Global Policy & Geopolitical Pressures Persist, Indonesia's Macro Indicators Stay Supportive

5 February 2026

Economist / Fikri C Permana

KB Valbury Sekuritas

EXCECUTIVE SUMMARY

- President Donald Trump has appointed Kevin Warsh as the next Chair of the Federal Reserve, ending a prolonged period of uncertainty. While Trump expressed strong confidence in the appointment, markets view Warsh as relatively hawkish, reinforcing expectations of a firm stance on inflation.
- Geopolitical risks remain elevated amid rising tensions in the Middle East, despite tentative signals of diplomacy from Iran. Combined with expectations of higher global oil prices, these risks continue to support concerns that global inflation will stay elevated, limiting the scope for earlier or more aggressive Fed easing.
- Markets currently price in two 25 bps rate cuts in 2026, in June and October. This backdrop has supported a rebound in the DXY above 97 and contributed to a narrowing in US Treasury yield spreads, signaling early flattening pressures.

- Domestically, Indonesia’s S&P Global Manufacturing PMI rose to 52.6 in Jan ‘26 (Prev: 51.2), signaling continued expansion.
- On the inflation front, Indonesia recorded monthly deflation of -0.15% MoM, while annual inflation increased to 3.55% YoY (Cons: 3.80%; Prev: 2.92%), largely reflecting base effects.
- Indonesia also extended its trade surplus streak to 68 consecutive months as of Dec ‘25, posting a surplus of USD2.52 bn (Cons: USD2.45 bn; Prev: USD2.66 bn).
- Nevertheless, market attention remains focused on the Indonesia Stock Exchange’s response to MSCI investability concerns, particularly amid ongoing reforms and interim leadership changes at the OJK and IDX.

Sources : KBVS research, various sources

TABLE OF CONTENTS :

3 Global Economy

8 Domestic Economy

17 Economic Calendar

US ECONOMIC DATA

US ECONOMIC INDICATORS	Unit	Latest Period	Data	
			Latest	Previous
Fed Rate	%	Jan '26	3.75	3.75
Economic Growth	%, yoy	3Q25	2.3	2.1
Inflation Rate	%, yoy	Dec '25	2.7	2.7
Unemployment Rate	%	Dec '25	4.4	4.5

Sources : various sources, KBVS Research (2026)

The data releases that influenced yield movements in the week of 29 Jan – 4 Feb '26 are as follows:

- US Initial Jobless Claims decreased to 209K (Cons: 206K, Prev: 210K).
- US Fed Interest Rate Decision in Jan '26 stable at 3.75% (Cons: 3.75%, Prev: 3.75%).
- US PPI in Dec '25 increased to 0.50% MoM (Cons: 0.20% MoM, Prev: 0.20% MoM).
- US Chicago PMI in Jan '26 increased to 54.00 (Cons: 43.50, Prev: 42.70).
- US S&P Global Manufacturing PMI in Jan '26 increased to 52.40 (Cons: 51.90, Prev: 51.90).
- US ISM Manufacturing Prices in Jan '26 increased to 59.00 (Cons: 59.30, Prev: 58.50).
- US ISM Manufacturing PMI in Jan '26 increased to 52.60 (Cons: 48.50, Prev: 47.90).

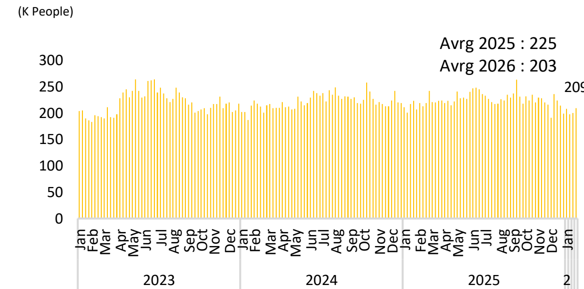
ECONOMIC CALENDAR

(29 JAN – 4 FEB '26)

Event	Actual	Forecast	Previous
Thursday, 29 Jan '26			
US Fed Interest Rate Decision	3.75%	3.75%	3.75%
US FOMC Statement			
US FOMC Press Conference			
US Initial Jobless Claims	209K	206K	210K
US Continuing Jobless Claims	1,827K	1,860K	1,865K
US Nonfarm Productivity (QoQ) (Q3)	4.90%	4.90%	3.30%
US Unit Labor Costs (QoQ) (Q3)	-1.90%	-1.90%	1.00%
US Trade Balance (Nov)	-56.80B	-43.40B	-29.20B
US Exports (Nov)	292.10B		303.00B
US Imports (Nov)	348.90B		332.10B
US Factory Orders (MoM) (Nov)	2.70%	1.70%	-1.20%
Friday, 30 Jan '26			
US 7-Year Note Auction	4.02%		3.93%
US President Trump Speaks			
US Fed's Balance Sheet	6,588B		6,585B
US PPI (MoM) (Dec)	0.50%	0.20%	0.20%
US Core PPI (MoM) (Dec)	0.70%	0.20%	0.00%
US Chicago PMI (Jan)	54.00	43.50	42.70
Monday, 2 Feb '26			
US S&P Global Manufacturing PMI (Jan)	52.40	51.90	51.90
US ISM Manufacturing Prices (Jan)	59.00	59.30	58.50
US ISM Manufacturing PMI (Jan)	52.60	48.50	47.90
US ISM Manufacturing Employment (Jan)	48.10	46.00	44.80
US Atlanta Fed GDP Now (Q4)	4.20%	4.20%	4.20%
Monday, 3 Feb '26			
US FOMC Member Bostic Speaks			
US FOMC Member Bowman Speaks			
Wednesday, 4 Feb '26			
US API Weekly Crude Oil Stock	-11.100M	0.700M	-0.247M
US ADP Nonfarm Employment Change (Jan)		46K	41K
US JOLTs Job Openings (Dec)		7.230M	7.146M
US S&P Global Services PMI (Jan)		52.50	52.50
US S&P Global Composite PMI (Jan)		52.80	52.80
US ISM Non-Manufacturing Prices (Jan)			65.10
US ISM Non-Manufacturing PMI (Jan)		53.80	54.40
US ISM Non-Manufacturing Employment (Jan)			52.00
US Crude Oil Inventories			-2.295M
US Cushing Crude Oil Inventories			-0.278M

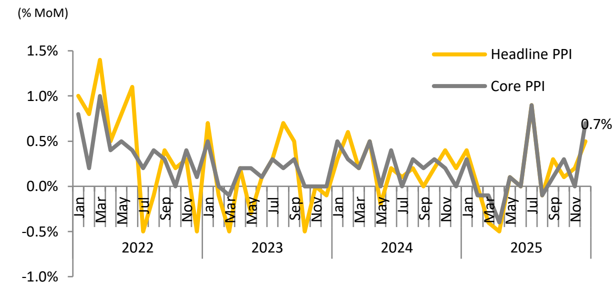
Sources : investing, KBVS Research (2026)

WEEKLY INITIAL JOBLESS CLAIMS



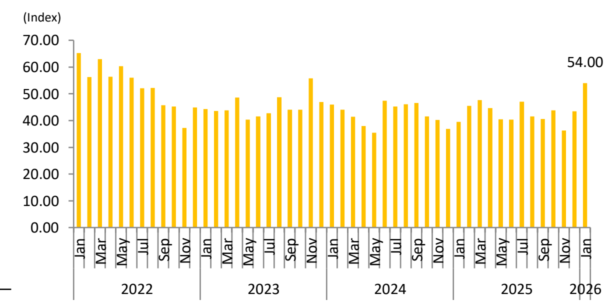
Sources : US DoL, KBVS Research (2026)

PPI



Sources : US Labor of Statistics, KBVS Research (2026)

CHICAGO PMI



Sources : US ISM Chicago, KBVS Research (2026)

FOCUS ON THE INCOMING FED SOON-TO-BE AND GEOPOLITICAL

FEDERAL RESERVE

Trump nominates Kevin Warsh for Federal Reserve chair to succeed Jerome Powell

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Jeff Cox
@JEFF.COX.7528
@JEFFCOXCNBCCOM

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TRENDING

KEY POINTS

- President Donald Trump on Friday named Kevin Warsh to succeed Jerome Powell as Federal Reserve chair, ending a prolonged odyssey that has seen unprecedented turmoil around the central bank.
- "I have known Kevin for a long period of time, and have no doubt that he will go down as one of the GREAT Fed Chairmen, maybe the best," said Trump in a Truth Social post announcing the selection.

Sources : CNBC (2026), link: https://www.cnbc.com/2026/01/30/trump-nominates-kevin-warsh-for-federal-reserve-chair-to-succeed-jerome-powell.html

News | Military

Trump says talks with Iran continuing as US shoots down an Iranian drone

Trump's comments come as Iran's president instructs his foreign minister to pursue 'fair and equitable negotiations' with the US.

Anti-American posters and Iranian flags displayed in Tehran [Fatemeh Bahrami/Anadolu]

Sources : Al Jazeera (2026), link: https://www.aljazeera.com/news/2026/2/3/us-military-says-it-shot-down-an-iranian-drone-in-arabian-sea

- President Donald Trump on Friday named Kevin Warsh to succeed Jerome Powell as Chair of the Federal Reserve, ending a prolonged period of uncertainty marked by unprecedented turbulence surrounding the central bank. "*I have known Kevin for a long period of time, and have no doubt that he will go down as one of the GREAT Fed Chairmen, maybe the best*," Trump said in a Truth Social post announcing the appointment.
- However, market participants view Warsh as having a relatively hawkish reputation during his tenure as a Fed governor, reflecting a stronger preference for higher interest rates and a firm stance on inflation risks.

- Meanwhile, tensions in the Middle East remain a key risk factor, particularly following reports that a U.S. aircraft carrier has moved closer to Iran.
- Nonetheless, Iranian President Masoud Pezeshkian stated on X that he had instructed Foreign Minister Abbas Araghchi to pursue talks, "*provided that a suitable environment exists—one free from threats and unreasonable expectations*."
- These remarks came after Iran's Supreme Leader, Ayatollah Ali Khamenei, warned that any attack on Iran would trigger a "*regional war*."
- U.S. President Donald Trump has increased military deployments in the region and has threatened military action should Iran fail to reach an agreement on its nuclear program and halt the killing of protesters.

FED PROBABILITIES

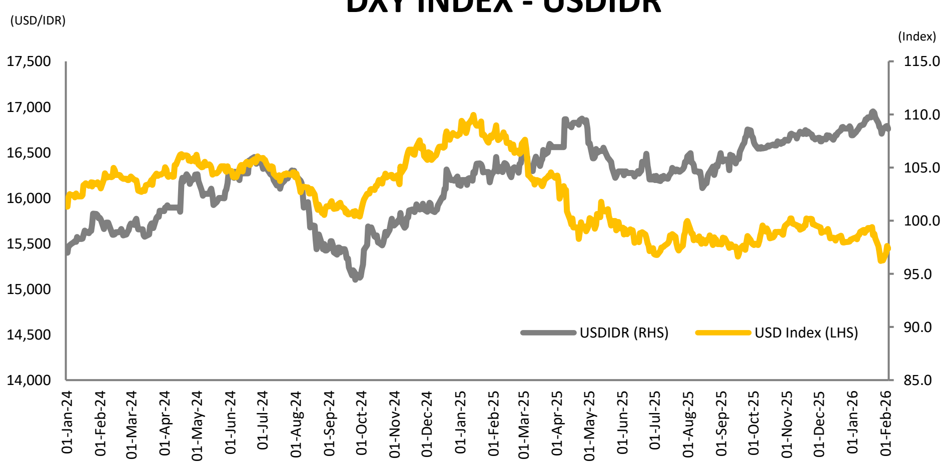
FED PROBABILITIES, as of 4 Feb '26

MEETING DATE	FED RATE EXPECTATION						
	220-225	225-250	250-275	275-300	300-325	325-350	350-375
18-Mar-26	0.0%	0.0%	0.0%	0.0%	0.0%	8.9%	91.1%
29-Apr-26	0.0%	0.0%	0.0%	0.0%	1.5%	22.5%	76.0%
17-Jun-26	0.0%	0.0%	0.0%	0.7%	10.7%	46.0%	42.6%
29-Jul-26	0.0%	0.0%	0.2%	3.9%	22.0%	44.9%	28.9%
16-Sep-26	0.0%	0.1%	1.9%	12.2%	32.5%	37.6%	15.7%
28-Oct-26	0.0%	0.5%	4.4%	17.1%	33.7%	32.3%	11.9%
9-Dec-26	0.1%	1.4%	7.2%	20.8%	33.4%	27.8%	9.3%
27-Jan-27	0.1%	1.4%	7.3%	20.9%	33.4%	27.6%	9.2%

Sources : CME Group, and KBVS Research (2026)

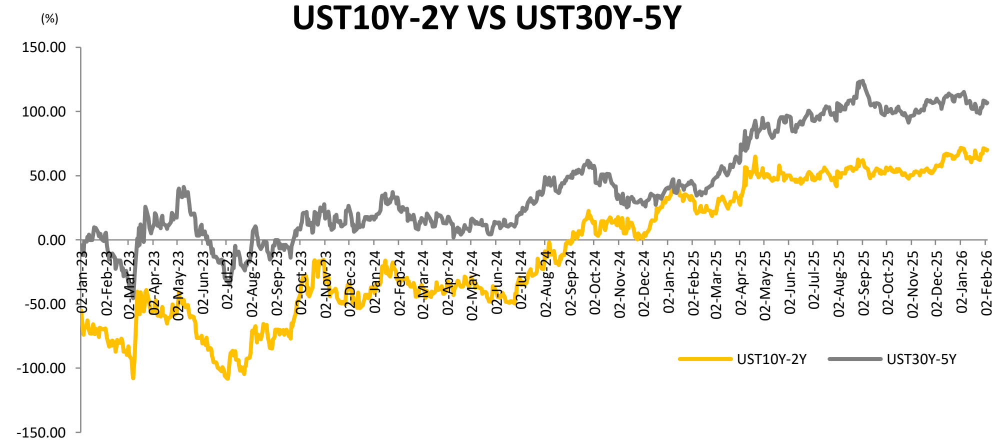
- Kevin Warsh's hawkish stance, combined with heightened geopolitical risks and expectations of rising global oil prices, continues to fuel concerns that global inflation will remain elevated.
- This backdrop has, in turn, restrained expectations for an earlier or more aggressive easing by the Federal Reserve.
- At present, the market continues to price in a 25 bps Fed rate cut on 17 Jun '26, followed by an additional 25 bps cut on 28 Oct '26.
- These developments have also supported a rebound in the DXY over the past week, bringing it back above the 97 level for the first time since 30 Jan '26.
- At the same time, this environment has opened room for a narrowing in yield spreads—both between the US 10Y–2Y and the 30Y–5Y—signaling the early stages of a flattening sentiment in the US Treasury yield curve.

DXY INDEX - USDIDR



Sources : Bloomberg, and KBVS Research (2026)

YIELD SPREAD UST10Y-2Y VS UST30Y-5Y



Sources : Bloomberg, and KBVS Research (2026)

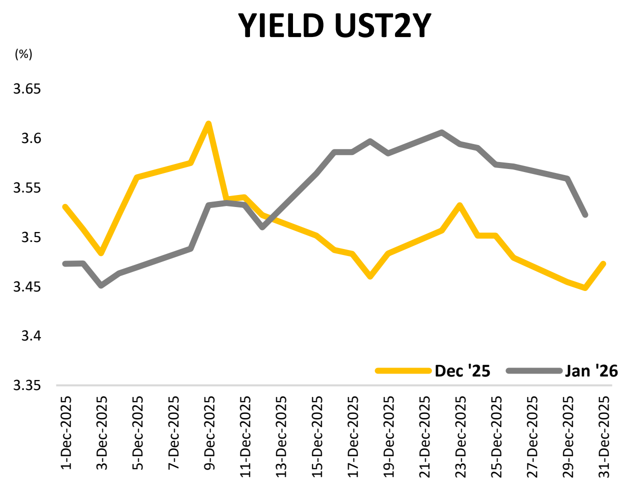
THE MOVEMENT OF UST YIELDS

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+

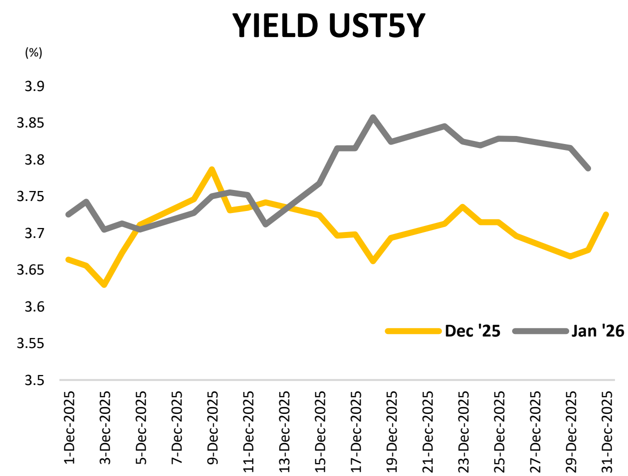
Sources : US Treasury, KBVS Research (2026)

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

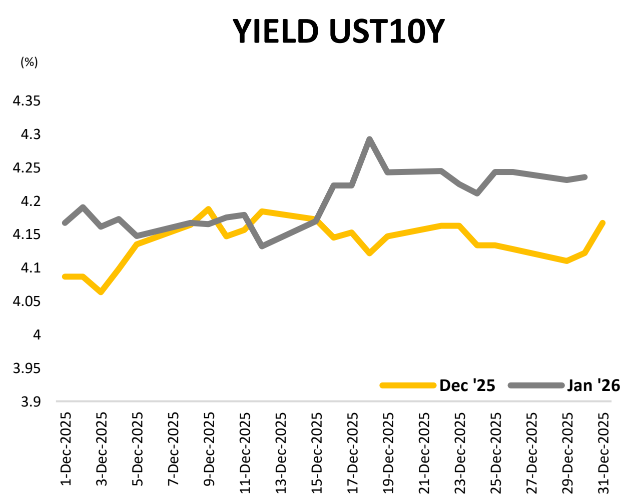
- Yield UST6M
  - -1.84 bps (WoW)
  - +2.40 bps (YtD, as of Feb 4,'26)
- Yield UST1Y
  - -3.37 bps (WoW)
  - -0.68 bps (YtD, as of Feb 4,'26)
- Yield UST2Y
  - +0.46 bps (WoW)
  - +10.28 bps (YtD, as of Feb 4,'26)
- Yield UST5Y
  - +1.39 bps (WoW)
  - +11.67 bps (YtD, as of Feb 4,'26)
- Yield UST10Y
  - +3.03 bps (WoW)
  - +10.65 bps (YtD, as of Feb 4,'26)
- Yield UST30Y
  - +4.54 bps (WoW)
  - +5.68 bps (YtD, as of Feb 4,'26)



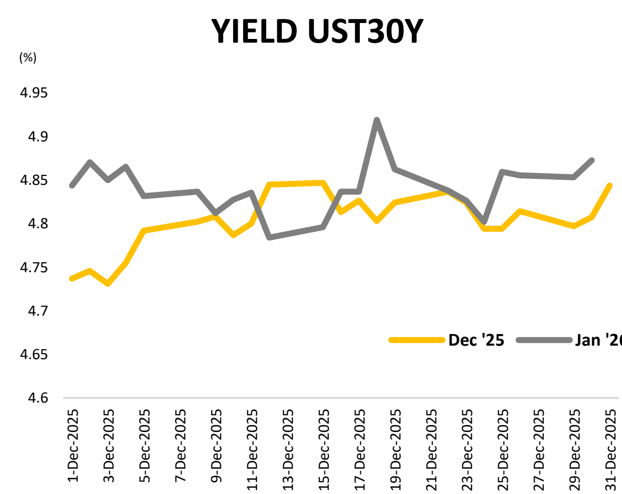
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)



Sources : US Treasury, KBVS Research (2026)



Sources : US Treasury, KBVS Research (2026)

TABLE OF CONTENTS :

3 Global Economy

8 Domestic Economy

17 Economic Calendar

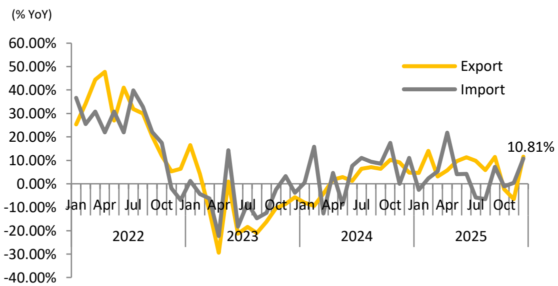
INDONESIA ECONOMIC DATA

INDICATORS OVERVIEW

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Policy Interest Rate	%	21 Jan '26	4.75	4.75
Economic Growth	%, yoy	3Q25	5.04	5.12
Inflation Rate	%, yoy	Jan '26	3.55	2.92
Unemployment Rate	%	Sep '25	4.85	4.76
S&P Credit Rating	Rating	17 July '24	BBB	BBB

Sources : various sources, KBVS Research (2026)

EXPORT-IMPORT



Sources : BPS, KBVS Research (2026)

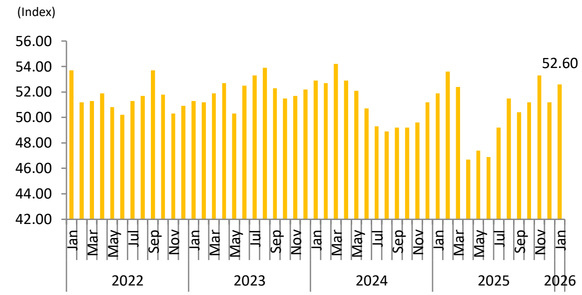
ECONOMIC CALENDAR

(29 JAN – 4 FEB '26)

Event	Actual	Forecast	Previous
Thursday, 29 Jan '26			
Friday, 30 Jan '26			
Monday, 2 Feb '26			
ID S&P Global Manufacturing PMI (Jan)	52.60		51.20
ID Inflation (YoY) (Jan)	3.55%	3.80%	2.92%
ID Inflation (MoM) (Jan)	-0.15%		0.64%
ID Core Inflation (YoY) (Jan)	2.45%	2.37%	2.38%
ID Export Growth (YoY) (Dec)	11.64%	-2.40%	-6.60%
ID Import Growth (YoY) (Dec)	10.81%	-0.70%	0.46%
ID Trade Balance (Dec)	2.52B	2.45B	2.66B
Tuesday, 3 Feb '26			
Wednesday, 4 Feb '26			

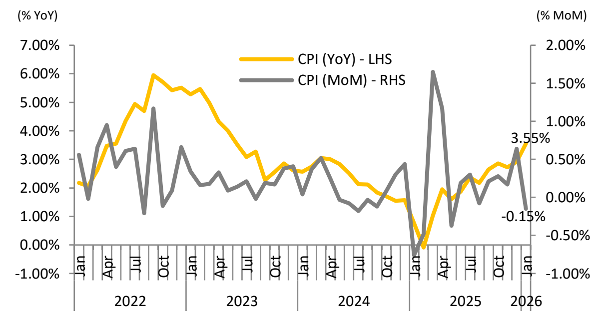
Sources : Investing, KBVS Research (2025)

S&P GLOBAL MANUFACTURING PMI



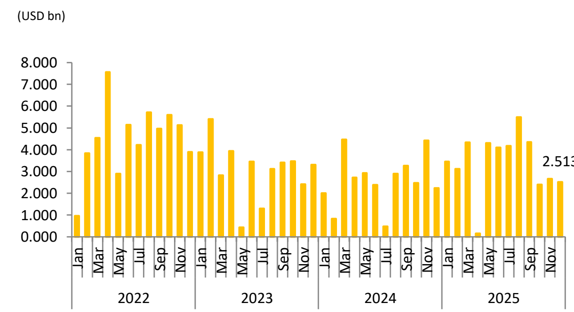
Sources : S&P Global, KBVS Research (2026)

CPI



Sources : BPS, KBVS Research (2026)

TRADE BALANCE



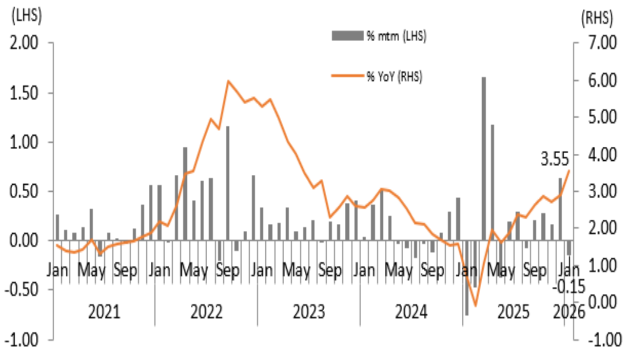
Sources : BPS, KBVS Research (2026)

The data releases that influenced yield movements in the week of 22-28 Jan '26 are as follows:

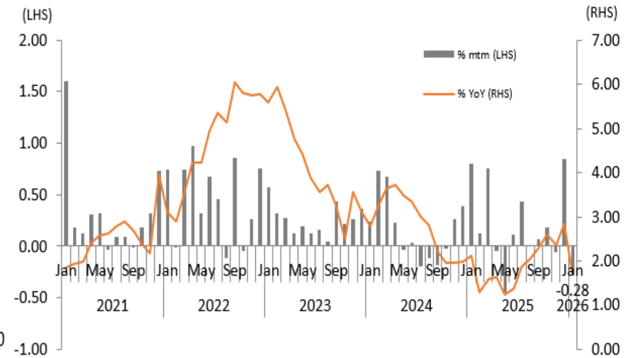
- ID S&P Global Manufacturing PMI increased to 52.60 (Prev: 51.20).
- On a monthly basis, Indonesia recorded deflation of -0.15% MoM, while annual inflation increased to 3.55% YoY (Consensus: 3.80% YoY, Previous: 2.92% YoY).
- Indonesia extended its trade surplus streak to 68 consecutive months as of Dec '25, sebesar USD2.52 bn (Cons: USD2.45 bn, Prev: USD2.66 bn).

INFLATION

CPI



WPI



Indicators	Index		Inflation	
	Latest	M-1	MoM	YoY
Consumer Price Index (CPI)	109.75	109.92	-0.15%	3.55%
Food, Beverages, and Tobacco	114.28	115.47	-1.03%	1.54%
Clothing and Footwear	104.06	104.06	0.00%	0.56%
Housing, Water, Electricity, and Household Fuels	104.32	104.26	0.06%	11.93%
Equipment, Tools, and Routine Household Maintenance	104.18	104.08	0.10%	0.16%
Health	106.76	106.55	0.20%	1.62%
Transport	110.32	110.83	-0.46%	0.58%
Info, Comm. and Financial Services	99.21	99.20	0.01%	-0.19%
Recreation, Sport and Culture	105.57	105.48	0.09%	1.05%
Education Services	106.23	106.20	0.03%	1.11%
Food and Beverages Services/Restaurants	108.41	108.20	0.19%	1.36%
Personal Care and Other Services	131.24	128.31	2.28%	15.22%
Core inflation	108.26	107.86	0.37%	2.45%
Administered Price	110.55	110.90	-0.32%	9.71%
Volatile Food	114.94	117.24	-1.96%	1.14%
Wholesale Price Index (WPI)	106.00	106.30	-0.28%	1.73%
Agriculture	109.05	111.87	-2.52%	2.20%
Mining and Quarrying	102.15	101.15	0.99%	0.73%
Manufacturing	108.40	108.04	0.33%	2.37%
Farmer Exchange Rate	123.60	125.35	-1.40%	0.67%
Farmers Price Received Index	155.02	157.94	-1.85%	3.69%
Farmers Price Paid Index	125.42	126.00	-0.46%	3.01%

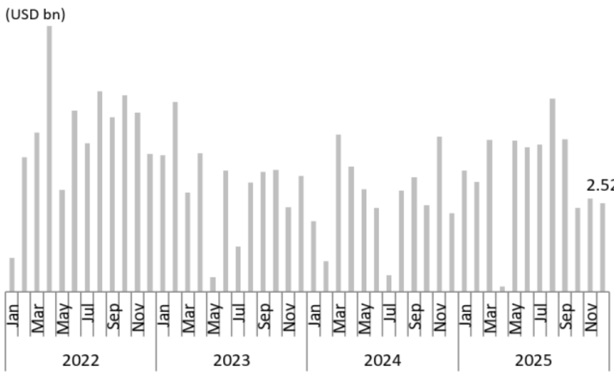
Source: KBVS, BPS (2026)

- **The decline in non-subsidized fuel prices, combined with improving distribution conditions**—particularly in regions affected by the Nov and Dec '25 disasters—**contributed to monthly deflation in Jan '26.**
- Nevertheless, the lower base effect in Jan '25 pushed the annual headline CPI to its highest level in nearly three years.

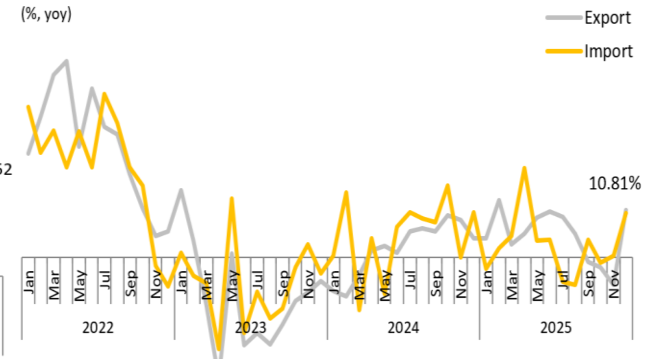
- **Looking ahead, rising gold prices and a weakening rupiah are expected to exert upward pressure on inflation.**
- However, improvements in distribution networks and stable staple food prices are anticipated to help contain further inflationary pressures in Feb '26.

TRADE BALANCE

TRADE BALANCE



EXPORT - IMPORT



Indicators	Value (USD bn) Latest	M-1	Growth (%) MoM	YoY
Total Export (FOB)	26.35	22.52	16.99	11.64
Oil and Gas	1.26	0.88	42.84	-18.14
- Crude Oil	0.14	0.15	-11.47	-41.17
- Processed Oil	0.38	0.22	71.57	-18.07
- Gas	0.74	0.51	46.61	-11.85
Non-Oil and Gas	25.09	21.64	15.93	13.72
- Agriculture, Forestry, and Fisheries	0.52	0.54	-5.06	-10.91
- Manufacturing	21.17	18.11	16.90	19.25
- Mining & Others	3.40	2.99	13.90	-8.78
Total Import (CIF)	23.83	19.86	20.02	10.81
Oil and Gas	3.35	2.86	17.31	1.71
- Crude Oil	0.86	0.87	-1.41	-4.52
- Processing Oil	2.49	1.99	25.54	4.05
- Gas	0.00	0.00	0.00	0.00
Non-Oil and Gas	20.48	17.00	20.47	12.46
Import Based on the Goods Usage Classification				
Consumption Goods	2.41	1.99	21.19	4.56
Raw/Auxiliary Materials	16.10	13.60	18.42	5.58
Capital Goods	5.32	4.27	24.58	34.66
Trade Balance	2.51	2.66	-5.62%	12.17%
Oil and Gas Trade Balance	-2.09	-1.98	5.92%	18.94%
Non-Oil and Gas Trade Balance	4.61	4.64	-0.70%	15.15%

Source: KBVS, BPS (2026)

- **Indonesia extended its trade surplus streak to 68 consecutive months in Dec ‘25, recording a surplus of USD2.52 bn** (Cons: USD2.53 bn; KBVS: USD3.36 bn; Prev: USD2.66 bn).
- **By commodity group (HS 2-digit), the largest export contributor in 2025 was Animal/Vegetable Fats and Oils (HS15),** which surged 27.94% YoY to USD34.36 bn, supported by a sharp 71.75% MoM increase in Dec ’25 to USD3.79 bn.
- **On the import side, the largest annual increase came from Miscellaneous Chemical Products (HS38),** which rose 38.17% YoY to USD5.19 bn (2024: USD3.76 bn).

- **Despite the stronger trade surplus performance, foreign exchange reserves remained relatively stable**, rising marginally from USD155.72 bn at end-2024 to USD156.47 bn at end-2025. This indicates that the FX from Export Proceeds (DHE) repatriation policy has yet to be fully effective in encouraging onshore FX placement.

- **Looking ahead, we expect Indonesia’s trade surplus to remain intact, supported by the continued improvement in manufacturing activity.**
- The Manufacturing PMI rose further to 52.6 (Prev: 51.2) in Jan ‘26, indicating sustained global competitiveness of Indonesian products, **which should help support rupiah stability. However, seasonal demand related to Lunar New Year, Ramadan, and Eid may drive higher imports of refined oil products and consumer goods in the near term.**

IDX's RESPONSE TO MSCI

Below are 8 action plans for Indonesia's capital market reform to be implemented by the Indonesia Stock Exchange (IDX):

1. **Increase in the minimum free float requirement to 15%, up from the current 7.5%**, to be implemented gradually. For new IPOs, the 15% threshold may be applied immediately, while existing listed companies will be given a transition period.
2. **Strengthening the role of domestic institutional investors** and expanding the investor base, both domestically and internationally. The government will support this initiative through adjustments to investment limits, including for the insurance and pension fund sectors, in line with prudent risk management and governance principles.
3. **Enhancement of transparency regarding ultimate beneficial ownership (UBO)** and disclosure of shareholder affiliations. The Financial Services Authority (OJK) will promote firm regulations aligned with international best practices to improve market credibility.
4. **Demutualization of the Indonesia Stock Exchange (IDX)** in accordance with statutory mandates, aimed at improving governance and reducing conflicts of interest. OJK will continue to coordinate with the government and IDX on implementation preparations.
5. **Stronger regulatory enforcement and sanctions** against capital market violations. Enforcement efforts will focus on stock transaction manipulation and the dissemination of misleading information that harms retail investors.
6. **Strengthening issuer governance**, including mandatory continuous education for directors, commissioners, and audit committees. In addition, certification requirements will be introduced for professionals responsible for preparing issuers' financial statements.
7. **Integrated market deepening through cross-authority coordination**, involving OJK, the Ministry of Finance, Bank Indonesia, and other relevant stakeholders. This initiative aims to reinforce the capital market as a sustainable source of long-term financing.
8. **Enhanced and sustained collaboration with all stakeholders**, including the government, self-regulatory organizations (SROs), and industry participants, to ensure that capital market reforms are implemented consistently and sustainably.

Ikut Arahan MSCI, Kepemilikan Saham di Atas 1% Dibuka ke Publik

Romys Binekasri, CNBC Indonesia

02 February 2026 17:44

Foto: Pejabat pengganti Ketua dan Wakil Ketua Dewan Komisioner OJK, Friderica Widyasari Dewi (tengah) saat konferensi pers di BEI, Jakarta, Senin (2/2/2026). (CNBC Indonesia/Romys Binekasari)

Source: CNBC(2026), link: https://www.cnbcindonesia.com/market/20260202173306-17-707515/ikut-arahan-msci-kepemilikan-saham-di-atas-1-dibuka-ke-publik

Hasil Pertemuan OJK-BEI dengan MSCI: Data Investor Dirinci Jadi 27 Subsektor

OJK dan BEI berkomitmen untuk memenuhi permintaan MSCI terkait transparansi data dengan merinci klasifikasi investor dari 9 tipe menjadi 27 sub tipe.

Akbar Maulana al Ishaqi - Bisnis.com

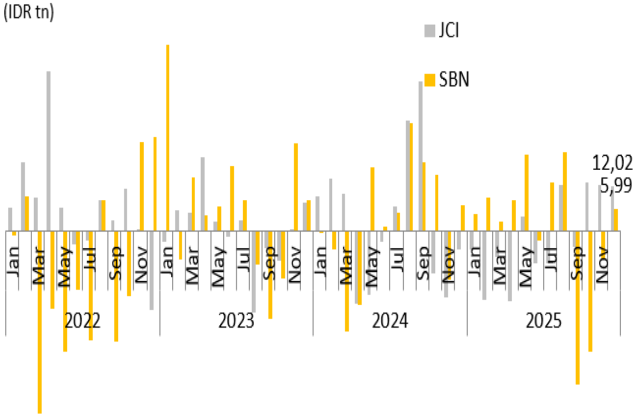
Senin, 2 Februari 2026 | 18:01

Share

Source: Bisnis Indonesia (2026), link: https://market.bisnis.com/read/20260202/7/1949403/hasil-pertemuan-ojk-bei-dengan-msci-data-investor-dirinci-jadi-27-subsektor

DEVELOPMENT OF TRADABLE SBN

CAPITAL FLOW IN SBN&JCI



Sources : Bloomberg, KBVS Research (2026)

Between 29 January – 4 February ‘26, non-residents conducted:

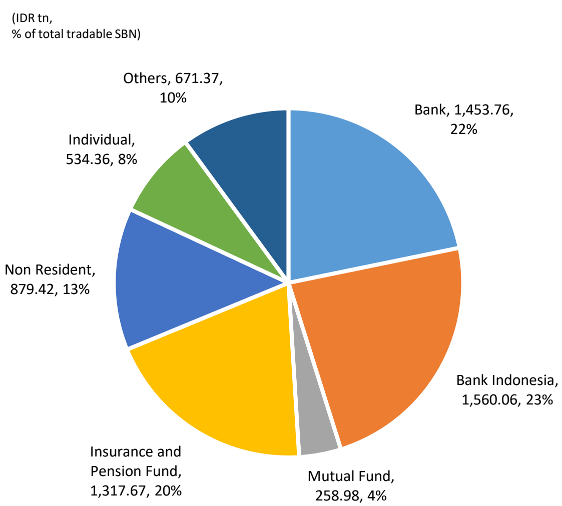
- A net sell of tradeable SBN, amounting IDR2.51 tn.
- A net sell of JCI, amounting IDR7.18 tn.

SUN LATEST AUCTION

3 Feb '26										
Instruments	SPN01260307	SPN12260507	SPN12270204	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	2.66	2.40	6.92	25.40	20.60	6.94	4.13	3.79	3.75	76.59
Bid to Cover Ratio	1.72	4.80	1.38	4.13	1.96	1.24	3.94	1.35	1.32	2.13
Weighted Average Yields Awarded	4.480%	4.500%	4.610%	5.706%	6.320%	6.540%	6.588%	6.750%	6.790%	
20 Jan '26										
Instruments	SPN01260221	SPN12260423	SPN12270107	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	6.18	10.96	14.48	15.40	14.63	6.00	5.84	4.95	4.47	82.90
Bid to Cover Ratio	3.09	3.65	2.90	2.00	2.25	2.93	1.41	1.90	1.49	2.30
Weighted Average Yields Awarded	4.300%	4.350%	4.650%	5.718%	6.320%	6.490%	6.590%	6.730%	6.790%	

Sources : DJPPR, KBVS Research (2026)

OWNERSHIP of IDR TRADABLE SBN



Sources : DJPPR, and KBVS Research (2026)

As of 2 February ‘26, the largest ownership of tradable SBN is as follows:

- Bank Indonesia : IDR1,560.06 tn (+IDR19.95 tn, WoW),
- Banks : IDR1,453.76 tn (-IDR7.35 tn, WoW), and
- Insurance & Pension Funds: IDR1,317.67 tn (+IDR3.36 tn, WoW)

SBSN LATEST AUCTION

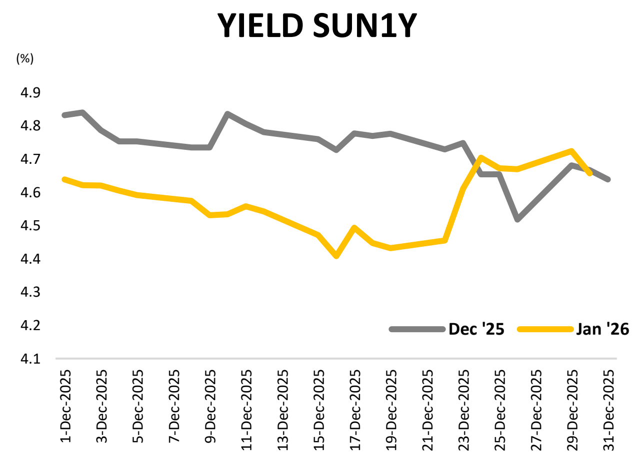
27 Jan '26									
Instruments	SPNS09032026	SPNS10082026	SPNS12102026	PBS030	PBS040	PBS034	PBS005	PBS038	Total
Incoming Bids (IDR tn)	4.64	3.15	6.29	10.80	3.00	2.01	2.57	6.15	38.59
Bid to Cover Ratio	4.64	3.15	3.15	3.93	1.50	1.38	3.43	5.85	3.22
Weighted Average Yields Awarded	4.250%	4.400%	4.750%	5.237%	5.599%	6.419%	6.620%	6.720%	
13 Jan '26									
Instruments	SPNS12012026	SPNS13072026	SPNS12102026	PBS030	PBS040	PBSG002	PBS034	PBS038	Total
Incoming Bids (IDR tn)	6.35	10.40	10.08	8.64	5.93	4.55	3.90	5.41	55.26
Bid to Cover Ratio	6.35	10.40	3.36	2.08	5.39	7.58	9.76	7.21	4.61
Weighted Average Yields Awarded	4.300%	4.450%	4.500%	5.159%	5.508%	6.018%	6.345%	6.679%	

Sources : DJPPR, KBVS Research (2026)

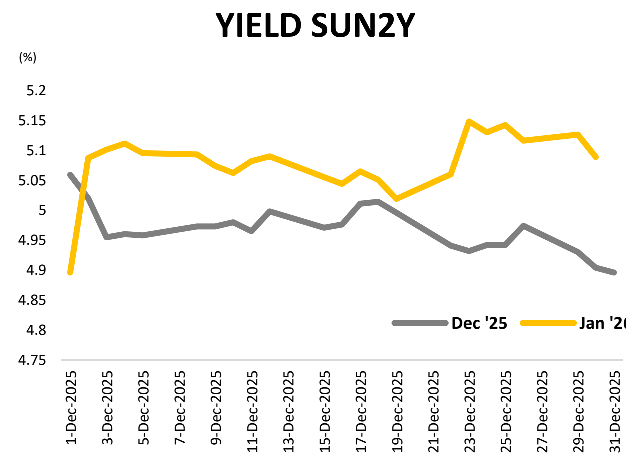
THE MOVEMENT OF SUN YIELDS

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

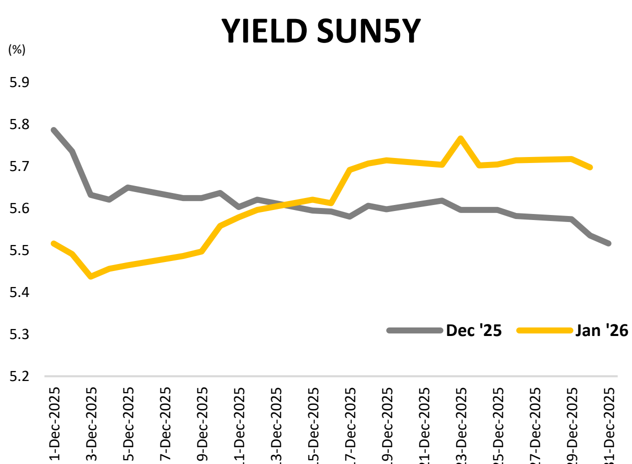
- Yield SUN1Y
  - +15.40 bps (WoW)
  - +18.40 bps (YtD, as of Feb 4,'26)
- Yield SUN2Y
  - -8.50 bps (WoW)
  - +13.50 bps (YtD, as of Feb 4,'26)
- Yield SUN5Y
  - -6.30 bps (WoW)
  - +13.50 bps (YtD, as of Feb 4,'26)
- Yield SUN10Y
  - -4.40 bps (WoW)
  - +25.10 bps (YtD, as of Feb 4,'26)
- Yield SUN30Y
  - +0.10 bps (WoW)
  - +3.90 bps (YtD, as of Feb 4,'26)



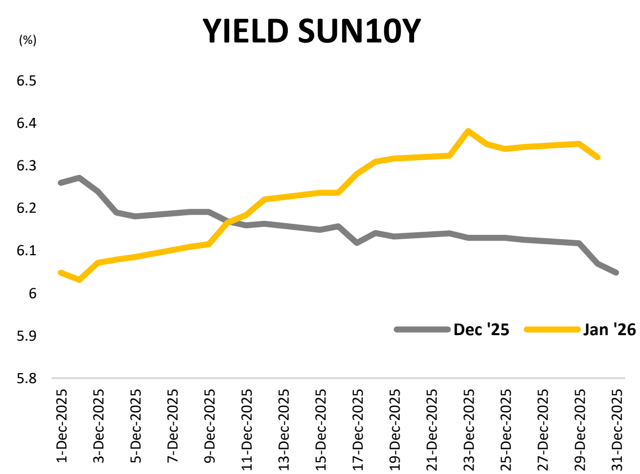
Sources : Bloomberg, KBVS Research (2026)



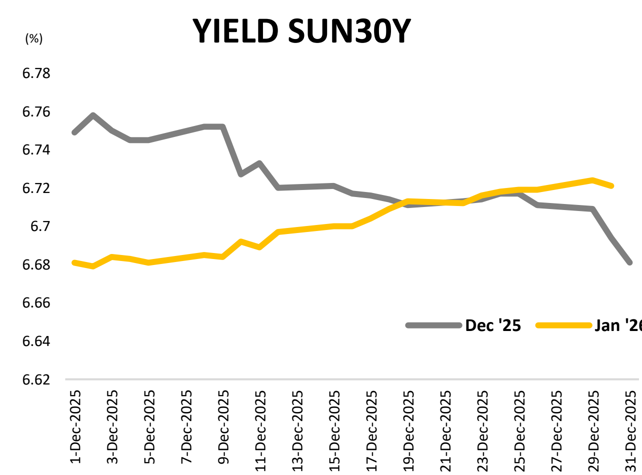
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)

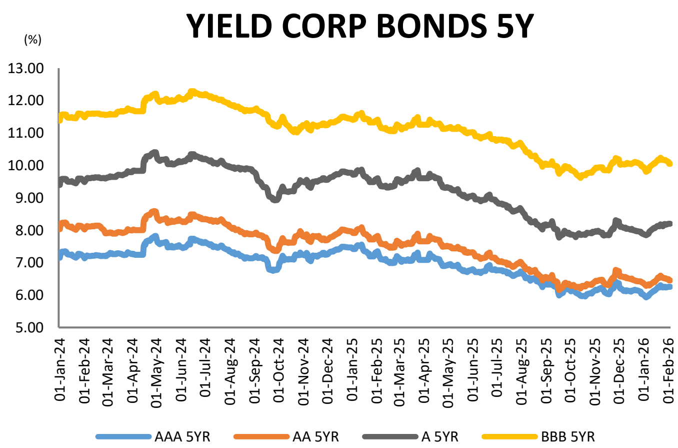


Sources : Bloomberg, KBVS Research (2026)

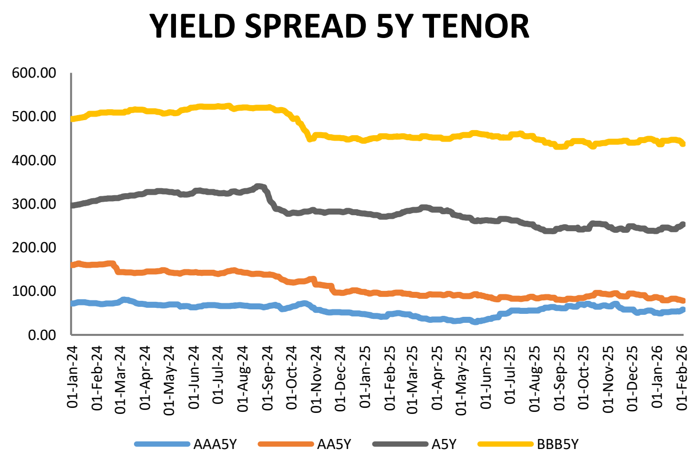


Sources : Bloomberg, KBVS Research (2026)

THE MOVEMENT OF CORPORATE BOND YIELD



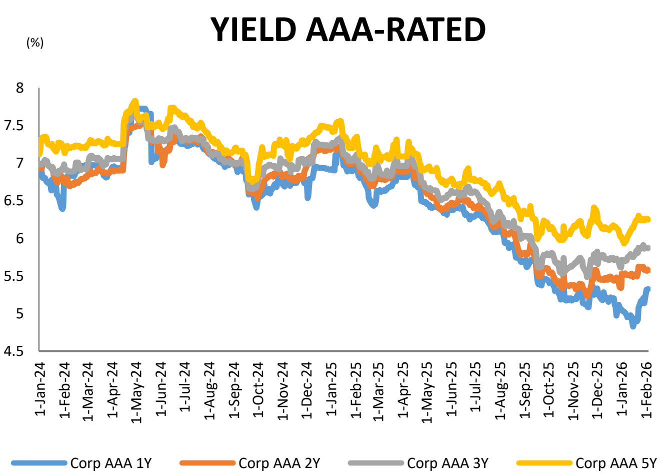
Sources : Bloomberg, KBVS Research (2026)



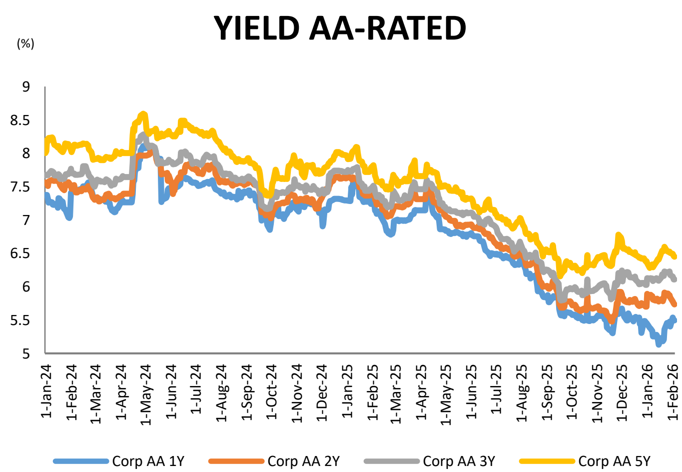
Sources : Bloomberg, KBVS Research (2026)

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

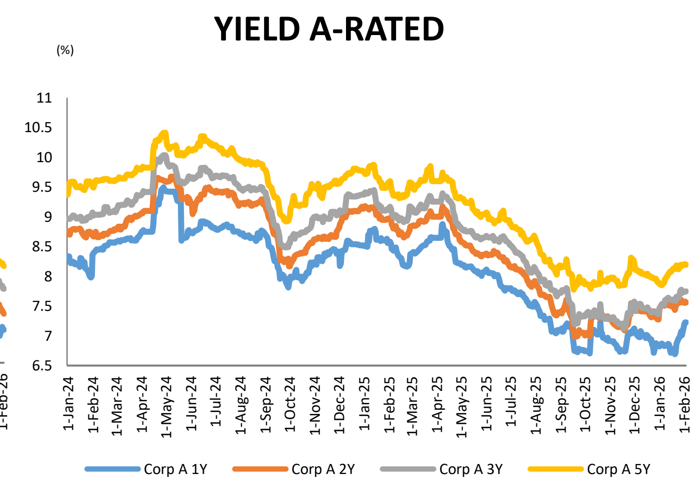
- AAA-rated
  - Tenor 1Y : +18.86 bps (WoW)
  - Tenor 2Y : -3.88 bps (WoW)
  - Tenor 5Y : -1.97 bps (WoW)
- AA-rated
  - Tenor 1Y : +9.25 bps (WoW)
  - Tenor 2Y : -13.31 bps (WoW)
  - Tenor 5Y : -8.94 bps (WoW)
- A-rated
  - Tenor 1Y : +21.89 bps (WoW)
  - Tenor 2Y : -2.88 bps (WoW), and
  - Tenor 5Y : -0.68 bps (WoW)



Sources : Bloomberg, KBVS Research (2026)



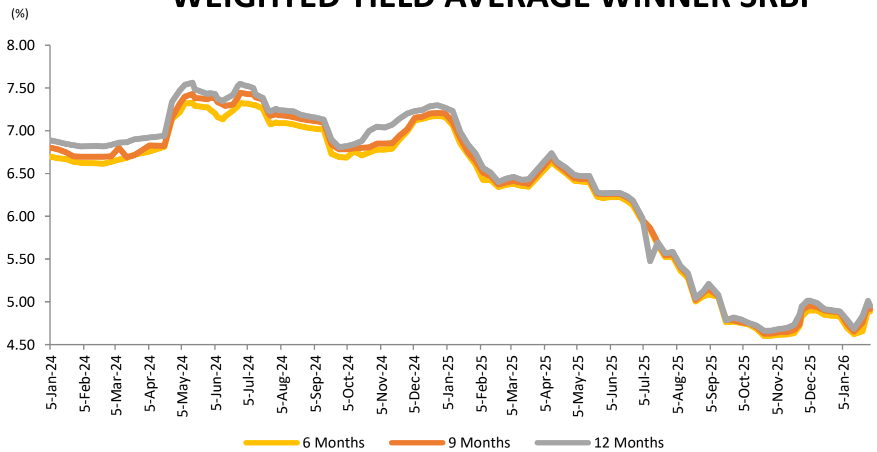
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)

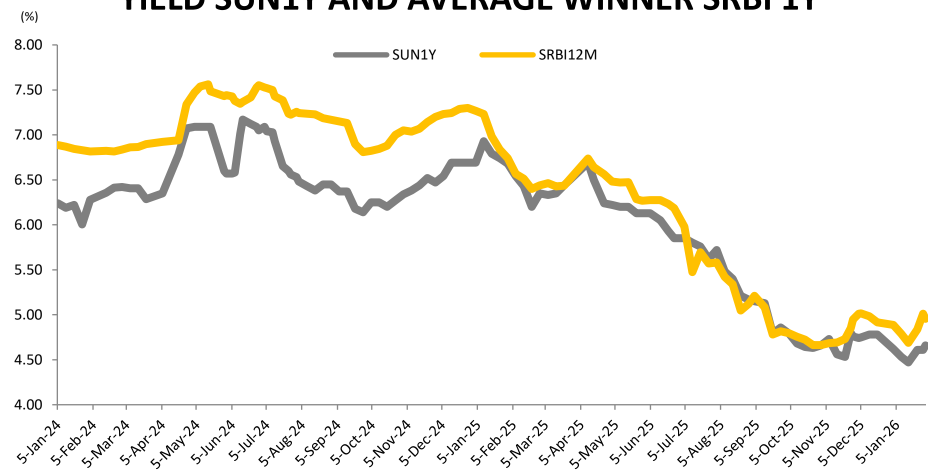
BI'S MONETARY OPERATION

WEIGHTED YIELD AVERAGE WINNER SRBI



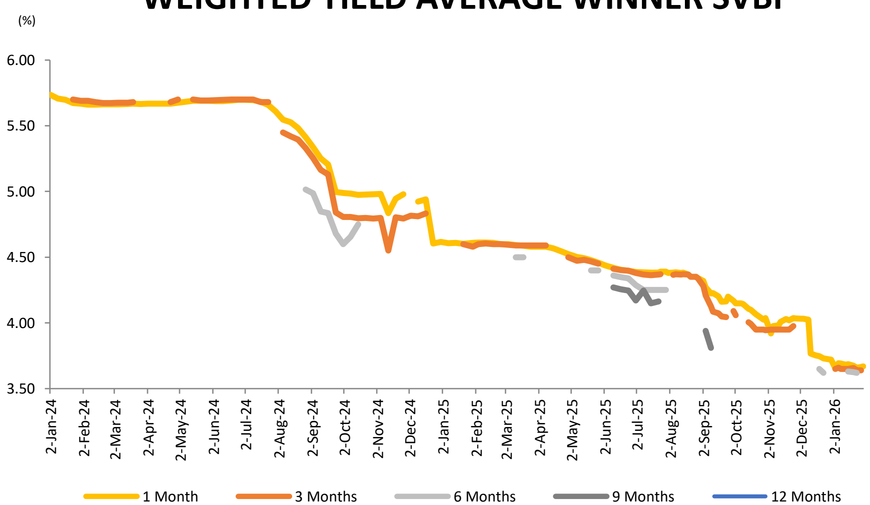
Sources : BI, KBVS Research (2026)

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 (%)	30 Jan 2026	4 Feb 2026
6 Month	4.88983%	4.85033%
9 Month	4.92015%	4.88875%
12 Month	4.95658%	4.92135%

- Meanwhile, the latest SUVBI auction saw the profit sharing rate was at:
  - 1 month: 3.655%
  - 3 month: 3.650%
  - 6 month: 3.606%
  - 9 month: 3.543%
  - 12 month: 3.481%

TABLE OF CONTENTS :

3 Global Economy
10 Domestic Economy
17 **Economic Calendar**

NEXT WEEK ECONOMIC CALENDAR

ECONOMIC CALENDAR

(5-11 FEB 2026)

Country	Event	Forecast	Previous
Thursday, Feb 5, 2026			
ID GDP (YoY) (Q4)		5.00%	5.03%
ID GDP (QoQ) (Q4)			1.43%
GE Factory Orders (MoM) (Dec)		-1.30%	5.60%
GB S&P Global Construction PMI (Jan)		42.00	40.10
GB BOE Interest Rate Decision (Feb)		3.75%	3.75%
GB BoE MPC Vote Cut (Feb)		2.00	5.00
GB BoE MPC Vote Unchanged (Feb)		7.00	4.00
GB BoE MPC Vote Hike (Feb)		0.00	0.00
GB BoE MPC Meeting Minutes			
GB BoE Gov Bailey Speaks			
EU Deposit Facility Rate (Feb)		2.00%	2.00%
EU ECB Interest Rate Decision (Feb)		2.15%	2.15%
EU ECB Marginal Lending Facility			2.40%
EU ECB Monetary Policy Statement			
US Initial Jobless Claims		213K	209K
US Continuing Jobless Claims			1,827K
EU ECB Press Conference			
EU ECB President Lagarde Speaks			
US FOMC Member Bostic Speaks			

Country	Event	Forecast	Previous
Friday, Feb 6, 2026			
US Fed's Balance Sheet			6,588B
JP Household Spending (YoY) (Dec)		-0.30%	2.90%
JP Household Spending (MoM) (Dec)		-1.30%	6.20%
GE Trade Balance (Dec)		14.50B	13.10B
GE Industrial Production (MoM) (Dec)		-0.30%	0.80%
GB Halifax House Price Index (MoM) (Jan)		0.20%	-0.60%
GB Halifax House Price Index (YoY) (Jan)			0.30%
GB Mortage Rate (GBP) (Jan)			6.77%
GB BoE MPC Member Pill Speaks			
US Average Hourly Earnings (MoM) (Jan)		0.30%	0.30%
US Nonfarm Payrolls (Jan)		67K	50K
US Unemployment Rate (Jan)		4.40%	4.40%
US Private Nonfarm Payrolls (Jan)		60K	37K
US U6 Unemployment Rate (Jan)			8.40%
US Participation Rate (Jan)			62.40%
US Average Hourly Earnings (YoY) (Jan)		3.60%	3.80%
US Payroll Benchmark n.s.a.			-911.00K
US Michigan 1-Year Inflation Expectations (Feb)			4.00%
US Michigan 5-Year Inflation Expectations (Feb)			3.30%
US Michigan Consumer Expectations (Feb)			57.00
US Michigan Consumer Sentiment (Feb)		55.40	56.40

Country	Event	Forecast	Previous
Monday, Feb 9, 2026			
JP Current Account n.s.a. (Dec)			3.674T
JP Adjusted Current Account (Dec)			313.78T
ID Consumer Confidence (Jan)			123.50
Tuesday, Feb 10, 2026			
GB BRC Retail Sales Monitor (YoY) (Jan)			1.00%
US Retail Sales (MoM) (Dec)			0.60%
US Core Retail Sales (MoM) (Dec)			0.50%
US Import Price Index (MoM) (Dec)			0.40%
US Export Price Index (MoM) (Dec)			0.50%
US Employment Cost Index (QoQ) (Q4)			0.80%
US Retail Control (MoM) (Dec)			0.40%
US Business Inventories (MoM) (Nov)			0.30%
US Retail Inventories Ex Auto (Nov)			0.30%
Wednesday, Feb 11, 2026			
CN CPI (MoM) (Jan)			0.20%
CN CPI (YoY) (Jan)			0.80%
CN PPI (YoY) (Jan)			-1.90%
US CPI (MoM) (Jan)			0.30%
US CPI (YoY) (Jan)			2.70%
US Core CPI (MoM) (Jan)			0.20%
US Core CPI (YoY) (Jan)			2.60%

Sources : investing, KBVS Research (2025)


Thank you!