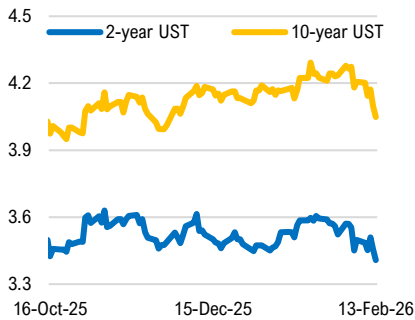
Closing	(% Change)			
	WoW	MoM	YoY	YTD
16,836	-0.24	-0.24	2.90	0.94

Financial Market Development

Other Stock Indices					Other Exchange Rates						
Closing	WoW (%)	MoM (%)	YoY (%)	YTD (%)	Closing	WoW (%)	MoM (%)	YoY (%)	YTD (%)		
S&P500 (AS)	6,836.17	-1.39	-1.83	11.79	-0.14	Euro (EUR/USD)	1.19	0.45	1.94	13.41	1.04
Dow Jones (AS)	49,500.93	-1.23	0.63	10.71	2.99	Canadian Dollar (USD/CAD)	1.36	-0.42	-1.97	-4.06	-0.78
Nasdaq (AS)	22,546.67	-2.10	-4.91	13.04	-2.99	Poundsterling (GBP/USD)	1.37	0.29	1.71	8.63	1.31
Euro Stoxx 50 (Zona Euro)	5,985.23	-0.22	-0.74	8.81	3.35	Japanese Yen (USD/JPY)	152.70	-2.87	-4.05	-0.07	-2.56
FTSE100 (Inggris)	10,446.35	0.74	3.05	19.19	5.19	Chinese Yuan (USD/CNY)	6.90	-0.44	-1.04	-5.26	-1.20
Nikkei225 (Jepang)	56,941.97	4.96	6.34	44.30	13.12	Singapore Dollar (USD/SGD)	1.26	-0.66	-2.00	-6.01	-1.75
Shanghai (Tiongkok)	4,082.07	0.41	-1.37	22.49	2.85	Malaysian Ringgit (USD/MYR)	3.91	-1.00	-3.67	-12.29	-3.72
Hang Seng (Hong Kong)	26,567.12	0.03	-1.05	21.79	3.65	Thailand Baht (USD/THB)	31.08	-1.43	-1.37	-7.75	-1.33

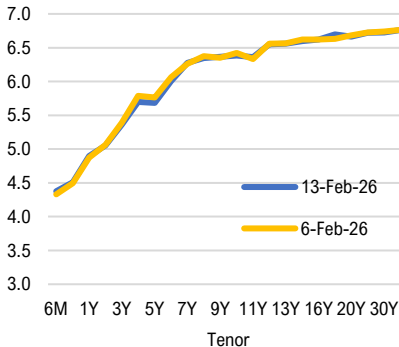
Key Data Developments in Global and National Bond Markets

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



Closing (%)	(bps Change)			
	WoW	MoM	YoY	YTD
2Y: 3.408	-9	-12	-90	-7
5Y: 3.604	-15	-15	-79	-12
10Y: 4.048	-16	-13	-48	-12

Weekly Development of Government Bond Yield (%)



Closing (%)	(bps Change)			
	WoW	MoM	YoY	YTD
2Y: 5.120	0	-1	-150	12
5Y: 5.712	-8	11	-92	16
10Y: 6.402	-4	21	-43	33

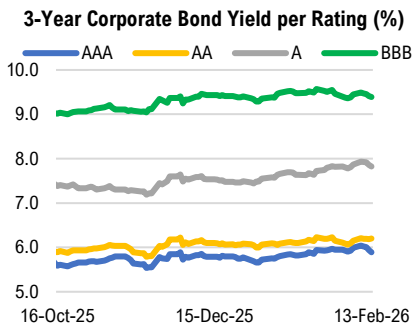
5 Year Credit Default Swap (CDS)



Closing	(% Change)			
	WoW	MoM	YoY	YTD
81.54	4.22	13.44	11.78	18.43

Domestic and global capital markets strengthened as US inflation moderated, followed by the expansion of corporate funding and the government's commitment to fiscal restructuring.

- US Treasury yields decreased across all tenors for the week ending February 13, 2026, driven by the release of a lower-than-expected January Consumer Price Index (CPI) report.** The two-year yield fell 9 basis points to 3.408%, while the five-year tenor corrected 15 basis points to 3.604%, and the ten-year tenor dropped 16 basis points to the 4.048% level. This decline in yields occurred after CPI data showed an annual increase of 2.4%, below the 2.5% economist projection, marking a return to inflation levels seen in May 2025. Although nonfarm payrolls grew strongly by 130,000—far exceeding the estimate of 55,000—the slowing inflation rate provided room for the market to maintain expectations for potential rate cuts under the new Fed Chair. This condition reflects a tug-of-war between solid economic data and cooling price pressures amid uncertainty regarding the impact of future fiscal stimulus and tariff policies.
- Alphabet Inc. (Google's parent company) made history in global capital markets by raising at least USD11 billion (IDR184 trillion) through British Pound and Swiss Franc-denominated bonds, including a very rare 100-year bond issuance.** This massive move is part of the tech giant's funding strategy to finance its artificial intelligence (AI) ambitions, which are expected to incur capital expenditures of up to USD185 billion in 2026. Although the 100-year tenor is considered high-risk by some analysts due to the rapidly changing technological landscape, Alphabet was oversubscribed by up to GBP30 billion in the UK market, proving extraordinary investor confidence in the company's long-term stability amidst the global innovation race.
- The Indonesian government bond market showed limited strengthening for the week ending February 13, 2026.** The two-year yield was recorded as stable at the 5.120% level, while the five-year and ten-year tenors experienced decreases of 8 basis points to 5.712% and 4 basis points to 6.402%, respectively. These movements reflect sustained demand for medium- to long-term debt instruments in the domestic market, driven by positive sentiment from global markets. The decline in US Treasury yields across all tenors—due to lower-than-expected US inflation data—was the primary factor that provided room for domestic bond price appreciation. This condition narrowed yield spreads and maintained the attractiveness of Indonesian fixed-income assets for investors amid expectations of more moderate global monetary policy.
- Indonesia's credit risk premium increased.** The five-year credit default swap (CDS) rose 4.22% to 81.54 for the week ending February 13, 2026. This movement indicates a change in market perception regarding the risk of government bond default over the medium term.
- The Indonesian debt securities market is projected to grow.** Fitch Ratings estimates that Indonesia's outstanding debt capital market (DCM) value will reach USD750 billion by the end of 2026, increasing from USD731 billion in 2025, with total issuances of USD230 billion. This growth is driven by the dominance of government issuances and an increase in the sukuk portion, which reached 50% of total DCM issuances in 2025, up from 29.2% in 2024. Market expansion is supported by expectations of a Federal Reserve interest rate cut to 3.25% in 2026 and a 50-basis-point cut in the BI Rate during the 2026–2027 period, amid stable foreign ownership of government securities at 13.2% as of February 3, 2026.
- The government absorbed financing through a sharia securities auction.** The Ministry of Finance accepted funds amounting to IDR12 trillion, or 27.7% of the total IDR43.83 trillion in incoming bids, at the Sovereign Sharia Securities (SBSN) auction on February 10, 2026. The largest absorption came from the PBS030 series, worth IDR5.2 trillion, with a weighted average yield of 5.24998%, while the PBSG002 series recorded the highest bid-to-cover ratio of 17.45 times with a yield of 6.15460%. These auction results show that investor demand remains solid for state sharia instruments, with average yield levels for short-term tenors (SPNS) ranging from 4.40% to 4.50%.
- Danantara is striving to mitigate negative global sentiment by strengthening policy communication with international rating agencies such as Moody's, Fitch, and S&P following the downgrade of Indonesia's debt outlook to negative.** This step was taken to address Moody's concerns about governance uncertainty and fiscal risks arising from the expansion of government spending, and Danantara now asserts its position as a professional, profit-oriented sovereign wealth fund protected by the business judgment



Source: Bloomberg

rule. Amidst these external communication challenges, Danantara projects an investment allocation of USD13–14 billion in 2026, divided equally between domestic and overseas markets to drive technology transfer and domestic economic value.

- **The government aims to finalize debt renegotiations for the Whoosh High-Speed Railway project in the first quarter of 2026.** Chief Operating Officer of Danantara, Dony Oskaria, stated that the debt settlement scheme is being discussed with the Ministry of Finance under the coordination of the Coordinating Ministry for Economic Affairs. The project, with a total investment of USD7.2 billion, leaves a debt burden of approximately IDR79 trillion with an annual interest rate of 3.4% to the China Development Bank (CDB). Although the final mechanism is still under technical discussion between Danantara and relevant authorities, the State Secretary has confirmed that payments for the project's obligations will eventually be sourced from the State Budget (APBN) to ensure operational continuity and the financial health of the consortium.
- **The government is currently drafting a Presidential Regulation (Perpres) to write off receivables and BPJS Kesehatan contribution fines for independent participants (PBPU) and Non-Workers (BP) Class III as an urgent measure to reactivate the membership status of 63 million citizens currently hindered by arrears.** This policy is a response to the accumulation of uncollectible receivables reaching IDR26.47 trillion by the end of 2025, where a legal umbrella at the Presidential Regulation level is considered crucial by economists to ensure fiscal certainty, prevent moral hazard, and avoid the risk of adverse selection within the National Health Insurance (JKN) system. Minister of Finance Purbaya Yudhi Sadewa emphasized that, in addition to the debt write-off, the government remains committed to maintaining program sustainability through contribution assistance schemes (subsidies) for Class III and the payment of contributions for Contribution Assistance Recipients (PBI), whose membership achievement has consistently remained above 99%.
- **Indika Energy's credit rating was downgraded.** Moody's Ratings lowered the corporate family rating of PT Indika Energy Tbk to B1 from Ba3, following a projected spike in leverage to 7.0x in 2026 from 6.0x in 2025. The downgrade was triggered by a USD100 million–USD150 million increase in the Awak Mas project budget financed by new debt, amid estimated average coal selling prices of USD51 per metric ton, which has pressured consolidated EBITDA to the USD200 million range.
- **Indah Kiat Pulp & Paper is preparing to repay maturing debt securities.** PT Indah Kiat Pulp & Paper Tbk (INKP) has allocated internal funds to meet payment obligations for bonds and sukuk totaling IDR1.38 trillion and USD125,000 maturing in March 2026. These instruments include the Shelf Registration Bond V Phase III Series A, amounting to IDR570.79 billion, the Shelf Registration Sukuk Mudharabah IV Phase III Series A, worth IDR532.93 billion, and other series, all of which are rated idA+ by PEFINDO. Repayment capacity is supported by an internal cash position of USD1.95 billion as of September 2025, which is deemed adequate to cover all short-term obligations.
- **Tower Bersama Infrastructure is strengthening its capital structure by issuing new debt instruments.** PT Tower Bersama Infrastructure Tbk (TBIG) listed Shelf Registration Bond VII and Shelf Registration Ijarah Sukuk I Phase III totaling IDR1.27 trillion on the Indonesia Stock Exchange on February 13, 2026. The issuance consists of bonds worth IDR1.06 trillion with interest rates of 4.85%–6.00% for tenors of 370 days to five years, and sukuk worth IDR210.10 billion for three and five-year tenors. The proceeds from the issuance of these instruments, rated AA+ by Fitch Ratings, are allocated to general funding needs, including refinancing and telecommunications infrastructure expansion, and are supported by a guarantee of all company assets.
- **Eagle High Plantations is raising new funding for working capital.** PT Eagle High Plantations Tbk (BWPT) plans to issue Shelf Registration Bond I Phase IV worth IDR98.06 billion and Shelf Registration Sukuk Mudharabah I Phase III worth IDR122.83 billion with an idA- rating from PEFINDO. These instruments are offered in three series, with coupons and indicated profit-sharing ranging from 8.25% for a 370-day tenor to 11% for a five-year tenor. The proceeds will be allocated for operational financing, including the purchase of fresh fruit bunch inventory and crop maintenance, with a target listing on the Indonesia Stock Exchange on March 2, 2026.
- **Hino Finance Indonesia is raising funds to expand its commercial vehicle financing.** PT Hino Finance Indonesia issued a Shelf Registration Bond I, Phase II, Year 2026, worth IDR800 billion, divided into three series with fixed coupon rates ranging from 4.75% to

6.15% for tenors of 1 to 5 years. This instrument, rated *id*AA+ by PEFINDO, is part of a Shelf Registration Public Offering program totaling IDR3 trillion, in which all proceeds are allocated to financing Hino-brand truck and bus leases. This offering uses a bullet-payment principal repayment scheme, supported by a guarantee of all company assets, and was listed on the Indonesia Stock Exchange on February 12, 2026.

- **Provident Investasi Bersama is allocating new funding for debt refinancing.** PT Provident Investasi Bersama Tbk (PALM) issued Shelf Registration Bond III Phase II Year 2026 worth IDR939.03 billion, divided into three series with fixed interest rates between 5.70% and 7.85% for tenors of one to five years. The proceeds from this instrument, rated *id*A by PEFINDO, will be used—IDR482 billion specifically—to repay bonds maturing in March 2026, while the remainder is allocated for the accelerated payment of credit facilities to United Overseas Bank (UOB). The public offering, under a full commitment scheme, is scheduled to be listed on the Indonesia Stock Exchange on March 4, 2026.
- **Bank Syariah Indonesia maintains the highest credit rating.** PT Peningkat Efek Indonesia (PEFINDO) assigned an *id*AAA rating with a stable outlook for PT Bank Syariah Indonesia (Persero) Tbk (BRIS) and an *id*AAA_(sy) rating for the Shelf Registration Sustainability-Based Sukuk Mudharabah I. This rating affirmation was driven by support from the Indonesian government following the company's transformation into a state-owned bank on January 23, 2026, as well as its strong financial position, with assets reaching IDR456 trillion and profits of IDR7.5 trillion. The current ownership structure is controlled by the Government through Danantara, along with PT Bank Mandiri (Persero) Tbk at 51.47%, PT Bank Negara Indonesia (Persero) Tbk at 23.24%, and PT Bank Rakyat Indonesia (Persero) Tbk at 15.38%, which strengthens the company's capacity to fulfill long-term financial obligations.
- **Bank BTPN Syariah maintains the highest national credit rating.** Fitch Ratings Indonesia reaffirmed the long-term national rating of PT Bank BTPN Syariah Tbk (BTSP) at the AAA_(idn) level with a stable outlook. This rating reflects expectations that the risk of default is at the lowest level compared to other issuers in the domestic market. The assessment is based on a rigorous methodology, including independent verification of audit reports and financial performance, which confirm the company's fundamentals in maintaining asset quality and its capacity to fulfill financial obligations.
- **Indosat ensures the availability of funds for the repayment of maturing debt securities.** PT Indosat Tbk (ISAT) has allocated a total of IDR56 billion to repay the principal of the Shelf Registration Bond III Phase I Year 2019 Series D, worth IDR45 billion, and the Shelf Registration Sukuk Ijarah III Phase I Year 2019 Series D, worth IDR11 billion. The repayment of these instruments, maturing on March 5, 2026, demonstrates the company's commitment to maintaining liquidity and fulfilling financial obligations in a timely manner, in accordance with Indonesia Stock Exchange disclosure regulations.
- **Sinar Mas Multifinance is preparing funds to repay its debt security obligations.** PT Sinar Mas Multifinance has allocated IDR851.85 billion to repay the principal of Shelf Registration Bond III Phase I Year 2023 Series B, which matures on February 7, 2026. This instrument, rated A+ by PT Kredit Rating Indonesia, has a fixed annual interest rate of 10.25% with a three-year tenor and uses a bullet payment scheme. The fulfillment of this obligation is carried out in accordance with Indonesia Stock Exchange regulations, with funds sourced from the company's internal cash to maintain investor confidence in the liquidity management of the multifinance sector.
- **Sinar Mas Agro Resources and Technology is strengthening its long-term capital structure.** PT Sinar Mas Agro Resources and Technology Tbk (SMAR) listed Shelf Registration Sukuk Ijarah I Phase II worth IDR528 billion and Shelf Registration Bond V Phase II worth IDR672 billion on the Indonesia Stock Exchange on February 9, 2026. Both instruments, rated *id*AA- by PEFINDO, offer coupons and yields of 6.20% for a five-year tenor maturing in 2031, and 6.50% for a seven-year tenor maturing in 2033. The total proceeds of IDR1.2 trillion are allocated to support operational needs and the company's strategic business development.
- **Adira Dinamika Multifinance is raising significant funding for financing expansion.** PT Adira Dinamika Multifinance Tbk (ADMF) plans to issue Shelf Registration Bond VII Phase III worth IDR2 trillion and Shelf Registration Sukuk Mudharabah VI Phase III worth IDR500 billion in February 2026. The bonds are offered at interest rates of 4.80% to 5.95% for tenors ranging from 370 days to 60 months, while the sukuk offers an equivalent profit

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share of 4.8% to 5.75% for tenors of up to 36 months. These instruments, rated *idAAA* and *idAAA_(sy)* by PEFINDO, will be used to support consumer and sharia-based vehicle financing, with a target listing on the Indonesia Stock Exchange on February 27, 2026.

- **Pembangunan Jaya Ancol has fulfilled its maturing bond repayment obligation.** PT Pembangunan Jaya Ancol Tbk (PJAA) repaid the principal of Shelf Registration Bond II Phase II Year 2021 Series C worth IDR65.4 billion on February 10, 2026. This Rupiah-denominated instrument had a fixed annual interest rate of 9.60%. The repayment is part of the company's fulfillment of its financial obligations under the maturity schedule and applicable disclosure regulations of the Indonesia Stock Exchange.
- **Astra Sedaya Finance is preparing funds to repay maturing debt securities.** PT Astra Sedaya Finance Tbk (ASDF) has allocated IDR1.52 trillion to repay the principal and interest coupons of Shelf Registration Bond VI Phase V Year 2025 Series A, which matures on March 24, 2026. The instrument has a fixed annual interest rate of 6.45% with a 370-day tenor. The fulfillment of this obligation is conducted in accordance with exchange regulations requiring reporting of fund readiness at the latest 15 exchange days before maturity to ensure the smooth payment of the company's financial obligations to investors.

The Most Traded Bonds During the Week

Government Bonds

Series	Coupon (%)	Matured (mm/dd/yy)	Size (IDR Mio)	Price	Yield (%)	Volume (Mio Unit)
PBS030	5.88	07/15/28	30,000.00	101.60	5.16	15,050,919
FR0103	6.75	07/15/35	10,000.00	102.95	6.33	11,340,102
PBS032	4.88	07/15/26	1,000.00	99.35	6.50	7,888,329
PBS003	6.00	01/15/27	13,000.00	101.03	4.82	7,562,121
FR0108	6.50	04/15/36	240.00	102.50	6.16	7,311,005

Corporate Bonds

Instruments	Rating	Coupon (%)	Matured (mm/dd/yy)	Size (IDR Mio)	Price	Yield (%)	Volume (Mio Unit)
Sukuk Ijarah I Integrasi Jaringan Ekosistem Year 2025 Series B	<i>idA_(sy)</i>	11.50	07/08/28	5,000	103.41	9.88	8,993,175
Bond III Wahana Inti Selaras Year 2024 Series B	<i>idA</i>	8.75	07/05/27	60,000	99.69	8.99	5,903,880
Shelf Registration Bond II Provident Investasi Bersama Phase III Year 2024 Series B	<i>idA</i>	9.75	09/18/27	34,480	102.05	8.35	5,642,077
Shelf Registration Bond III Jaya Ancol Phase I Year 2024 Series A	<i>idA+</i>	8.50	07/09/27	60,000	99.94	8.54	5,065,730
Shelf Registration Sukuk Mudharabah I Dian Swastatika Sentosa Phase III Year 2024 Series C	<i>idAA_(sy)</i>	8.63	11/26/29	80,000	103.37	7.59	4,409,180

Corporate Bonds Issuance

Throughout the second week of February 2026, there was the issuance of corporate debt securities from 6 company with a value reaching IDR8.060 billion.

No.	Companies	Instruments	Issuance Date	Value [IDR Billion]	Interest Rate [%]	Tenor [Year]	Rating
1	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Bond V Phase II Year 2026 Series A	Feb-9-2026	385.00	6.20	5	<i>idAA-</i>
2	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Bond V Phase II Year 2026 Series B	Feb-9-2026	287.00	6.50	7	<i>idAA-</i>
3	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2026 Series A	Feb-9-2026	460.00	6.20	5	<i>idAA_(sy)</i>
4	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2026 Series B	Feb-9-2026	68.00	6.50	7	<i>idAA_(sy)</i>
5	PT Oki Pulp & Paper Mills	Shelf Registration Bond II Phase IV Year 2026 Series A	Feb-9-2026	1,846.02	7.25	5	<i>idA+</i>

6	PT Oki Pulp & Paper Mills	Shelf Registration Bond II Phase IV Year 2026 Series B	Feb-9-2026	566.26	7.75	7	idA+
7	PT Oki Pulp & Paper Mills	Shelf Registration Bond II Phase IV Year 2026 Series C	Feb-9-2026	25.92	8.00	10	idA+
8	PT Oki Pulp & Paper Mills	Shelf Registration Sukuk Mudharabah II Phase IV Year 2026 Series A	Feb-9-2026	526.53	7.25	5	idA+(sy)
9	PT Oki Pulp & Paper Mills	Shelf Registration Sukuk Mudharabah II Phase IV Year 2026 Series B	Feb-9-2026	822.14	7.75	7	idA+(sy)
10	PT Oki Pulp & Paper Mills	Shelf Registration Sukuk Mudharabah II Phase IV Year 2026 Series C	Feb-9-2026	151.33	8.00	10	idA+(sy)
11	PT Hino Finance Indonesia	Shelf Registration Bond I Phase II Year 2026 Series A	Feb-12-2026	313.00	4.75	1	idAA+
12	PT Hino Finance Indonesia	Shelf Registration Bond I Phase II Year 2026 Series B	Feb-12-2026	255.00	5.75	3	idAA+
13	PT Hino Finance Indonesia	Shelf Registration Bond I Phase II Year 2026 Series C	Feb-12-2026	232.00	6.15	5	idAA+
14	PT Gading Danalestari	MTN III Year 2025 Phase III	Feb-12-2026	50.00	9.50	3	-
15	PT Permodalan Nasional Madani	Sukuk Mudharabah <i>Jangka Menengah</i> VII Year 2025 Phase VI	Feb-13-2026	800.00	6.90	1	idAAA(sy)
16	PT Tower Bersama Infrastructure Tbk	Shelf Registration Bond VII Phase III Year 2026 Series A	Feb-13-2026	700.00	4.85	1	AA+(idn)
17	PT Tower Bersama Infrastructure Tbk	Shelf Registration Bond VII Phase III Year 2026 Series B	Feb-13-2026	189.00	5.70	3	AA+(idn)
18	PT Tower Bersama Infrastructure Tbk	Shelf Registration Bond VII Phase III Year 2026 Series C	Feb-13-2026	173.00	6.00	5	AA+(idn)
19	PT Tower Bersama Infrastructure Tbk	Shelf Registration Sukuk Ijarah I Phase III Year 2026 Series A	Feb-13-2026	125.10	5.70	3	AA+(idn)(sy)
20	PT Tower Bersama Infrastructure Tbk	Shelf Registration Sukuk Ijarah I Phase III Year 2026 Series B	Feb-13-2026	85.00	6.00	5	AA+(idn)(sy)
Total				8,060.29			

Source: KSEI, IDX, database PEFINDO.




Corporate Bonds Maturity for March 2026 Reaches IDR13.13 Trillion.

No.	Company	Instruments	Maturity Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
1	PT Merdeka Copper Gold Tbk.	Shelf Registration Bond V Phase II Year 2025 Series A	2-Mar-26	856.00	7.25	1	idA+
2	PT TBS Energi Utama Tbk.	Bond I Year 2023 Series A	3-Mar-26	425.00	8.80	3	idA
3	PT Wijaya Karya (Persero) Tbk.	Shelf Registration Bond I Phase II Year 2021 Series A	3-Mar-26	495.00	8.50	5	idCCC
4	PT Wijaya Karya (Persero) Tbk.	Shelf Registration Bond I Phase II Year 2021 Series B	3-Mar-26	745.50	9.10	5	idCCC
5	PT Wijaya Karya (Persero) Tbk.	Shelf Registration Sukuk Mudharabah I Phase II Year 2021 Series A	3-Mar-26	134.30	8.50	5	idCCC(sy)
6	PT Wijaya Karya (Persero) Tbk.	Shelf Registration Sukuk Mudharabah I Phase II Year 2021 Series B	3-Mar-26	211.60	9.10	5	idCCC(sy)
7	PT Bank Rakyat Indonesia (Persero) Tbk.	Shelf Registration Commercial Paper I Year 2025 Phase I Series B	4-Mar-26	30.30	4.60	1	idA1+
8	PT Indosat Tbk.	Shelf Registration Bond III Phase I Year 2019 Series D	5-Mar-26	45.00	10.10	7	idAAA
9	PT Indosat Tbk.	Shelf Registration Sukuk Ijarah III Phase I Year 2019 Series D	5-Mar-26	11.00	10.10	7	idAAA(sy)
10	PT Eagle High Plantation Tbk.	Shelf Registration Bond I Phase II Year 2025 Series A	6-Mar-26	23.92	9.75	1	idA-
11	PT Toyota Astra Financial Services	Shelf Registration Bond IV Phase V Year 2025 Series A	8-Mar-26	371.52	6.50	1	AAA(idn)
12	PT Bank Victoria International Tbk.	Shelf Registration Bond III Phase I Year 2023 Series A	9-Mar-26	300.00	9.25	3	idA-
13	PT Pupuk Indonesia (Persero)	Shelf Registration Bond II Phase II Year 2021 Series B	10-Mar-26	1,600.00	6.20	5	idAAA
14	PT Surya Artha Nusantara Finance	Shelf Registration Bond IV Phase II Year 2023 Series B	16-Mar-26	900.00	7.00	3	idAA+
15	PT Permodalan Nasional Madani	Shelf Registration Bond III Phase V Year 2021 Series C	17-Mar-26	339.20	8.25	5	idAAA
16	PT Prime Agri Resources Tbk.	Shelf Registration Bond I Phase II Year 2021 Series B	17-Mar-26	46.95	10.35	5	idA
17	PT Prime Agri Resources Tbk.	Shelf Registration Sukuk Ijarah I Phase II Year 2021 Series B	17-Mar-26	158.25	10.35	5	idA(sy)
18	PT Bank Rakyat Indonesia (Persero) Tbk.	Shelf Registration Green Bond I Phase III Year 2024 Series B	20-Mar-26	879.43	6.25	2	idAAA

19	PT Agro Sejahtera Abadi	MTN Year 2020 Phase I Series D	21-Mar-26	50.00	10.50	3	-
20	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond III Phase II Year 2023 Series B	21-Mar-26	145.35	6.60	3	AAA(idn)
21	PT Indah Kiat Pulp and Paper Tbk.	Shelf Registration Bond V Phase III Year 2025 Series A	22-Mar-26	570.79	7.00	1	idA+
22	PT Indah Kiat Pulp and Paper Tbk.	Shelf Registration Sukuk Mudharabah IV Phase III Year 2025 Series A	22-Mar-26	532.94	7.00	1	idA+(sy)
23	PT Indah Kiat Pulp and Paper Tbk.	Shelf Registration Bond USD II Phase II Year 2025 Series A	22-Mar-26	USD0.13 million/ IDR2.03 billion	5.75	1	idA+
24	PT CIMB Niaga Auto Finance	Shelf Registration Sukuk Wakalah Bi Al-Istitsmar I Phase II Year 2025 Series A	23-Mar-26	1,200.00	6.70	1	AA+(idn)
25	PT Indah Kiat Pulp and Paper Tbk.	Shelf Registration Bond I Phase IV Year 2021 Series C	23-Mar-26	277.08	10.25	5	idA+
26	PT Astra Sedaya Finance	Shelf Registration Bond VI Phase V Year 2025 Series A	24-Mar-26	1,500.00	6.45	1	AAA(idn)
27	PT Indomobil Finance Indonesia	Shelf Registration Bond V Phase II Year 2023 Series B	28-Mar-26	279.59	7.50	3	idAA-
28	PT Pindo Deli Pulp and Paper Mills	MTN I Year 2023 Phase I Series A	28-Mar-26	51.60	7.00	3	irAA-
29	PT Pindo Deli Pulp and Paper Mills	MTN I Year 2023 Phase I Series B	28-Mar-26	33.95	7.00	3	irAA-
30	PT Pindo Deli Pulp and Paper Mills	MTN I Year 2023 Phase I Series C	28-Mar-26	14.98	7.00	3	irAA-
31	PT Pindo Deli Pulp and Paper Mills	MTN I Year 2023 Phase I Series D	28-Mar-26	4.49	7.00	3	irAA-
32	PT Provident Investasi Bersama Tbk.	Shelf Registration Bond I Phase I Year 2023 Series B	28-Mar-26	482.00	8.50	3	idA
33	PT Hino Finance Indonesia	Shelf Registration Bond I Phase I Year 2025 Series A	30-Mar-26	410.94	6.50	1	idAA+
Total				13,128.70			

Weekly Sector Highlights

During 9–13 February 2026, domestic sectoral sentiment was influenced by developments throughout early 2026, industry strategies, and government policies.

Industries	Sentiment & Significance	News Highlights
Automotive		EV Industry Urges Certainty on 2026 Incentives Amid Demand Pressures. Electric vehicle (EV) industry players are highlighting the expiration of several EV incentives in 2025, including CBU import facilities, which are considered likely to affect pricing strategies and demand projections for 2026. VinFast and BYD both view incentives as crucial for maintaining competitiveness and accelerating EV adoption, although they continue to pursue long-term strategies focused on ecosystem development and portfolio diversification. Manufacturers hope the government will announce new incentive policies before Eid to provide certainty for both the industry and consumers. The Ministry of Industry has submitted a proposal for EV incentives to the Ministry of Finance as part of efforts to sustain manufacturing and employment. Meanwhile, economists believe incentives remain necessary given the weakening purchasing power of the middle class, which is the primary driver of electric vehicle demand.
Banking		Major Banks Assert Their Fundamentals Remain Solid After Moody's Downgraded the Outlook. Danantara Indonesia emphasized that the fundamentals of state-owned banks—BBRI, BMRI, and BBNI—remain strong despite Moody's revising Indonesia's and several banks' outlooks from stable to negative. The downgrade followed the revision of Indonesia's sovereign outlook to negative, although the rating remained at the investment-grade level of Baa2. This sentiment briefly pressured the share prices of Himbara banks, yet Danantara stated that the asset, liability, and governance conditions of the three banks are in very healthy shape. On the other hand, BCA conveyed a similar view, affirming that the company's credit growth remains prudent with well-maintained NPL quality, and it does not expect any adverse impact from the outlook revision. The bank views Moody's assessment as part of Indonesia's macro dynamics, while ensuring that its credit-approval process continues to adhere to strict prudential standards. Overall, major banks declared they are prepared to maintain intermediation stability amid the outlook change, supported by the industry's still-solid credit growth in 2025.
Insurance and Guarantee		Life Insurance Industry Seeks to Restore Performance in 2026. The life insurance industry is working to recover its performance after premium income in 2025 declined by 3.81% to IDR180.98 trillion. AAJI views this decline as influenced by market dynamics that encouraged a shift toward

more sustainable regular premiums. Nevertheless, the association remains optimistic that the outlook for 2026 will improve, supported by an increase in the number of policyholders as well as the development of partnerships with creditors and product innovation. Analysts assess that premium growth this year has the potential to be positive, although moderate, with consumer purchasing power being the main challenge, while digitalization and expansion into second-tier cities serve as new sources of growth.

Metal and Gold



The Steel Industry Urges Stronger Protection and Trade Regulation Enforcement. Players in the iron and steel industry are calling for the strengthening of the national industrial ecosystem to confront pressure from cheap imports and unfair trade practices. Kadin assesses that the steel sector continues to face challenges such as a surge in imports, low-capacity utilization, and demands to meet global standards. One of the main issues is the widespread circulation of ‘substandard steel’—products that do not meet standards and evade taxes—which has driven down prices and squeezed domestic producers. The industry is also advocating for incentives to support investment in low-carbon technologies and digitalization to enhance competitiveness. In addition, associations emphasize the need for stronger government support in strategic projects, including the fulfillment of domestic content requirements (TKDN). The Ministry of Finance is currently following up on alleged tax evasion related to ‘substandard steel’ by dozens of companies, while industry players hope that transformation and efficiency efforts can open new growth opportunities.

Mining



Government Cuts Coal and Nickel Production. The government emphasized that the coal production quota for 2026 is set at around 600 million tons, a reduction of about 190 million tons compared with the 2025 realization of 790 million tons. The quota reduction aims to support global prices, given that Indonesia’s export supply accounts for 43–45% of global trade, and amid the downward trend in benchmark coal prices. A similar policy is being applied to nickel, with the 2026 RKAB quota cut to 260–270 million tons from 379 million tons in 2025 to maintain market balance. This supply tightening provides a catalyst for price strengthening but pressures the sales volume of nickel issuers in the short term, making margin management a key priority. Analysts project that the nickel sector could recover from negative to neutral if supply discipline remains consistent and efficiency, as well as downstream strategies, continue to be strengthened. However, the reduced quotas also pose concerns for mining operators, who are calling for a policy review to avoid suppressing revenues amid still-volatile commodity prices.

Multifinance



Multifinance Firms Prepare to Face a Rise in NPF. Financing companies have begun anticipating a potential increase in non-performing financing (NPF), which historically emerges after Ramadan and Eid, in line with shifts in household spending priorities. Although the industry’s NPF ratio throughout 2025 remained low at 0.77%, multifinance players continue to be cautious of this seasonal pressure. Industry participants have prepared risk-mitigation strategies through segmentation-based financing, strengthening collection functions, optimizing collection teams, tightening portfolio monitoring through early-warning systems, and selective restructuring for affected borrowers. In addition, the recovery of economic activity may help maintain NPF levels. Overall, multifinance companies are holding back from aggressive expansion and are focusing on maintaining asset quality to navigate financing pressures that often intensify during this period.

Oil and Gas



Opportunities and Risks of Indonesia’s USD15 Billion Energy Imports from the U.S. Indonesia and the U.S. will sign an agreement on reciprocal trade (ART) on February 19, 2026, which includes a commitment to purchase energy from the U.S. worth around USD15 billion. Imports of LPG, crude oil, and fuel products will serve as a key pillar to balance the trade relations between the two countries, with Pertamina stating its readiness to carry out the government’s mandate. Economists assess that this agreement has the potential to strengthen energy security through supply assurance and opportunities to boost Indonesia’s exports, especially if the ART truly provides reciprocal benefits in the form of tariff reductions or more certain market access. The loose conditions in the global oil market also create room for negotiating more competitive prices, although significant risks remain, ranging from the potential widening of the oil and gas deficit to fiscal burdens arising from inflexible LNG contracts. In addition, purchases denominated in U.S. dollars increase exchange-rate exposure, while logistics costs for shipping oil and gas from the U.S. are relatively higher compared to regional suppliers. Nevertheless, analysts view the scheme as mutually beneficial, particularly in maintaining Indonesia’s export access to the U.S. market.

Plantation and Agriculture



Legal Uncertainty over Land Threatens Palm Oil Investment. Legal uncertainty surrounding land is considered a threat to palm oil investment, prompting calls for the government to accelerate the regularization of smallholder oil-palm plantations to prevent disputes and safeguard development targets for 2030–2045. Short-term policies such as Government Regulation 45/2025 risk putting pressure on smallholder operations that involve more than 10 million farmers. Experts emphasize that oil-palm plantations with legally valid land status—such as HGU or private ownership—cannot

automatically be categorized as illegal even if they fall within areas claimed as forest zones. With 3.37 million hectares of oil-palm plantations classified under forest-area claims, the determination of legality must consider the function of the area and the timing of its designation. Meanwhile, findings of around 4 million hectares of illegal occupation within protected areas highlight the need for precise, data-based enforcement. The stability of the palm-oil sector depends on land-governance reforms that are fair and aligned with agrarian reform.

Source: Antara News, APBI-ICMA, Bloomberg Technoz, CNBC Indonesia, Harian Ekonomi Neraca, Harian Kontan, and Investor Daily (2026).



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Weekly Economic Update

Presented by the Economic Research Division of PEFINDO

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

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