Daily Economic Research

18 September 2025

Indicators	Closed		Changes (%)	
	Latest	H-1	Daily	YTD
Commodities				
WTI Oil Price (USD/Barrel)	64.05	64.52	-0.7%	-9.8%
Natural Gas (USD/mmbtu)	3.10	3.10	-0.1%	-21.2%
Coal NEWC (USD/MT)	102.90	101.75	1.1%	-17.4%
Gold (USD/Ounce)	3,659.90	3,689.98	-0.8%	40.4%
Nickel LME (USD/MT)	15,405.00	15,428.00	-0.1%	0.5%
CPO (MYR/MT)	4,400.50	4,411.00	-0.2%	-10.6%
Rice (USD/cwt)	11.59	11.74	-1.3%	-17.4%
Currency				
Dollar Index	96.87	96.63	0.2%	-10.4%
USD/IDR	16,430.00	16,440.00	-0.1%	1.8%
EUR/IDR	19,473.14	19,396.52	0.4%	15.8%
GBP/IDR	22,423.36	22,403.61	0.1%	10.5%
JPY/IDR	112.25	111.84	0.4%	8.6%
CNY/IDR	2,311.08	2,310.53	0.0%	4.6%
Global Stock Market Indices				
Dow Jones Average	46,018.32	45,757.90	0.6%	8.1%
Nasdaq	22,261.33	22,333.96	-0.3%	14.2%
S&P 500	6,600.35	6,606.76	-0.1%	11.7%
FTSE 100	9,208.37	9,195.66	0.1%	13.4%
Shanghai SE	4,063.30	4,048.26	0.4%	13.8%
Nikkei 225	44,790.38	44,902.27	-0.2%	11.2%
VIX	15.72	16.36	-3.9%	-9.7%
Indonesia Stock Market Indices				
JCI	8,025.18	7,957.70	0.8%	13.4%
IDX 30	423.79	419.39	1.1%	0.1%
LQ45	815.22	806.94	1.0%	-1.4%
JII	542.37	536.66	1.1%	12.0%
IDX SMC Comp	378.88	376.91	0.5%	18.4%
10 Year Government Bond Yields (%)				
US	4.09	4.03	1.5%	-9.8%
EU	2.67	2.69	-0.7%	13.1%
England	4.62	4.64	-0.3%	1.3%
Japan	1.59	1.59	-0.1%	46.8%
China	1.77	1.79	-0.9%	5.7%
JP Morgan EMBI Index	989.73	990.29	-0.1%	10.3%
Indonesia SBN Yields (%)				
1 Year	4.91	5.08	-3.3%	-26.5%
2 Year	4.94	5.11	-3.2%	-28.4%
5 Year	5.42	5.56	-2.5%	-22.4%
10 Year	6.27	6.32	-0.9%	-10.1%
30 Year	6.85	6.87	-0.3%	-3.2%
Indonesia CDS 5 Year	69.40	69.47	-0.1%	-12.2%
Corporate Bond Yields AAA Rated (%)				
1 Year	5.50	5.48	0.2%	-20.5%
2 Year	5.56	5.54	0.3%	-22.6%
3 Year	5.73	5.72	0.1%	-20.8%
5 Year	6.07	6.08	-0.2%	-18.7%
ICBI	428.36	427.78	0.1%	9.2%
IndoBex -Govt	418.39	417.82	0.1%	9.1%
IndoBex-Corp.	499.06	498.57	0.1%	9.6%
Indonesia InterBank Money Market (%)				
RP INDONIA	4.59	4.55	0.8%	-25.4%
RP JIBOR 1 Month	5.45	5.45	0.0%	-16.7%

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*** Source: Bloomberg*

DAILY OUTLOOK

The FOMC reduced its policy rate by 25 bps, as expected, marking the resumption of the easing cycle that had been on hold since December. Median projections from FOMC members suggest two additional cuts this year. However, stronger forecasts for real growth, stable unemployment, and upward revisions to core inflation have raised doubts about the scope for more aggressive cuts in 2026. Consistently, Chairman Powell emphasized that this move does not signal the start of a deeper easing cycle, which pushed yields higher across the curve. On the funding side, the Fed maintained the pace of quantitative tightening, despite a sharp decline in its overnight reverse repo facility since the previous meeting. The Committee also reaffirmed its commitment to reducing holdings of Treasury securities, agency debt, and mortgage-backed securities, which contributed to mixed movements in U.S. government bond yields in yesterday's session. Short-term yields declined, with the US 4W, 8W, and 3M falling -3.2 bps, -3.9 bps, and -0.1 bps, respectively. In contrast, the US 2Y, 10Y, and 30Y yields rose +3.9 bps, +5.0 bps, and +3.1 bps. A similar mixed trend was seen globally. Yields declined in France (-0.2 bps), South Korea (-0.4 bps), Germany (-0.7 bps), New Zealand (-1.1 bps), the UK (-1.5 bps), India (-1.8 bps), and Italy (-2.4 bps). Conversely, Japan (+0.1 bps), Australia (+2.6 bps), and Canada (+3.3 bps) recorded increases. This came despite the Bank of Canada cutting its policy rate by 25 bps to 2.50% (Cons: 2.50%, Prev: 2.75%). The move, while aligned with expectations, reinforced investor concerns over a weakening growth and trade outlook, leaving the prospect of further rate cuts on the table. Looking ahead, today's release of the Fed's rate decision and updated projections, alongside the Bank of England's interest rate announcement and the Philadelphia Fed Manufacturing Index, is expected to shape global market sentiment.

The continued 25 bps cut in the BI rate to 4.75% was welcomed by the fixed income market, reflected in gains of +0.24% in the ICBI and +0.18% in the ISIX. This was accompanied by a broad decline in SUN yields across all tenors, with the 1Y down -11.2 bps, 2Y down -15.01 bps, 10Y down -2.1 bps, and 30Y down -0.7 bps. Yields on benchmark SBN and SBSN series also moved lower, led by PBS003 (-10.9 bps to 4.95%), FR0103 (-7.9 bps to 6.24%), and FR0104 (-7.8 bps to 5.47%). The downward trend extended to corporate bonds, with AAA-rated yields closing at 5.55% (1Y), 5.82% (3Y), and 6.25% (5Y). At the same time, Indonesian CDS 5Y eased slightly to 69.40 (Prev: 69.47), further supporting the yield compression. Nevertheless, the BI rate cut has narrowed Indonesia's relative asset yields, contributing to Rupiah depreciation, with JISDOR closing weaker at IDR16,430 per USD (Prev: IDR16,385 per USD). Looking ahead, today's release of Indonesia's retail sales data, along with market responses to the BI and Fed rate cuts, is expected to drive sentiment in the domestic market.

We anticipate a marginal decrease in the 10Y SUN yield today (18 Sep '25), projecting it to range between 6.15% and 6.35%.

GLOBAL NEWS HIGHLIGHT

- Kuwait, Saudi Arabia, Oman, Qatar, Macau and Hong Kong lowered their policy rate by 25 bps. Source : various sources.
- Brazil's central bank opted to maintain its benchmark interest rate at 15%. Source: Banco Central do Brasil.
- UK's CPI in Aug '25 stayed at 3.8% YoY (Cons: 3.8% YoY, Prev: 3.8% YoY). Source: UK ONS.

DOMESTIC NEWS HIGHLIGHT

- Pefindo has assigned its idAAA financial strength rating with stable outlook to Lembaga Penjmin Simpanan (LPS). Source: Pefindo.
- Pefindo has assigned its idBBB+ rating with stable outlook to PT Metra Digital Investasma Ventura. Source: Pefindo.

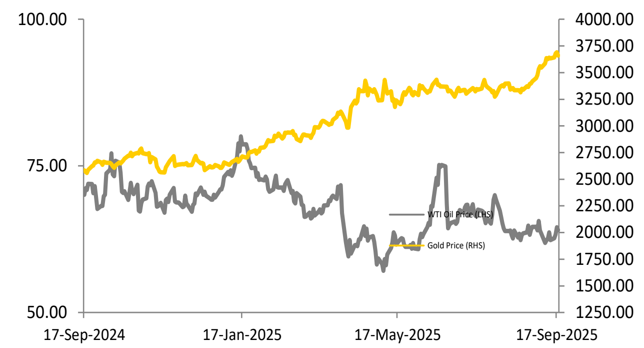
RECOMMENDATION

FR0104, FR0105, FR0106, FR0108.

ECONOMIC CALENDAR

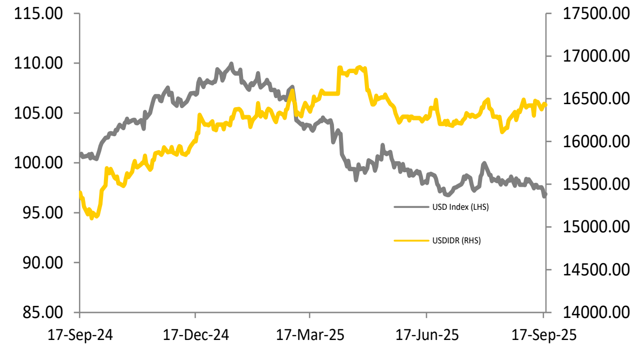
TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS	REVISE
THURSDAY SEPTEMBER 18, 2025						
10:00	IDR	Retail Sales (YoY) (Jul)			1.30%	
14:10	EUR	ECB President Lagarde Speaks				
15:00	EUR	German Buba Mauderer Speaks				

Fig 1. Crude Oil (USD/barrel) & Gold Price (USD/Ounce)



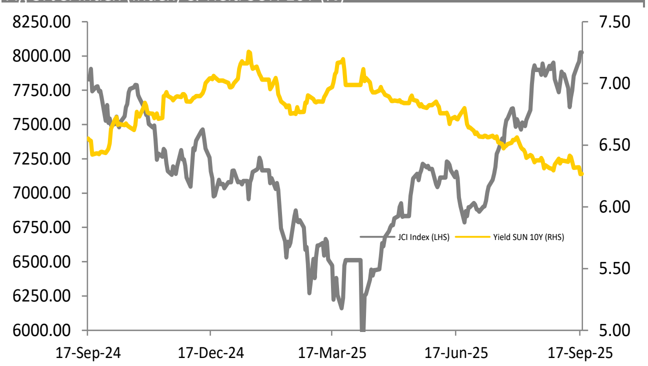
Source: Bloomberg, KBVS Research - treated (2025)

Fig 2. USD Index (Index) & USD-IDR (Rp/USD)



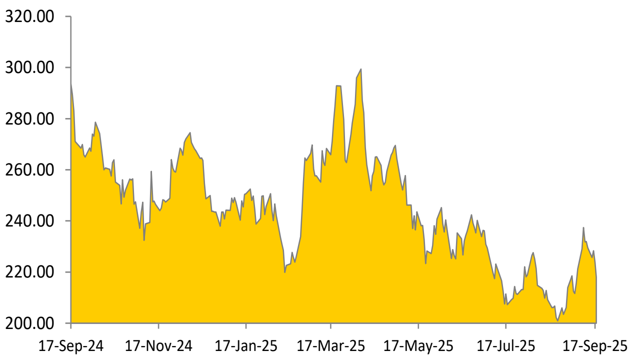
Source: Bloomberg, KBVS Research - treated (2025)

Fig 3. JCI Index (Index) & Yield SUN 10Y (%)



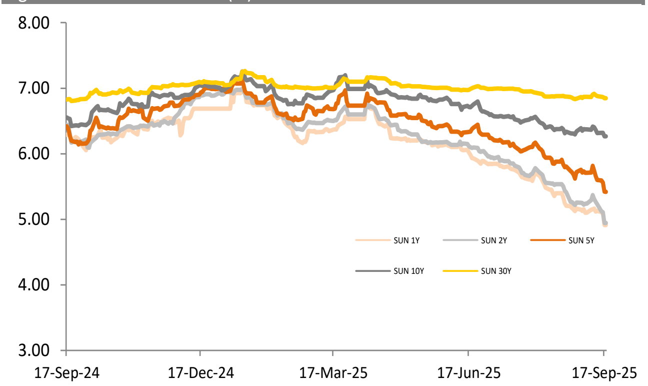
Source: Bloomberg, KBVS Research - treated (2025)

Fig 4.Yield Spread Indo 10Yr - US10Yr (bps)



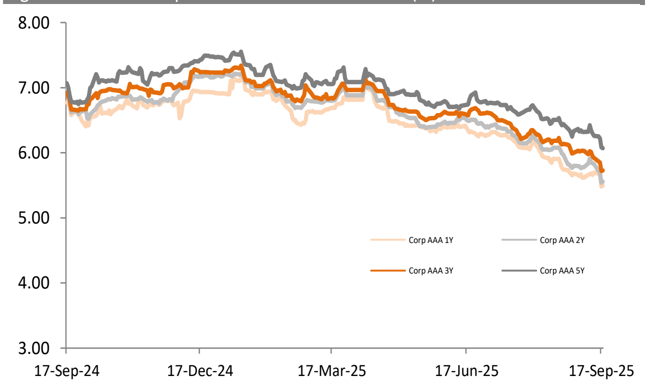
Source: Bloomberg, KBVS Research - treated (2025)

Fig 5. Indonesia's SUN Yield (%)



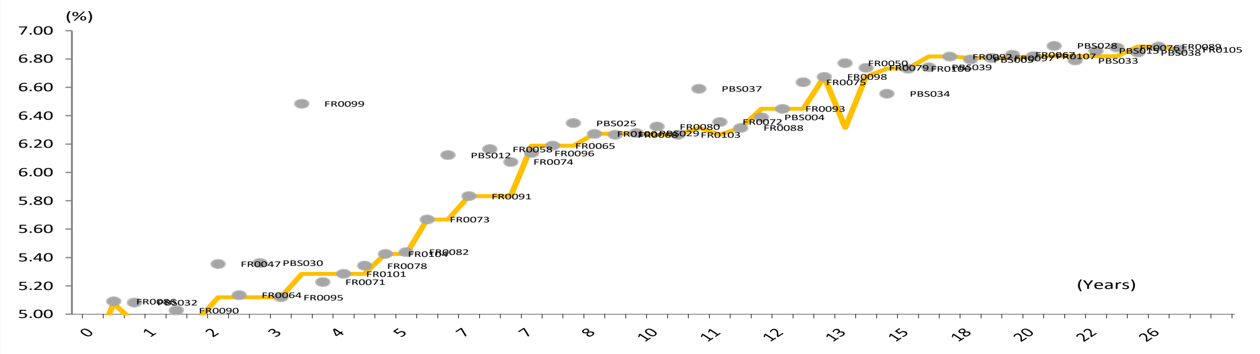
Source: Bloomberg, KBVS Research - treated (2025)

Fig 6. Indonesia's Corporate Bond Yield Rated AAA (%)



Source: Bloomberg, KBVS Research - treated (2025)

Fig 7. Yield Curve SUN (%), as of 18 Sep 25



BOND DATA

TTM	Series	Coupon	Price	Benchmark Price	Yield	Benchmark Yield	Maturity	Notes
0	FR0084	7.25	100.98	97.89	4.76	4.72	15 Feb 2026	Fair
1	FR0086	5.50	100.26	96.90	5.09	5.08	15 Apr 2026	Fair
1	PBS032	4.88	99.83	103.27	5.08	4.94	15 Jul 2026	Discounted
1	FR0056	8.38	103.27	103.27	4.94	4.94	15 Sept 2026	Fair
2	FR0090	5.13	100.14	103.21	5.03	4.95	15 Apr 2027	Discounted
2	FR0059	7.00	103.21	103.21	4.95	4.95	15 May 2027	Fair
2	FR0047	10.00	110.34	103.34	5.35	5.12	15 Feb 2028	Fair
3	FR0064	6.13	102.42	103.34	5.14	5.12	15 May 2028	Discounted
3	PBS030	5.88	101.32	103.34	5.36	5.12	15 Jul 2028	Discounted
3	FR0095	6.38	103.34	103.34	5.12	5.12	15 Aug 2028	Fair
3	FR0099	6.40	99.74	105.11	6.48	5.29	15 Jan 2029	Discounted
3	FR0071	9.00	111.89	105.11	5.23	5.29	15 Mar 2029	Premium
4	FR0101	6.88	105.11	105.11	5.29	5.29	15 Apr 2029	Fair
4	FR0078	8.25	109.53	105.11	5.34	5.29	15 May 2029	Fair
5	FR0104	6.50	104.50	104.50	5.43	5.43	15 Jul 2030	Fair
5	FR0082	7.00	106.74	104.50	5.44	5.43	15 Sept 2030	Fair
6	FR0073	8.75	114.72	114.72	5.67	5.67	15 May 2031	Fair
6	PBS012	8.88	113.93	114.72	6.12	5.67	15 Nov 2031	Discounted
7	FR0091	6.38	102.92	102.92	5.83	5.83	15 Apr 2032	Fair
7	FR0058	8.25	111.34	102.92	6.17	5.83	15 Jun 2032	Fair
7	FR0074	7.50	107.94	102.92	6.07	5.83	15 Aug 2032	Fair
7	FR0096	7.00	105.07	102.62	6.14	6.19	15 Feb 2033	Premium
8	FR0065	6.63	102.62	102.62	6.19	6.19	15 May 2033	Fair
8	PBS025	8.38	112.12	102.62	6.35	6.19	15 May 2033	Fair
8	FR0100	6.63	102.27	102.27	6.27	6.27	15 Feb 2034	Fair
8	FR0068	8.38	113.72	102.27	6.27	6.27	15 Mar 2034	Premium
8	PBS029	6.38	100.63	102.27	6.28	6.27	15 Mar 2034	Discounted
10	FR0080	7.50	108.44	103.50	6.32	6.27	15 Jun 2035	Fair
10	FR0103	6.75	103.50	103.50	6.27	6.27	15 Jul 2035	Fair
10	PBS037	6.88	102.13	99.50	6.59	6.31	15 Mar 2036	Fair
11	FR0072	8.25	114.49	103.50	6.36	6.27	15 May 2036	Fair
11	FR0088	6.25	99.50	99.50	6.31	6.31	15 Jun 2036	Fair
11	PBS004	6.10	97.68	99.39	6.39	6.45	15 Feb 2037	Fair
12	FR0093	6.38	99.39	99.39	6.45	6.45	15 Jul 2037	Fair
13	FR0075	7.50	107.30	99.39	6.64	6.45	15 May 2038	Fair
13	FR0098	7.13	103.81	103.81	6.67	6.67	15 Jun 2038	Fair
13	FR0050	10.50	131.61	99.50	6.77	6.31	15 Jul 2038	Fair
14	FR0079	8.38	114.40	103.81	6.74	6.67	15 Apr 2039	Fair
14	PBS034	6.50	99.49	103.65	6.56	6.73	15 Jun 2039	Fair
15	FR0106	7.13	103.65	103.65	6.73	6.73	15 Aug 2040	Fair
16	PBS039	6.63	98.86	103.03	6.74	6.82	15 Jul 2041	Fair
17	FR0092	7.13	103.03	103.03	6.82	6.82	15 Jun 2042	Fair
18	PBS005	6.75	99.52	103.23	6.80	6.81	15 Apr 2043	Fair
18	FR0097	7.13	103.23	103.23	6.81	6.81	15 Jun 2043	Fair
18	FR0067	8.75	119.94	103.23	6.83	6.81	15 Feb 2044	Fair
20	FR0107	7.13	103.29	103.29	6.82	6.82	15 Aug 2045	Fair
21	PBS028	7.75	109.44	103.29	6.89	6.82	15 Oct 2046	Fair
22	PBS033	6.75	99.54	103.29	6.79	6.82	15 Jun 2047	Fair
22	PBS015	8.00	112.81	103.29	6.86	6.82	15 Jul 2047	Fair
23	FR0076	7.38	105.62	103.29	6.88	6.82	15 May 2048	Fair
24	PBS038	6.88	100.33	99.84	6.85	6.89	15 Dec 2049	Premium
26	FR0089	6.88	99.84	99.84	6.89	6.89	15 Aug 2051	Fair
39	FR0105	6.88	0.00	100.12	6.86	6.86	15 Jul 2064	Fair

GLOBAL BONDS DATA

TTM	Series	Coupon	Price	Benchmark Price	Yield	Benchmark Yie	Maturity	Notes
5	INDON 2028	3.85	98.425	100.21	4.20	3.58	15 Oct 2030	Discounted
6	INDOGB 2032	3.00	92.402	101.92	4.39	4.01	15 Jan 2032	Discounted
10	INDON 2033	8.50	128.558	101.92	4.88	4.01	12 Oct 2035	Fair
27	INDON 2053	5.65	102.19	102.00	5.49	4.63	11 Jan 2053	Fair

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
United States				
Policy Interest Rate	%	30-Jul-25	4.50	4.50
Economic Growth	%, yoy	2Q25	2.0	2.0
Inflation Rate	%, yoy	Jul '25	2.7	2.7
Unemployment Rate	%	Aug '25	4.3	4.2
S&P Credit Rating	Rating		AA+	AA+
Euro Area				
Policy Interest Rate	%	18-Aug-25	2.15	2.15
Economic Growth	%, yoy	2Q25	1.5	1.6
Inflation Rate	%, yoy	Aug '25	2.1	2.0
Unemployment Rate	%	Jul '25	6.2	6.3
S&P Credit Rating	Rating	11-Jul-25	AA+	AA+
United Kingdom				
Policy Interest Rate	%	7-Aug-25	4.00	4.25
Economic Growth	%, yoy	2Q25	1.2	1.3
Inflation Rate	%, yoy	Jul '25	3.8	3.6
Unemployment Rate	%	Jun '25	4.7	4.7
S&P Credit Rating	Rating	27-May-25	AA	AA
Japan				
Policy Interest Rate	%	2-Jul-25	0.50	0.50
Economic Growth	%, yoy	2Q25	1.2	1.8
Inflation Rate	%, yoy	Jul '25	3.1	3.3
Unemployment Rate	%	Jul '25	2.3	2.5
S&P Credit Rating	Rating		AA+	A+
China				
Policy Interest Rate	%	20-Aug-25	3.00	3.00
Economic Growth	%, yoy	2Q25	5.2	5.4
Inflation Rate	%, yoy	Aug '25	-0.4	0.0
Unemployment Rate	%	Jul '25	5.2	5.0
S&P Credit Rating	Rating	7-Aug-25	A+	A+

Sources : Trading Economics, KBVS Research - treated (2025)

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Indonesia				
Policy Interest Rate	%	19-Aug-25	5.00	5.25
Economic Growth	%, yoy	2Q25	5.1	4.9
Inflation Rate	%, yoy	Aug '25	2.3	2.4
Unemployment Rate	%	Feb '25	4.8	4.9
S&P Credit Rating	Rating	30-Jul-25	BBB	BBB
India				
Policy Interest Rate	%	8-Aug-25	5.50	5.50
Economic Growth	%, yoy	2Q25	7.8	7.4
Inflation Rate	%, yoy	Jul '25	1.6	2.1
Unemployment Rate	%	Jul '25	5.2	5.6
S&P Credit Rating	Rating	17-May-25	BBB-	BBB-
Thailand				
Policy Interest Rate	%	12-Aug-25	1.50	1.75
Economic Growth	%, yoy	2Q25	2.8	3.2
Inflation Rate	%, yoy	Aug '25	-0.8	-0.7
Unemployment Rate	%	2Q25	0.9	0.9
S&P Credit Rating	Rating	3-Jun-25	BBB+	BBB+
Philippines				
Policy Interest Rate	%	7-Aug-25	5.00	5.25
Economic Growth	%, yoy	2Q25	5.5	5.4
Inflation Rate	%, yoy	Aug '25	1.5	0.9
Unemployment Rate	%	Jul '25	5.3	3.7
S&P Credit Rating	Rating	7-May-25	BBB	BBB+
Vietnam				
Policy Interest Rate	%	1-Jul-25	4.50	4.50
Economic Growth	%, yoy	2Q25	8.0	6.9
Inflation Rate	%, yoy	Aug '25	3.2	3.2
Unemployment Rate	%	2Q25	2.2	2.2
S&P Credit Rating	Rating	30-Jun-25	BB+	BB

Sources : Trading Economics, KBVS Research - treated (2025)

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