

Global Geopolitical Tensions and Indonesia's Fragile Fiscal Outlook

9 April 2026

Economist / Fikri C Permana

EXECUTIVE SUMMARY

- Fluctuations in geopolitical tensions continue to influence global risk sentiment, primarily through pressure on energy prices, inflation expectations, and heightened capital market uncertainty.
- At the same time, several central banks have shifted from an earlier dovish stance to a more hawkish tone.
- Meanwhile, Indonesia's Mar '26 fiscal realization signals early warning signs, as revenue collection trails target while government spending continues to accelerate. This imbalance is pushing the budget deficit closer to its upper limit, raising concerns over fiscal discipline and reducing policy flexibility amid ongoing external volatility.
- Under the APBN framework, the fiscal outlook remains manageable but fragile in the base case, while downside risks include weaker growth, softer revenues, and a wider deficit.



Sources : <https://www.vecteezy.com/vector-art/51455552-rocket-filled-with-gallons-of-crude-oil-soaring-high-in-the-sky-serves-as-a-metaphor-for-increasing-prices>



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US ECONOMIC DATA

US ECONOMIC INDICATORS	Unit	Latest Period	Data	
			Latest	Previous
Fed Rate	%	Mar '26	3.75	3.75
Economic Growth	%, yoy	4Q25	2.2	2.3
Inflation Rate	%, yoy	Feb '26	2.4	2.4
Unemployment Rate	%	Mar '26	4.3	4.4

Sources : various sources, KBVS Research (2026)

The data releases that influenced yield movements in the week of 2-8 Apr '26 are as follows:

- US Initial Jobless Claims decreased to 202K (Cons: 212K, Prev: 211K).
- US Average Hourly Earnings in Mar '26 decreased to 0.20% MoM (Cons: 0.30% MoM, Prev: 0.40% MoM).
- US Nonfarm Payrolls in Mar '26 increased to 178K (Cons: 65K, Prev: -133K).
- US Unemployment Rate in Mar '26 decreased 4.30% (Cons: 4.40%, Prev: 4.40%).
- US S&P Global Services PMI in Mar '26 decreased to 49.80 (Cons: 51.10, Prev: 51.70).
- US ISM Non-Manufacturing Prices in Mar '26 increased to 70.70 (Cons: 67.00, Prev: 63.00).
- US ISM Non-Manufacturing PMI in Mar '26 decreased 54.00 (Cons: 54.80, Prev: 56.10).
- US Durable Goods Orders in Feb '26 decreased -1.40% MoM (Cons: -1.10% MoM, Prev: -0.50% MoM).

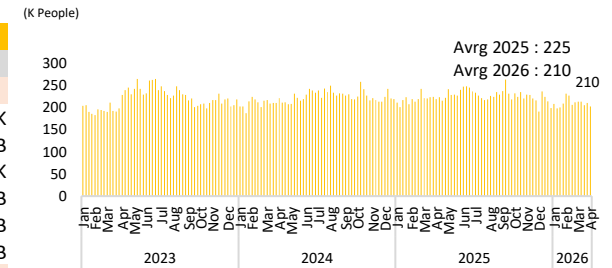
ECONOMIC CALENDAR

(2-8 APR '26)

Event	Actual	Forecast	Previous
Thursday, 2 Apr '26			
US President Trump Speaks			
US Initial Jobless Claims	202K	212K	211K
US Trade Balance (Feb)	-57.30B	-60.50B	-54.70B
US Contuning Jobless Claims	1,841K	1,840K	1,816K
US Exports (Feb)	324.80B		302.20B
US Imports (Feb)	372.10B		356.90B
US Goods Trade Balance (Feb)	-84.60B		-81.80B
US FOMC Member Bowman Speaks			
Friday, 3 Apr '26			
US Fed's Balance Sheet	6,675B		6,657B
US Average Hourly Earnings (MoM) (Mar)	0,20%	0,30%	0,40%
US Nonfarm Payrolls (Mar)	178K	56K	-133K
US Unemployment Rate (Mar)	4,30%	4,40%	4,40%
US Private Nonfarm Payrolls (Mar)	186K	70K	-129K
US Average Hourly Earnings (YoY) (Mar)	3,50%	3,70%	3,80%
US Participation Rate (Mar)	61,90%		62,00%
US U6 Unemployment Rate (Mar)	8,00%		7,90%
US S&P Global Services PMI (Mar)	49,80	51,10	51,70
US S&P Global Composite PMI (Mar)	50,30	51,40	51,90
Monday, 6 Apr '26			
US ISM Non-Manufacturing Prices (Mar)	70,70	67,00	63,00
US ISM Non-Manufacturing PMI (Mar)	54,00	54,80	56,10
US ISM Non-Manufacturing Employment (Mar)	45,20	51,00	51,80
Tuesday, 7 Apr '26			
US President Trump Speaks			
US ADP Employment Change Weekly	26.00K		15.25K
US Durable Goods Orders (MoM) (Feb)	-1,40%	-1,10%	-0,50%
US Core Durable Goods Orders (MoM) (Feb)	0,80%	0,50%	0,30%
US NY Fed 1-Year Consumer Inflation Expectations (Mar)	3,40%		3,00%
US EIA Short-Term Energy Outlook			
Wednesday, 8 Apr '26			
US 3-Year Note Auction	3,90%		3,58%
US Consumer Credit (Feb)	9.48B	10.50B	7.67B
US API Weekly Crude Oil Stock	3.719M		10.236M
US Crude Oil Inventories			5.451M
US Cushing Crude Oil Inventories			0.520M

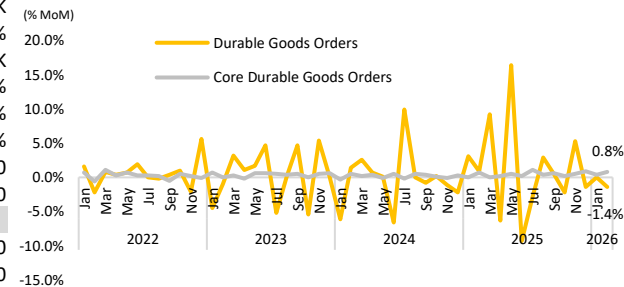
Sources : investing, KBVS Research (2026)

WEEKLY INITIAL JOBLESS CLAIMS



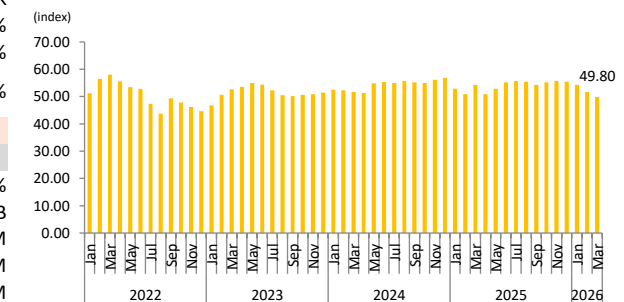
Sources : US DoL, KBVS Research (2026)

DURABLE GOODS ORDERS



Sources : US Census Bureau, KBVS Research (2026)

S&P GLOBAL SERVICES PMI



Sources : S&P Global, KBVS Research (2026)

US-IRAN CONFLICT SO FAR

Saturday, March 21

Trump gives Iran 48 hours to reopen the Strait of Hormuz. He threatens to “obliterate” the country’s power plants if they do not comply.

Monday, March 23

Trump orders a five-day delay on strikes on Iranian energy infrastructure, citing progress in negotiations. Iran says, “No negotiations have been held.”

Thursday, March 26

Trump delays the earlier deadline for Iran to make a deal by 10 days. He issues a new deadline of April 6 at 8 p.m. ET. Trump later said he considered the deadline “inappropriate” for the day after Easter. →

2-4 April

- **Continued US-Israel strikes**
- **F-15 shot down over Iran** (Apr 4); search-and-rescue helicopters fired upon
- Iran allows "essential goods" vessels **partial Hormuz passage**; almost all other shipping halted
- **Death toll surpasses 2,000**; war crimes accusations mount
- NATO allies (Spain, France, Italy) **restrict US base/airspace access**

5-6 April

- 5 Apr: **Trump threatens Iran's power plants & bridges** if Hormuz not reopened within 48 hrs
- 6 Apr : **Israel kills IRGC intelligence chief + IRGC Quds Force special ops commander**
- **Iran rejects US 45-day ceasefire proposal**; submits 10-point counter-proposal.
- **Gulf states (UAE, Saudi, Qatar) intercept drones**

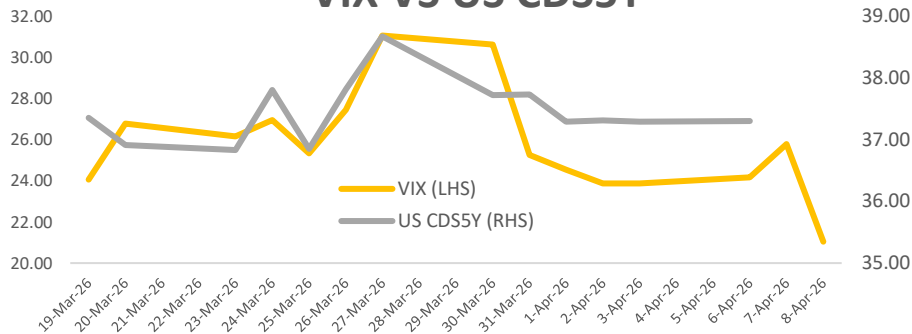
7-8 April

- 7 Apr morning: Trump sets hard 8pm ET deadline, **threatens to destroy Iran's "entire civilization"**
- Pakistan PM Sharif **proposes 2-week ceasefire**.
- 7 Apr night: **US-Iran 2-week ceasefire agreed**, brokered by Pakistan (PM Sharif + Army Chief Munir)
- Iran accepts: **Hormuz reopens for 2 weeks** via coordination with Iranian armed forces; Israel also agrees; Lebanon ceasefire included
- **Islamabad talks set for 10 April**; VP Vance likely to lead US delegation

10 April

- US-Iran peace talks in Islamabad; **Iran's 10-point proposal as negotiating framework**
- **Key sticking points:** permanent vs. temporary ceasefire, zero-enrichment demand vs. Iran's enrichment rights, step-by-step sanctions deployment, Hormuz reopening protocol tied to compliance milestones
- **IRGC hardliners remain in command**; ceasefire durability uncertain

VIX VS US CDS5Y



Sources : Bloomberg, and KBVS Research (2026)

- VIX surged on escalating Iran-US tensions amid stronger risk-off sentiment and hedging demand.
- Rising oil price risks added inflation concerns, further lifting market volatility.
- US 5Y CDS widened, reflecting higher sovereign risk premium and fiscal concerns.
- Overall, escalation pushed both VIX and US 5Y CDS higher.

FED PROBABILITIES

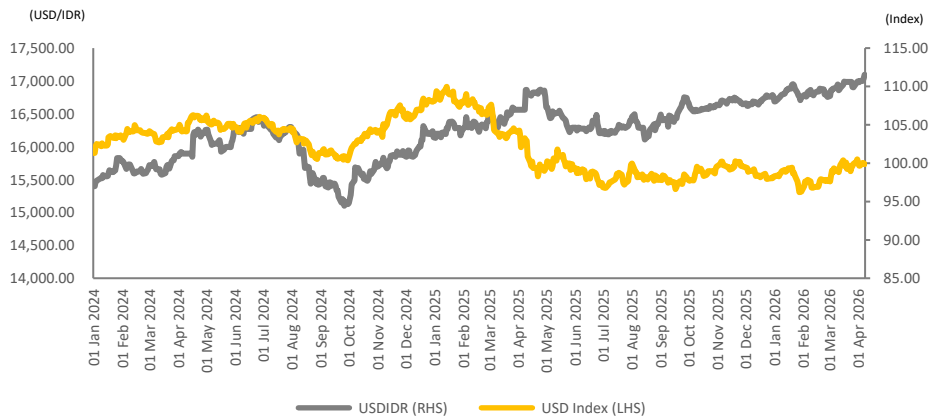
FED PROBABILITIES, as of 8 Apr '26

MEETING DATE	250-275	275-300	300-325	325-350	350-375	375-400
29-Apr-26	0,0%	0,0%	0,0%	0,0%	98,4%	1,6%
17-Jun-26	0,0%	0,0%	0,0%	11,3%	87,4%	1,4%
29-Jul-26	0,0%	0,0%	1,0%	17,8%	80,0%	1,3%
16-Sep-26	0,0%	0,1%	2,7%	24,2%	71,8%	1,1%
28-Oct-26	0,0%	0,3%	4,1%	27,4%	67,1%	1,1%
09-Dec-26	0,1%	1,1%	9,0%	35,7%	53,3%	0,8%
27-Jan-27	0,1%	1,7%	11,2%	37,1%	49,1%	0,8%
17-Mar-27	0,3%	2,4%	12,9%	37,9%	45,8%	0,7%

- Rising geopolitical tensions, coupled with improving U.S. labor market indicators, have reinforced expectations that the Fed will maintain its policy rate at the April FOMC meeting, with Fed probabilities as of 8 Apr '26 implying a near-certain hold (98.4% at 350–375 bps).
- At the same time, heightened market risk-off sentiment has driven the DXY higher to around 100 (from 95.5 on 27 Jan '26). Concurrently, the Indonesian rupiah has depreciated beyond IDR17,000 per USD, marking its weakest level on record.
- Meanwhile, the U.S. Treasury yield curve has steepened, with the 10Y–2Y spread widening to approximately 50 bps and the 30Y–5Y spread reaching around 100 bps.

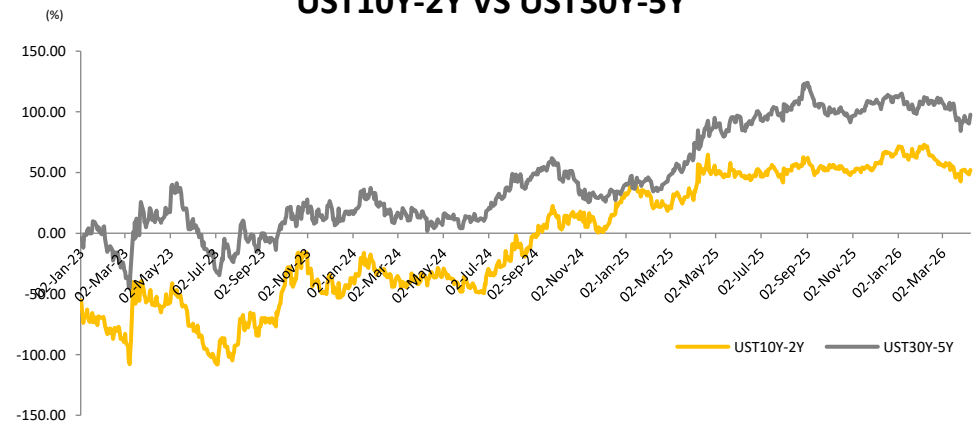
Sources : CME Group, and KBVS Research (2026)

DXY INDEX - USDIDR



Sources : Bloomberg, and KBVS Research (2026)

YIELD SPREAD UST10Y-2Y VS UST30Y-5Y



Sources : Bloomberg, and KBVS Research (2026)

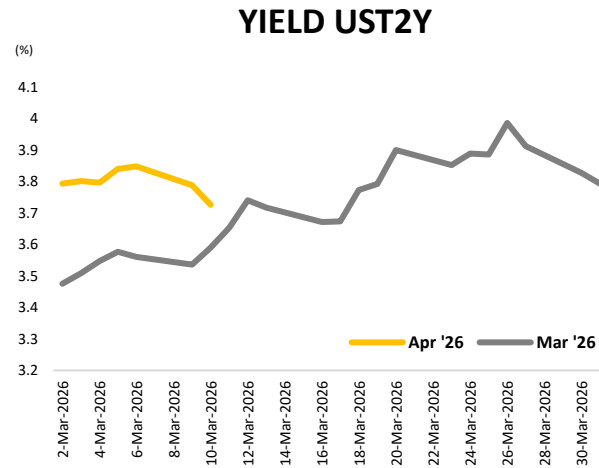
THE MOVEMENT OF UST YIELDS

US FISCAL INDICATORS	Unit	Latest Period	Data	
			Latest	Previous
Govt Debt	USD Tn	Nov' 24	36.08	35.95
Govt Debt to GDP	%	4Q24	124.35	122.3
Govt Budget	USD Bn	Nov '24	-367.30	-257.00
S&P Credit Rating	Rating	27-Mar-24	AA+	AA+

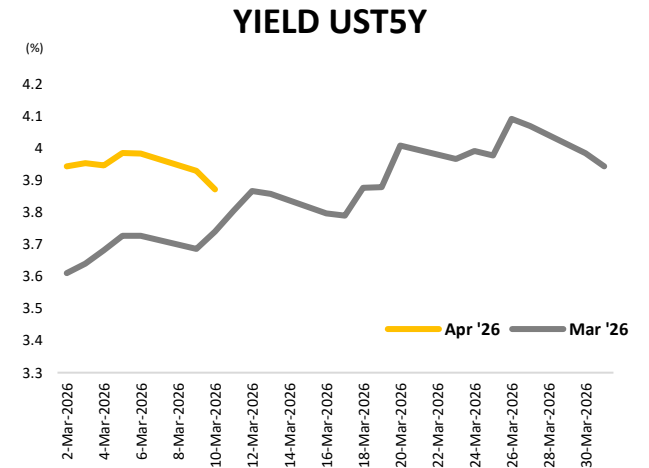
Sources : US Treasury, KBVS Research (2026)

Over the past week, UST yields moved tends to decrease:

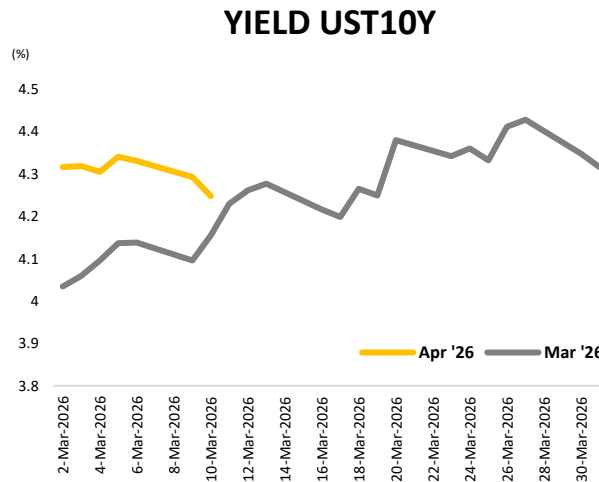
- Yield UST6M
 - -3.18 bps (WoW)
 - +6.31 bps (YtD, as of Apr 8,'26)
- Yield UST1Y
 - -7.93 bps (WoW)
 - +11.62 bps (YtD, as of Apr 8,'26)
- Yield UST2Y
 - -8.16 bps (WoW)
 - +24.64 bps (YtD, as of Apr 8,'26)
- Yield UST5Y
 - -9.75 bps (WoW)
 - +13.05 bps (YtD, as of Apr 8,'26)
- Yield UST10Y
 - -8.86 bps (WoW)
 - +6.30 bps (YtD, as of Apr 8,'26)
- Yield UST30Y
 - -5.76 bps (WoW)
 - -0.34 bps (YtD, as of Apr 8,'26)



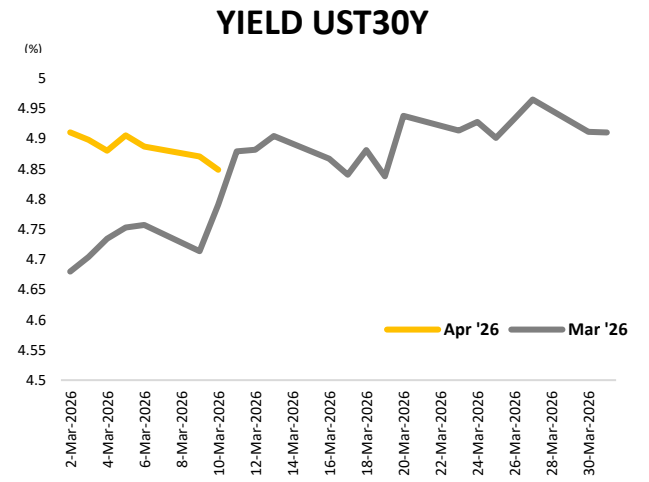
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)



Sources : US Treasury, KBVS Research (2026)



Sources : US Treasury, KBVS Research (2026)



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INDONESIA ECONOMIC DATA

INDICATORS OVERVIEW

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Policy Interest Rate	%	17 Mar '26	4.75	4.75
Economic Growth	%, yoy	4Q25	5.39	5.04
Inflation Rate	%, yoy	Mar '26	3.48	4.76
Unemployment Rate	%	Sep '25	4.85	4.76
S&P Credit Rating	Rating	17 July '24	BBB	BBB

Sources : various sources, KBVS Research (2026)

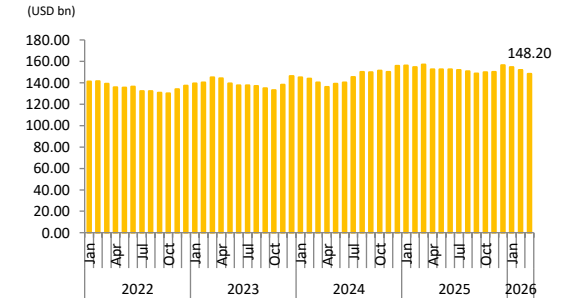
ECONOMIC CALENDAR

(2-8 APR '26)

Event	Actual	Forecast	Previous
Thursday, 2 Apr '26			
Friday, 3 Apr '26			
Monday, 6 Apr '26			
Tuesday, 7 Apr '26			
Wednesday, 8 Apr '26			
ID Fx Reserves (USD) (Mar)	148.20B		151.90B
M0 adjusted (% yoy) (Mar)	16.8		18.3

Sources : Investing, KBVS Research (2025)

FX RESERVES



Sources : BI, KBVS Research (2026)

The data releases that influenced yield movements in the week of 2-8 Apr '26 are as follows:

- Indonesia's FX reserves in Mar '26 declined to USD148.20 bn (Prev: USD151.90 bn). The movement was driven by the government's global bond issuance and tax and services receipts, amid external debt repayments and continued measures to stabilize the Rupiah exchange rate..
- Adjusted Base Money (M0) grew by 16.8% YoY (Prev: 18.3% YoY) in Mar '26, bringing the total outstanding amount to IDR2,396.5 tn. This development was mainly driven by a 41.8% YoY increase in commercial banks' adjusted current accounts held at Bank Indonesia and an 8.6% YoY rise in currency in circulation. In terms of underlying drivers, the growth in Adjusted M0 has taken into account the impact of liquidity incentive measures (adjusted monetary control).

DEVELOPMENT OF TRADABLE SBN

CAPITAL FLOW IN SBN&JCI



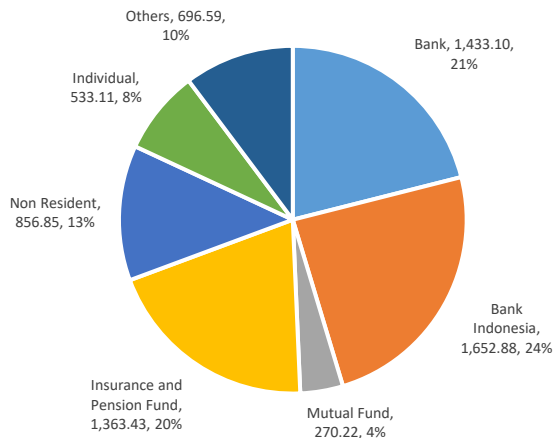
Sources : Bloomberg, KBVS Research (2026)

Between 2-8 April '26, non-residents conducted:

- A net buy of tradeable SBN, amounting IDR7.91 tn.
- A net sell of JCI, amounting IDR5.80 tn.

OWNERSHIP of IDR TRADABLE SBN

(IDR tn,
% of total tradable SBN)



Sources : DJPPR, and KBVS Research (2026)

As of 6 April '26, the largest ownership of tradable SBN is as follows:

- Bank Indonesia : IDR1,652.88 tn (+IDR5.64 tn, WoW),
- Banks : IDR1,433.10 tn (+IDR4.52 tn, WoW), and
- Insurance & Pension Funds: IDR1,363.43 tn (+IDR11.67 tn, WoW)

SUN LATEST AUCTION

31 Mar '26										
Instruments	SPN01260502	SPN12260702	SPN12270401	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	4.75	1.15	6.60	19.93	12.22	4.91	3.16	1.91	3.59	58.22
Bid to Cover Ratio	4.75	1.00	1.32	1.19	1.65	2.89	1.32	1.27	1.14	1.46
Weighted Average Yields Awarded	4.900%	5.300%	5.450%	6.579%	6.870%	6.939%	6.918%	6.930%	6.930%	
3 Mar '26										
Instruments	SPN01260404	SPN12260604	SPN12270304	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	0.47	1.50	6.80	10.78	14.68	3.30	5.75	3.94	3.71	50.94
Bid to Cover Ratio	1.16	-	1.00	7.99	1.30	1.18	1.20	1.16	1.14	1.49
Weighted Average Yields Awarded	4.680%	-	4.973%	5.888%	6.530%	6.639%	6.668%	6.768%	6.784%	

Sources : DJPPR, KBVS Research (2026)

SBSN LATEST AUCTION

7 Apr '26									
Instruments	SPNS04052026	SPNS12102026	SPNS03022027	PBS030	PBS040	PBS034	PBS005	PBS038	Total
Incoming Bids (IDR tn)	5,31	3,07	5,31	4,08	2,56	1,80	3,61	4,84	30,57
Bid to Cover Ratio	10,62	6,14	1,50	1,73	2,13	3,60	1,31	1,32	2,04
Weighted Average Yields Awarded	4,850%	5,225%	5,300%	6,159%	6,196%	6,534%	6,707%	6,797%	
10 Mar '26									
Instruments	SPNS06042026	SPNS08092026	SPNS23112026	PBS030	PBS040	PBSG002	PBS034	PBS038	Total
Incoming Bids (IDR tn)	1,70	1,72	8,17	2,80	2,77	2,54	1,99	9,31	30,98
Bid to Cover Ratio	1,42	1,04	1,05	-	2,91	2,67	5,67	4,33	2,07
Weighted Average Yields Awarded	5,046%	5,128%	5,123%	-	5,805%	6,396%	6,516%	6,790%	

Sources : DJPPR, KBVS Research (2026)

March APBN Realization

Components	Target APBN '26	Realization 3M25	Realization 3M26	% Target	FY '26F (Annualized Run-rate)	Growth (% yoy)
A. Government Revenue	IDR3,153.6 tn	IDR516.1 tn	IDR574.9 tn	18.20%	IDR2,299.6 tn	11.40%
I. Tax Revenue Collection	IDR2,693.7 tn	IDR400.1 tn	N/A	N/A	N/A	N/A
1. Tax Revenue	IDR2,357.7 tn	IDR322.6 tn	IDR389.4 tn*	16.50%	IDR1,557.6 tn	20,70%
2. Custom & Excise	IDR336.0 tn	IDR77.5 tn	N/A	N/A		N/A
II. Non-Tax State (PNBP)	IDR459.2 tn	IDR115.9 tn	IDR112.1 tn	24.40%	IDR448.4 tn	-3.3% (declined)
B. Government Spending	IDR3,842.7 tn	IDR620.3 tn	IDR815.0 tn	21.20%	IDR3,260 tn	31.40%
I. Central Govt Expenditure	IDR3,149.7 tn	IDR413.2 tn	N/A	N/A	N/A	N/A
1. Ministry/Agency Exp	IDR1,510.5 tn	IDR196.1 tn	N/A	N/A	N/A	N/A
2. Non-Ministry/Agency Exp	IDR1,639.2 tn	IDR217.1 tn	N/A	N/A	N/A	N/A
II. Regional Transfers (TKD)	IDR693.0 tn	IDR207.1 tn	N/A	N/A	N/A	N/A
C. Primary Balances	(IDR35.9 tn)	IDR17.5 tn	N/A	N/A	N/A	N/A
D. Fiscal Deficit	(IDR689.1 tn)	(IDR104.2 tn)	(IDR240.1 tn)	34.80%	(IDR960.4 tn)	130.40%
% to GDP	2.68%	0.43%	0.93%	-	3.73% (Est.)	-
E. Budget Financing	IDR689.1 tn	IDR250.0 tn	N/A	N/A	N/A	N/A

- Government revenue reached IDR574.9 tn in 3M26, which is only 18.2% of the target. If this slow pace continues, the full-year income will only reach IDR2,299.6 tn, meaning the government will miss its IDR3,153.6 tn target by a wide margin.
- Government spending grew very fast, reaching IDR815.0 tn in just three months. If we project this forward, the full-year spending will hit IDR3,260 tn. This high spending does not match the slow income growth and leaves the government with very little emergency cash.
- Because of this high spending, the budget deficit has already reached 34.8% of the full-year target in just one quarter. If this trend holds, the total deficit will jump to IDR960.4 tn, passing the IDR689.1 tn target and breaking the strict 3% legal limit by reaching 3.73% of GDP.

Kompas.com / Money / Ekbis

Purbaya: Kalau Kecepat, Pemerintah Punya SAL Rp 420 Triliun untuk Jaga APBN

Kompas.com, 1 April 2026, 17:48 WIB

Debrinata Rizky, Teuku Muhammad Valdy Arief
Tim Redaksi



Sources : Kompas (2026), link:

<https://money.kompas.com/read/2026/04/01/174818326/purbaya-kalau-kecepat-pemerintah-punya-sal-rp-420-triliun-untuk-jaga-apbn>

APBN Scenarios

Base Case

Sources	Target APBN 2026	5.2-5.8%	GDP 1Q26E (KBVS Est.)	1.5-3.5%	INF Mar '26 (Investing.com)	6.6-7.2%	SUN10Y Apr '26 Avg (Bloomberg)	IDR16,500-16,900	USDIDR 8 Apr '26 (Investing.com)	USD60-80	ICP Feb '26 (ESDM)	605-620k barrel	Oil Lifting FY25 (SKK Migas / IPA)	953-1,017k barrel	Gas Lifting FY25 (SKK Migas / IPA)
Description	Target APBN 2026	Economic Growth (Up 0.1%)	4.9% 1Q26E: >5.5%	INF (Up 0.1%)	3.5% Mar '26: 3.48%	SUN10Y (Up 0.1%)	7.2% Avg: 6.61%	USDIDR (Up IDR100/USD)	17,100 Current: 17,095 (8 Apr)	ICP (Up USD1/barrel)	USD85 Feb ICP: 68.79	Oil Lifting (Up 10k boepd)	600k bpd 2025: ~605k	Gas Lifting (Up 10k boepd)	970k boepd 2025: ~970k
A. Government Revenue		2,10	-10,50	1,90	19,00	0,00	0,00	5,30	31,80	3,50	52,50	1,80	-1,80	1,30	-1,82
I. Domestic Revenue		2,10	-10,50	1,90	19,00	0,00	0,00	5,30	31,80	3,50	52,50	1,80	-1,80	1,30	-1,82
1. Tax Revenue		2,10	-10,50	1,90	19,00	0,00	0,00	5,30	21,00	1,90	28,50	0,30	-0,30	0,40	-0,56
2. Non-Tax Revenue (PNBP)		0,00	0,00	0,00	0,00	0,00	0,00	1,80	10,80	1,60	24,00	1,50	-1,50	0,90	-1,26
II. Grant Revenue		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
REVENUE ASSUMPTION (IDR tn)	3,153,60		3,143,10		3,172,60		3,153,60		3,185,40		3,206,10		3,151,80		3,151,78
B. Government Expenditure		0,00	0,00	0,00	0,00	1,90	5,70	6,10	36,60	10,30	154,50	0,00	0,00	0,00	0,00
I. Central Government Expenditure		0,00	0,00	0,00	0,00	1,90	5,70	6,10	36,60	10,30	154,50	0,00	0,00	0,00	0,00
II. Regional Transfers		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
EXPENDITURE ASSUMPTION (IDR tn)	3,842,70		3,842,70		3,842,70		3,848,40		3,879,30		3,997,20		3,842,70		3,842,70
C. Budget Surplus/(Deficit)		2,10	-10,50	1,90	19,00	-1,90	-5,70	-0,80	-4,80	-6,80	-102,00	1,80	-1,80	1,30	-1,82
BUDGET SURPLUS/(DEFICIT) ASSUMPTION (IDR tn)	-689,10		-699,60		-670,10		-694,80		-693,90		-791,10		-690,90		-690,92
D. Budget Financing		0,00	0,00	0,00	0,00	0,00	0,00	0,10	0,60	0,00	0,00	0,00	0,00	0,00	0,00

- Government spending is growing nearly three times faster than revenue, with the 1Q26 fiscal deficit already reaching 37.6% of the full-year target of IDR130.2 tn. While stronger tax revenue growth (+20.7% YoY) and GDP growth above 5.3% provide some support, these are unlikely to fully offset sustained oil-driven subsidy pressures.
- Indonesia's fiscal position remains highly exposed to elevated oil prices. With subsidized fuel prices unchanged, every USD1/bbl increase in crude is estimated to widen the fiscal gap by around IDR6.8 tn. With WTI above USD112 and ICP well above the USD70 budget assumption, the deficit could widen to 3.2–4.4% of GDP, potentially breaching the 3% statutory ceiling.
- Macro indicators also signal mounting pressure, as inflation, the rupiah, and bond yields have all moved beyond APBN assumptions year-to-date. While SAL and SiLPA provide near-term buffers, their deployment would still require budget adjustments and potential APBN revisions.

Bull Case

Sources	Target APBN 2026	5.2-5.8%	GDP 1Q26E (KBVS Est.)	1.5-3.5%	INF Target (Kemenkeu APBN)	6.6-7.2%	SUN10Y Jan '26 Low (Master Data FCP / Bloomberg)	IDR16,500-16,900	USDIDR Target (Kemenkeu APBN)	USD60-80	ICP Jan '26 (ESDM)	605-620k barrel	Oil Lifting Target (Kemenkeu APBN)	953-1,017k barrel	Gas Lifting Target (Kemenkeu APBN)
Description	Target APBN 2026	Economic Growth (Up 0.1%)	5.3% (Batas Atas) 1Q26E: >5.5%	INF (Up 0.1%)	2.5% (Batas Atas) APBN Target	SUN10Y (Up 0.1%)	6.6% (Batas Atas) Low: 6.35% (Jan)	USDIDR (Up IDR100/USD)	16,500 (Batas Atas) APBN Target	ICP (Up USD1/barrel)	USD85 (Batas Atas) Jan ICP: 64.41	Oil Lifting (Up 10k boepd) Target: 610k	Gas Lifting (Up 10k boepd) Target: 984k	1,000k boepd (Batas Atas) Target: 984k	
A. Government Revenue		2,10	2,10	1,90	0,00	0,00	0,00	5,30	0,00	3,50	-17,50	1,80	1,80	1,30	2,08
I. Domestic Revenue		2,10	2,10	1,90	0,00	0,00	0,00	5,30	0,00	3,50	-17,50	1,80	1,80	1,30	2,08
1. Tax Revenue		2,10	2,10	1,90	0,00	0,00	0,00	5,30	0,00	1,90	-9,50	0,30	0,30	0,40	0,64
2. Non-Tax Revenue (PNBP)		0,00	0,00	0,00	0,00	0,00	0,00	1,80	0,00	1,60	-8,00	1,50	1,50	0,90	1,44
II. Grant Revenue		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
REVENUE ASSUMPTION (IDR tn)	3,153,60		3,155,70		3,153,60		3,153,60		3,136,10		3,155,40		3,155,68		3,155,68
B. Government Expenditure		0,00	0,00	0,00	0,00	1,90	-5,70	6,10	0,00	10,30	-51,50	0,00	0,00	0,00	0,00
I. Central Government Expenditure		0,00	0,00	0,00	0,00	1,90	-5,70	6,10	0,00	10,30	-51,50	0,00	0,00	0,00	0,00
II. Regional Transfers		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
EXPENDITURE ASSUMPTION (IDR tn)	3,842,70		3,842,70		3,842,70		3,837,00		3,842,70		3,791,20		3,842,70		3,842,70
C. Budget Surplus/(Deficit)		2,10	2,10	1,90	0,00	-1,90	5,70	-0,80	0,00	-6,80	34,00	1,80	1,80	1,30	2,08
BUDGET SURPLUS/(DEFICIT) ASSUMPTION (IDR tn)	-689,10		-687,00		-689,10		-683,40		-689,10		-655,10		-687,30		-687,02
D. Budget Financing		0,00	0,00	0,00	0,00	0,00	0,00	0,10	0,00	0,00	0,00	0,00	0,00	0,00	0,00

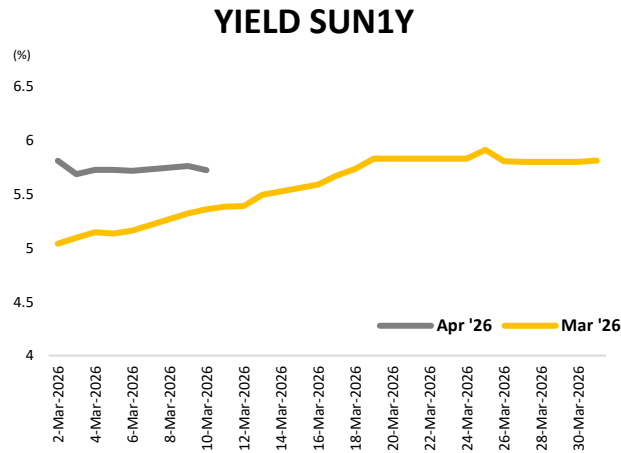
Bear Case

Sources	Target APBN 2026	5.2-5.8%	GDP 4Q25 (BPS)	1.5-3.5%	INF Feb '26 (Investing.com)	6.6-7.2%	SUN10Y Mar '26 High (Bloomberg)	IDR16,500-16,900	USDIDR 8 Apr '26 High (Investing.com)	USD60-80	ICP WTI 8 Apr '26 (Bloomberg)	605-620k barrel	Oil Lifting FY25 (SKK Migas / IPA)	953-1,017k barrel	Gas Lifting FY25 (SKK Migas / IPA)
Description	Target APBN 2026	Economic Growth (Up 0.1%)	4.6% 4Q25: 5.39%	INF (Up 0.1%)	4.8% Feb '26: 4.76%	SUN10Y (Up 0.1%)	7.8% High: 6.91% (25 Mar)	USDIDR (Up IDR100/USD)	17,500 High: 17,108 (8 Apr)	ICP (Up USD1/barrel)	USD100 WTI: 112.95 (8 Apr)	Oil Lifting (Up 10k boepd)	580k bpd 2025: ~605k	Gas Lifting (Up 10k boepd)	953k boepd 2025: ~970k
A. Government Revenue		2,10	-16,80	1,90	43,70	0,00	0,00	5,30	53,00	3,50	105,00	1,80	-5,40	1,30	-4,03
I. Domestic Revenue		2,10	-16,80	1,90	43,70	0,00	0,00	5,30	53,00	3,50	105,00	1,80	-5,40	1,30	-4,03
1. Tax Revenue		2,10	-16,80	1,90	43,70	0,00	0,00	3,50	35,00	1,90	57,00	0,30	-0,90	0,40	-1,24
2. Non-Tax Revenue (PNBP)		0,00	0,00	0,00	0,00	0,00	0,00	1,80	18,00	1,60	48,00	1,50	-4,50	0,90	-2,79
II. Grant Revenue		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
REVENUE ASSUMPTION (IDR tn)	3,153,60		3,136,80		3,197,30		3,153,60		3,206,60		3,258,60		3,148,20		3,149,57
B. Government Expenditure		0,00	0,00	0,00	0,00	1,90	17,10	6,10	61,00	10,30	309,00	0,00	0,00	0,00	0,00
I. Central Government Expenditure		0,00	0,00	0,00	0,00	1,90	17,10	6,10	61,00	10,30	309,00	0,00	0,00	0,00	0,00
II. Regional Transfers		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
EXPENDITURE ASSUMPTION (IDR tn)	3,842,70		3,842,70		3,842,70		3,859,80		3,903,70		4,151,70		3,842,70		3,842,70
C. Budget Surplus/(Deficit)		2,10	-16,80	1,90	43,70	-1,90	-17,10	-0,80	-8,00	-6,80	-204,00	1,80	-5,40	1,30	-4,03
BUDGET SURPLUS/(DEFICIT) ASSUMPTION (IDR tn)	-689,10		-705,90		-645,40		-706,20		-697,10		-893,10		-694,50		-693,13
D. Budget Financing		0,00	0,00	0,00	0,00	0,00	0,00	0,10	1,00	0,00	0,00	0,00	0,00	0,00	0,00

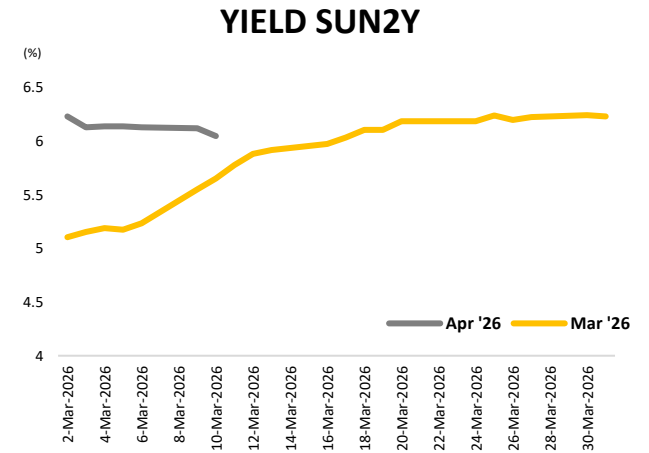
THE MOVEMENT OF SUN YIELDS

Over the past week, SUN yields moved tends to decrease:

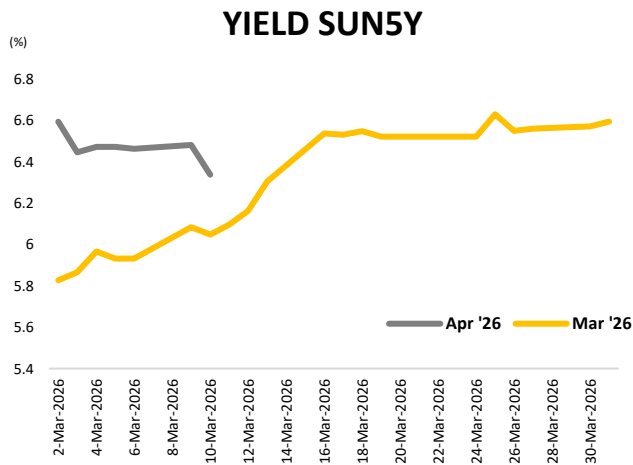
- Yield SUN1Y
 - +3.70 bps (WoW)
 - +108.40 bps (YtD, as of Apr 8, '26)
- Yield SUN2Y
 - -10.10 bps (WoW)
 - +113.40 bps (YtD, as of Apr 8, '26)
- Yield SUN5Y
 - -17.10 bps (WoW)
 - +75.80 bps (YtD, as of Apr 8, '26)
- Yield SUN10Y
 - -5.90 bps (WoW)
 - +54.10 bps (YtD, as of Apr 8, '26)
- Yield SUN30Y
 - -1.20 bps (WoW)
 - +17.20 bps (YtD, as of Apr 8, '26)



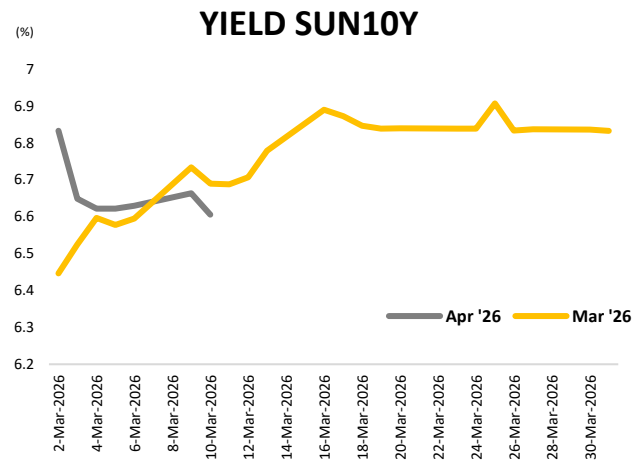
Sources : Bloomberg, KBVS Research (2026)



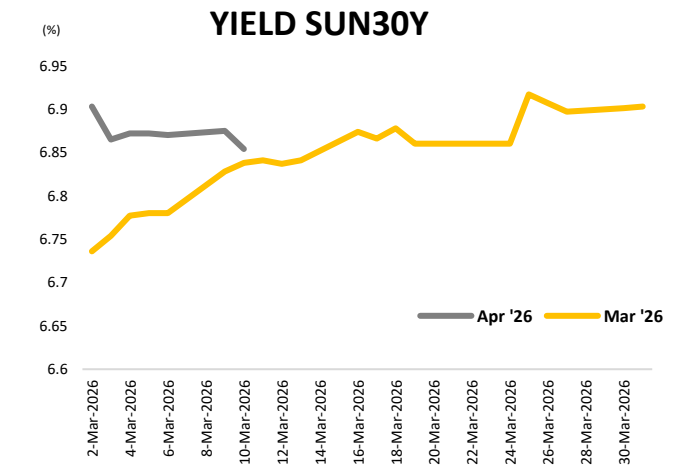
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)



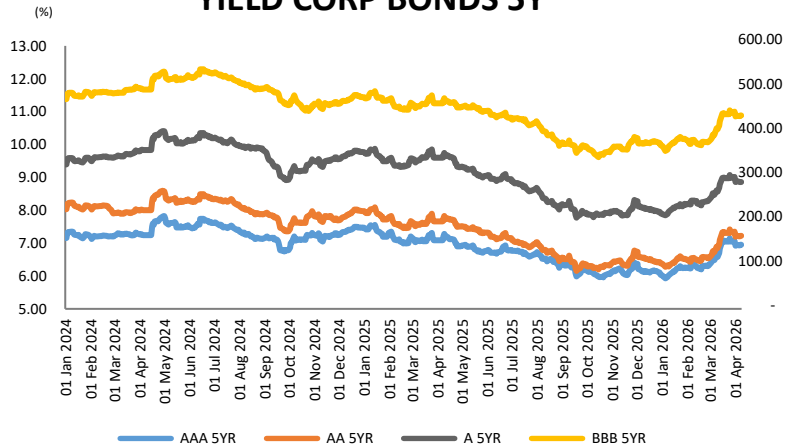
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)

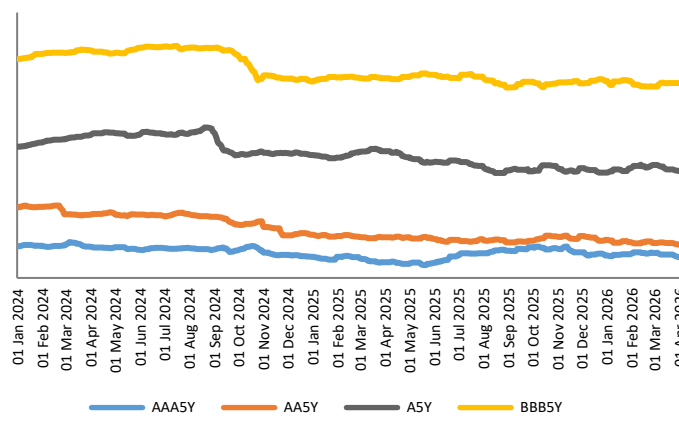
THE MOVEMENT OF CORPORATE BOND YIELD

YIELD CORP BONDS 5Y



Sources : Bloomberg, KBVS Research (2026)

YIELD SPREAD 5Y TENOR

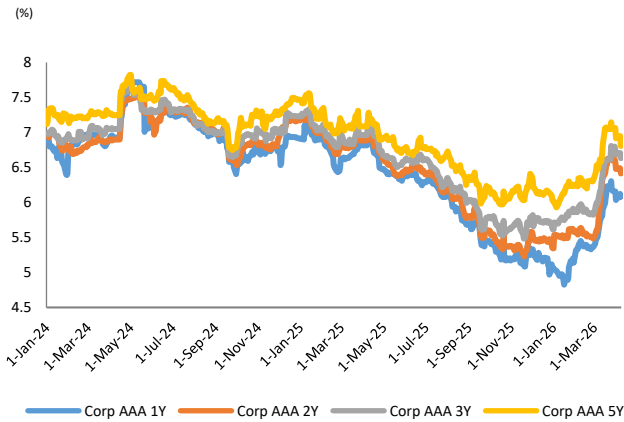


Sources : Bloomberg, KBVS Research (2026)

Corporate bond yields showed a decline movement on most of the tenors last week, as follows:

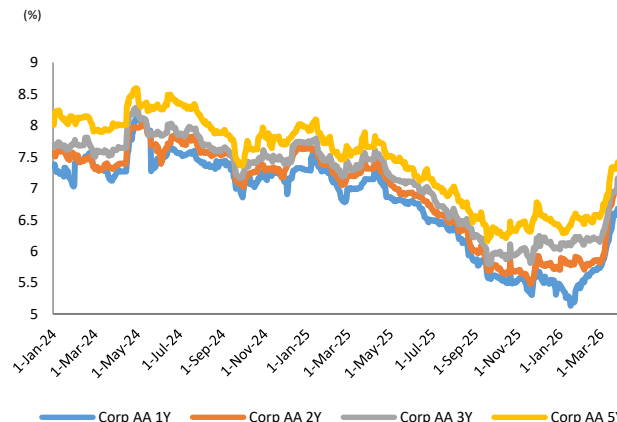
- AAA-rated
 - Tenor 1Y : +4.82 bps (WoW)
 - Tenor 2Y : -8.29 bps (WoW)
 - Tenor 5Y : -17.02 bps (WoW)
- AA-rated
 - Tenor 1Y : +1.82 bps (WoW)
 - Tenor 2Y : -12.02 bps (WoW)
 - Tenor 5Y : -18.56 bps (WoW)
- A-rated
 - Tenor 1Y : -1.52 bps (WoW)
 - Tenor 2Y : -13.83 bps (WoW), and
 - Tenor 5Y : -20.83 bps (WoW)

YIELD AAA-RATED



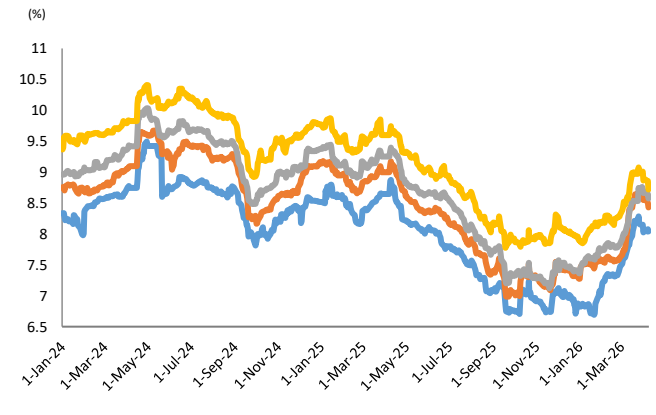
Sources : Bloomberg, KBVS Research (2026)

YIELD AA-RATED



Sources : Bloomberg, KBVS Research (2026)

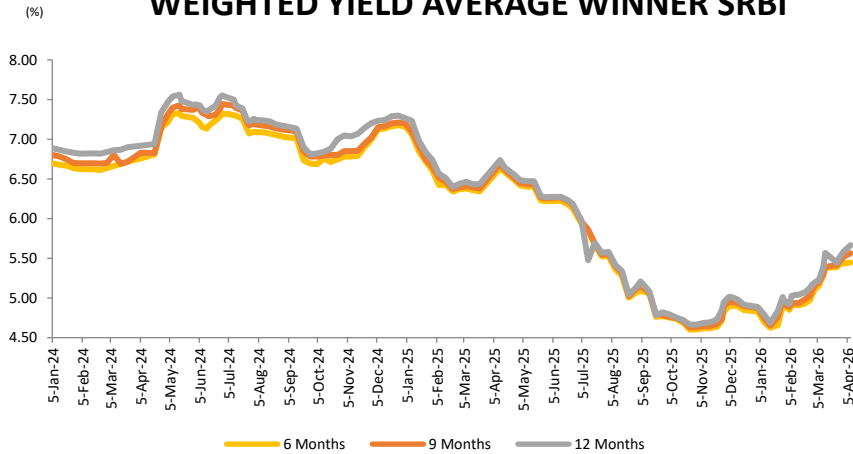
YIELD A-RATED



Sources : Bloomberg, KBVS Research (2026)

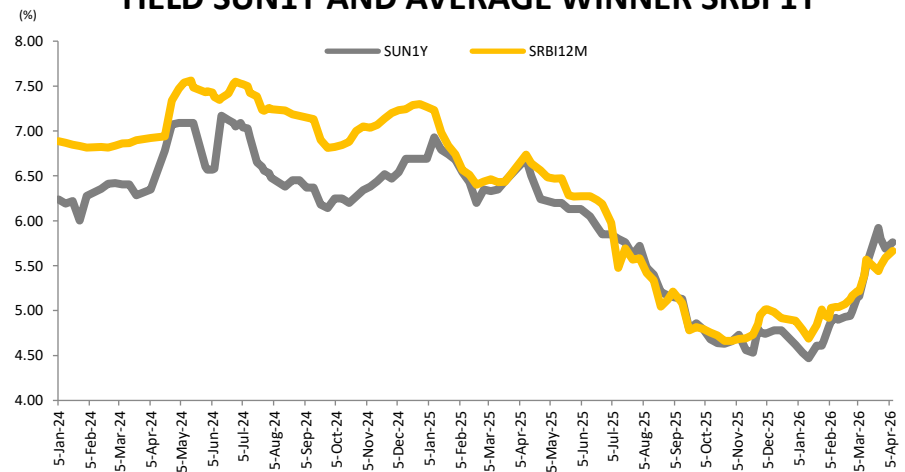
BI'S MONETARY OPERATION

WEIGHTED YIELD AVERAGE WINNER SRBI



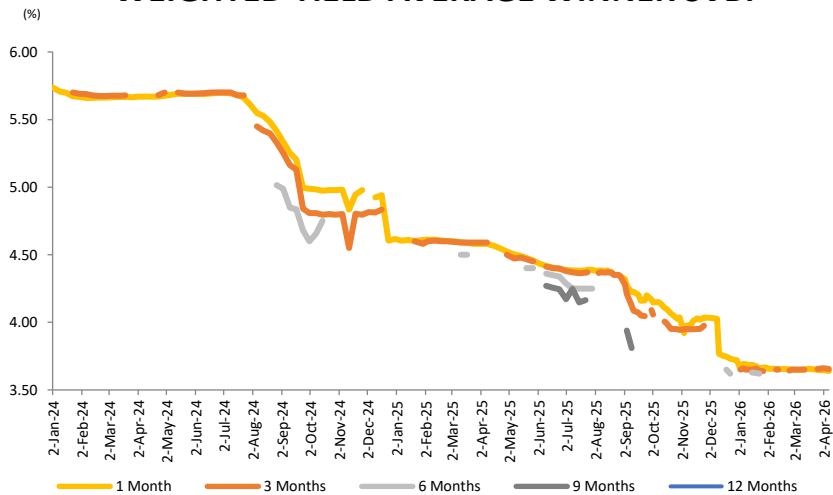
Sources : BI, KBVS Research (2026)

YIELD SUN1Y AND AVERAGE WINNER SRBI 1Y



Sources : BI, KBVS Research (2026)

WEIGHTED YIELD AVERAGE WINNER SVBI



Sources : BI, KBVS Research (2026)

- The Weighted Average Yield of Winning Bids can be seen in the table below.

Yield (%)	1 Apr 2026	8 Apr 2026
6 Month	5.43688%	5.44760%
9 Month	5.51864%	5.56617%
12 Month	5.58857%	5.66391%

- Meanwhile, the latest SUVBI auction saw the profit sharing rate was at:
 - 1 month: 3.640%
 - 3 month: 3.656%
 - 6 month: 3.679%
 - 9 month: 3.701%
 - 12 month: 3.723%



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8 Domestic Economy

16 Economic Calendar

NEXT WEEK ECONOMIC CALENDAR

ECONOMIC CALENDAR

(9-15 APR 2026)

Country	Event	Forecast	Previous	Country	Event	Forecast	Previous	Country	Event	Forecast	Previous
Thursday, Apr 9, 2026				Friday, Apr 10, 2026				Monday, Apr 13, 2026			
US	10-Year Note Auction		4,22%	US	30-Year Bond Auction		4,87%	ID	Retail Sales (YoY) (Feb)		5,70%
US	FOMC Meeting Minutes			US	Fed's Balance Sheet		6,675B	US	Existing Home Sales (Mar)		4,09M
US	Fed Waller Speaks			ID	Motorbike Sales (YoY) (Mar)		1,00%	US	Existing Home Sales (MoM) (Mar)		1,70%
GE	Trade Balance (Feb)	18.60B	21.20B	CN	CPI (MoM) (Mar)		1,00%	Tuesday, Apr 14, 2026			
GE	Industrial Production (MoM) (Feb)	0,20%	-0,50%	CN	CPI (YoY) (Mar)	1,20%	1,30%	GB	BRC Retail Sales Monitor (YoY) (Mar)		0,70%
GB	BoE Credit Conditions Survey			CN	PPI (YoY) (Mar)	0,50%	-0,90%	JP	Industrial Production (MoM) (Feb)		-2,10%
GB	Mortgage Rate (GBP) (Mar)		6,59%	ID	Consumer Confidence (Mar)		125,20	US	PPI (MoM) (Mar)		0,70%
US	Core PCE Price Index (MoM) (Feb)	0,40%	0,40%	GE	CPI (MoM) (Mar)	1,10%	1,10%	US	Core PPI (MoM) (Mar)		0,50%
US	Core PCE Price index (YoY) (Feb)	3,00%	3,10%	GE	CPI (YoY) (Mar)	2,70%	2,70%	Wednesday, Apr 15, 2026			
US	GDP (QoQ) (Q4)	0,70%	0,70%	ID	Car Sales (YoY) (Mar)		12,20%	CN	Exports (YoY) (Mar)		21,80%
US	PCE Price Index (MoM) (Feb)	0,40%	0,30%	EU	ECB's De Guindos Speaks			CN	Imports (YoY) (Mar)		19,80%
US	PCE Price Index (YoY) (Feb)		2,80%	US	CPI (MoM) (Mar)	1,00%	0,30%	CN	Trade Balance (USD) (Mar)		213.62B
US	Personal Spending (MoM) (Feb)	0,50%	0,40%	US	CPI (YoY) (Mar)	3,40%	2,40%	EU	Industrial Production (MoM) (Mar)		-1,50%
US	GDP Price Index (QoQ) (Q4)	3,80%	3,80%	US	Core CPI (MoM) (Mar)	0,30%	0,20%	US	NY Empire State Manufacturing Index (Apr)		-0,20
US	Core PCE Prices (Q4)	2,70%	2,70%	US	Core CPI (YoY) (Mar)	2,70%	2,50%	US	Import Price Index (MoM) (Mar)		1,30%
US	Initial Jobless Claims	210K	202K	US	Michigan 1-Year Inflation Expectations (Apr)		3,80%	US	Export Price Index (MoM) (Mar)		1,50%
US	Continuing Jobless Claims		1,841K	US	Michigan 5-Year Inflation Expectations (Apr)		3,20%				
US	WASDE Report			US	Michigan Consumer Sentiment (Apr)	52,10	53,30				
				US	Michigan Consumer Expectations (Apr)		51,70				
				US	Factory Orders (MoM) (Feb)	-0,20%	0,10%				



*Thank
you!*