

# The Imperative of Adopting A Balanced Policy

28 August 2025

Economist / Fikri C Permana

# EXECUTIVE SUMMARY

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- The positive release of U.S. economic data early last week—particularly the S&P Global Manufacturing PMI and both new and existing home sales—drove an uptick in U.S. government bond yields heading into the close of the week.
- However, Powell’s statement indicating a more balanced policy stance from the Federal Reserve boosted expectations of an imminent Fed rate cut.
- This was further compounded by Trump’s call for the immediate resignation of Lisa Cook following allegations of mortgage fraud leveled against her by the FHFA president.
- Such developments have raised concerns over the Fed’s independence, while at the same time underscoring Trump’s intent to push for a faster rate cut.
- Domestically, the impact of Bank Indonesia’s rate cut is becoming more evident, with a decline in domestic funding costs—both for government bonds (SUN) and corporate bonds, particularly at shorter tenors—further supported by rising expectations of a Fed rate cut.
- Unfortunately, this easing in funding costs has also brought attention to the relative decline in returns on government securities and other asset classes in Indonesia.
- As a result, the Rupiah continues to face pressure, moving in an inverse and somewhat anomalous pattern compared to the U.S. Dollar Index (DXY).



Source: researchschool.org, link: <https://researchschool.org.uk/greathights/news/a-balanced-approach-to-attendance>



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# US ECONOMIC DATA

US ECONOMIC INDICATORS	Unit	Latest Period	Data	
			Latest	Previous
Fed Rate	%	Jul '25	4.50	4.50
Economic Growth	%, yoy	2Q25	2.0	2.1
Inflation Rate	%, yoy	Jul '25	2.7	2.7
Unemployment Rate	%	Jul '25	4.2	4.1

Sources : various sources, KBVS Research (2025)

The data releases that influenced yield movements in the week of 21-27 Aug '25 are as follows:

- The number of people claiming unemployment benefits on the period ending August 15<sup>th</sup>, '25 in the US increased by 11K to 235K (Cons: 226K, Prev: 224K).
- Philly Fed Manufacturing Index in Aug '25 decreased to -0.30 (Cons: 6.80, Prev: 15.90).
- S&P Global Manufacturing PMI in Aug '25 increased to 53.30 (Cons: 49.70, Prev: 49.80).
- S&P Global Services PMI in Aug '25 decreased to 55.40 (Cons: 54.20, Prev: 55.70).
- Existing Home Sales in Jul '25 increased to 4.01M (Cons: 3.92M, Prev: 3.93M).
- New Home Sales in Jul '25 decreased to 652K (Cons: 635K, Prev: 656K).
- Durable Goods Orders in Jul '25 increased to -2.80% MoM (Cons: -3.80% MoM, Prev: -9.30% MoM).
- CB Consumer Confidence in Aug '25 decreased to 97.40 (Cons: 96.40, Prev: 98.70).

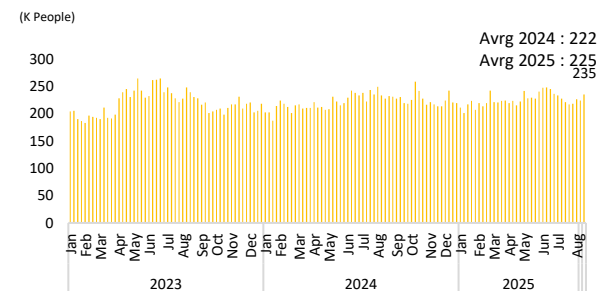
## ECONOMIC CALENDAR

(21-27 AUG '25)

Event	Actual	Forecast	Previous
<b>Thursday, 21 Aug '25</b>			
US 20-Year Bond Auction	4.88%		4.94%
US FOMC Meeting Minutes			
US FOMC Member Bostic Speaks			
US Jackson Hole Symposium			
US Continuing Jobless Claims	1,972K	1,960K	1,942K
US Initial Jobless Claims	235K	226K	224K
US Philly Fed Manufacturing Index (Aug)	-0.30	6.80	15.90
US Philly Fed Employment (Aug)	5.90		10.30
US S&P Global Manufacturing PMI (Aug)	53.30	49.70	49.80
US S&P Global Composite PMI (Aug)	55.40	53.50	55.10
US S&P Global Services PMI (Aug)	55.40	54.20	55.70
US Existing Home Sales (Jul)	4.01M	3.92M	3.93M
US Existing Home Sales (MoM) (Jul)	2.00%		-2.70%
US Leading Index (MoM) (Jul)	-0.10%	-0.10%	-0.30%
<b>Thursday, 22 Aug '25</b>			
US 30-Year TIPS Auction	2.65%		2.40%
US Fed's Balance Sheet	6,620B		6,644B
US Jackson Hole Symposium			
US Fed Chair Powell Speaks			
US President Trump Speaks			
<b>Monday, 25 Aug '25</b>			
US Building Permits (Jul)	1.326M	1.354M	1.393M
US New Home Sales (Jul)	652K	635K	656K
US New Home Sales (MoM) (Jul)	-0.60%		4.10%
<b>Tuesday, 26 Aug '25</b>			
US FOMC Member Williams Speaks			
US Core Durable Goods Orders (MoM) (Jul)	1.10%	0.20%	0.30%
US Durable Goods Orders (MoM) (Jul)	-2.50%	-3.80%	-9.30%
US S&P/CS HPI Composite - 20 n.s.a. (MoM) (Jun)	0.00%		0.40%
US S&P/CS HPI Composite - 20 n.s.a. (YoY) (Jun)	2.10%	2.10%	2.80%
US CB Consumer Confidence (Aug)	97.40	96.40	98.70
US Atlanta Fed GDP Now (Q3)	2.20%	2.30%	2.30%
<b>Wednesday, 27 Aug '25</b>			
US 2-Year Note Auction	3.64%		3.92%
US API Weekly Crude Oil Stock	-0.974M	-1.700M	-2.400M
US Crude Oil Inventories		-2.000M	-6.014M
US Cushing Crude Oil Inventories			0.419M

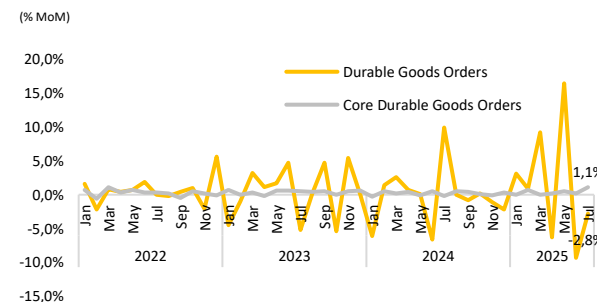
Sources : investing, KBVS Research (2025)

## WEEKLY INITIAL JOBLESS CLAIMS



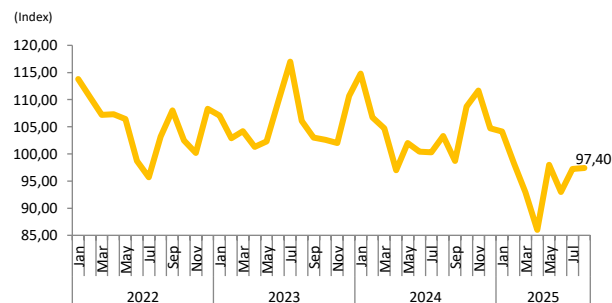
Sources : US DoL, KBVS Research (2025)

## DURABLE GOODS ORDERS



Sources : US Census Bureau, KBVS Research (2025)

## CB CONSUMER CONFIDENCE



Sources : US Conference Board, KBVS Research (2025)

# POWELL'S SPEECH AT JACKSON HOLE: A New Balanced Approach

## Evolution of Monetary Policy Framework

Turning to my second topic, our monetary policy framework is built on the unchanging foundation of our mandate from Congress to foster maximum employment and stable prices for the American people. We remain fully committed to fulfilling our statutory mandate, and the revisions to our framework will support that mission across a broad range of economic conditions. Our revised Statement on Longer-Run Goals and Monetary Policy Strategy, which we refer to as our consensus statement, describes how we pursue our dual-mandate goals. It is designed to give the public a clear sense of how we think about monetary policy, and that understanding is important both for transparency and accountability, and for making monetary policy more effective.

The changes we made in this review are a natural progression, grounded in our ever-evolving understanding of our economy. We continue to build upon the initial consensus statement adopted in 2012 under Chair Ben Bernanke's leadership. Today's revised statement is the outcome of the second public review of our framework, which we conduct at five-year intervals. This year's review included three elements: Fed Listens events at Reserve Banks around the country, a flagship research conference, and policymaker discussions and deliberations, supported by staff analysis, at a series of FOMC meetings.<sup>5</sup>

In approaching this year's review, a key objective has been to make sure that our framework is suitable across a broad range of economic conditions. At the same time, the framework needs to evolve with changes in the structure of the economy and our understanding of those changes. The Great Depression presented different challenges from those of the Great Inflation and the Great Moderation, which in turn are different from the ones we face today.<sup>6</sup>

At the time of the last review, we were living in a new normal, characterized by the proximity of interest rates to the effective lower bound (ELB), along with low growth, low inflation, and a very flat Phillips curve—meaning that inflation was not very responsive to slack in the economy.<sup>7</sup> To me, a statistic that captures that era is that our policy rate was stuck at the ELB for seven long years following the onset of the Global Financial Crisis (GFC) in late 2008. Many here will recall the sluggish growth and painfully slow recovery of that era. It appeared highly likely that if the economy experienced even a mild downturn, our policy rate would be back at the ELB very quickly, probably for another extended period. Inflation and inflation expectations could then decline in a weak economy, raising real interest rates as nominal rates were pinned near zero. Higher real rates would further weigh on job growth and reinforce the downward pressure on inflation and inflation expectations, triggering an adverse dynamic.

Sources : Fed reserve (2025)

The revised statement also notes that maximum employment is "the highest level of employment that can be achieved on a sustained basis in a context of price stability." This focus on promoting a strong labor market underscores the principle that "durably achieving maximum employment fosters broad-based economic opportunities and benefits for all Americans." The feedback we received at *Fed Listens* events reinforced the value of a strong labor market for American households, employers, and communities.

Fourth, consistent with the removal of "shortfalls," we made changes to clarify our approach in periods when our employment and inflation objectives are not complementary. In those circumstances, we will follow a balanced approach in promoting them. The revised statement now more closely aligns with the original 2012 language. We take into account the extent of departures from our goals and the potentially different time horizons over which each is projected to return to a level consistent with our dual mandate. These principles guide our policy decisions today, as they did over the 2022–24 period, when the departure from our 2 percent inflation target was the overriding concern.

In addition to these changes, there is a great deal of continuity with past statements. The document continues to explain how we interpret the mandate Congress has given us and describes the policy framework that we believe will best promote maximum employment and price stability. We continue to believe that monetary policy must be forward looking and consider the lags in its effects on the economy. For this reason, our policy actions depend on the economic outlook and the balance of risks to that outlook. We continue to believe that setting a numerical goal for employment is unwise, because the maximum level of employment is not directly measurable and changes over time for reasons unrelated to monetary policy.

We also continue to view a longer-run inflation rate of 2 percent as most consistent with our dual-mandate goals. We believe that our commitment to this target is a key factor helping keep longer-term inflation expectations well anchored. Experience has shown that 2 percent inflation is low enough to ensure that inflation is not a concern in household and business decisionmaking while also providing a central bank with some policy flexibility to provide accommodation during economic downturns.

Finally, the revised consensus statement retained our commitment to conduct a public review roughly every five years. There is nothing magic about a five-year pace. That frequency allows policymakers to reassess structural features of the economy and to engage with the public, practitioners, and academics on the performance of our framework. It is also consistent with several global peers.

# FED PROBABILITIES

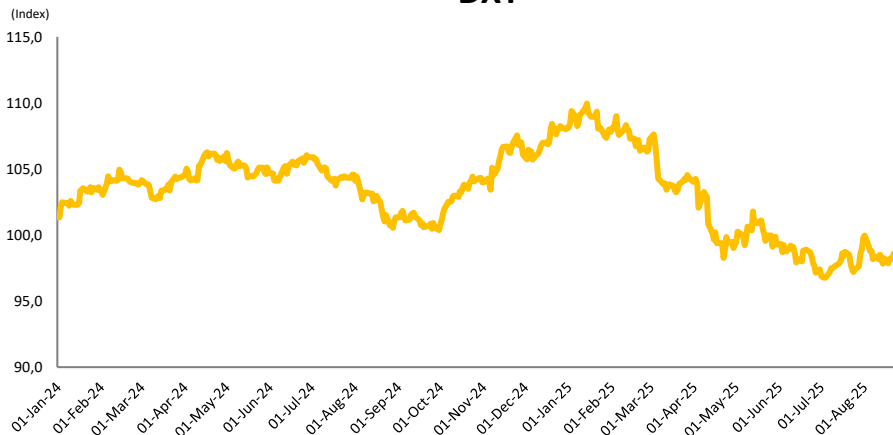
## FED PROBABILITIES, as of 27 Aug '25

MEETING DATE	225-250	250-275	275-300	300-325	325-350	350-375	375-400	400-425	425-450
17-Sep-25	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	87.3%	12.7%
29-Oct-25	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	43.8%	49.8%	6.3%
10-Dec-25	0.0%	0.0%	0.0%	0.0%	0.0%	35.5%	48.7%	14.6%	1.2%
28-Jan-26	0.0%	0.0%	0.0%	0.0%	18.5%	42.4%	31.0%	7.6%	0.6%
18-Mar-26	0.0%	0.0%	0.0%	10.7%	32.3%	35.8%	17.5%	3.6%	0.2%
29-Apr-26	0.0%	0.0%	4.1%	18.9%	33.6%	28.8%	12.2%	2.3%	0.2%
17-Jun-26	0.0%	2.6%	13.4%	28.1%	30.6%	18.4%	6.0%	0.9%	0.1%
29-Jul-26	0.9%	6.4%	18.6%	29.0%	26.3%	14.0%	4.2%	0.6%	0.0%

Sources : CME Group, and KBVS Research (2025)

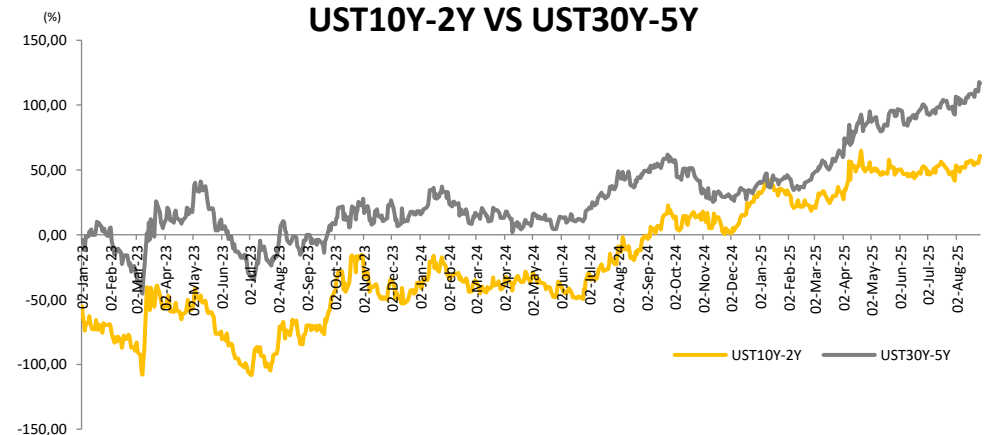
- Balanced policy signals from Powell, coupled with Trump's push, have strengthened expectations of a Fed rate cut.
- This has driven a decline in U.S. government bond yields across all tenors, while simultaneously exerting further downward pressure on the DXY.

## DXY



Sources : Bloomberg, and KBVS Research (2025)

## YIELD SPREAD UST10Y-2Y VS UST30Y-5Y



Sources : Bloomberg, and KBVS Research (2025)



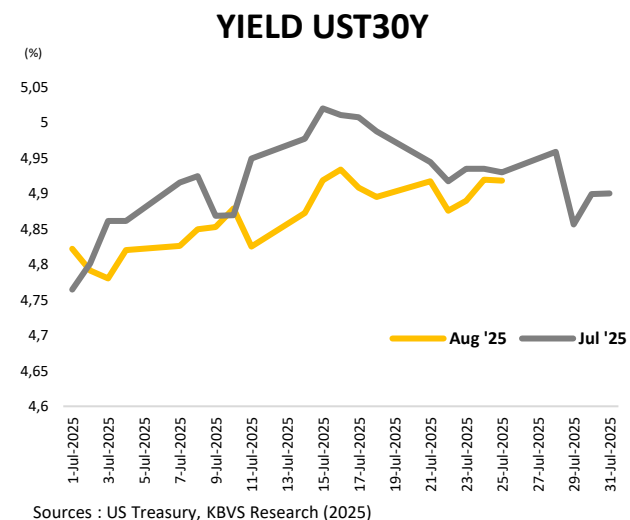
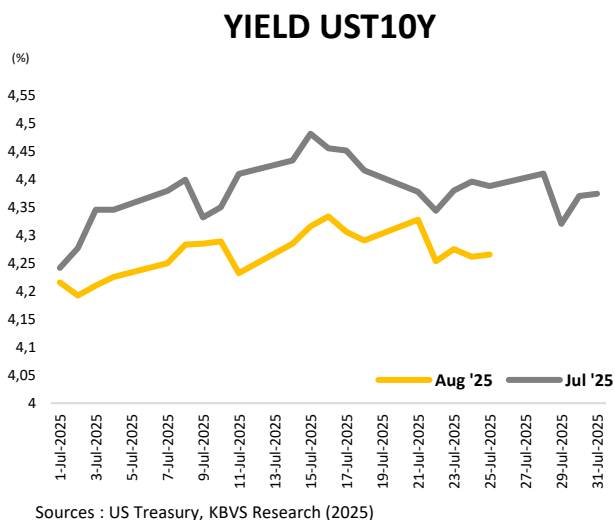
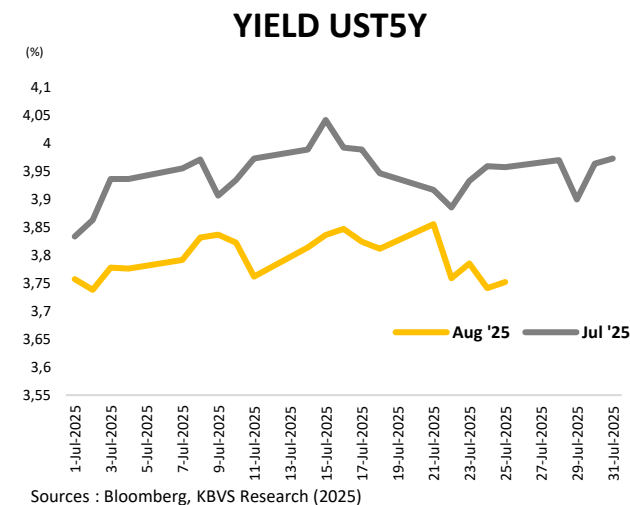
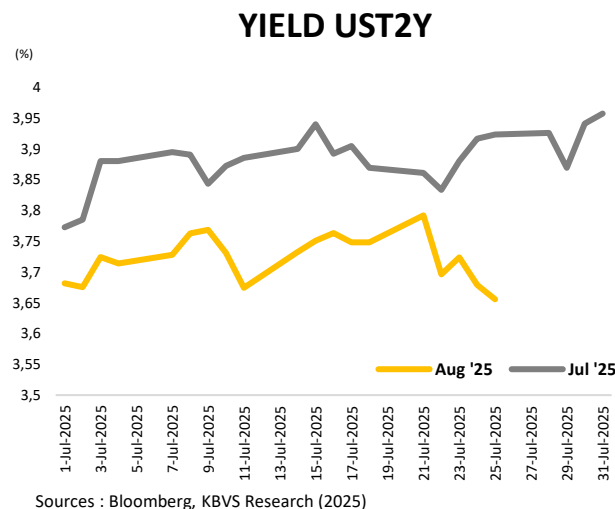
# THE MOVEMENT OF UST YIELDS

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 (2025)

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

- Yield UST6M
  - -5.027 bps (WoW)
  - -26.14 bps (YtD, as of Aug 27,'25)
- Yield UST1Y
  - -5.83 bps (WoW)
  - -29.46 bps (YtD, as of Aug 27,'25)
- Yield UST2Y
  - -9.83 bps (WoW)
  - -59.21 bps (YtD, as of Aug 27,'25)
- Yield UST5Y
  - -7.03 bps (WoW)
  - -64.07 bps (YtD, as of Aug 27,'25)
- Yield UST10Y
  - -3.31 bps (WoW)
  - -31.14 bps (YtD, as of Aug 27,'25)
- Yield UST30Y
  - -1.22 bps (WoW)
  - -12.58 bps (YtD, as of Aug 27,'25)





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# INDONESIA ECONOMIC DATA

## INDICATORS OVERVIEW

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Policy Interest Rate	%	20 Aug '25	5.00	5.25
Economic Growth	%, yoy	2Q25	5.12	4.87
Inflation Rate	%, yoy	Jul '25	2.37	1.87
Unemployment Rate	%	Feb '25	4.76	4.91
S&P Credit Rating	Rating	17 July '24	BBB	BBB

Sources : various sources, KBVS Research (2025)

## ECONOMIC CALENDAR

(21-27 AUG '25)

Event	Actual	Forecast	Previous
<b>Thursday, 21 Aug '25</b>			
ID Balance of Payments (EUR) (Q2)	-6.7B		-0.8B
ID Current Account % of GDP	-0.80%		-0.10%
<b>Friday, 22 Aug '25</b>			
ID M2 Money Supply (YoY) (Jul)	6.50%		6.40%
<b>Monday, 25 Aug '25</b>			
<b>Tuesday, 26 Aug '25</b>			
<b>Wednesday, 27 Aug '25</b>			

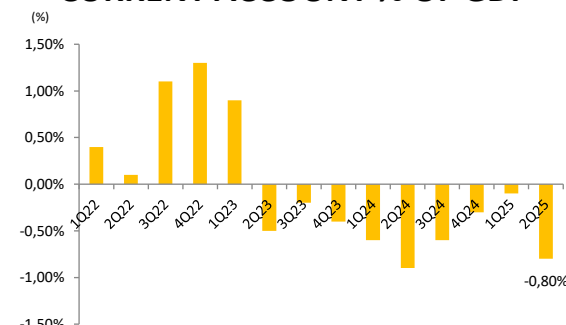
Sources : Investing, KBVS Research (2025)

The data release that influenced yield movements in the week of 21-27 Aug '25 are as follows:

- Balance of Payments in 2Q25 decreased to -6.70B (Prev: -0.80B).
- Current Account % of GDP in 2Q25 decreased to -0.80% (Prev: -0.10%).
- M2 Money Supply in Jul '25 increased to 6.50% YoY (Prev: 6.40% YoY).

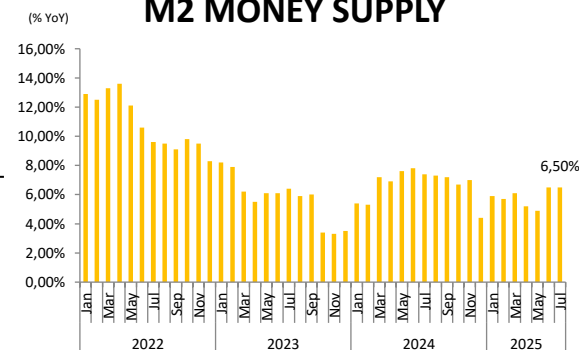
Beyond its impact on yields, the deterioration of the balance of payments and the widening current account deficit have also influenced the Rupiah's movements, which have shown an anomaly against the DXY over the past week. This development has become a point of concern for us, particularly following last week's BI Rate cut

## CURRENT ACCOUNT % OF GDP



Sources : BI, KBVS Research (2025)

## M2 MONEY SUPPLY



Sources : BI, KBVS Research (2025)

# INDONESIA'S BALANCE OF PAYMENTS

(USD Mn)

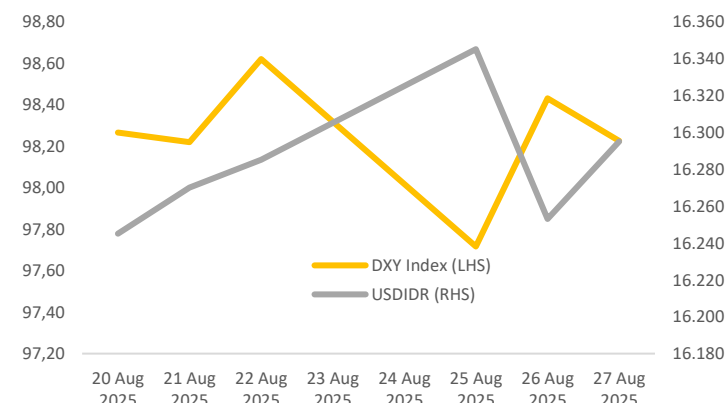
## INDONESIA'S BALANCE OF PAYMENTS

ITEMS	2023	2024	2025 Q1*	2025 Q2**
<b>I. Current Account</b>	<b>-2,042</b>	<b>-8,681</b>	<b>-228</b>	<b>-3,014</b>
A. Goods	46,269	39,775	12,993	10,581
- Exports, fob	257,681	263,091	65,945	67,978
- Imports, fob	-211,411	-223,316	-52,952	-57,397
B. Services	-17,676	-18,559	-5,466	-5,511
- Exports	33,607	39,019	9,050	10,581
- Imports	-51,283	-57,578	-14,515	-16,091
C. Primary Income	-36,015	-35,874	-9,347	-9,826
- Receipts	7,906	10,012	2,187	2,509
- Payments	-43,920	-45,886	-11,534	-12,336
D. Secondary Income	5,380	5,977	1,592	1,741
- Receipts	15,264	16,848	4,334	4,543
- Payments	-9,884	-10,870	-2,742	-2,802
<b>II. Capital Account</b>	<b>28</b>	<b>40</b>	<b>4</b>	<b>7</b>
- Receipts	28	40	4	7
- Payments	-	-	-	-
<b>III. Financial Account <sup>2</sup></b>	<b>9,846</b>	<b>17,629</b>	<b>-442</b>	<b>-5,166</b>
- Assets	-20,315	-26,998	-6,484	-4,162
- Liabilities	30,161	44,628	6,043	-1,005
1. Direct Investment	14,417	15,714	2,512	2,615
2. Portfolio Investment	2,208	8,345	1,041	-8,071
3. Financial Derivatives	167	291	190	-21
4. Other Investment	-6,946	-6,721	-4,184	311
<b>IV. Total (I + II + III)</b>	<b>7,832</b>	<b>8,989</b>	<b>-665</b>	<b>-8,174</b>
<b>V. Net Error and Omissions</b>	<b>-1,531</b>	<b>-1,779</b>	<b>-122</b>	<b>1,431</b>
<b>VI. Overall Balance (IV + V)</b>	<b>6,301</b>	<b>7,210</b>	<b>-787</b>	<b>-6,743</b>
<b>VII. Reserves and Related Items <sup>3</sup></b>	<b>-6,301</b>	<b>-7,210</b>	<b>787</b>	<b>6,743</b>
<b>Memorandum:</b>				
- Reserve Assets Position	146,384	155,719	157,090	152,567
In Months of Imports & Official Debt Repayment	6.51	6.47	6.46	6.14
- Current Account (% GDP)	-0.15	-0.62	-0.07	-0.84
o/w Government & Monetary Authority DSR (%)				

Source : Bank Indonesia (2025)

- Indonesia's current account deficit has now persisted for 11 consecutive quarters (since 1Q23), with the trend continuing through 2Q25, marking a critical signal that warrants close attention. In 2Q25, additional pressure also stemmed from capital outflows in portfolio investments, which further contributed to a balance of payments deficit for two consecutive quarters.
- Beyond its impact on yields, the deterioration in the balance of payments and the widening current account deficit have also weighed on Rupiah movements, which have shown an unusual divergence from the DXY over the past week. This development has raised concerns, particularly in the aftermath of last week's BI Rate cut, amid growing apprehension over the relative decline in the investment appeal of domestic asset classes.

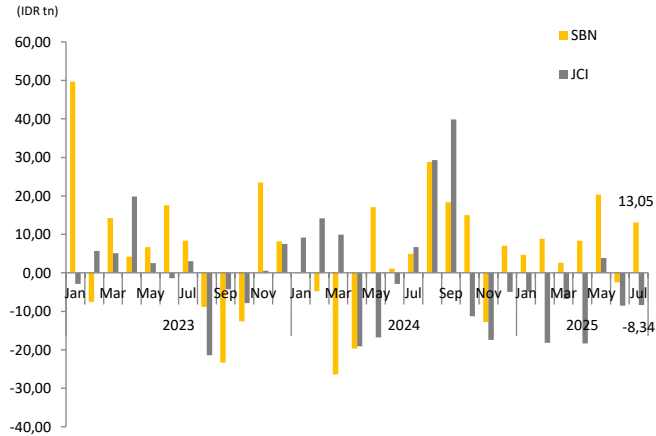
## DXY VS USDIDR



Source : Bloomberg (2025)

# DEVELOPMENT OF TRADABLE SBN

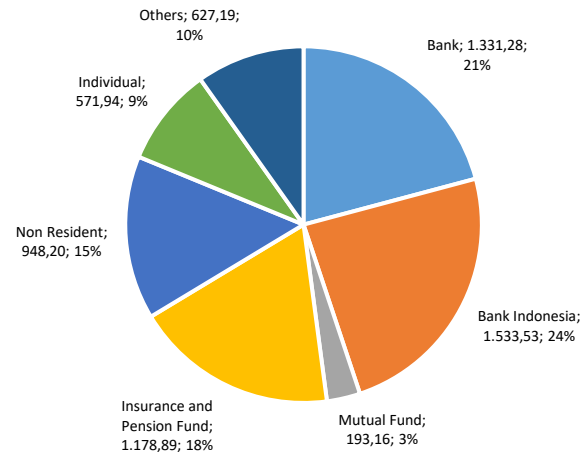
## CAPITAL FLOW IN SBN&JCI



Sources : Bloomberg, KBVS Research (2025)

## OWNERSHIP of IDR TRADABLE SBN

(IDR tn,  
% of total tradable SBN)



Sources : DJPPR, and KBVS Research (2025)

As of 25 August '25, the largest ownership of tradable SBN is as follows:

- Bank Indonesia : IDR1,533.53 tn (-IDR46.43 tn, WoW),
- Banks : IDR1,331.28 tn (+IDR58.04 tn, WoW), and
- Insurance & Pension Funds: IDR1,178.89 tn (+IDR3.57 tn, WoW)

## SUN LATEST AUCTION

26 Aug '25									
Instruments	SPN12251127	SPN12260813	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	0.82	6.81	54.02	28.01	16.24	9.49	6.14	4.49	126.02
Bid to Cover Ratio	1.10	2.72	8.25	4.15	2.35	2.56	4.55	2.99	4.20
Weighted Average Yields Awarded	4.950%	5.000%	5.730%	6.320%	6.675%	6.820%	6.850%	6.890%	
12 Aug '25									
Instruments	SPN03251112	SPN12260813	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	1.52	6.94	88.06	34.04	13.31	7.80	5.08	5.57	162.32
Bid to Cover Ratio	3.03	3.47	8.90	3.85	3.55	2.17	2.61	3.84	5.07
Weighted Average Yields Awarded	5.350%	5.400%	5.948%	6.470%	6.800%	6.850%	6.900%	6.940%	

Sources : DJPPR, KBVS Research (2025)

## SBSN LATEST AUCTION

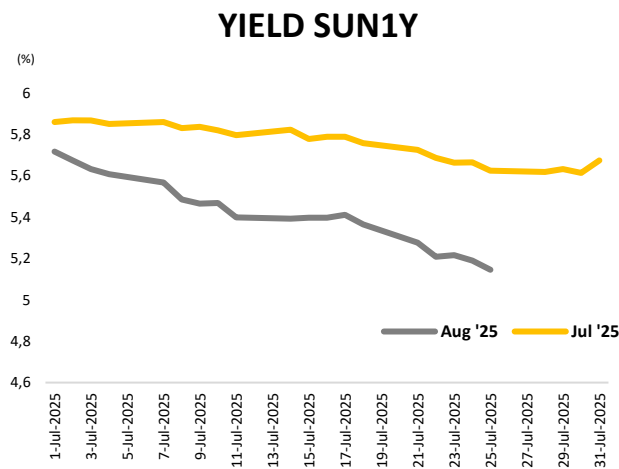
19 Aug '25								
Instruments	SPNS10022026	SPNS04052026	PBS003	PBS030	PBS034	PBS039	PBS038	Total
Incoming Bids (IDR tn)	1.10	5.34	3.17	10.24	3.57	3.60	6.11	33.12
Bid to Cover Ratio	2.20	10.68	3.73	3.94	7.93	1.20	5.55	3.68
Weighted Average Yields Awarded	5.280%	5.320%	5.472%	5.680%	6.679%	6.789%	6.879%	
5 Aug '25								
Instruments	SPNS10022026	SPNS04052026	PBS003	PBS030	PBSG001	PBS034	PBS038	Total
Incoming Bids (IDR tn)	1.04	4.89	7.78	8.48	5.66	7.70	7.48	43.02
Bid to Cover Ratio	-	4.89	5.99	4.47	3.33	1.56	6.50	3.58
Weighted Average Yields Awarded	-	5.520%	5.671%	5.832%	6.051%	6.736%	6.940%	

Sources : DJPPR, KBVS Research (2025)

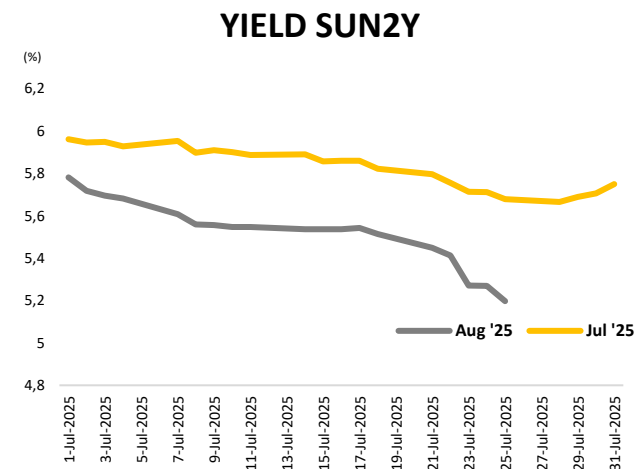
# THE MOVEMENT OF SUN YIELDS

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

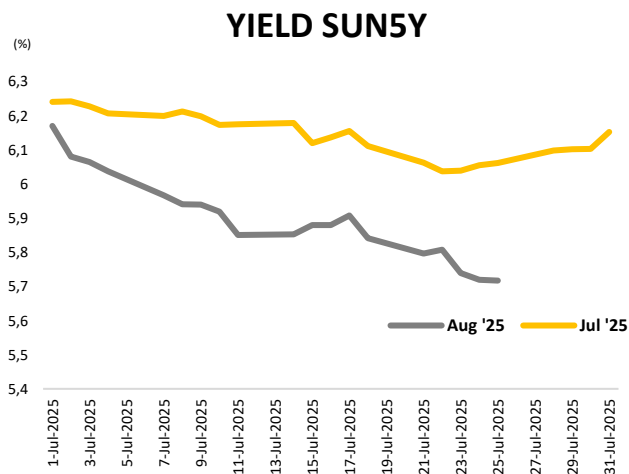
- Yield SUN1Y
  - -18.70 bps (WoW)
  - -151.10 bps (YtD, as of Aug 27,'25)
- Yield SUN2Y
  - -27.30 bps (WoW)
  - -166.30 bps (YtD, as of Aug 27,'25)
- Yield SUN5Y
  - -15.80 bps (WoW)
  - -130.50 bps (YtD, as of Aug 27,'25)
- Yield SUN10Y
  - -7.30 bps (WoW)
  - -66.70 bps (YtD, as of Aug 27,'25)
- Yield SUN30Y
  - -4.20 bps (WoW)
  - -23.40 bps (YtD, as of Aug 27,'25)



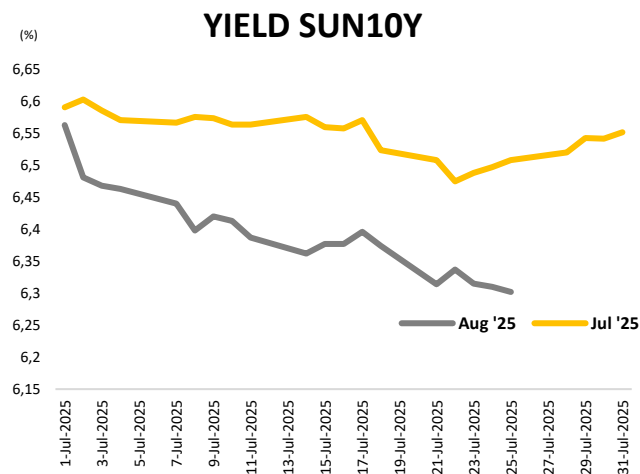
Sources : Bloomberg, KBVS Research (2025)



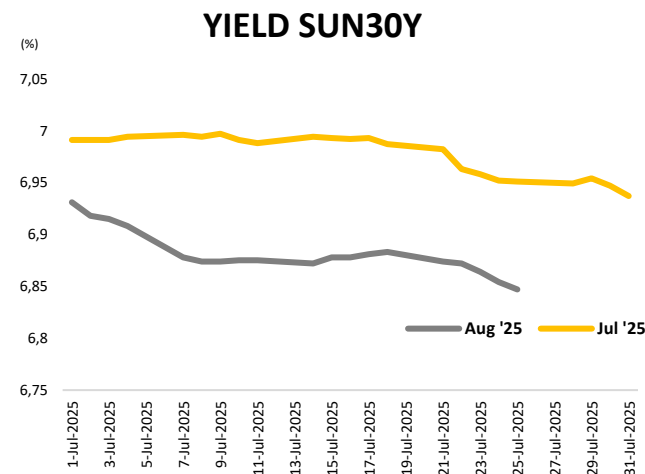
Sources : Bloomberg, KBVS Research (2025)



Sources : Bloomberg, KBVS Research (2025)



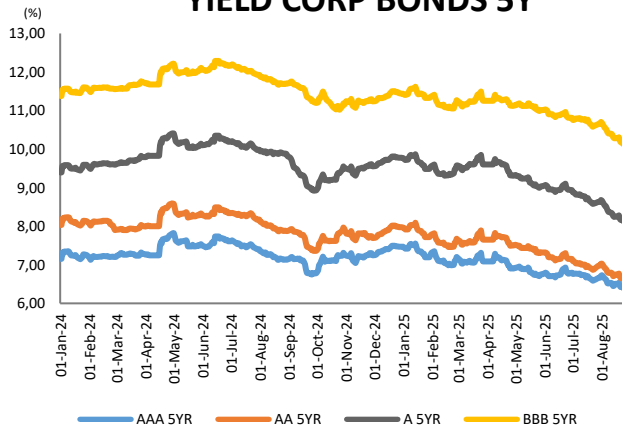
Sources : Bloomberg, KBVS Research (2025)



Sources : Bloomberg, KBVS Research (2025)

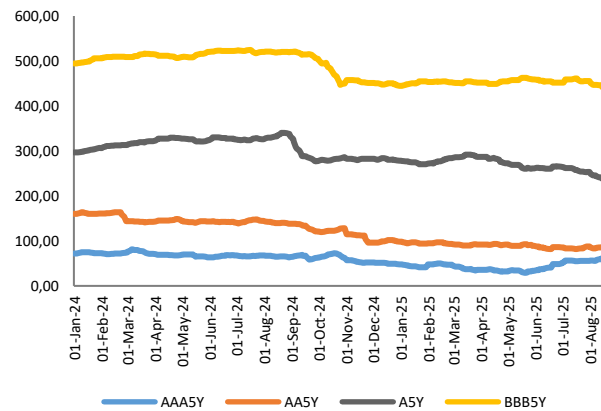
# THE MOVEMENT OF CORPORATE BOND YIELD

## YIELD CORP BONDS 5Y



Sources : Bloomberg, KBVS Research (2025)

## YIELD SPREAD 5Y TENOR

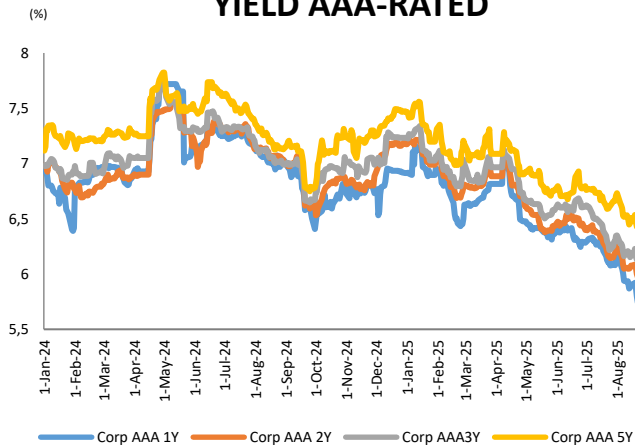


Sources : Bloomberg, KBVS Research (2025)

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

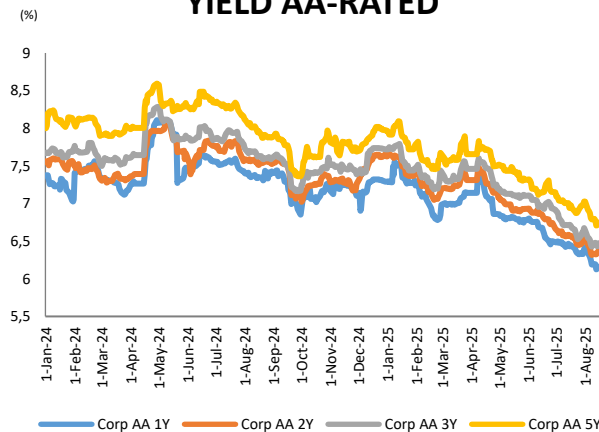
- AAA-rated
  - Tenor 1Y : -15.93 bps (WoW)
  - Tenor 2Y : -25.93 bps (WoW)
  - Tenor 5Y : -14.67 bps (WoW)
- AA-rated
  - Tenor 1Y : -22.48 bps (WoW)
  - Tenor 2Y : -31.37 bps (WoW)
  - Tenor 5Y : -17.06 bps (WoW)
- A-rated
  - Tenor 1Y : -20.34 bps (WoW)
  - Tenor 2Y : -29.44 bps (WoW), and
  - Tenor 5Y : -15.78 bps (WoW)

## YIELD AAA-RATED



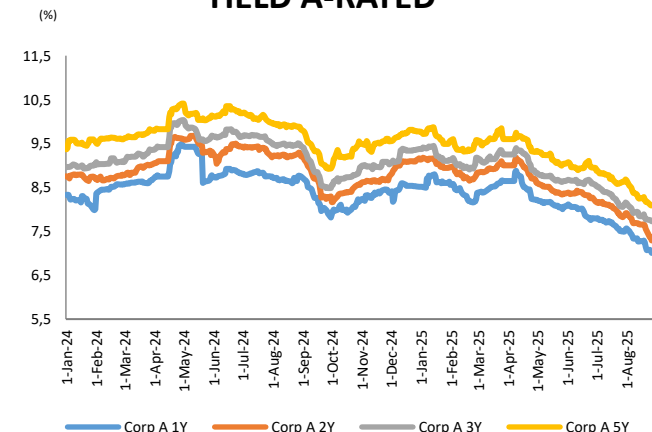
Sources : Bloomberg, KBVS Research (2025)

## YIELD AA-RATED



Sources : Bloomberg, KBVS Research (2025)

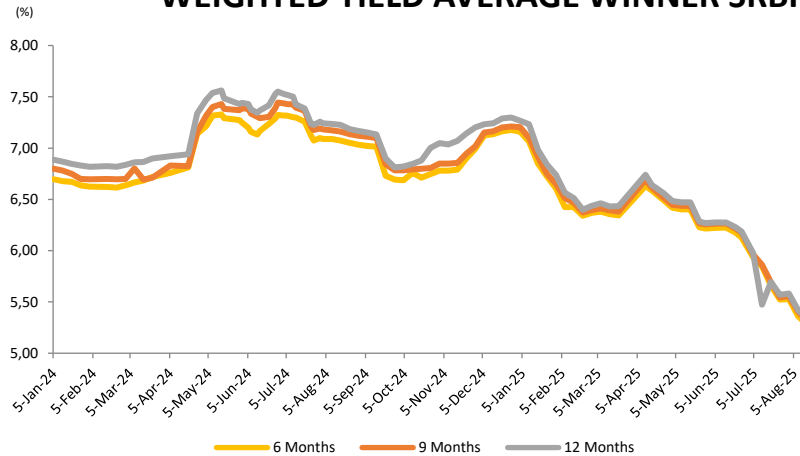
## YIELD A-RATED



Sources : Bloomberg, KBVS Research (2025)

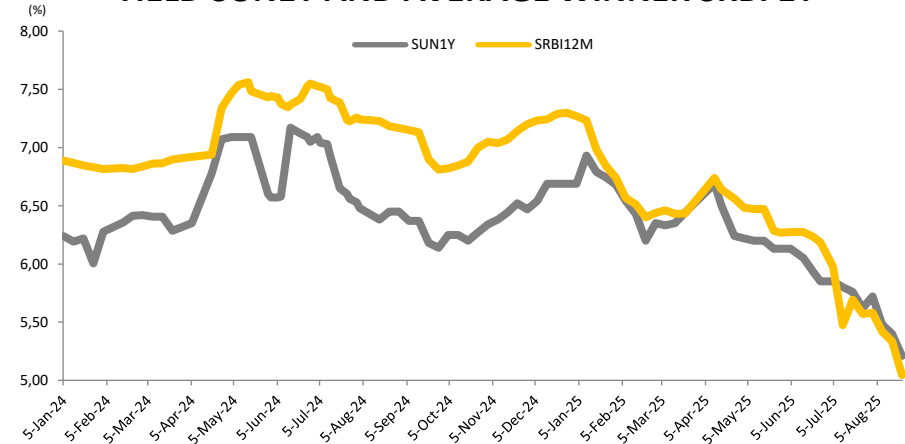
# BI'S MONETARY OPERATION

## WEIGHTED YIELD AVERAGE WINNER SRBI



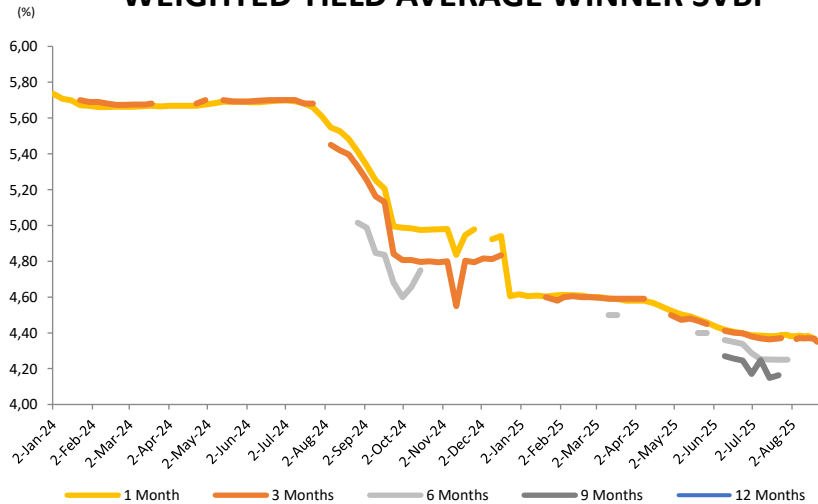
Sources : BI, KBVS Research (2025)

## YIELD SUN1Y AND AVERAGE WINNER SRBI 1Y



Sources : BI, KBVS Research (2025)

## WEIGHTED YIELD AVERAGE WINNER SVBI



Sources : BI, KBVS Research (2025)

- The SRBI auction once again recorded a decline in yields, with the Weighted Average Yield of Winning Bids standing at:
  - 6 month : 5,00352% (Prev: 5,27947%)
  - 9 month : 5,02256% (Prev: 5,31556%)
  - 12 month : 5,04564% (Prev: 5,33782%)
- Alongside the decline in SRBI yields, a similar trend was also observed in the winning yields of SVBI, with:
  - 1 month: 4,35000% (Prev: 4,367203%)
  - 3 month: 4,34993% (Prev: 4,36714%)



# PATRIOT BONDS

## Terinspirasi dari AS dan Jepang

Danantara meluncurkan **Patriot Bonds** yang merupakan – instrumen pembiayaan strategis untuk memperkuat kolaborasi pemerintah dan dunia usaha, demi pembangunan jangka panjang bangsa.



**Pandu Sjahrir**  
Chief Investment Officer  
Danantara Indonesia

"Danantara Indonesia berkomitmen menjalankan mandat sebagai pengelola investasi negara dengan penuh kehati-hatian, transparansi, dan tata kelola yang baik. Setiap inisiatif pembiayaan diarahkan untuk mendukung transformasi ekonomi jangka panjang serta memperkuat peran dunia usaha dalam pembangunan,"

## Dukungan dari Pengusaha



**Prajogo Pangestu**  
(BRPT, TPIA, CUAN, BREN, CDIA, GZCO, PTRO)  
"Pembangunan Indonesia adalah tanggung jawab bersama. Inisiatif Danantara Indonesia melalui Patriot Bonds memberi kesempatan bagi dunia usaha untuk berkontribusi dalam transformasi ekonomi nasional dengan tata kelola yang baik dan berkelanjutan."



**Franky Widjaja**  
(DSSA, GEMS, BSDE, DMAS, INKP, TKIM, dll)  
"Patriot Bonds yang digagas Danantara Indonesia memperkuat kolaborasi pemerintah dan dunia usaha. Instrumen ini memberi kepastian investasi sekaligus mempercepat pertumbuhan yang inklusif bagi masyarakat luas."



**Boy Thohir**  
(ADRO, AADI, PALM, ADMR, ESSA, BFIN, GOTO, dll)  
"Patriot Bonds mencerminkan semangat gotong royong yang telah menjadi kekuatan bangsa ini. Melalui instrumen ini, dunia usaha dapat ikut memastikan pembiayaan pembangunan nasional lebih mandiri dan berkelanjutan. Kami mendukung program ini, apalagi Patriot Bond ini akan mendanai proyek-proyek waste to energy yang sangat dibutuhkan dan bermanfaat bagi rakyat Indonesia."

## Manfaat Patriot Bonds?

- ✓ Memberi negara sumber pendanaan menengah–panjang yang stabil.
- ✓ Memberi negara sumber pendanaan menengah–panjang yang stabil.
- ✓ Berlandaskan partisipasi sukarela & semangat gotong royong

Dari Patriot Bonds ini, Danantara **membidik dana Rp. 50 Triliun** yang diterbitkan dalam dua tenor yaitu **5 tahun dan 7 tahun** dengan nilai masing-masing Rp. 25 Triliun. Dua seri obligasi tersebut akan diterbitkan dengan **kupon sebesar 2%**.

Source : kuliah saham (2025), link: [https://www.instagram.com/p/DN2R00Up9O/?img\\_index=2](https://www.instagram.com/p/DN2R00Up9O/?img_index=2)

- The launch of project bonds by Danantara, with a target of IDR50 tn and a 2% coupon (both for 5Y and 7Y tenor), appears to mark a pioneering step in Indonesia's strategic bond market.
- Notably, the issuance is directed toward financing a waste management system project.
- However, given the coupon rate that stands significantly below current market levels, it will be particularly interesting to observe its potential impact on the fixed income market and the broader economy going forward.



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# NEXT WEEK ECONOMIC CALENDAR

## ECONOMIC CALENDAR

(28 AUG-3 SEP 2025)

Country	Event	Forecast	Previous
Thursday, Aug 28, 2025			
US	5-Year Note Auction		3.98%
JP	BoJ Board Member Nakagawa Speaks		
EU	ECB Publishes Account of Monetary Policy Meeting		
US	Continuing Jobless Claims		1,972K
US	Initial Jobless Claims	231K	235K
US	Core PCE Prices (Q2)	2.50%	3.50%
US	GDP (QoQ) (Q2)	3.00%	-0.50%
US	GDP Price Index (QoQ) (Q2)	2.00%	3.80%
US	Pending Home Sales (MoM) (Jul)	-0.30%	-0.80%
Friday, Aug 29, 2025			
US	7-Year Note Auction		4.09%
US	Fed Waller Speaks		
US	Fed's Balance Sheet		6.620B
JP	Tokyo Core CPI (YoY) (Aug)	2.60%	2.90%
JP	Industrial Production (MoM) (Jul)	-1.20%	2.10%
GE	Retail Sales (MoM) (Jul)	-0.20%	1.00%
GE	Unemployment Change (Aug)	10K	2K
GE	Unemployment Rate (Aug)	6.30%	6.30%
EU	ECB's De Guindos Speaks		
GE	CPI (MoM) (Aug)	0.00%	0.30%
GE	CPI (YoY) (Aug)	2.10%	2.00%
US	Core PCE Price Index (YoY) (Jul)		2.80%
US	Core PCE Price Index (MoM) (Jul)	0.30%	0.30%
US	Goods Trade Balance (Jul)	-90.70B	-84.85B
US	PCE Price Index (YoY) (Jul)		2.60%
US	PCE Price Index (MoM) (Jul)	0.30%	0.30%
US	Personal Spending (MoM) (Jul)	0.50%	0.30%
US	Retail Inventories Ex Auto (Jul)		-0.10%
US	Chicago PMI (Aug)	45.30	47.10
US	Michigan 1-Year Inflation Expectations (Aug)	4.90%	4.50%
US	Michigan 5-Year Inflation Expectations (Aug)	3.90%	3.40%
US	Michigan Consumer Expectation (Aug)	57.20	57.70
US	Michigan Consumer Sentiment (Aug)	58.60	61.70

Country	Event	Forecast	Previous
Monday, Sep 1, 2025			
JP	Capital Spending (YoY) (Q2)		6.40%
ID	S&P Global Manufacturing PMI (Aug)		49.20
CN	Manufacturing PMI (MoM) (Aug)		49.50
ID	Core Inflation (YoY) (Aug)		2.32%
ID	Inflation (YoY) (Aug)		2.37%
ID	Inflation (MoM) (Aug)		0.30%
ID	Export Growth (YoY) (Jul)		11.29%
ID	Import Growth (YoY) (Jul)		4.28%
ID	Trade Balance (Jul)		4.11B
GB	Nationwide HPI (MoM) (Aug)		0.60%
GB	Nationwide HPI (YoY) (Aug)		2.40%
GE	HCOB Manufacturing PMI (Aug)		49.90
EU	HCOB Manufacturing PMI (Aug)		50.50
GB	S&P Global Manufacturing PMI (Aug)		47.30
EU	Unemployment Rate (Jul)		6.20%
Tuesday, Sep 2, 2025			
JP	10-Year JGB Auction		1.46%
EU	Core CPI (YoY) (Aug)		2.30%
EU	CPI (YoY) (Aug)		2.00%
EU	CPI (MoM) (Aug)		0.00%
US	S&P Global Manufacturing PMI (Aug)		53.30
US	Construction Spending (MoM) (Jul)		-0.40%
US	ISM Manufacturing Employment (Aug)		43.40
US	ISM Manufacturing PMI (Aug)		48.00
US	ISM Manufacturing Prices (Aug)		64.80
Wednesday, Sep 3, 2025			
JP	Au Jibun Bank Services PMI (Aug)		52.70
CN	Caixin Services PMI (Aug)		52.60
GE	HCOB Services PMI (Aug)		50.10
EU	HCOB Composite PMI (Aug)		51.10
EU	HCOB Services PMI (Aug)		50.70
GB	S&P Global Composite PMI (Aug)		53.00
GB	S&P Global Services PMI (Aug)		53.60
US	API Weekly Crude Oil Stock		
GE	10-Year Bund Auction		2.69%
US	Factory Orders (MoM) (Jul)		-4.80%
US	JOLTs Job Openings (Jul)		7.437M





# KBVS's 2H25 ECONOMIC ASSUMPTIONS

Year		Fed Rate (%)			Yield US10Y (%)			BI Rate (%)			GDP Growth (% , yoy)			Inflation (% , YoY)			Rupiah ER (Rp per USD)			Yield SUN10Y (%)		
		Worst	Base	Best	Worst	Base	Best	Worst	Base	Best	Worst	Base	Best	Worst	Base	Best	Worst	Base	Best	Worst	Base	Best
2024	End of Year	4.50			4.53			6.00			5.02			1.57			16,143			6.97		
	Average	5.27			4.20			6.10			5.03			2.29			15,847			6.78		
2025	End of Year	4.25	4.00	3.75	4.08	3.78	3.48	5.25	5.00	4.50	4.42	4.72	5.02	1.85	1.55	1.25	17,355	16,295	15,236	6.55	6.25	5.85
	Average	4.31	4.06	3.81	4.38	4.08	3.78	5.63	5.38	4.98	4.50	4.80	5.10	1.83	1.53	1.23	17,169	16,121	15,073	6.78	6.38	5.98
2026	End of Year	3.50	3.00	2.50	3.69	3.19	2.69	4.50	4.25	4.00	4.78	5.03	5.28	2.08	1.83	1.58	17,617	16,357	15,098	5.91	5.51	5.11
	Average	3.88	3.38	2.88	3.99	3.49	2.99	4.88	4.63	4.38	4.69	4.94	5.19	1.98	1.74	1.50	17,607	16,348	15,090	6.22	5.72	5.22

Source: KBVS Research – Juli (2025)

- Overall, not much has changed from our assumptions back in Mar '25.
- The Fed Rate remains largely unchanged; however, with the introduction of the Trump Tariff and its implications on U.S. inflation and growth, we have slightly raised our 2025 US10Y yield assumption by +24.0 bps.
- Conversely, we have trimmed our BI Rate assumption by -25 bps to -50 bps for end-2025, reflecting Bank Indonesia's increasingly pro-growth stance amid weak domestic demand and global monetary easing.
- We've also lowered our 2025–2026 inflation outlook by -0.01% to -0.75%, supported by improving domestic supply-demand dynamics and subdued consumption under persistent risk-off sentiment.
- Accordingly, we now expect the SUN10Y yield to end 2025 lower by -9 bps and decline a further -59 bps by end-2026, in line with dovish signals from global and domestic central banks.
- Looking forward, structural shifts—particularly the Trump Tariff, geopolitical tensions, and Indonesia's fiscal realignments—will shape the economic trajectory into 2026.
- **Despite the potential for strong momentum (like coasting downhill), lingering “speed bumps” remain key hurdles to a faster recovery.**