

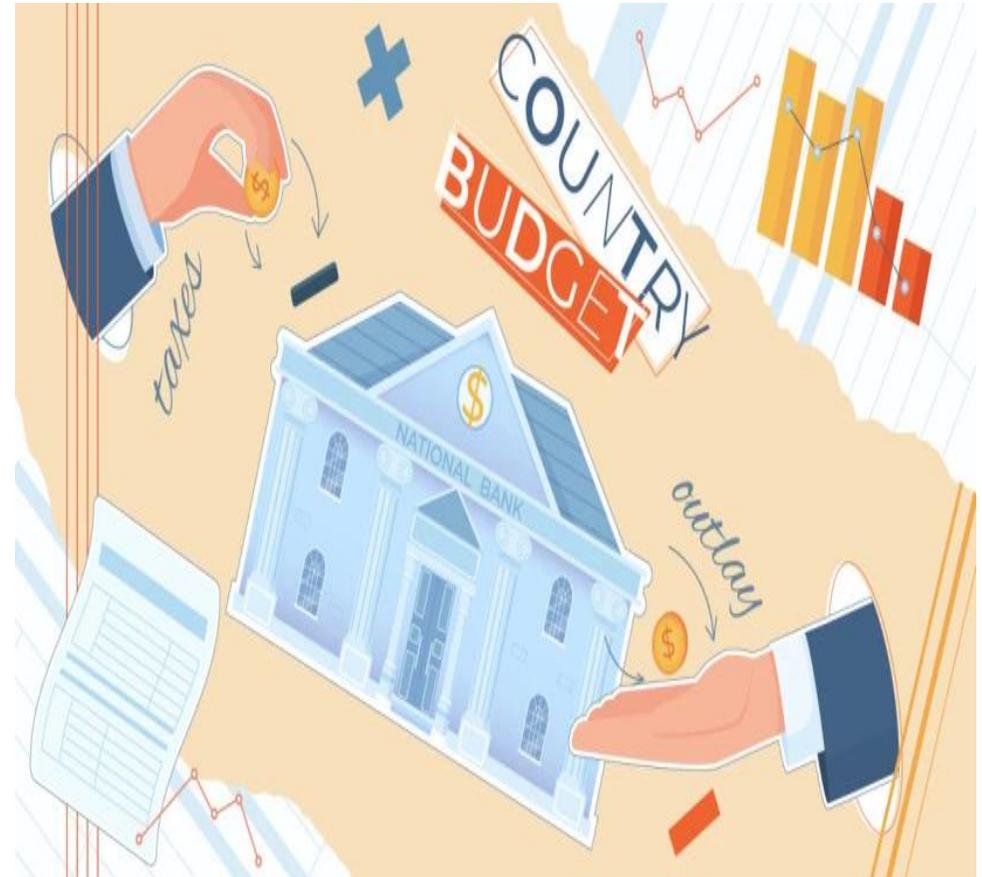
# Bond Markets at a Crossroads Amid Disinflation Hopes and Fiscal Concerns

26 February 2026

Economist / Fikri C Permana

# EXECUTIVE SUMMARY

- U.S. economic growth is moderating, with GDP expanding at 1.4% while annual inflation has eased to 2.4%. In principle, such a macroeconomic backdrop—slowing growth combined with softer headline inflation—tends to be constructive for fixed income markets. Bond investors typically anticipate monetary policy shifts in advance, and expectations of rate cuts generally support higher bond prices and lower yields. Under normal circumstances, this environment would reinforce the case for monetary easing.
- However, the latest Core PCE Price Index rose by 0.40% MoM, exceeding expectations and signaling that underlying inflationary pressures remain persistent. This upside surprise has tempered expectations for an imminent policy pivot. As a result, markets are reassessing the timing of potential rate cuts, particularly given the Federal Reserve’s data-dependent stance.
- Additional uncertainty stems from potential tariff policies under former President Trump, which could reintroduce supply-side pressures and complicate the inflation outlook.
- Reflecting these dynamics, markets are currently pricing in a 98% probability that the Federal Reserve will keep interest rates unchanged at the Mar '26 meeting, indicating a near-term pause despite the broader growth deceleration.
- This suggests that while the medium-term trajectory may still lean toward easing, policymakers are likely to remain cautious until clearer evidence of sustained disinflation emerges.
- At the same time, rising fiscal deficits present a key domestic risk. A widening deficit could put upward pressure on government bond supply, potentially limiting the extent of yield declines even in a slowing growth environment.
- Furthermore, a deteriorating current account position warrants closer monitoring, as it may increase external vulnerabilities and heighten sensitivity to global capital flow shifts.
- Taken together, while the macro backdrop initially appears supportive for bonds, persistent core inflation, policy uncertainty, and structural imbalances introduce constraints that could delay or moderate the magnitude of monetary easing.



Source : UGM (2025), <https://ugm.ac.id/en/news/ugm-professor-attributes-regional-budget-cuts-to-weak-fiscal-independence/>



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# US ECONOMIC DATA

US ECONOMIC INDICATORS	Unit	Latest Period	Data	
			Latest	Previous
Fed Rate	%	Jan '26	3.75	3.75
Economic Growth	%, yoy	4Q25	2.2	2.3
Inflation Rate	%, yoy	Jan '26	2.4	2.7
Unemployment Rate	%	Jan '26	4.3	4.4

Sources : various sources, KBVS Research (2026)

The data releases that influenced yield movements in the week of 19-25 Feb '26 are as follows:

- US Initial Jobless Claims decreased to 206K (Cons: 223K, Prev: 229K).
- US Philly Fed Manufacturing Index in Feb '26 increased to 16.30 (Cons: 7.50, Prev: 12.60).
- US Crude Oil Inventories decreased to -9.014M (Cons: 1.700M, Prev: 8.530M).
- US Core PCE Price Index in Dec '26 increased to 0.40% MoM (Cons: 0.30% MoM, Prev: 0.20%).
- US GDP in 4Q25 decreased to 1.40% QoQ (Cons: 2.80% QoQ, Prev: 4.40% QoQ)
- US S&P Global Manufacturing PMI in Feb '26 decreased to 51.20 (Cons: 52.40, Prev: 52.40)
- US S&P Global Services PMI in Feb '26 decreased to 52.30 (Cons: 53.00, Prev: 52.70)
- US New Home Sales in Dec '25 increased to 745K (Cons: 732K, Prev: 656K)
- US CB Consumer Confidence in Feb '26 increased to 91.20 (Cons: 87.40, Prev: 89.00)

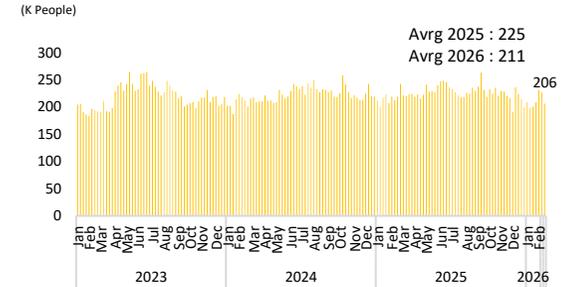
## ECONOMIC CALENDAR

(19-25 FEB '26)

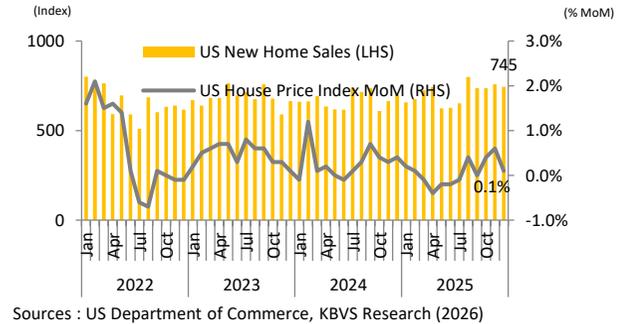
Event	Actual	Forecast	Previous
<b>Thursday, 19 Feb '26</b>			
US 20 year Bond Auction	4.66%		4.85%
US FOMC Member Bowman Speaks			
US FOMC Meeting Minutes			
US TIC Net Long-Term Transactions (Dec)	28.00B		206.60B
US API Weekly Crude Oil Stock	-0.609M		13.400M
US FOMC Member Bostic Speaks			
US Philly Fed Manufacturing Index (Feb)	16.30	7.50	12.60
US Initial Jobless Claims	206K	223K	229K
US Continuing Jobless Claims	1,869K	1,860K	1,852K
US Philly Fed Employment (Feb)	-1.30		9.70
US Goods Trade Balance (Dec)	-98.50B	-86.00B	-82.78B
US Trade Balance (Dec)	-70.30B	55.50B	-53.00B
US Retail Inventories Ex Auto (Dec)	0.20%		-0.20%
US Exports (Dec)	287.30B		292.30B
US Imports (Dec)	357.60B		345.30B
US FOMC Member Bowman Speaks			
US FOMC Member Kashkari Speaks			
US Pending Home Sales (MoM) (Jan)	-0.80%	1.40%	-7.40%
US Leading Index (MoM) (Dec)	-0.20%	-0.20%	-0.30%
<b>Friday, 20 Feb '26</b>			
US Crude Oil Inventories	-9.014M	1.700M	8.530M
US Cushing Crude Oil Inventories	-1.095M		1.0171M
US 30-Year TIPS Auction	2.47%		2.65%
US Fed Reserves Balance Sheet	6,613B		6,622B
US Core PCE Price Index (MoM) (Dec)	0.40%	0.30%	0.20%
US GDP (QoQ) (Q4)	1.40%	2.80%	4.40%
US Core PCE Price Index (YoY) (Dec)	3.00%	2.90%	2.80%
US Personal Spending (MoM) (Dec)	0.40%	0.40%	0.40%
US PCE Price Index (YoY) (Dec)	2.90%	2.80%	2.80%
US PCE Price Index (MoM) (Dec)	0.40%	0.30%	0.20%
US Core PCE Prices (Q4)	2.70%	2.60%	2.90%
US GDP Price Index (QoQ) (Q4)	3.70%	2.80%	3.70%
US S&P Global Manufacturing PMI (Feb)	51.20	52.40	52.40
US S&P Global Services PMI (Feb)	52.30	53.00	52.70
US S&P Global Composite PMI (Feb)	52.30		53.00
US FOMC Member Bostic Speaks			
US New Home Sales (Dec)	745K	732K	656K
US New Home Sales (MoM) (Dec)	-1.70%		15.50%
US Michigan Consumer Sentiment (Feb)	56.60	57.30	56.40
US Michigan Consumer Expectations (Feb)	56.60	56.60	57.00
US Michigan 1-Year Inflation Expectations (Feb)	3.40%	3.50%	4.00%
US Michigan 5-Year Inflation Expectations (Feb)	3.30%	3.40%	3.30%
<b>Monday, 23 Feb '26</b>			
US Fed Waller Speaks			
US Factory Orders (MoM) (Dec)	-0.70%	-0.40%	2.70%
<b>Tuesday, 24 Feb '26</b>			
US ADP Employment Change Weekly	12.80K		11.50K
US S&P/CS HPI Composite - 20 n.s.a. (MoM) (Dec)	-0.10%		0.00%
US S&P/CS HPI Composite - 20 n.s.a. (YoY) (Dec)	1.40%	1.30%	1.40%
US FOMC Member Bostic Speaks			
US Fed Waller Speaks			
US CB Consumer Confidence (Feb)	91.20	87.40	89.00
<b>Wednesday, 25 Feb '26</b>			
US 2-Year Note Auction	3.46%		3.58%
US API Weekly Crude Oil Stock	11.400M	1.850M	-0.609M
US President Trump Speaks			
US Crude Oil Inventories			-9.014M
US Cushing Crude Oil Inventories			-1.095M

Sources : investing, KBVS Research (2026)

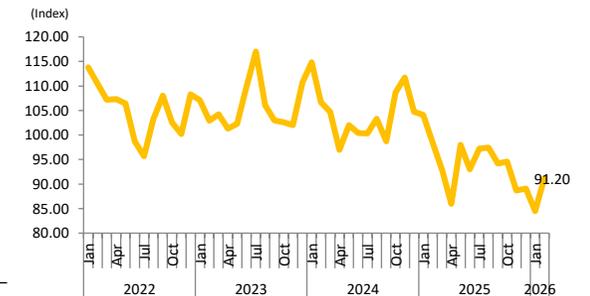
## WEEKLY INITIAL JOBLESS CLAIMS



## NEW HOME SALES



## CB CONSUMER CONFIDENCE



# TRADE POLICY SHIFT

## US Supreme Court strikes down Trump's global tariffs

By Andrew Chung and John Kruzel

February 20, 2026 10:06 PM GMT+7 · Updated February 21, 2026



### Summary

- Chief Justice Roberts authors 6-3 ruling against Trump
- Trump calls ruling terrible, criticizes justices
- Supreme Court says Trump exceeded his authority
- Trump invoked law meant for emergencies to impose tariffs
- Lower courts ruled Trump acted unlawfully in doing so

Source : Reuters (2026), link: <https://www.reuters.com/legal/government/us-supreme-court-rejects-trumps-global-tariffs-2026-02-20/>

The cancellation of former President Donald Trump's retaliation tariffs by the Supreme Court of the United States signals a legal limitation on executive trade authority. Key Implications:

- Legal: Reinforces judicial oversight and limits unilateral tariff power.
- Economic: Reduces trade uncertainty and potential inflationary pressure, benefiting import-reliant sectors.
- Policy Direction: Suggests a shift toward structured enforcement via Section 301 investigations rather than broad tariff escalation.

Overall, while broad retaliation tariffs may be curtailed, targeted trade actions could still proceed under clearer legal procedures.

FACT SHEETS

## Fact Sheet: President Donald J. Trump Imposes a Temporary Import Duty to Address Fundamental International Payment Problems

The White House | February 20, 2026

**PROTECTING THE U.S. ECONOMY AND NATIONAL INTERESTS:** Today, President Donald J. Trump signed a Proclamation imposing a temporary import duty to address fundamental international payments problems and continue the Administration's work to rebalance our trade relationships to benefit American workers, farmers, and manufacturers.

Source : White House (2026), link: <https://www.whitehouse.gov/fact-sheets/2026/02/fact-sheet-president-donald-j-trump-imposes-a-temporary-import-duty-to-address-fundamental-international-payment-problems/>

## Tariff rate for some nations will rise to 15 percent: Trade representative

BY THEHILL.COM - 02/25/26 5:32 PM ET



Source : The Hill (2026), link: <https://thehill.com/business/5755534-greer-outlines-tariff-plans/>

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# FED PROBABILITIES

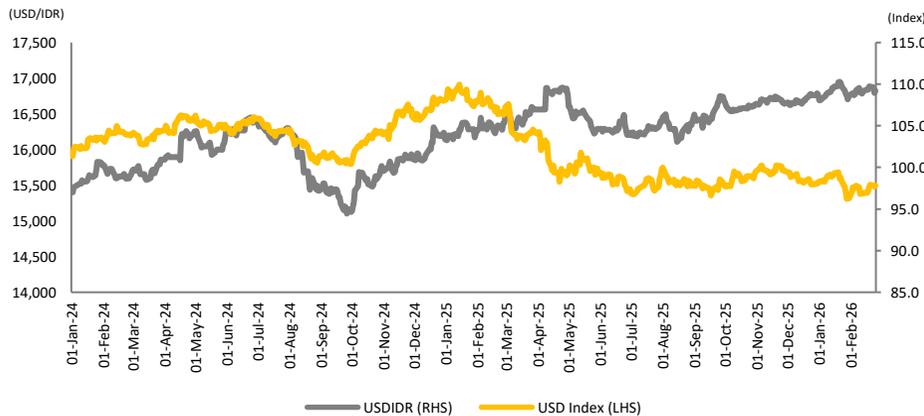
FED PROBABILITIES, as of 25 Feb '26

MEETING DATE	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%	2.0%	98.0%
29-Apr-26	0.0%	0.0%	0.0%	0.0%	0.3%	15.9%	83.8%
17-Jun-26	0.0%	0.0%	0.0%	0.1%	6.5%	42.8%	50.6%
29-Jul-26	0.0%	0.0%	0.0%	2.4%	19.7%	45.6%	32.2%
16-Sep-26	0.0%	0.0%	1.3%	11.5%	33.4%	38.5%	15.2%
28-Oct-26	0.0%	0.4%	4.7%	18.8%	35.1%	30.8%	10.1%
9-Dec-26	0.2%	2.1%	10.3%	25.2%	33.4%	22.7%	6.2%
27-Jan-27	0.4%	3.2%	12.1%	26.3%	32.0%	20.6%	5.4%

- U.S. economic growth is slowing, with GDP expanding at 1.4% while annual inflation has eased to 2.4%. Markets tend to anticipate such policy moves in advance, and expectations of rate cuts usually push bond prices higher. For this reason, a slowing growth environment with easing inflation is generally positive for bonds.
- However, the latest Core PCE Price Index rose 0.40% MoM, above expectations, indicating persistent underlying inflation pressures. This stronger reading has reduced expectations of an immediate rate cut. At the same time, uncertainty surrounding potential tariff policies under former President Trump has added to inflation and policy risks.
- Markets are now pricing in a 98% probability that the Federal Reserve will keep interest rates unchanged at the Mar '26 meeting, suggesting a near-term pause despite the broader slowing trend.

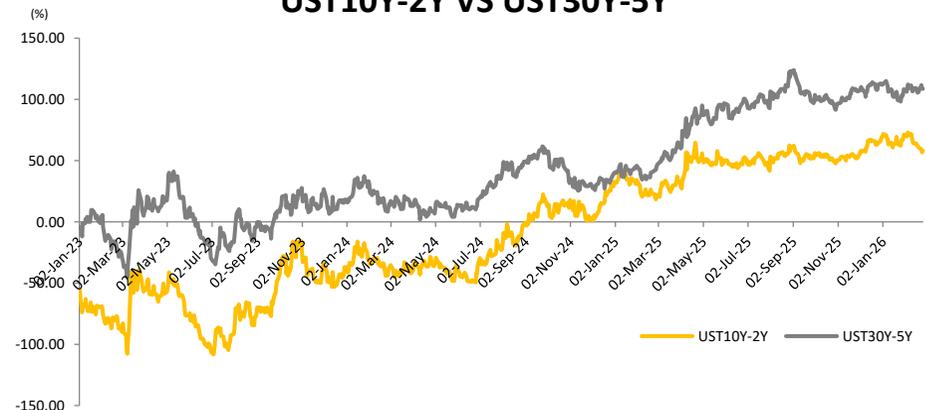
Sources : CME Group, and KBVS Research (2026)

DXY INDEX - USDIDR



Sources : Bloomberg, and KBVS Research (2026)

YIELD SPREAD  
UST10Y-2Y VS UST30Y-5Y



Sources : Bloomberg, and KBVS Research (2026)

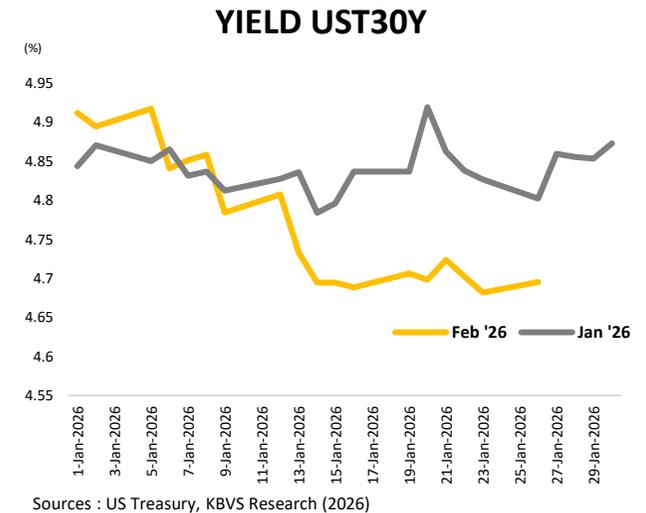
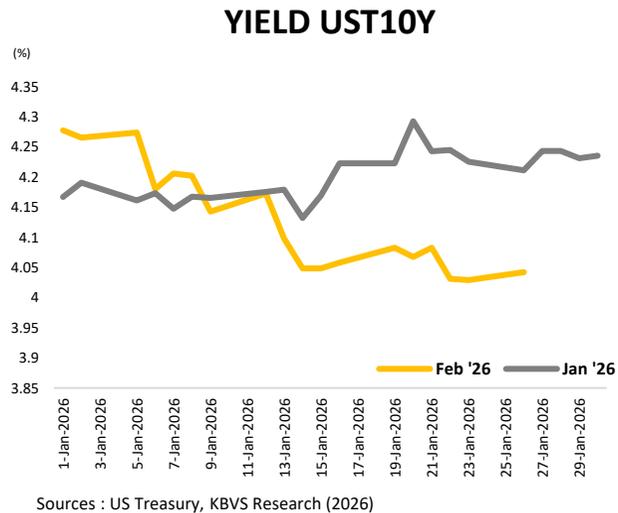
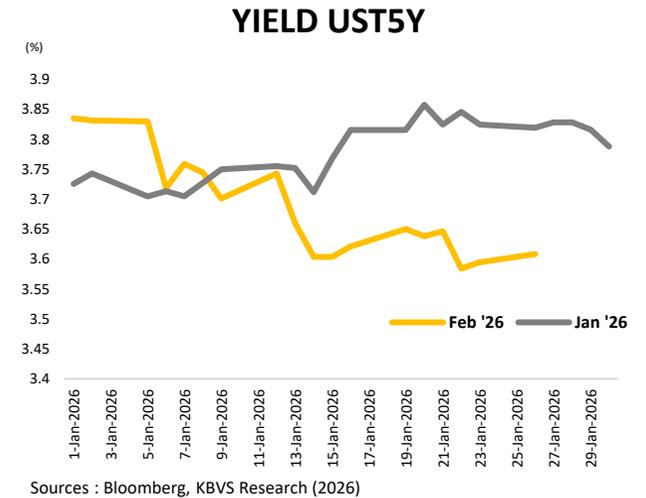
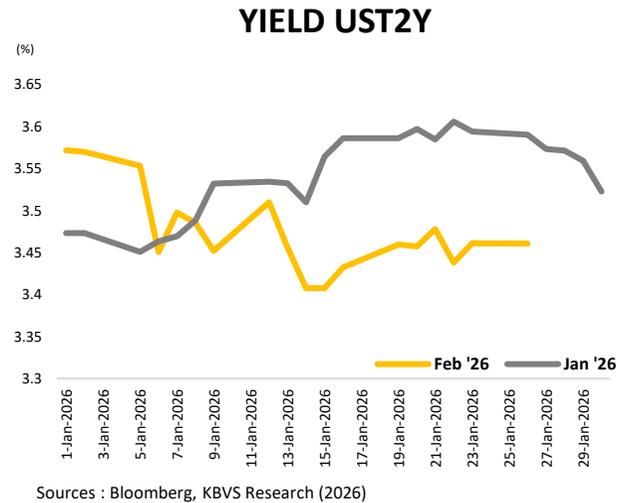
# THE MOVEMENT OF UST YIELDS

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
  - +0.52 bps (WoW)
  - +1.87 bps (YtD, as of Feb 25, '26)
- Yield UST1Y
  - +1.96 bps (WoW)
  - +2.96 bps (YtD, as of Feb 25, '26)
- Yield UST2Y
  - +0.94 bps (WoW)
  - -0.41 bps (YtD, as of Feb 25, '26)
- Yield UST5Y
  - -3.35 bps (WoW)
  - -10.83 bps (YtD, as of Feb 25, '26)
- Yield UST10Y
  - -3.27 bps (WoW)
  - -11.70 bps (YtD, as of Feb 25, '26)
- Yield UST30Y
  - -0.40 bps (WoW)
  - -14.16 bps (YtD, as of Feb 25, '26)





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# INDONESIA ECONOMIC DATA

## INDICATORS OVERVIEW

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Policy Interest Rate	%	19 Feb '26	4.75	4.75
Economic Growth	%, yoy	4Q25	5.39	5.04
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)

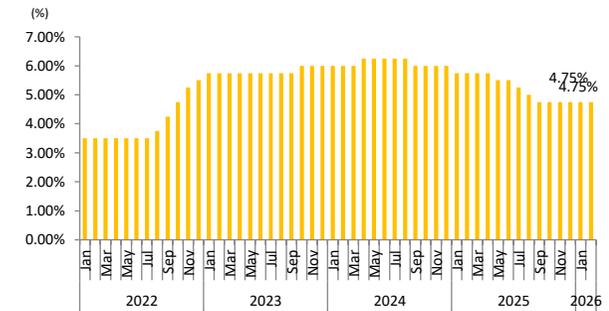
## ECONOMIC CALENDAR

(19-25 FEB '26)

Event	Actual	Forecast	Previous
<b>Thursday, 19 Feb '26</b>			
ID Interest Rate Decision	4.75%	4.75%	4.75%
ID Lending Facility Rate (Feb)	5.50%	5.50%	5.50%
ID Deposit Facility Rate (Feb)	3.75%	3.75%	3.75%
ID Loans (YoY) (Jan)	9.69%		9.69%
<b>Friday, 20 Feb '26</b>			
ID Current Account % of GDP (Q4)	-0.70%		1.10%
ID Balance of Payments (EUR) (Q4)	6.10B		-6.40B
<b>Monday, 23 Feb '26</b>			
ID M2 Money Supply (YoY) (Jan)	10.00%		9.60%
<b>Tuesday, 24 Feb '26</b>			
<b>Wednesday, 25 Feb '26</b>			

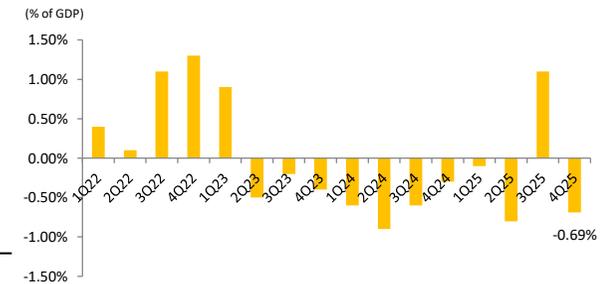
Sources : Investing, KBVS Research (2025)

## BI RATE



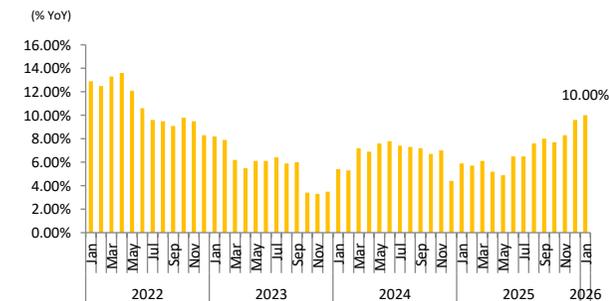
Sources : BI, KBVS Research (2026)

## CURRENT ACCOUNT



Sources : BI, KBVS Research (2026)

## M2 MONEY SUPPLY

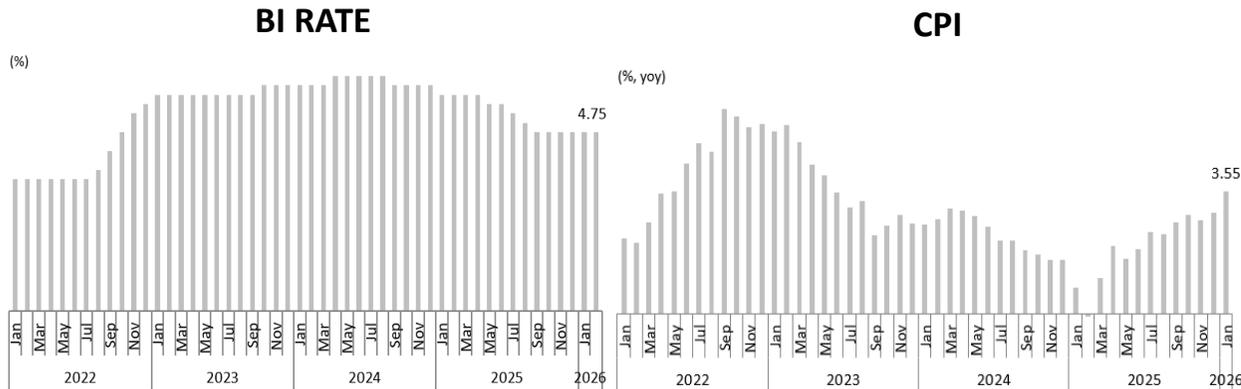


Sources : BI, KBVS Research (2026)

The data releases that influenced yield movements in the week of 19-25 Feb '26 are as follows:

- The Board of Governors Meeting (RDG) of Bank Indonesia, held on 18–19 February 2026, decided to maintain the BI-Rate at 4.75%, the Deposit Facility rate at 3.75%, and the Lending Facility rate at 5.50%.
- ID Current Account in 4Q25 recorded a deficit of USD-2.5 bn or -0.70% of GDP (Prev: USD+4.0 bn or +1.10% of GDP). The widening deficit in the primary income account was primarily driven by higher dividend payments at year-end.
- ID M2 Money Supply in Jan '26 increased to 10.00% YoY (Prev: 9.60% YoY), reaching IDR10,117.8 tn. This growth was primarily driven by a 14.9% YoY increase in narrow money (M1) and a 5.4% YoY rise in quasi-money.

# BI RATE



Indicators	19-Feb-26		Monthly Changes (in bps)	Ytd Changes (in bps)
	Latest	M-1		
<b>Policy Rate (in %)</b>				
United States	3.75	3.75	0.0	0.0
European Union	2.15	2.15	0.0	0.0
United Kingdom	3.75	3.75	0.0	0.0
Japan	0.75	0.75	0.0	0.0
China	3.00	3.00	0.0	0.0
India	5.25	5.25	0.0	0.0
Thailand	1.25	1.25	0.0	0.0
Philippines	4.50	4.50	0.0	0.0
Indonesia	4.75	4.75	0.0	0.0
<b>Global Monetary Policy Change (in number of countries)</b>				
Easing	2	3		
Unchanged	22	8		
Tightening	6	1		

Source: various sources, KBVS (2026)

- **Bank Indonesia (BI) decided to keep the BI Rate unchanged at 4.75% as part of its commitment to safeguarding Rupiah stability amid persistent global financial market uncertainty.** Rupiah depreciation remains the primary transmission channel for imported inflation. In this environment, a premature policy rate cut could amplify inflation expectations and further weaken currency stability.
- **At the same time, Indonesia’s macroeconomic fundamentals remain relatively resilient.** These fundamentals support Bank Indonesia’s view that the Rupiah is currently undervalued.
- **Nevertheless, external pressures remain elevated.** Heightened global geopolitical tensions have sustained risk-off sentiment and capital flight to safe-haven assets. The urgency of BI’s stabilization mandate is reflected in recent foreign exchange market dynamics.
- To structurally defend the Rupiah, Bank Indonesia is expected to intensify its stabilization measures through a comprehensive “triple intervention” strategy. Concurrently, to mitigate seasonal inflationary pressures, BI will strengthen coordination with central and regional inflation control teams (TPID). **Overall, maintaining the policy rate at this juncture reflects a prudent and forward-looking stance, balancing currency stability, inflation control, and macroeconomic resilience amid an uncertain global environment.**

# APBN's Jan '26 REALIZATION

## APBN REALIZATION AS OF 31 JAN '26

APBN (IDR Tn)	Jan 24	Jan 25	Jan 26	FY26 Tgt
<b>I. Revenue</b>				
A. Tax Revenue	149.25	88.9	116.2	2,357.7
B. Custom & Excise	22.91	26.3	22.6	336
C. Non Tax Rev.	43.26	42.5	33.9	459.2
D. Grant	0.05	0	0	0.7
<b>TOTAL REVENUE</b>	<b>215.47</b>	<b>157.8</b>	<b>172.7</b>	<b>3,153.6</b>
<b>II. Expenditure</b>				
A. K/L Spending	44.76	24.4	55.8	1,510.5
B. Non-K/L	51.63	61.7	76.1	1,639.2
C. Transfer Regions	87.78	94.7	95.3	693
<b>TOTAL EXPEND.</b>	<b>184.17</b>	<b>180.8</b>	<b>227.3</b>	<b>3,842.7</b>
<b>DEFICIT / (SURPLUS)</b>	<b>31.3</b>	<b>-23.09</b>	<b>-54.6</b>	<b>-689.1</b>

Sources : Kemenkeu, APBN Kita Feb 2026, KBVS Research (2026)

- The government's front-loaded spending at the beginning of the year, which was expected to stimulate the expenditure side, has not been adequately supported by strong revenue performance.
- As a result, the APBN deficit in Jan '26 widened to IDR-54.6 tn, equivalent to 0.21% of GDP (Prev: IDR-23 tn, or 0.09% of GDP).
- From the revenue side, the largest increase in was driven by higher net tax collection in Jan '26, which grew by 30.7%, primarily supported by Value-Added Tax (VAT) and Luxury Goods Sales Tax (PPnBM).
- The largest increase in expenditure was driven by the realization of MBG, which amounted to IDR19.5 tn, representing 75.2% of total goods expenditure of IDR25.9 tn during the same period.

## TAX RECEIPTS

	BRUTO	NETO
PPH Badan	Rp20,6 T ▼ -4,0%	Rp5,7 T ▲ 37,0%
PPH Orang Pribadi dan PPh 21	Rp13,1 T ▼ -20,1%	Rp13,1 T ▼ -20,4%
PPH Final, PPh 22, dan PPh 26	Rp26,7 T ▼ -10,6%	Rp26,0 T ▼ -11,0%
PPN & PPnBM	Rp82,6 T ▲ 7,7%	Rp45,3 T ▲ 83,9%
Pajak Lainnya	Rp16,7 T ▲ 713,7%	Rp16,1 T ▲ 685,8%

## CUSTOMS AND EXCISE RECEIPTS



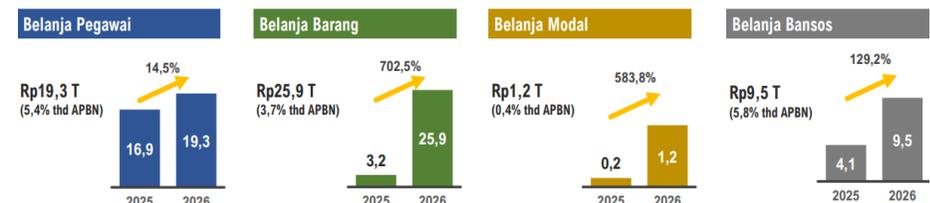
## NON-TAX STATE REVENUE



## MBG

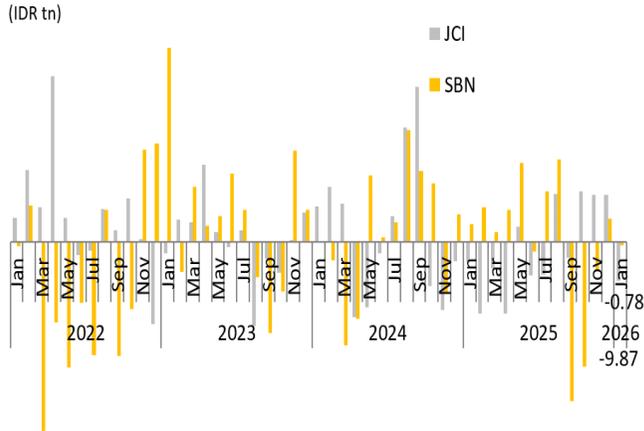


## REALIZATION OF MINISTRIES EXPENDITURE



# DEVELOPMENT OF TRADABLE SBN

## CAPITAL FLOW IN SBN&JCI



Sources : Bloomberg, KBVS Research (2026)

Between 19-25 February '26, non-residents conducted:

- A net sell of tradeable SBN, amounting IDR3.11 tn.
- A net sell of JCI, amounting IDR4.52 tn.

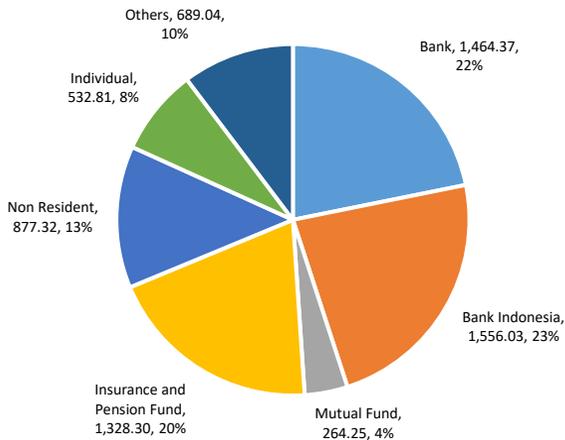
## SUN LATEST AUCTION

18 Feb '26										
Instruments	SPN01260322	SPN03260521	SPN12270204	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	0.70	0.30	4.78	24.16	21.07	4.34	3.30	2.23	2.18	63.06
Bid to Cover Ratio	1.00	-	1.91	1.47	1.71	1.34	2.06	1.39	1.32	1.58
Weighted Average Yields Awarded	4.500%	-	4.768%	5.677%	6.380%	6.600%	6.670%	6.750%	6.780%	
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%	

Sources : DJPPR, KBVS Research (2026)

## OWNERSHIP of IDR TRADABLE SBN

(IDR tn, % of total tradable SBN)



Sources : DJPPR, and KBVS Research (2026)

As of 23 February '26, the largest ownership of tradable SBN is as follows:

- Bank Indonesia : IDR1,556.03 tn (-IDR6.99 tn, WoW),
- Banks : IDR1,464.37 tn (+IDR33.08 tn, WoW), and
- Insurance & Pension Funds: IDR1,328.30 tn (+IDR2.82 tn, WoW)

## SBSN LATEST AUCTION

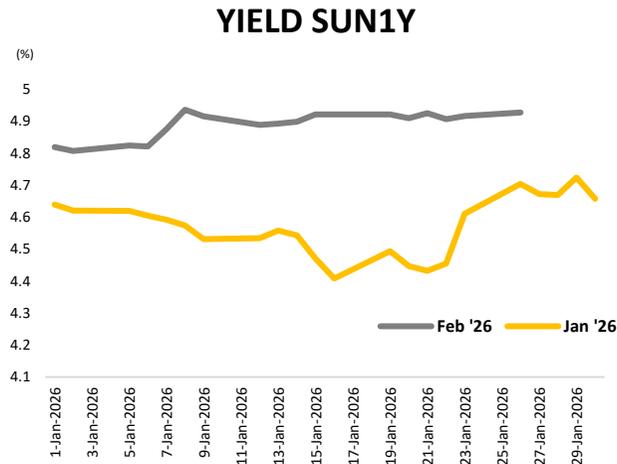
24 Feb '26									
Instruments	SPNS06042026	SPNS10082026	SPNS23112026	PBS030	PBS040	PBS034	PBS005	PBS038	Total
Incoming Bids (IDR tn)	0.53	2.40	6.35	10.90	1.24	2.22	2.94	9.03	35.61
Bid to Cover Ratio	1.33	1.02	1.02	3.35	2.48	1.39	1.34	2.62	1.78
Weighted Average Yields Awarded	4.450%	4.600%	4.800%	5.210%	5.609%	6.432%	6.621%	6.700%	
10 Feb '26									
Instruments	SPNS09032026	SPNS10082026	SPNS12102026	PBS030	PBS040	PBSG002	PBS034	PBS038	Total
Incoming Bids (IDR tn)	3.40	2.48	7.25	9.68	3.19	7.85	5.23	4.75	43.83
Bid to Cover Ratio	3.09	1.55	-	1.86	6.38	17.45	4.18	2.50	3.65
Weighted Average Yields Awarded	4.400%	4.500%	-	5.250%	5.640%	6.155%	6.374%	6.783%	

Sources : DJPPR, KBVS Research (2026)

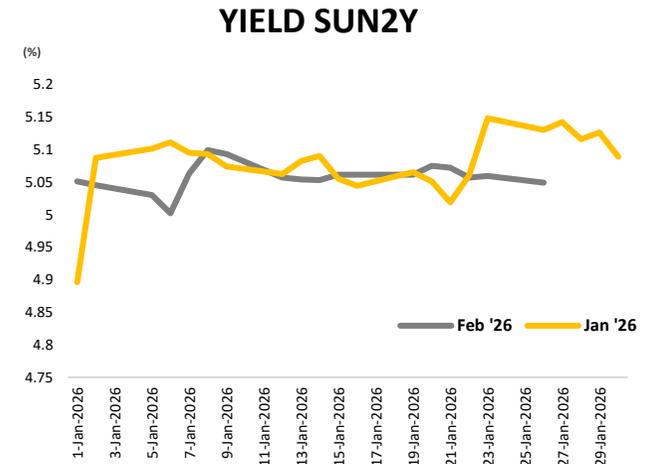
# THE MOVEMENT OF SUN YIELDS

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

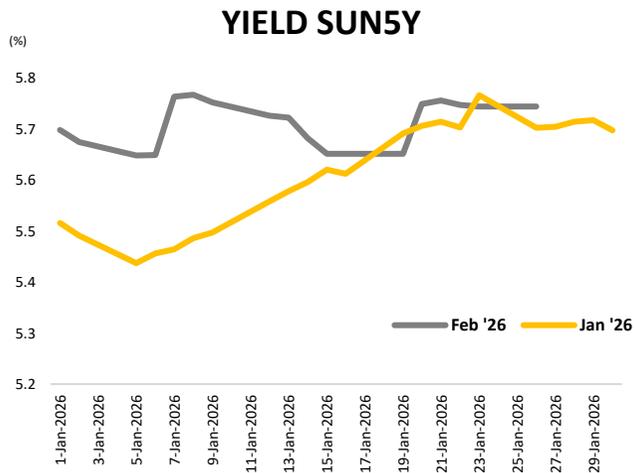
- Yield SUN1Y
  - +1.40 bps (WoW)
  - +29.60 bps (YtD, as of Feb 25, '26)
- Yield SUN2Y
  - -1.00 bps (WoW)
  - +15.50 bps (YtD, as of Feb 25, '26)
- Yield SUN5Y
  - +9.10 bps (WoW)
  - +22.60 bps (YtD, as of Feb 25, '26)
- Yield SUN10Y
  - +4.10 bps (WoW)
  - +37.30 bps (YtD, as of Feb 25, '26)
- Yield SUN30Y
  - +1.10 bps (WoW)
  - +5.50 bps (YtD, as of Feb 25, '26)



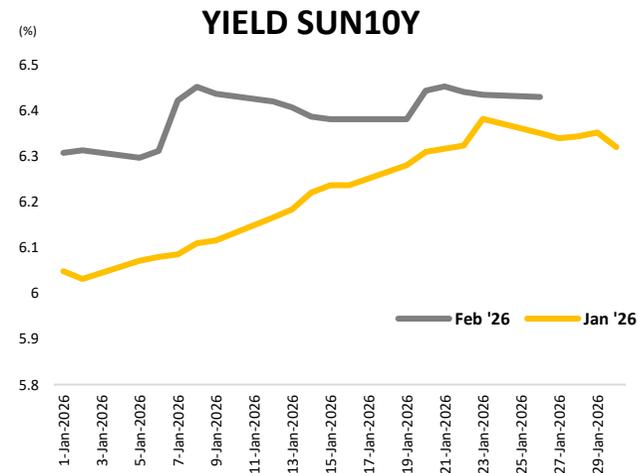
Sources : Bloomberg, KBVS Research (2026)



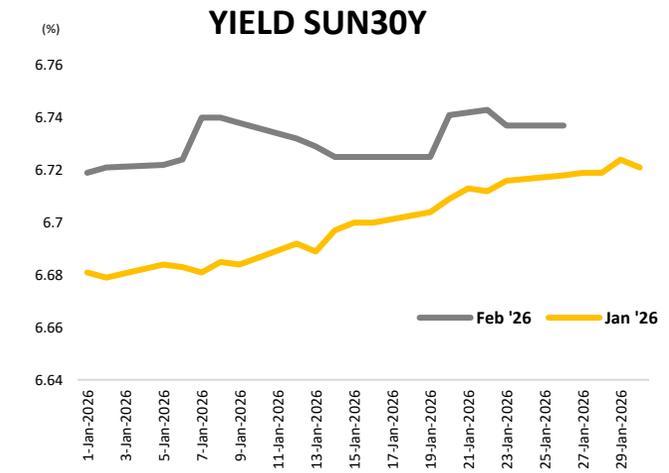
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)



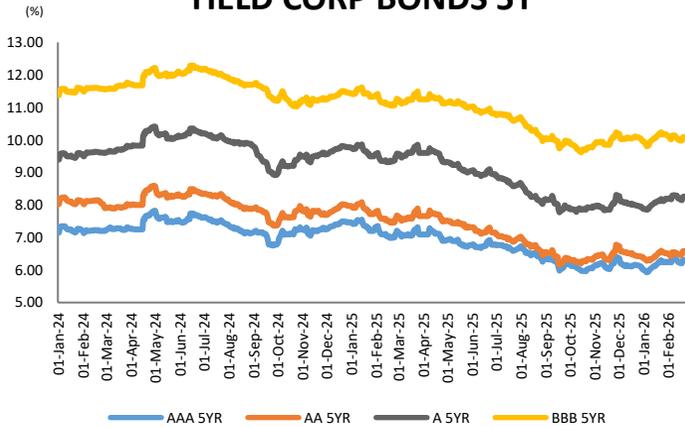
Sources : Bloomberg, KBVS Research (2026)



Sources : Bloomberg, KBVS Research (2026)

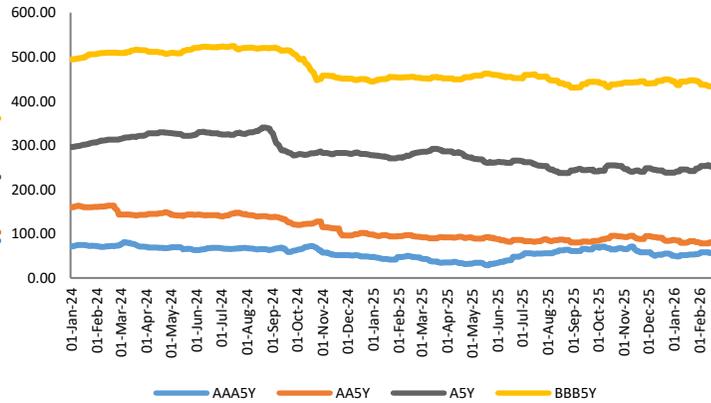
# THE MOVEMENT OF CORPORATE BOND YIELD

## YIELD CORP BONDS 5Y



Sources : Bloomberg, KBVS Research (2026)

## YIELD SPREAD 5Y TENOR

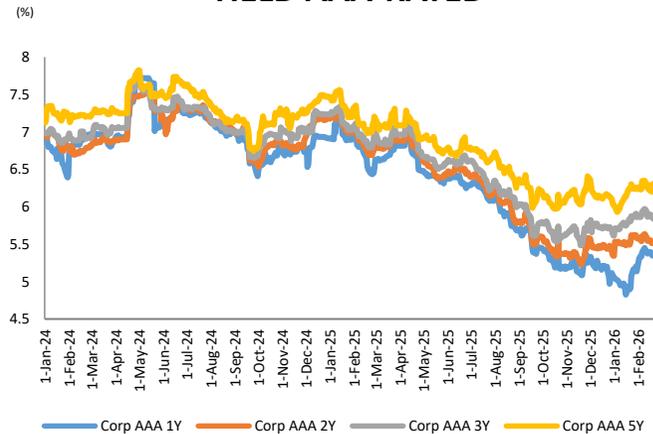


Sources : Bloomberg, KBVS Research (2026)

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

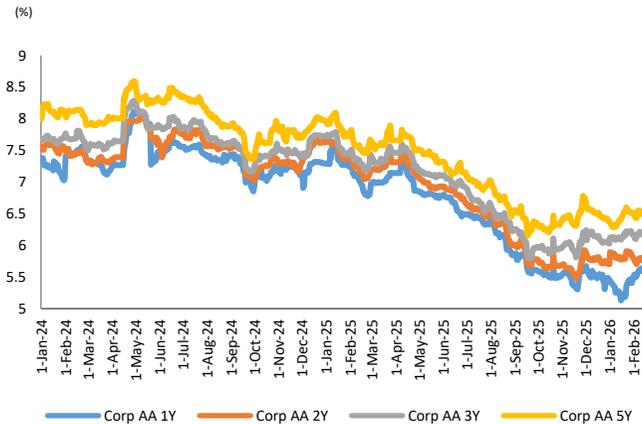
- AAA-rated
  - Tenor 1Y : -1.30 bps (WoW)
  - Tenor 2Y : -1.23 bps (WoW)
  - Tenor 5Y : +11.03 bps (WoW)
- AA-rated
  - Tenor 1Y : +3.48 bps (WoW)
  - Tenor 2Y : +1.07 bps (WoW)
  - Tenor 5Y : +9.57 bps (WoW)
- A-rated
  - Tenor 1Y : +5.64 bps (WoW)
  - Tenor 2Y : +2.96 bps (WoW), and
  - Tenor 5Y : +13.06 bps (WoW)

## YIELD AAA-RATED



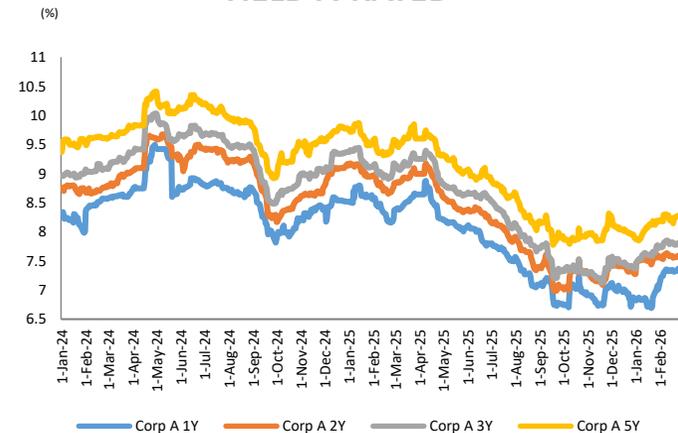
Sources : Bloomberg, KBVS Research (2026)

## YIELD AA-RATED



Sources : Bloomberg, KBVS Research (2026)

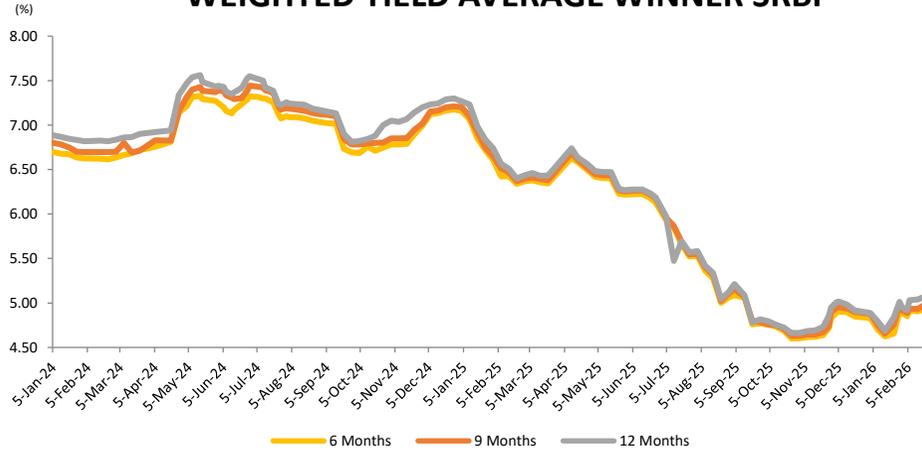
## YIELD A-RATED



Sources : Bloomberg, KBVS Research (2026)

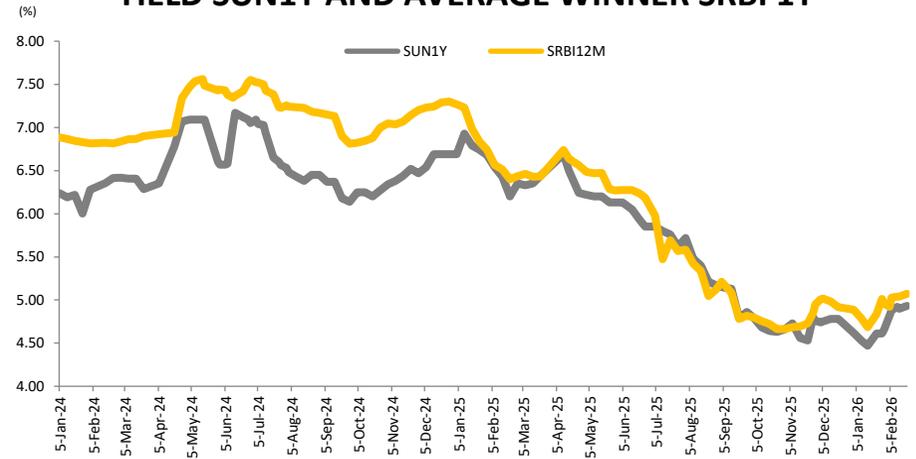
# BI'S MONETARY OPERATION

## WEIGHTED YIELD AVERAGE WINNER SRBI



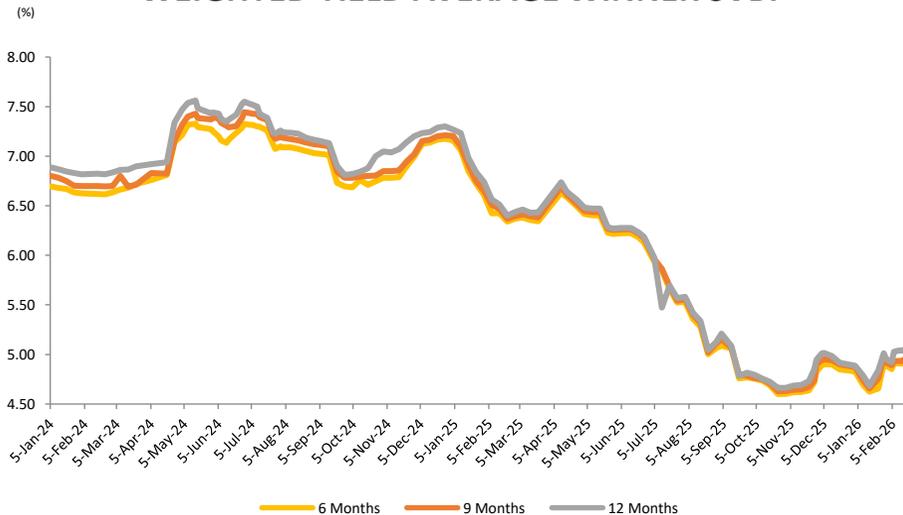
Sources : BI, KBVS Research (2026)

## 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 (%)	20 Feb 2026	25 Feb 2026
6 Month	4.93018%	4.97258%
9 Month	4.98314%	5.02880%
12 Month	5.07283%	5.12574%

- Meanwhile, the latest SUVBI auction saw the profit sharing rate was at:
  - 1 month: 3.654%
  - 3 month: 3.644%
  - 6 month: 3.600%
  - 9 month: 3.519%
  - 12 month: 3.438%



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# NEXT WEEK ECONOMIC CALENDAR

## ECONOMIC CALENDAR

(26 FEB – 4 MAR 2026)

Country	Event	Forecast	Previous	Country	Event	Forecast	Previous	Country	Event	Forecast	Previous
<b>Thursday, Feb 26, 2026</b>				<b>Monday, May 2, 2026</b>				<b>Tuesday, May 3, 2026</b>			
US	5-Year Note Auction		3.82%	ID	S&P Global Manufacturing PMI (Feb)		52.60	JP	Capital Spending (YoY) (Q4)		2.90%
US	Fed's Balance Sheet		6,613B	CN	S&P Manufacturing PMI (Feb)		50.30	EU	CPI (YoY) (Feb)		1.90%
EU	ECB President Lagarde Speaks			ID	Inflation (YoY) (Feb)		3.55%	<b>Wednesday, May 4, 2026</b>			
US	Initial Jobless Claims	216K	206K	ID	Inflation (MoM) (Feb)		-0.15%	JP	S&P Global Services PMI (Feb)		53.80
US	Continuing Jobless Claims		1,869K	ID	Core Inflation (YoY) (Feb)		2.45%	CN	Manufacturing PMI (Feb)		49.30
US	FOMC Member Bowman Speaks			ID	Export Growth (YoY) (Jan)		11.64%	CN	Composite PMI (Feb)		49.80
<b>Friday, Feb 27, 2026</b>				ID	Import Growth (YoY) (Jan)		10.81%	CN	Non-Manufacturing PMI (Feb)		49.40
US	7-Year Note Auction		4.02%	ID	Trade Balance (Jan)		2.52B	CN	Services PMI (Feb)		52.30
JP	Tokyo Core CPI (YoY) (Feb)	1.70%	2.00%	GE	Retail Sales (MoM) (Jan)		0.10%	GE	HCOB Services PMI (Feb)		53.40
JP	Industrial Production (MoM) (Jan)	5.50%	-0.10%	GB	Nationwide HPI (MoM) (Feb)		0.30%	EU	HCOB Services PMI (Feb)		51.80
GE	Unemployment Rate (Feb)	6.30%	6.30%	GB	Nationwide HPI (YoY) (Feb)		1.00%	EU	HCOB Composite PMI (Feb)		51.90
GE	Unemployment Change (Feb)	3K	0K	GE	HCOB Manufacturing PMI (Feb)		50.70	GB	S&P Global Composite (Feb)		53.90
GE	CPI (MoM) (Feb)		0.10%	EU	HCOB Manufacturing PMI (Feb)		50.80	GB	S&P Global Services (Feb)		53.90
GE	CPI (YoY) (Feb)	2.00%	2.10%	GB	S&P Global Manufacturing PMI (Feb)		52.00	EU	Unemployment Rate (Jan)		6.20%
GB	BoE MPC Member Pill Speaks			US	S&P Global Manufacturing PMI (Feb)		51.20	US	ADP Nonfarm Employment Change (Feb)		22K
US	PPI (MoM) (Jan)	0.30%	0.50%	US	ISM Manufacturing PMI (Feb)		52.60	US	S&P Global Services PMI (Feb)		52.30
US	Core PPI (MoM) (Jan)	0.30%	0.70%	US	ISM Manufacturing Prices (Feb)		59.00	US	S&P Global Composite PMI (Feb)		52.30
US	Chicago PMI (Feb)	52.40	54.00	US	ISM Manufacturing Employment (Feb)		48.10	US	ISM Non-Manufacturing Prices (Feb)		66.60
US	Construction Spending (MoM) (Nov)		0.50%					US	ISM Non-Manufacturing PMI (Feb)		53.80
								US	ISM Non-Manufacturing Employment (Feb)		50.30

