PEFINDO
CREDIT RATING AGENCY

WEEKLY ECONOMIC UPDATE

Period of September 22–26, 2025

Presented by:
Economic Research Division, PT Pemeringkat Efek Indonesia (PEFINDO)

EXECUTIVE SUMMARY

- The OECD projects the global economy to grow relatively slowly in 2025 (3.2%) and 2026 (2.9%) due to higher US tariffs, although various countries appear to be more resilient than expected. In the US, the Chairman of the Federal Reserve provided justification for cutting interest rates, despite still-strong US economic growth and relatively stable inflation. Meanwhile, disagreements over the US fiscal budget have raised the threat of another government shutdown. On the trade side, the US is reported to be imposing tariffs on furniture, heavy trucks, and pharmaceuticals effective October 1, 2025. Meanwhile, in other regions, various countries are reportedly continuing their efforts to stabilize their fiscal conditions, mitigate the impact of US tariff policies, and stimulate their domestic economy.
- Domestically, the state budget realization for the January-August 2025 period reportedly recorded a deficit of IDR321.6 trillion, equivalent to 1.35% of GDP. Meanwhile, the money supply in August 2025 reportedly accelerated by 7.6% year-on-year. In line with this, the Indonesia Deposit Insurance Corporation (LPS) lowered the guaranteed interest rate by 25 basis points for all types of deposits. From the parliamentary perspective, Commission VI of the Indonesian House of Representatives (DPR RI) and the government have reportedly agreed on all revisions to the Law on State-Owned Enterprises, which changes the status of the Ministry of State-Owned Enterprises to the State-Owned Enterprises Agency (BP BUMN). Externally, the Japan Credit Rating Agency maintained Indonesia's Sovereign Credit Rating at BBB+ with a stable outlook. Meanwhile, Indonesia has also reportedly reached trade agreements with the European Union and Canada, eliminating most tariffs on goods from each country.
- The commodities market moved mixed last week: Brent crude surged sharply on geopolitical risks and tighter supply, gold remained attractive as a safe-haven asset amid Fed rate-cut expectations, coal stayed supported by China's demand, while CPO remained under pressure from negative sentiment despite a late rebound. Looking ahead, direction will continue to hinge on geopolitical dynamics and global monetary policy.
- Global equities posted mixed performances: Wall Street edged lower on Fed policy uncertainty and political risks, European markets consolidated with selective sectoral support, Asia was weighed down by new U.S. tariffs despite mixed index moves, while IHSG stood out regionally, hitting fresh record highs supported by foreign inflows. This underscores the resilience of the domestic market amid external headwinds.
- The US Dollar Index strengthened relatively strongly between September 22 and 26, 2025, as solid US economic data was reported. This put pressure on the exchange rates of various countries, including the Rupiah. Over the week, the Rupiah weakened to IDR16,738/USD due to this pressure and net foreign capital outflows.
- In the bond market, yields across various tenors across countries rose, driven by expectations of further interest rate cuts in the US, which declined relatively following strong economic data. Yields on the national bond market also increased, with a sharper increase in long-term tenors. The corporate bond market also experienced an increase in yield, except for the A-rated three-year tenor.
- On September 22-26, 2025, issuances of bonds reached IDR1.92 trillion. Meanwhile, throughout September 2025, PEFINDO recorded debt securities that matured at IDR14.84 trillion. Then, in October 2025, November 2025, and December 2025, debt securities that matured were valued at IDR13.16 trillion, IDR14.40 trillion, and IDR15.73 trillion, respectively.
- During the period of September 22–26, 2025, several industries have shown positive development, particularly renewable energy, property, transportation, and banking. Key drivers include the rising share of green energy, Garuda Indonesia's expansion of routes and fleet, accelerated development of subsidized housing, and the government's IDR200 trillion fund injection into state-owned banks. On the other hand, some sectors are under pressure. Multifinance profitability has declined due to high credit risk and weak consumer purchasing power; the LCGC automotive segment is facing competition from electric vehicles and a shrinking middle class; and 190 mining companies have had their operations suspended for exceeding production plans and failing to meet reclamation guarantee requirements.

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A. MACROECONOMIC DEVELOPMENT

1) Global Economy

- The OECD projects global economic growth to slow to 3.2% in 2025 and 2.9% in 2026 (2024: 3.3%), as higher US tariffs weigh on trade and investment. However, the updated projections for 2025 are 0.3% higher than the June projection, reflecting stronger-than-expected resilience. US growth is forecast to reach 1.8% in 2025 and 1.5% in 2026, impacted by tariffs, moderating net immigration, and federal workforce reductions. China, meanwhile, is forecast to grow more slowly to 4.9% in 2025 and 4.4% in 2026 as activity that weighed on the economy earlier begins to wane, tariffs take effect, and fiscal support begins to fade. The Euro Area is projected to grow 1.2% in 2025 and 1.1% in 2026 amid trade tensions and geopolitical uncertainty. Meanwhile, global inflation is expected to ease to 3.4% in 2025 and 2.9% in 2026, although inflationary pressures could re-emerge.
- The Federal Reserve Chairman, in a speech in Rhode Island, noted that recent evidence of labor market weakness prompted the Fed to shift its risk balance and prioritize growth concerns. He explained that the unemployment rate was rising, though it remained historically low, and job growth was slowing, justifying the September interest rate cut despite persistent inflationary pressures. He also reiterated that no direction had been set for future interest rate decisions, but noted that policy remained restrictive.
- The second estimate of the United States (US) economy in Q2-2025 reported growth of 3.8% (annualized) (preliminary estimate: 3.3%), the strongest performance since Q3-2023. This stronger-than-expected figure reflected upward revisions to consumer spending and fixed investment, although residential investment declined further, and government consumption also declined slightly. On the other hand, the contribution from net trade was revised lower, as exports declined faster (-1.8% vs. -1.3%) and imports fell 29.3% (vs. -29.8%).
- The US PCE price index rose 0.3% MoM in August 2025 (0.2% in July 2025), increasing to 2.7% YoY (2.6% in July). Goods prices rebounded by 0.1% MoM (-0.1% in July 2025), while services prices rose 0.3% MoM, the same as in July 2025. Core PCE inflation rose 0.2% MoM, the same as in July, or stable at 2.9% YoY. This was in line with expectations.
- The US government will shut down if there is no budget agreement, as Republicans and Democrats battle fiercely to agree on a spending plan ahead of the September 30th fiscal budget deadline. If not opposed by Democrats, Trump will initiate mass layoffs of federal workers. So far, the US Congressional fiscal budget debate has been hampered by plans to cut healthcare spending and subsidies, with Democrats demanding the repeal of two clauses. As a last resort, the US President will meet with four congressional leaders.
- President Donald Trump announced that the US will impose new import tariffs: 50% on kitchen cabinets and bathroom vanities, 30% on upholstered furniture, and 25% on heavy trucks. In addition, a 100% tariff will be imposed on branded or patented pharmaceutical products, unless the company is building a factory in the US. This policy, designed to protect the US domestic industry, will take effect on October 1, 2025.
- G7 and European Union members are considering minimum price caps and taxes on Chinese exports to boost rare earth production and reduce dependence on China. Except for Japan, most G7 countries rely heavily on China for minerals such as rare earth magnets and battery metals. Several policy options are being considered, including local content rules or sourcing restrictions. The US is reportedly reviewing subsidy-backed minimum price caps, while Australia is exploring similar measures, and Canada has expressed support.
- Russia's Finance Ministry proposed raising the value-added tax (VAT) rate to 22% from 20% by 2026 to fund military spending and help curb a ballooning budget deficit amid the war with Ukraine, which is entering its fifth year. President Putin has signaled he is open to raising certain taxes during wartime, noting that the US had raised taxes on the wealthy during the Vietnam and Korean Wars.
- Minutes of the Bank of Japan's (BoJ) July 25 meeting showed that several BoJ board members expressed support for a future interest rate hike, although the central bank unanimously maintained its benchmark interest rate. The Council agreed that food price pressures, particularly rice, would ease. The economy was seen as recovering moderately, albeit with some weakness. Members emphasized the need to monitor the impact of US tariffs, with one member suggesting it might take another 2-3 months to fully assess their impact.
- Japan announced that it would establish an investment facility at the Japan Bank for International Cooperation (JBIC) to support a USD 550 billion investment package under its tariff deal with the US. The package, which includes equity, loans, and loan guarantees from JBIC and Nippon Export and Investment Insurance (NEXI), targets sectors including chips, metals, pharmaceuticals, energy, and shipbuilding, with investments planned through January 29. The new facility will help fund overseas expansion by Japanese companies in industries critical to Japan's economic security.
- The advance estimate for Japan's nominal wages in Jul'25 was revised down to a growth of just 3.4% YoY (preliminary estimate: 4.1%). Nonetheless, this was the fastest pace of growth in seven months. Real wages were reported to have fallen by -0.2% YoY (preliminary estimate: 0.5%), marking the seventh consecutive month of decline. The downward revision was driven by weaker-than-expected growth in summer bonuses. The Bank of Japan (BoJ) Governor predicted that wage growth would accelerate amid a tight labor market.
- The People's Bank of China (PBOC) injected CNY600 billion into financial institutions through its one-year Medium-Term Lending Facility (MLF) to maintain sufficient liquidity in the banking system. With CNY300 billion of MLF funds maturing this month, the operation resulted in a net liquidity injection of CNY300 billion, continuing the seven-month upward trend.

- The People's Bank of China (PBOC) will introduce a series of measures to encourage the development of yuan-denominated bonds in Hong Kong. The central bank will support foreign institutions in conducting repo transactions to increase the utilization of yuan bonds. The plan also includes expanding the Swap Connect market maker pool, raising daily net trading limits, and accelerating the launch of yuan-denominated government bond futures. These measures aim to deepen offshore yuan liquidity and strengthen Hong Kong's role as a major international financial center.
- Fitch Ratings revised the outlook on Thailand's sovereign rating to negative from stable and affirmed its rating at BBB+, due to rising fiscal pressures and weakening growth prospects. Government debt rose 25% since before the pandemic to 59.4% of GDP as of August 25, approaching the 'BBB' median of 59.6%. Political instability has further weighed on sentiment following the ouster of Prime Minister Paetongtarn Shinawatra. The new minority government is expected to hold elections within four months, raising the risk of short-term fiscal stimulus and policy uncertainty. Meanwhile, Thailand's economic recovery remains uneven, with the tourism sector remaining sluggish and exports depressed by US tariffs.
- China will purchase US soybeans if the United States removes what it calls tariffs on China and creates favorable conditions for bilateral trade. Despite being the world's largest soybean buyer, China has not yet ordered US cargoes from the fall harvest, preferring supplies from South America. So far, disagreements over technical details have complicated negotiations between the two countries.
- Chinese authorities have issued a work plan aimed at supporting the stable operation and structural improvement of their steel industry. For the 2025-2026 period, China's steel industry is targeted to achieve average annual value-added output growth of around 4%, along with improved economic performance, a more balanced market supply and demand, and an optimized industrial structure. The plan emphasizes strengthening industrial management to eliminate backward and inefficient production capacity, support competitive enterprises, and promote a balanced market. Technological innovation will be accelerated to increase the supply of high-end products, improve the quality of bulk materials, and stabilize the supply of raw materials and fuel.
- Malaysia's annual inflation rate in Aug'25 edged up to 1.3% YoY (Jul'25: 1.2%), the highest since April and in line with market projections. Food prices accelerated slightly by 2.0% YoY (Jul'25: 1.9%), while prices fell more slowly for clothing (-0.1% vs -0.2%) and communications (-5.6% vs -6.4%). Core inflation rose by 2.0% YoY, the sharpest pace in four months (Jul'25: 1.8%). Meanwhile, Singapore reported inflation in Aug'25 slowed to 0.5% YoY (Jul'25: 0.6%), the lowest inflation rate since Jan'21. Prices were stable for food (1.1% vs 1.1%) and housing and utilities (0.3% vs 0.3%). Meanwhile, deflation worsened for household durable goods and services (-0.9% vs. -0.5%), recreation, sports, and culture (-3.0% vs. -1.2%), and miscellaneous goods and services (-0.8% vs. -0.4%). The core inflation rate fell to 0.3% YoY, the lowest since Feb'21 (Jul'25: 0.5%).

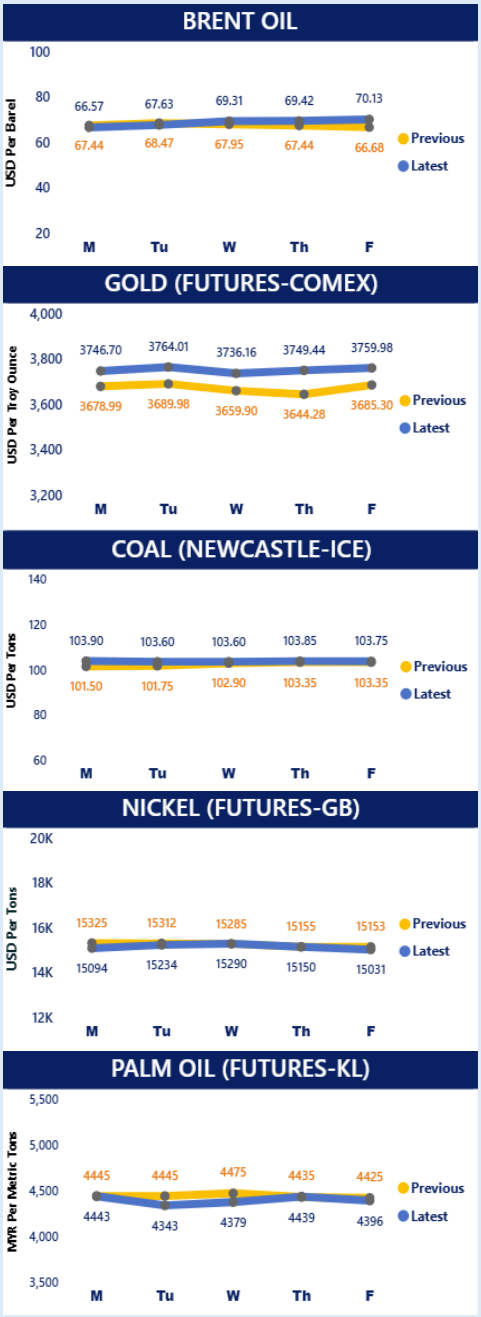
2) Domestic Economy

- The State Budget realization for the January-August 2025 period recorded a deficit of IDR321.6 trillion (USD19.38 billion), equivalent to 1.35% of GDP. The deficit was caused by a 7.8% YoY decline in state revenues to IDR1,639 trillion, amid a 1.5%YoY increase in state spending to IDR1,960 trillion. Looking ahead, the government stated that it will accelerate spending until the end of the year to meet the target and encourage economic growth of 5.2% in 2025.
- Broad money (M2) accelerated to IDR9,657.1 trillion in Aug'25 (6.6% in Jul'25). This was driven by high growth in narrow money (M1), reaching 10.5% YoY, while quasi-money grew 5.6% YoY. Among the factors contributing to the acceleration in the money supply were credit disbursement, which grew 7.0% YoY (6.7% in Jul'25), and net receivables to the central government, which grew 5.0% YoY after contracting by 6.2%.
- The Deposit Insurance Corporation (LPS) lowered the guaranteed interest rate (TBP) for the period from October 1, 2025, to January 31, 2026. The guaranteed interest rate for rupiah deposits at commercial banks and public credit banks, as well as foreign currency deposits in commercial banks, fell by 25 bps, to 3.50%, 6.00%, and 2.00%, respectively. This policy was taken to strengthen economic growth, which has so far remained relatively stable through optimizing more balanced credit growth.
- Commission VI of the Indonesian House of Representatives (DPR RI) and the Government have agreed on all revisions to the Law on the Fourth Amendment to the State-Owned Enterprises (BUMN) Law and will continue the process in a plenary session. Several new regulations will include changing the status of the Ministry of State-Owned Enterprises to the SOEs Regulatory Agency (BP BUMN), prohibiting concurrent ministerial and deputy ministerial positions in BUMN, and so on. It is stated that BP BUMN will act as the regulator and retain a 1% stake in the Dwiwarna Series A share.
- Japan Credit Rating Agency, Ltd. (JCR) maintained Indonesia's Sovereign Credit Rating at BBB+ with a stable outlook. JCR assesses that Indonesia's economic performance remains strong, with economic growth expected to be maintained at around 5% in the medium term, although there is potential for a slowdown in 2025 due to weakening external demand and US reciprocal tariffs. From the perspective of fiscal credibility, it is expected to remain intact, with a deficit in the range of 2.3-2.5% of GDP and a government debt-to-GDP ratio remaining below 40%. Externally, the JCR assesses that Indonesia's current account deficit will gradually increase in 2025, with resilience maintained, supported by a positive trend in direct investment and high foreign exchange reserves.
- Indonesia has successfully reached agreements and signed comprehensive economic partnership agreements with two regions: the European Union and Canada. With the EU, Indonesia signed the Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU-CEPA), while with Canada, the two countries reached an agreement through the Indonesia-Canada Comprehensive Economic Partnership Agreement (ICA-CEPA). These two agreements are expected to pave the way for increased market access for leading export commodities, investment, and cooperation with key partners in Europe and North America.

B. COMMODITY MARKET DEVELOPMENT

- Brent crude oil prices surged 5.17% last week, marking the strongest weekly gain since mid-June. The rally was driven by Ukrainian drone attacks on Russian energy infrastructure that cut fuel export capacity, coupled with Moscow's extension of its ban on diesel and gasoline exports until year-end, tightening global supply. Geopolitical sentiment also escalated after NATO warned of possible responses to airspace violations, while the U.S. pressed allies to cut Russian oil imports, raising risks of further supply disruptions. On the other hand, prospects of supply recovery from Iraq's Kurdistan and robust U.S. economic growth of 3.8% provided additional support, especially as the Federal Reserve's anticipated rate cuts could bolster energy demand. The mix of geopolitical and fundamental factors pushed Brent to close at USD70.13 per barrel on Friday (9/26).
- Gold prices rose 2.03% last week, closing at USD3,759.98 per troy ounce, though edging down 0.1% on Friday to USD3,745.49 amid stronger-than-expected U.S. economic data and a firmer dollar that capped gains. Support for gold came from the upward revision of U.S. Q2 GDP growth to 3.8% YoY and lower weekly jobless claims, signaling a resilient economy. However, markets remain focused on the upcoming August PCE inflation release, expected at 0.3% MoM and 2.7% YoY. On the policy front, Fed officials' calls for more aggressive rate cuts, combined with geopolitical uncertainty linked to President Trump's new import tariffs, sustained gold's appeal as a safe-haven asset.
- Coal prices gained 0.39% over the past week, supported by both demand and policy drivers. Positive sentiment came from a surge in China's coal imports, estimated at 27.4 million tons in September, signaling strong power demand despite emission-reduction targets, alongside U.S. President Donald Trump's pro-coal policy expansion with new royalty tariffs to strengthen fiscal revenues. On the supply side, China's coal output dropped 3.00% YoY in August, though still up 3.00% cumulatively in the first eight months of the year, helping ease global oversupply pressure.
- CPO prices rebounded toward the weekend, closing at MYR4,396 per ton, supported by higher vegetable oil prices in Dalian, a weaker ringgit boosting export competitiveness, and the crude oil rally enhancing CPO's appeal as biodiesel feedstock. However, the weekly performance remained negative at -0.66%, pressured earlier in the week by falling Chicago soyoil prices, India's large soyoil purchases from Argentina that displaced demand, and market concerns over EU regulations and domestic legal dynamics. These headwinds kept CPO from finishing the week in positive territory despite the late rebound.

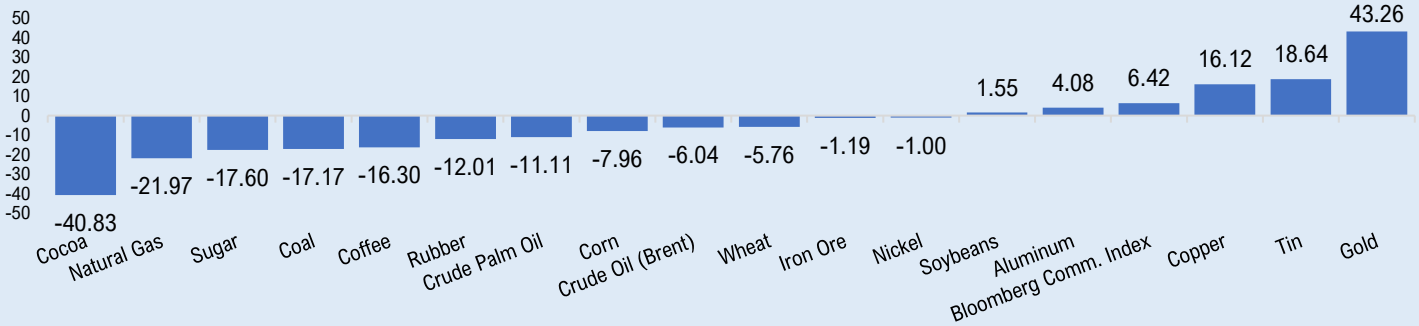
Chart 1. Several Commodity Price Developments on a Weekly Basis (W-to-W)



Previous : 09/15/25 – 09/19/25
Latest : 09/22/25 – 09/26/25

Source: Bloomberg & Investing (2025).

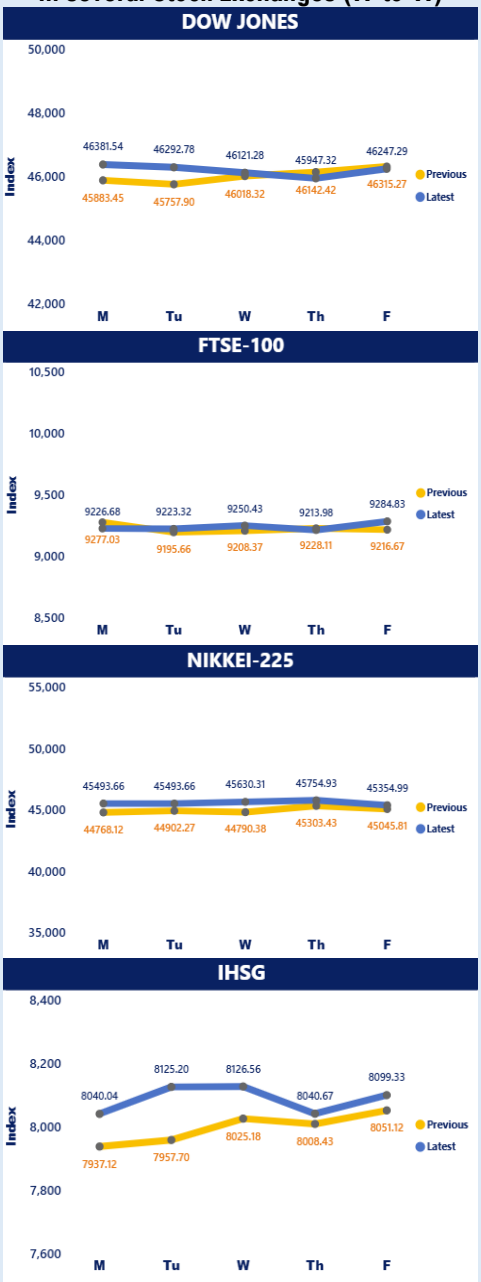
Chart 2. 2025 Commodity Price Changes (%YTD)



C. STOCK MARKET DEVELOPMENT

- Wall Street traded choppily last week and, despite a rebound into the weekend on the back of in-line August PCE inflation data, the three major indexes ended lower: Dow Jones Industrial Average -0.15%, S&P 500 -0.31%, and Nasdaq -0.65%. Both the S&P 500 and Nasdaq broke their three-week winning streaks. Positive sentiment came from expectations of further Fed rate cuts, rising U.S. household income and spending, and quarter-end window dressing. However, gains were capped by concerns over labor market slowdown, a potential government shutdown, and new import tariffs raising inflation risks.
- European stocks rebounded into the weekend, with the Stoxx 600 up 0.8%, though posting only a marginal weekly gain of 0.07%, reflecting market consolidation. Major regional indices also closed higher: France's CAC 40 +0.22% WoW, Germany's DAX 30 +0.42% WoW, and the UK's FTSE 100 +0.74% WoW. Market sentiment was supported by rebounds in insurance and construction sectors, as well as a rally in steel stocks amid EU tariff considerations on Chinese steel. On the macro front, U.S. inflation data in line with expectations eased concerns, though diminished prospects of aggressive Fed rate cuts kept investors cautious.
- Asian markets moved mixed last week, with Japan's Nikkei 225 up 0.69% WoW and China's Shanghai Composite rising 0.21% WoW, while Hong Kong's Hang Seng fell 1.57% WoW. Regional sentiment was weighed down by President Trump's announcement of new tariffs on branded drugs, heavy trucks, and furniture, which pressured pharma stocks, as well as by fading speculation of aggressive Fed rate cuts after stronger U.S. data. While some indices managed to stay in positive territory thanks to domestic sector support, global uncertainty continued to cap investor optimism across the region.
- JCI advanced 0.60% to 8,099.33 last week, setting fresh all-time highs on consecutive days before briefly correcting and rebounding. Market capitalization rose by IDR255 trillion to IDR14,888 trillion, led by solid gains in the industrial, non-primary consumer, basic materials, property, energy, and financial sectors. On capital flows, foreign investors booked a net buy of IDR5.09 trillion, mainly via negotiated market transactions, though the regular market still saw net selling. Regionally, the IHSG outperformed most ASEAN peers — including the Philippines, Thailand, and Singapore, which posted losses — underscoring the resilience of Indonesia's stock market amid external headwinds.

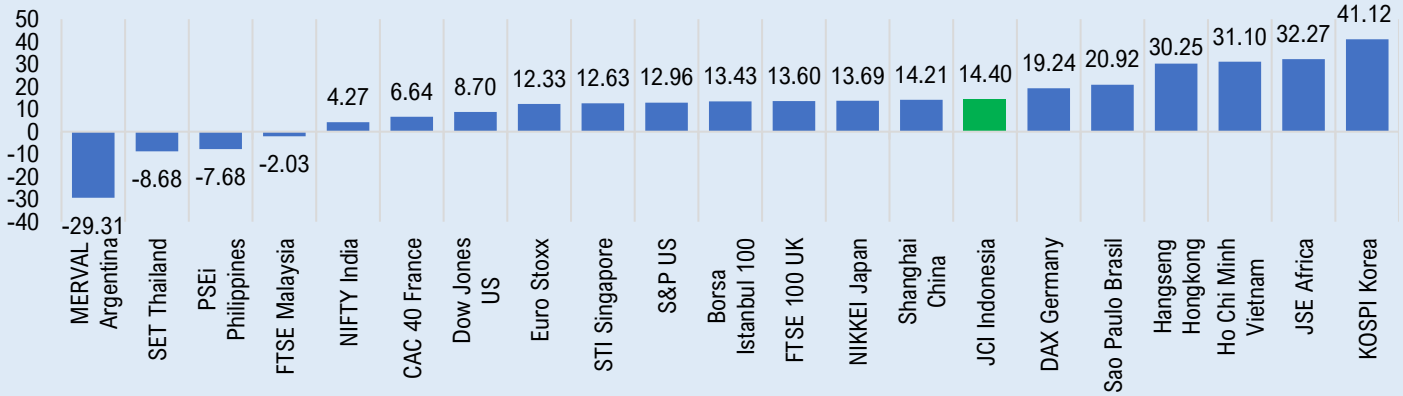
Chart 3. Weekly Stock Price Movements In several Stock Exchanges (W-to-W)



Previous : 09/15/25 – 09/19/25
Latest : 09/22/25 – 09/26/25

Source: Bloomberg & Investing (2025).

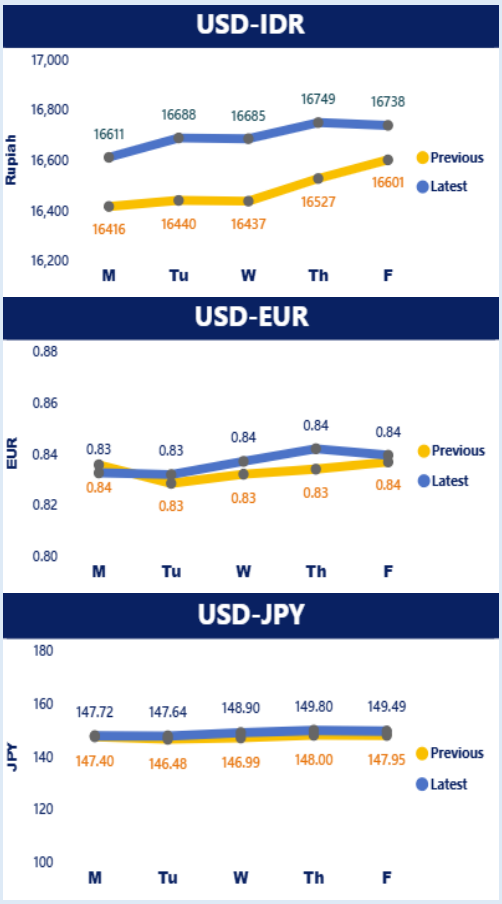
Chart 4. Stock Price Changes (%YTD)



D. EXCHANGE RATE DEVELOPMENT

- From September 22-26, 2025, the US dollar index (DXY Index) strengthened relatively strongly during the week, hovering around the 98 level. The strengthening of the US dollar was driven by solid US economic data, dampening expectations of an aggressive Fed interest rate cut. Realized PCE inflation was higher than the previous month as companies were forced to pass on higher costs due to tariff policies. Although Powell stated that the Fed was concerned about rising unemployment, future policy was reportedly pursued cautiously. Interest rate cuts in Sweden also strengthened the US dollar.
- European exchange rates weakened in line with the stronger dollar. The euro and pound both weakened as traders balanced the outlook for monetary policy and trade tensions. The market still expects further interest rate cuts in the US, despite the continued strength of the US economy and labor market. The stalled rate cut cycle in the Eurozone and the UK also impacted valuations. Furthermore, new tariffs on pharmaceuticals and furniture also affected sentiment. Meanwhile, in Asia, the Japanese Yen and Chinese Yuan also traded relatively weak for the week, pressured by the strong US dollar and new US tariffs.
- Domestically, the Rupiah closed the week on a weakening trend, ending at IDR16,738/USD. Previously, the Rupiah exchange rate was pressured by the strengthening US dollar and weighed down by relatively aggressive monetary easing and the prospect of further BI rate cuts. However, Bank Indonesia's statement that it would take bold action to maintain rupiah stability made the market relatively conducive. Furthermore, market concerns also arose about the central bank's independence due to its burden-sharing policy in financing the fiscal deficit. Based on transaction data from September 22-25, 2025, net selling by foreign investors reached IDR2.71 trillion, consisting of net selling of IDR2.16 trillion in the SBN market and IDR5.06 trillion in the SRBI market. Meanwhile, net buying continued in the stock market of IDR4.51 trillion.

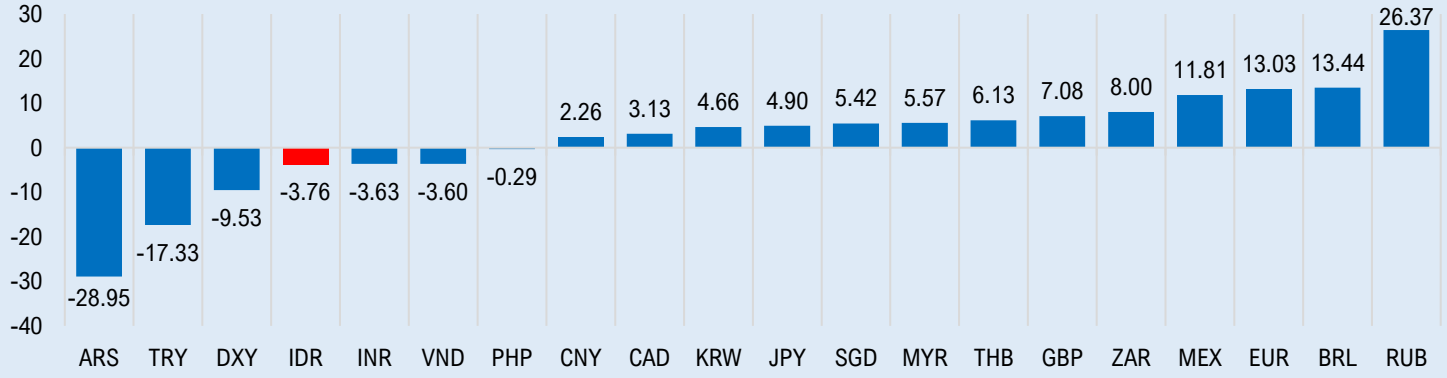
Chart 5. Movement of Weekly Exchange Rates in Several Countries (W-to-W)



Previous : 09/15/25 – 09/19/25
Latest : 09/22/25 – 09/26/25

Source: Bloomberg & Investing (2025).

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



E. DEBT SECURITIES MARKET DEVELOPMENT

1) Yield

- In the bond market, US Treasury yields rebounded after hitting a five-month low. The yield on the 2-year bond rose more sharply, by 7 basis points (bps) to 3.643%, while the 10-year bond rose 3 bps to 4.176%. The increase was driven by the easing urgency of the Fed's interest rate cut amidst strong recent economic data. Furthermore, the Fed's continued quantitative easing, announced this month, also supported further yield increases.
- In Europe, yields also rose in line with strong US data and the pause in monetary policy in the region. The Eurozone recorded a sharp 15 bps increase in the 2-year bond yield to 2.523%, while the 10-year yield remained stable at 2.745%. In the UK, the 2-year yield rose 3 bps to 4.009%, similar to the 10-year yield, which also rose 3 bps to 4.745%. The increase occurred as investor concerns mounted ahead of the November budget, in which Manchester Mayor Andy Burnham proposed GBP40 billion in new housing loans, ignoring bond market concerns about fiscal credibility.
- Meanwhile, domestically, government bond yields showed a bearish steepening pattern. The 2-year bond yield rose 9 bps to 5.04%, while the 10-year yield rose even more sharply by 12 bps to 6.424%. The domestic bond market was also pressured by relatively strong US economic data, reducing the prospect of further interest rate cuts in the US amid a narrow spread between the domestic benchmark interest rate and the Fed Funds Rate. Meanwhile, the relatively wider fiscal deficit has also contributed to negative sentiment and pushed yields up as budget financing realization also widened.
- The 5-year CDS rose to 83.92 over the weekend, up from 79.19 the previous weekend. The increase in the CDS was due to the weakening exchange rate and relatively large net selling in the government debt market, which reached IDR5.06 trillion during the period of September 22-25, 2025.
- During the week, Bank Indonesia held one SRBI (Bank Indonesia-backed Central Securities Depository) and one SUVBI (Bank Indonesia-backed Central Securities Depository) auction, as well as two SVBI auctions. Total bids received in the SRBI auctions reached IDR24.04 trillion (previous week: IDR48.69 trillion) with a winning value of IDR14.00 trillion (a bid-to-cover ratio of 1.72 times). Meanwhile, in the two SVBI auctions, bids fell to USD408 million (previous week: USD453 million) with total funds absorbed reaching USD376 million (a bid-to-cover ratio of 1.09 times). In addition, in the SUVBI, BI absorbed all incoming auction funds, which reached USD25 million.

2) Index

- Indonesia's bond return index across all components experienced a weakening performance. The ICBI declined -0.51% over the week. The decline was primarily due to a relatively deeper decline in government bond performance compared to corporate bond yields.
- In the corporate debt market, nearly all ratings recorded yield increases, following the rise in benchmark yields. Three-year government bonds increased 12 bps to 5.189%. Concurrently, AAA-rated corporate bonds rose 3 bps to 5.837%, AA-rated bonds rose 2 bps to 6.017%, and BBB-rated bonds rose 6 bps to 9.316%. Only A-rated bonds fell -2 bps to 7.379%.

Chart 7. Indonesian Government Bond Yield Curve

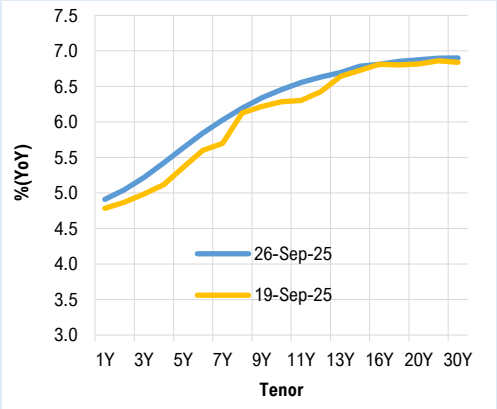


Chart 8. Bond Index

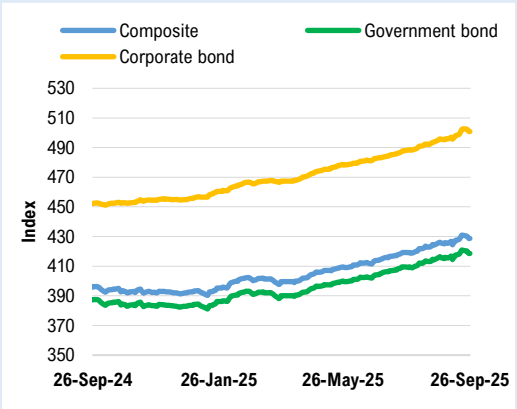
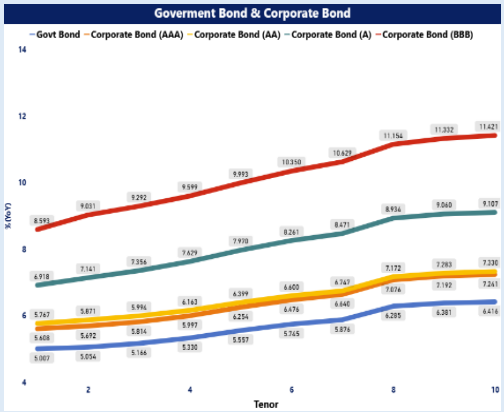


Chart 9. Corporate Bond Yields for Various Ratings



Note: data as of Friday, September 26, 2025.

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

GOVERNMENT AND CORPORATE BONDS TRADING

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

Series	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Units)
FR0104	6.5	07/15/30	30,000	103.93	5.55	36,378,088
FR0103	6.75	07/15/35	8,000	102.35	6.42	20,655,298
FR0108	6.5	04/15/36	6,000	101.10	6.36	19,913,133
FR0106	7.125	08/15/40	50,000	103.10	6.79	15,163,852
FR0107	7.125	08/15/45	5,000	102.95	6.85	12,565,619
FR0109	5.875	03/15/31	486,756	101.90	5.47	10,738,523
PBS003	6.0	01/15/27	1,000	101.26	4.98	8,793,286
FR0087	6.5	02/15/31	1,000	103.40	--	8,327,526
FR0101	6.875	04/15/29	1,000	104.85	5.35	7,577,035
PBS030	5.875	07/15/28	1,596	101.91	5.13	4,913,111

Source: Bloomberg (2025).

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

Instrument	Rating	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Units)
Shelf Registration Bond VII Federal International Finance Phase II Year 2025 Series A	AAA(idn)	5.85	09/22/26	5,000	99.95	5.9	1.600.750
Shelf Registration Sukuk Mudharabah IV Indah Kiat Pulp & Paper Phase I Year 2024 Series B	idA+(sy)	10.75	10/04/29	23,500	116.48	6.101	664.000
Bond II Pindo Deli Pulp and Paper Mills Year 2022 Series C	idA+	11	07/14/27	58,000	107.51	6.553	522.000
Shelf Registration Bond I Pindo Deli Pulp and Paper Mills Phase III Year 2025	idA+	10.25	08/27/30	138,000	98.01	10.775	458.000
Shelf Registration Bond III Jaya Ancol Phase I Year 2024 Series A	idA+	8.5	07/09/27	5,000	103.75	6.251	315.000

Source: Bloomberg (2025).

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F. ISSUANCE AND MATURITY OF CORPORATE DEBT SECURITIES

1) Corporate Debt Securities Issuance

Table 3. Corporate Debt Securities Issuance

No.	Company	Instruments	Issuance Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
1	PT Permodalan Nasional Madani Venture Capital	MTN VI Year 2025 Phase I	Sep-22-2025	200.00	8.00	5	-
2	PT Bumi Serpong Damai Tbk	Shelf Registration Bond IV Phase I Year 2025 Series A	Sep-24-2025	37.50	6.00	3	idAA
3	PT Bumi Serpong Damai Tbk	Shelf Registration Bond IV Phase I Year 2025 Series B	Sep-24-2025	162.50	6.50	5	idAA
4	PT Bumi Serpong Damai Tbk	Shelf Registration Bond IV Phase I Year 2025 Series C	Sep-24-2025	300.00	6.75	7	idAA
5	PT Bumi Serpong Damai Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2025 Series A	Sep-24-2025	50.00	6.00	3	idAA(sy)
6	PT Bumi Serpong Damai Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2025 Series B	Sep-24-2025	150.00	6.50	5	idAA(sy)
7	PT Bumi Serpong Damai Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2025 Series C	Sep-24-2025	300.00	6.75	7	idAA(sy)
8	PT Bumi Resources Tbk	Shelf Registration Bond I Phase II Year 2025 Series A	Sep-25-2025	149.33	8.00	3	idA+
9	PT Bumi Resources Tbk	Shelf Registration Bond I Phase II Year 2025 Series B	Sep-25-2025	572.28	9.25	5	idA+
Total				1,921.61			

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
SEPTEMBER 2025							
1	PT Lontar Papyrus Pulp & Paper Industry	Shelf Registration Bond I Phase III Year 2022 Series B	Sep-1-2025	702.46	10.25	3	idA
2	PT Merdeka Copper Gold Tbk	Shelf Registration Bond III Phase III Year 2022 Series B	Sep-1-2025	1,729.40	8.25	3	idA+
3	PT Perusahaan Pengelola Aset	Bond I Year 2020 Series B	Sep-1-2025	345.00	10.55	5	idAA
4	PT XL Axiata Tbk	Shelf Registration Bond II Phase I Year 2022 Series A	Sep-1-2025	735.23	6.75	3	AAA(idn)
5	PT XL Axiata Tbk	Shelf Registration Sukuk Ijarah III Phase I Year 2022 Series A	Sep-1-2025	680.92	6.75	3	AAA(idn)(sy)
6	PT Permodalan Nasional Madani	Sukuk Mudharabah Jangka Menengah VI Phase I Year 2024	Sep-2-2025	500.00	Floating	1	idAAA(sy)
7	PT Graha Informatika Nusantara	MTN II Series A	Sep-3-2025	10.00	11.00	5	-
8	PT Graha Informatika Nusantara	MTN II Series B	Sep-3-2025	25.00	11.00	5	-
9	PT Graha Informatika Nusantara	MTN II Series C	Sep-3-2025	25.00	11.00	5	-
10	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond II Phase I Year 2020 Series B	Sep-3-2025	67.00	7.70	5	AAA(idn)
11	PT Pupuk Indonesia (Persero)	Shelf Registration Bond II Phase I Year 2020 Series B	Sep-3-2025	857.84	7.70	5	idAAA
12	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase II Year 2018 Series D	Sep-5-2025	1,324.00	8.75	7	idAAA
13	PT Pegadaian	Shelf Registration Sukuk Mudharabah III Phase II Year 2024	Sep-7-2025	808.80	6.65	1	idAAA(sy)
14	PT Pegadaian	Shelf Registration Social Sukuk Mudharabah I Phase II Year 2024	Sep-7-2025	1,412.91	6.65	1	idAAA(sy)
15	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Bond VII Phase VI Year 2024 Series A	Sep-7-2025	500.00	6.70	1	idAAA
16	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Sukuk Musyarakah I Phase III Year 2024	Sep-7-2025	274.00	6.70	1	idAAA(sy)
17	PT Jasa Marga (Persero) Tbk	Shelf Registration Bond II Phase I Year 2020 Series B	Sep-8-2025	286.00	8.25	5	idAA
18	PT Medikaloka Hermina Tbk	Shelf Registration Bond I Phase I Year 2020 Series B	Sep-8-2025	21.00	8.50	5	idAA

19	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Bond IV Phase I Year 2020 Series A	Sep-8-2025	312.00	6.70	5	idAAA
20	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Sukuk Ijarah IV Phase I Year 2020 Series A	Sep-8-2025	39.00	6.70	5	idAAA(sy)
21	PT Mayora Indah Tbk	Shelf Registration Bond II Phase I Year 2020 Series C	Sep-9-2025	295.00	7.90	5	idAA
22	PT Global Mediacom Tbk	Shelf Registration Bond II Phase I Year 2020 Series C	Sep-11-2025	1.08	12.00	5	idA+
23	PT Global Mediacom Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2020 Series C	Sep-11-2025	0.43	12.00	5	idA+(sy)
24	PT Oto Multiartha	Shelf Registration Bond I Phase II Year 2024 Series A	Sep-14-2025	255.27	6.55	1	idAAA
25	PT Federal International Finance	Shelf Registration Bond VI Phase IV Year 2024 Series A	Sep-16-2025	1,252.17	6.55	1	idAAA
26	PT Global Mediacom Tbk	Shelf Registration Bond III Phase II Year 2022 Series B	Sep-16-2025	139.16	10.00	3	idA+
27	PT Global Mediacom Tbk	Shelf Registration Sukuk Ijarah III Phase II Year 2022 Series B	Sep-16-2025	96.60	10.00	3	idA+(sy)
28	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond I Phase II Year 2020 Series C	Sep-16-2025	276.55	11.50	5	idA+
29	PT Pyridam Farma Tbk	Shelf Registration Bond I Phase II Year 2023	Sep-20-2025	400.00	9.50	2	irA-
30	PT Bank Mayapada Internasional Tbk	Subordinated Bond V Year 2018	Sep-21-2025	803.00	10.50	7	idBBB-
31	PT Provident Investasi Bersama Tbk	Shelf Registration Bond II Phase III Year 2024 Series A	Sep-25-2025	512.29	8.00	1	idA
32	PT JACCS Mitra Pinasthika Mustika Finance Indonesia	MTN III Phase I Year 2022	Sep-28-2025	150.00	6.52	3	AA(idn)
			Total	**14,837.08**			

OCTOBER 2025

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

NOVEMBER 2025							
1	PT Wijaya Karya (Persero) Tbk	Shelf Registration Bond III Phase I Year 2022 Series A	Nov-3-2025	479.80	9.90	3	idCCC
2	PT Wijaya Karya (Persero) Tbk	Shelf Registration Sukuk Mudharabah III Phase I Year 2022 Series A	Nov-3-2025	109.33	9.90	3	idCCC(sy)
3	PT Oki Pulp and Paper Mills	Bond III Year 2022 Series B	Nov4--2025	1,742.78	10.50	3	idA+
4	PT Oki Pulp and Paper Mills	Sukuk Mudharabah II Year 2022 Series B	Nov-4-2025	255.19	10.50	3	idA+(sy)
5	PT Indonesia Infrastructure Finance	Shelf Registration Bond II Phase II Year 2024 Series A	Nov-5-2025	200.00	6.30	1	idAAA
6	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase III Year 2018 Series D	Nov-8-2025	380.00	9.75	7	idAAA
7	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Sukuk Mudharabah I Phase II Year 2018 Series D	Nov-8-2025	155.00	9.75	7	idAAA(sy)
8	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond III Phase II Year 2022	Nov-8-2025	3,535.61	6.98	3	idAAA
9	PT Semen Indonesia (Persero) Tbk	Shelf Registration Bond II Phase I Year 2022 Series A	Nov-9-2025	290.85	7.20	3	idAAA
10	PT Sinar Mas Multiartha Tbk	Shelf Registration Bond I Phase II Year 2020 Series B	Nov-11-2025	874.00	10.25	5	irAA
11	PT Bank CIMB Niaga Tbk	Subordinated Bond III Year 2018 Series B	Nov-15-2025	75.00	10.00	7	idAA
12	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	Shelf Registration Subordinated Bond II Phase II Year 2020 Series A	Nov-17-2025	162.58	8.50	5	idA+
13	PT Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat	Shelf Registration Bond II Phase II Year 2020 Series B	Nov-18-2025	392.00	8.75	5	idA+
14	PT Oki Pulp and Paper Mills	Shelf Registration Bond I Phase VI Year 2024 Series A	Nov-18-2025	664.55	7.50	1	idA+
15	PT Oki Pulp and Paper Mills	Shelf Registration Bond USD I Phase VI Year 2024 Series A	Nov-18-2025	USD5.33 mn (IDR79.35 bn)	7.50	1	idA+
16	PT Armadian Tritunggal	Sukuk Mudharabah I Year 2023	Nov-24-2025	2,000.00	9.75	2	irA-
17	PT Bank Rakyat Indonesia (Persero) Tbk	MTN Year 2022 Series B	Nov-24-2025	3,000.00	6.98	3	-
			Total	**14,396.03**			
DECEMBER 2025							
1	PT Intiland Development Tbk	Shelf Registration Sukuk Ijarah I Phase III Year 2022 Series B	2-Dec-25	125.00	10.60	3	irA-
2	PT Bussan Auto Finance	Shelf Registration Bond II Phase II Year 2022 Series B	2-Dec-25	545.00	7.75	3	idAAA
3	PT Permodalan Nasional Madani	Shelf Registration Bond III Phase IV Year 2020 Series C	4-Dec-25	292.00	8.75	5	idAAA
4	PT Bussan Auto Finance	Shelf Registration Bond III Phase II Year 2024 Series A	6-Dec-25	1,344.00	6.40	1	idAAA
5	PT Dian Swastatika Sentosa Tbk	Shelf Registration Bond I Phase III Year 2024 Series A	6-Dec-25	199.17	6.50	1	idAA
6	PT Dian Swastatika Sentosa Tbk	Shelf Registration Sukuk Mudharabah I Phase III Year 2024 Series A	6-Dec-25	199.17	Floating	1	idAA(sy)
7	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Bond VII Phase VII Year 2024 Series A	6-Dec-25	1,093.40	6.45	1	idAAA
8	PT Toyota Astra Financial Services	Shelf Registration Bond IV Phase IV Year 2024 Series A	6-Dec-25	600.00	6.35	1	AAA(idn)
9	PT Barito Pacific Tbk	Shelf Registration Bond I Phase III Year 2020 Series C	8-Dec-25	163.00	10.25	5	idA+
10	PT Indosat Tbk	Shelf Registration Bond I Phase III Year 2015 Series D	8-Dec-25	162.00	11.20	10	idAAA
11	PT Indosat Tbk	Shelf Registration Sukuk Ijarah I Phase III Year 2015 Series B	8-Dec-25	41.00	11.20	10	idAAA(sy)
12	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond I Phase III Year 2020 Series C	11-Dec-25	582.72	11.00	5	idA+
13	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond II Phase V Year 2020 Series B	11-Dec-25	1,115.03	6.70	5	idAAA
14	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase I Year 2022	13-Dec-25	3,100.56	10.30	3	idA+
15	PT Tower Bersama Infrastructure Tbk	Shelf Registration Bond VI Phase IV Year 2024 Series A	13-Dec-25	1,243.08	6.45	1	AA+(idn)
16	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond V Phase II Year 2024 Series A	15-Dec-25	1,119.77	7.25	1	idA+
17	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Sukuk Mudharabah IV Phase II Year 2024 Series A	15-Dec-25	646.02	7.25	1	idA+(sy)
18	PT Bali Towerindo Sentra Tbk	Shelf Registration Sukuk Ijarah I Phase I Year 2022 Series B	16-Dec-25	21.00	9.75	3	idA-(sy)
19	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond III Phase III Year 2022 Series B	16-Dec-25	624.52	10.50	3	idA+
20	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Sukuk Mudharabah II Phase III Year 2022 Series B	16-Dec-25	127.31	10.50	3	idA+(sy)

21	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond IV Phase II Year 2024 Series A	16-Dec-25	350.00	6.30	1	idAAA
22	PT Wijaya Karya (Persero) Tbk	Shelf Registration Bond I Phase I Year 2020 Series A	18-Dec-25	231.00	8.60	5	idCCC
23	PT Wijaya Karya (Persero) Tbk	Shelf Registration Bond I Phase I Year 2020 Series B	18-Dec-25	429.00	9.25	5	idCCC
24	PT Wijaya Karya (Persero) Tbk	Shelf Registration Sukuk Mudharabah I Phase I Year 2020 Series B	18-Dec-25	159.00	9.25	5	idCCC(sy)
25	PT Petrosea Tbk	Shelf Registration Bond I Phase I Year 2024 Series A	20-Dec-25	47.00	6.50	1	idA+
26	PT Petrosea Tbk	Shelf Registration Sukuk Ijarah I Phase I Year 2024 Series A	20-Dec-25	33.00	6.50	1	idA+(sy)
27	PT Bank Pembangunan Daerah Nusa Tenggara Timur	Shelf Registration Bond I Phase I Year 2018 Series D	21-Dec-25	37.00	11.00	7	idA-
28	PT Permodalan Nasional Madani	Sukuk Mudharabah *Jangka Menengah* VI Phase IV Year 2024	29-Dec-25	150.00	Floating	1	idAAA(sy)
29	PT Mitra Niaga Madani	MTN I Phase I Year 2022	22-Dec-25	50.00	9.90	3	Unpublished
30	PT KB Finansia Multi Finance	Shelf Registration Bond I Phase I Year 2024 Series A	27-Dec-25	326.03	6.70	1	AAA(idn)
31	PT Pos Indonesia (Persero)	Bond I Year 2022 Series A	28-Dec-25	100.00	10.90	3	A(idn)
32	PT Medco Power Indonesia	Shelf Registration Sukuk Wakalah I Phase II Year 2022 Series A	30-Dec-25	469.69	9.00	2	idA(sy)
			Total	**15,725.44**			

Source: KSEI, IDX, PEFINDO database.

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G. NEWS ANALYSIS

Table 5. News Highlights Over The Past Week

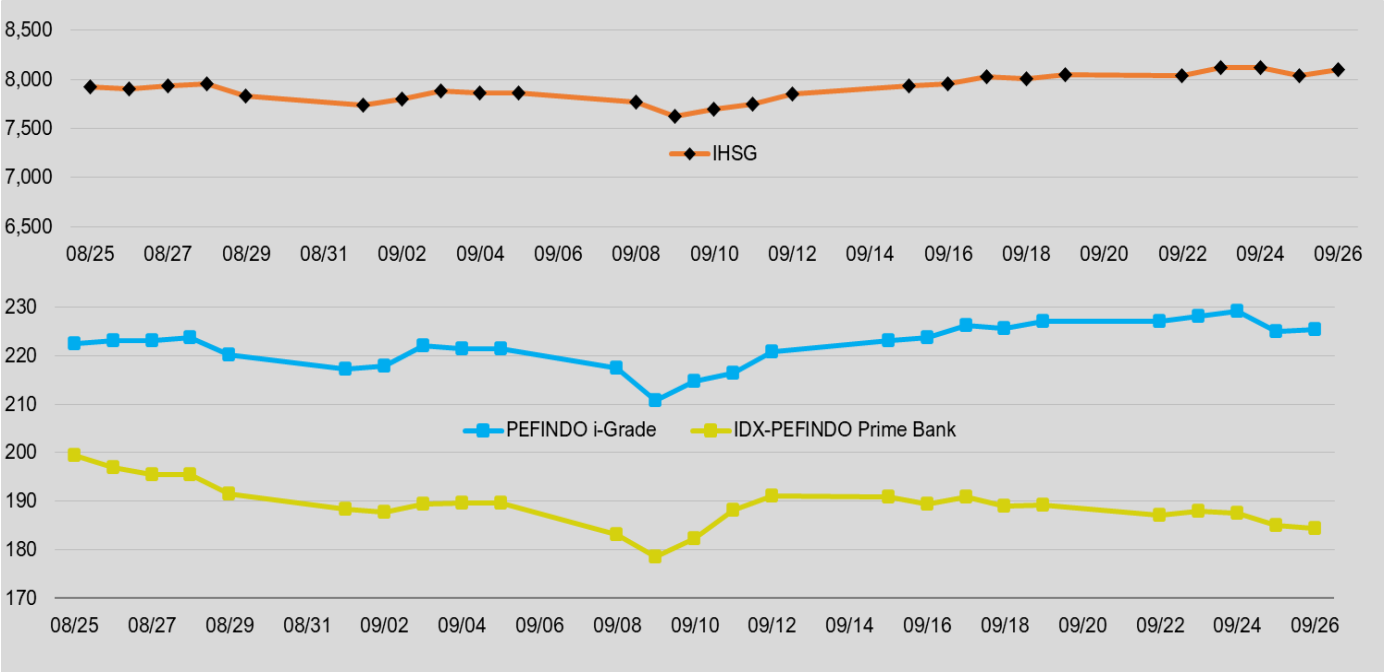
Industries	News Headlines and Analysis
Automotive	**LCGC's Popularity Hit by Rise of Affordable Electric Vehicles (Harian Kontan–09/25/2025)**. The market for low-cost green cars (LCGC) has faced several challenges this year, including competition from low-priced electric vehicles (EVs), which have emerged as new rivals. This pressure is reflected in a 32.4% (YoY) decline in LCGC sales to only 81,256 units sold. In contrast, battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) have seen significant growth of 120.50% (YoY) and 2,492.53% (YoY), respectively. Additionally, a substantial decline of around 17% in the middle-class population from 2019 to 2024 has made LCGCs increasingly unaffordable for their target market—lower-middle consumers who are highly price-sensitive. The absence of fiscal policies that previously made LCGCs attractive has further weakened their market position. Nevertheless, LCGCs may still have a chance to remain competitive if BEV prices rise in 2026, due to the expected removal of incentives for completely built-up (CBU) BEVs.
Banking	**Impact of IDR200 Trillion Injection – Optimism for a Multiplier Effect on the Market (Harian Ekonomi Neraca–09/26/2025).** The Indonesia Stock Exchange (IDX) is optimistic that the IDR200 trillion in government funds to several State-Owned Banks (Himbara) will generate a multiplier effect on Indonesia's economic growth. If the IDR200 trillion injection can accelerate economic activity through lending schemes, it will automatically increase public income, thus creating a multiplier effect. However, the funds will not immediately produce such an effect, as it will take several months to observe their contribution to the real sector and other areas. The disbursement of funds also requires caution to ensure they are well-targeted and do not result in non-performing loans.
Insurance and Guarantee	**Numerous Notes on Insurance Resolution (Harian Kontan–09/25/2025).** The Financial Services Authority (OJK) has proposed that the Policy Guarantee Institution be allowed to implement resolution processes—essentially, the rescue of insurance companies with solvency levels below regulatory requirements. This proposal is seen as presenting a significant set of challenges for the Indonesia Deposit Insurance Corporation (LPS). However, it should be only OJK that has information access to the root causes behind an insurance company's solvency issues. Therefore, the resolution concept introduced by OJK in the revision of the Law on the Development and Strengthening of the Financial Sector (P2SK), particularly regarding LPS's authority within the Policy Guarantee Program (PPP), must be accompanied by appropriate recovery solutions. In principle, resolution can be applied, but it should not merely replicate the scheme that LPS has historically used for troubled banks. Thus, while the expansion of PPP could accelerate case resolution and enhance public confidence, it still requires substantial funding and carries the risk of moral hazard.
Metals and Gold	**China's Central Bank Reportedly Set to Absorb Foreign Gold Reserves (Investor Daily–09/24/2025).** Several sources have reported that the People's Bank of China (PBoC) plans to use the Shanghai Gold Exchange (SGE) to encourage central banks in partner countries to purchase gold and store it within Chinese territory. This initiative has been underway for the past few months and has already attracted interest from at least one Southeast Asian country. The gold bars involved will consist of new purchases, which will be counted as foreign exchange reserves of the respective countries, rather than being relocated from existing stockpiles. Several countries have indeed increased their gold holdings as a hedge against geopolitical risks. This creates an opportunity for the PBoC to offer a storage location for assets considered crucial as a buffer against economic shocks.
Mining	**Government Halts Operations of 190 Mineral and Coal Companies (Harian Kontan–09/24/2025).** The government continues to reform the mineral and coal mining trade system, one of which involves temporarily halting the operations of 190 mining companies. The suspension of production for these companies is due to volumes exceeding the Work Plan and Budget (RKAB) set by the government. Another major factor is that these 190 companies have not yet fulfilled the reclamation guarantee requirements. A reclamation guarantee is a mandatory fund provided by holders of Mining Business Licenses (IUP) or Special Mining Business Licenses (IUPK) as a form of assurance to carry out reclamation activities—restoring, rehabilitating, and improving environmental and ecosystem quality after mining operations. This fund ensures that reclamation activities are carried out according to plan and achieve 100% success, with the guarantee provided in the form of cash, bank guarantees, or deposits. Due to the unmet reclamation guarantee requirements, these companies must first make the necessary payments. Once the guarantee is paid, operational permits will be reinstated.
Multifinance	**High Credit Risk Erodes Leasing Profitability (Harian Kontan–09/25/2025).** The profitability of the multifinance industry continues to be eroded by high credit risk amid a sluggish financing market. The increasing difficulty for leasing companies to boost profits is reflected in the decline of return on assets (ROA) in the multifinance sector, from 5.35% in June 2024 to 4.97% in the first half of 2025. This drop in ROA is attributed to shrinking profits due to deteriorating credit quality. The situation has also led to a rise in the cost of credit. At the same time, weakened purchasing power has dampened credit demand, as public interest in vehicle purchases remains low—particularly impactful since most multifinance companies focus on automotive financing.

Industries	News Headlines and Analysis
Oil and Gas	**Base Fuel Arrives, Pertamina Ready to Supply Fuel to Private Gas Stations (Investor Daily–09/26/2025).** In the initial meeting between private business entities and Pertamina, the private sector expressed its willingness to purchase base fuel products—fuel that has not yet been mixed with additives or colorants. Pertamina and the private entities also agreed to use an open-book pricing mechanism and involve an independent third party (joint surveyor) to ensure the quality of the distributed product. This agreement serves as an important foundation for ensuring transparency and supply certainty in the field. Pertamina Patra Niaga confirmed that the required base fuel cargo has arrived in accordance with the specifications set by the Directorate General of Oil and Gas. Moving forward, supply quality will be verified through the joint surveyor, while one-on-one meetings with each private entity will be held to discuss specific needs and distribution plans to the public.
Property	**Accelerated Development of Subsidized Housing Seen as Positive Catalyst for Developers (Investor Daily–09/22/2025).** The government is targeting accelerated development of subsidized housing for low-income communities (MBR). The Presidential Instruction (Inpres) from President Prabowo Subianto to the Minister of Housing and Settlements (PKP), Maruarar Sirait, is expected to serve as a positive catalyst for the property sector, including listed developers of subsidized housing. The subsidized housing market remains relatively stable compared to other segments, as housing demand continues to be high. The President's instruction regarding expedited permitting and additional financing facilities, such as FLPP mortgage schemes, is expected to boost market absorption.
Power and Energy	**Hydropower Dominates Renewable Energy Projects This Year (Harian Kontan–09/23/2025).** Renewable energy (EBT) projects in Indonesia continue to progress. The Ministry of Energy and Mineral Resources (ESDM) recorded that the share of green energy as of early September 2025 had reached 16%, compared to the beginning of the year, by 14%–15%. The increase in the renewable energy mix has been driven by the operation of several green power projects in recent months, including additional capacity from hydroelectric power plants (PLTA), geothermal power plants (PLTP), solar power plants (PLTS), and bioenergy facilities that have reached commercial operation date (COD). In detail, the 16% renewable energy mix consists of 8.13% from electricity-based renewable energy and 7.87% from non-electric sources. In the electricity sector, additional renewable energy capacity during the first half of 2025 reached 876.5 Megawatts (MW). Of this total, PLTA contributed the largest share at 500.2 MW, followed by PLTS at 233.3 MW, PLTP at 105.1 MW, and bioenergy power plants at 37.8 MW.
Transportation and Vehicle Rent	**Garuda Aims to Fly Higher (Harian Kontan–09/26/2025).** PT Garuda Indonesia (Persero) Tbk (GIAA) has undertaken an aggressive expansion of aircraft and routes throughout this year. As of August 2025, GIAA has added five new aircraft, bringing the total number of operational planes to 78 units, with plans to add two more before the end of the year. In addition to expanding its fleet, Garuda Indonesia has also broadened its flight network. By September 2025, GIAA had launched two new routes: Cengkareng–Samarinda and Halim–Denpasar. Both routes reportedly became popular immediately, with high passenger occupancy rates. Toward the end of the year, GIAA also plans to open the Halim–Palembang route to strengthen domestic connectivity. GIAA's management emphasized that this expansion is part of a three-pillar strategy: financial and operational evaluation, performance acceleration, and network expansion. These efforts are expected to broaden market reach and reinforce Garuda Indonesia's equity following its debt restructuring process under the Suspension of Debt Payment Obligations (PKPU).

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

H. PEFINDO Stock Index Development

Chart 10. PEFINDO Stock Index Performance



Source: IDX, Bloomberg (2025).

Table 6. PEFINDO Stock Index Weekly Changes

Periode	Unit	IHSG	PEFINDO i-Grade	Prime Bank
8/29/2025	% (WoW)	-0.36%	0.20%	-2.65%
9/5/2025	% (WoW)	0.47%	0.53%	-0.98%
9/12/2025	% (WoW)	-0,17%	-0,21%	0,81%
9/19/2025	% (WoW)	2.51%	2.81%	-1.03%
9/26/2025	% (WoW)	0.60%	-0.71%	-2.55%

Source: IDX, Bloomberg (2025).

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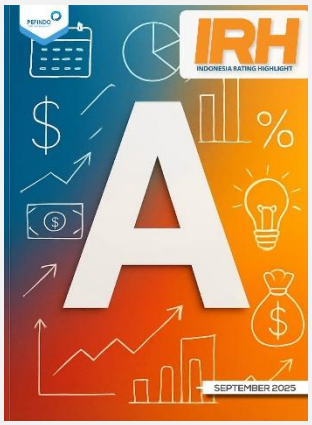

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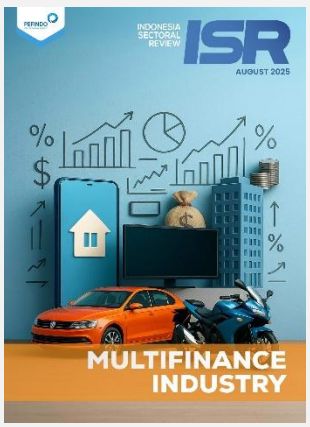

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