

# Global Uncertainty from U.S. Fiscal Standoff, with Indonesia Anchored by Trade Surplus

2 October 2025

Economist / Fikri C Permana

# EXECUTIVE SUMMARY

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- The U.S. government entered its 23rd shutdown on October 1, 2025, after the Senate failed to resolve disputes over Medicaid and broader budget priorities. The shutdown has led to the suspension of non-essential services, delayed federal employee pay, and a halt to key economic data releases, heightening uncertainty for businesses and policymakers. Although financial markets have so far remained relatively stable, a prolonged standoff could undermine investor confidence, pressure the dollar, and weigh on U.S. Treasuries.
- At the same time, the Federal Reserve is widely expected to deliver a 25 bps rate cut in October, marking the second step in its easing cycle amid slowing economic growth, a cooling labor market, and rising risks from the shutdown. Supporting this view, the S&P Global Manufacturing PMI has eased to 50.40 (Prev: 51.50), signaling softer activity.
- In Indonesia, the trade surplus climbed to USD 5.49 bn in August 2025—the largest since October 2022—extending its 64-month streak. Stronger export performance (+5.78% YoY) combined with weaker imports (-6.56% YoY) should bolster FX reserves and support rupiah stability, aided by higher USD deposit rates effective September 29.
- Meanwhile, inflation quickened to 2.65% YoY in September, driven by volatile food prices, particularly red chili and chicken meat, alongside core pressures from gold and education costs.
- Looking ahead, rupiah weakness, liquidity injections, and higher civil servant salaries present upside risks to October inflation, though food assistance programs are expected to provide partial relief.
- A weaker rupiah may also enhance the competitiveness of manufactured exports, even as import demand faces pressure from higher costs.



Source : Business Indonesia (2024), link: <https://business-indonesia.org/news/indonesia-s-trade-surplus-reaches-52-consecutive-months-with-2-90-bn>



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# US ECONOMIC DATA

US ECONOMIC INDICATORS	Unit	Latest Period	Data	
			Latest	Previous
Fed Rate	%	Sep '25	4.25	4.50
Economic Growth	%, yoy	2Q25	2.1	2
Inflation Rate	%, yoy	Aug '25	2.9	2.7
Unemployment Rate	%	Aug '25	4.3	4.2

Sources : various sources, KBVS Research (2025)

The data releases that influenced yield movements in the week of 25 Sep - 1 Oct '25 are as follows:

- The number of people claiming unemployment benefits on the period ending September 19<sup>th</sup>, '25 in the US decreased by 13K to 218K (Cons: 233K, Prev: 232K).
- Durable Goods Orders increased to 2.90% MoM (Cons: -0.30% MoM, Prev: -2.70% MoM).
- GDP in 2Q25 increased to 3.80% QoQ (Cons: 3.30% QoQ, Prev: -0.50% QoQ).
- Existing Home Sales in Aug '25 decreased to 4.00M (Cons: 3.96M, Prev: 4.01M).
- Core PCE Price Index in Aug '25 stable at 2.90% YoY (Cons: 2.90% YoY, Prev: 2.90% YoY).
- Chicago PMI in Sep '25 decreased to 40.60 (Cons: 43.40, Prev: 41.50).
- CB Consumer Confidence in Sep '25 decreased to 94.20 (Cons: 96.00, Prev: 97.80).
- JOLTS Job Openings in Aug '25 increased to 7.227M (Cons: 7.190M, Prev: 7.208M).

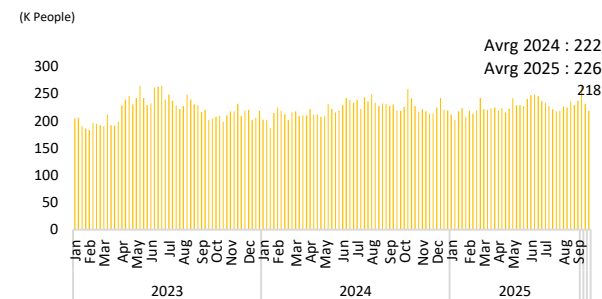
## ECONOMIC CALENDAR

(25 SEP – 1 OCT '25)

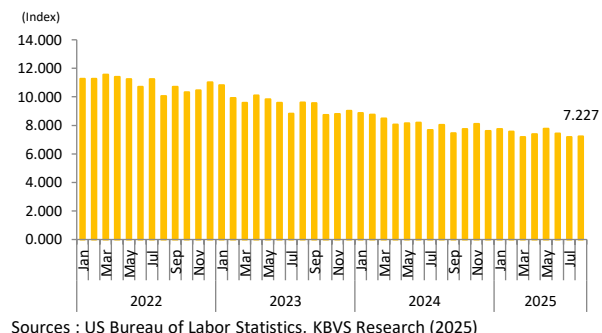
Event	Actual	Forecast	Previous
Thursday, 25 Sep '25			
US 5-Year Note Auction	3.71%		3.72%
US FOMC Member Daly Speaks			
US Continuing Jobless Claims	1,926K	1,930K	1,928K
US Initial Jobless Claims	218K	233K	232K
US Core Durable Goods Orders (MoM) (Aug)	0.40%	-0.10%	1.10%
US Core PCE Prices (Q2)	2.60%	2.50%	3.50%
US Durable Goods Orders (MoM) (Aug)	2.90%	-0.30%	-2.70%
US GDP (QoQ) (Q2)	3.80%	3.30%	-0.50%
US GDP Price Index (QoQ) (Q2)	2.10%	2.00%	3.80%
US Goods Trade Balance (Aug)	-85.50B	-95.70B	-103.60B
US Retail Inventories Ex Auto (Aug)	0.30%		0.20%
US FOMC Member Williams Speaks			
US Existing Home Sales (Aug)	4.00M	3.96M	4.01M
US Existing Home Sales (MoM) (Aug)	-0.20%		2.00%
US FOMC Member Bowman Speaks			
Friday, 26 Sep '25			
US 7-Year Note Auction	3.95%		3.93%
US Fed Vice Chair For Supervision Barr Speaks			
US FOMC Member Daly Speaks			
US Fed's Balance Sheet	6,608B		6,609B
US Core PCE Price Index (MoM) (Aug)	0.20%	0.20%	0.20%
US Core PCE Price Index (YoY) (Aug)	2.90%	2.90%	2.90%
US PCE Price Index (MoM) (Aug)	0.30%	0.30%	0.20%
US PCE Price Index (YoY) (Aug)	2.70%	2.70%	2.60%
US Personal Spending (MoM) (Aug)	0.60%	0.50%	0.50%
US Michigan 1-Year Inflation Expectations (Sep)	4.70%	4.80%	4.80%
US Michigan 5-Year Inflation Expectations (Sep)	3.70%	3.90%	3.50%
US Michigan Consumer Expectations (Sep)	51.70	51.80	55.90
US Michigan Consumer Sentiment (Sep)	55.10	55.40	58.20
US Atlanta Fed GDP Now (Q3)	3.90%	3.30%	3.30%
Monday, 29 Sep '25			
US Fed Waller Speaks			
US Pending Home Sales (MoM) (Aug)	4.00%	0.20%	-0.30%
Tuesday, 30 Sep '25			
US President Trump Speaks			
US FOMC Member Williams Speaks			
US FOMC Member Bostic Speaks			
US S&P/CS HPI Composite - 20 n.s.a. (MoM) (Jul)	-0.30%		0.00%
US S&P/CS HPI Composite - 20 n.s.a. (YoY) (Jul)	1.80%	1.70%	2.20%
US Chicago PMI (Sep)	40.60	43.40	41.50
US CB Consumer Confidence (Sep)	94.20	96.00	97.80
US JOLTS Job Openings (Aug)	7.227M	7.190M	7.280M
Wednesday, 1 Oct '25			
US API Weekly Crude Oil Stock	-3.674M		-3.821M
US OPEC Meeting			
US ADP Nonfarm Employment Change (Sep)		52K	54K
US S&P Global Manufacturing PMI (Sep)		52.00	53.00
US Construction Spending (MoM) (Sep)		-0.10%	-0.10%
US ISM Manufacturing Employment (Sep)			43.80
US ISM Manufacturing PMI (Sep)		49.00	48.70
US ISM Manufacturing Prices (Sep)		62.60	63.70
US Crude Oil Inventories			-0.607M
US Cushing Crude Oil Inventories			0.177M

Sources : investing, KBVS Research (2025)

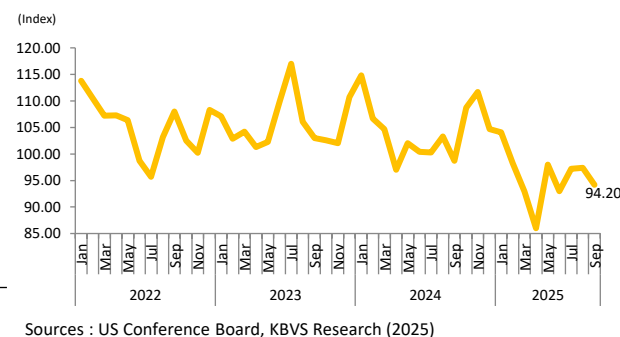
## WEEKLY INITIAL JOBLESS CLAIMS



## JOLTS JOB OPENINGS



## CB CONSUMER CONFIDENCE



# GLOBAL MARKET SHAPER: U.S SHUTDOWN LOOMS

## Government headed to a shutdown after last-ditch vote fails in Senate



Source : AP News (2025), link: <https://apnews.com/article/shutdown-senate-schumer-thune-trump-health-care-b85fe6cdd5d8cdc3e3aa1f4ae889474f>

Democrats have stressed the impact of Republican cuts to healthcare, while Republicans are blaming Democrats for the shutdown and delays in government services.



**Kamala Harris** ✓  
@KamalaHarris · Follow



President Trump and Congressional Republicans just shut down the government because they refused to stop your health care costs from rising.

Let me be clear: Republicans are in charge of the White House, House, and Senate. This is their shutdown.

11:10 AM · Oct 1, 2025



31.6K



Reply



Copy link

Source : Al Jazeera (2025), link: <https://www.aljazeera.com/news/liveblog/2025/10/1/live-us-government-shuts-down-starts-as-trump-threatens-mass-layoffs>

## LIVE: US government shutdown starts as Trump threatens mass layoffs



By Erin Hale and Tim Hume

1 Oct 2025

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- A United States federal government [shutdown started at midnight](#) local time on Wednesday (04:00 GMT).
- The shutdown will temporarily halt some US government services and put the salaries of hundreds of thousands of government employees on hold.

Source : Al Jazeera (2025), link: <https://www.aljazeera.com/news/liveblog/2025/10/1/live-us-government-shuts-down-starts-as-trump-threatens-mass-layoffs>

- The U.S. government entered its 23rd shutdown since 1976 on 1 Oct '25, after the Senate failed to approve a short-term funding bill, with disputes centered on Medicaid and broader budget allocations.
- The deadlock, driven by partisan divisions over healthcare subsidies and fiscal priorities, has resulted in the suspension of non-essential services, delayed federal pay, and a halt to key economic data releases—adding uncertainty for businesses and policymakers.
- In financial markets, the shutdown raises the risk of delayed economic data, increased policy uncertainty, and potential volatility.
- While the initial impact is limited, a prolonged standoff could undermine investor sentiment, weigh on U.S. Treasuries, and pressure the dollar.



# FED PROBABILITIES

## FED PROBABILITIES, as of 1 Oct '25

MEETING DATE	220-225	225-250	250-275	275-300	300-325	325-350	350-375	375-400	400-425
29-Oct-25	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	96.7%	3.3%
10-Dec-25	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	75.8%	23.5%	0.7%
28-Jan-26	0.0%	0.0%	0.0%	0.0%	0.0%	28.5%	56.1%	14.9%	0.4%
18-Mar-26	0.0%	0.0%	0.0%	0.0%	12.3%	40.5%	38.3%	8.7%	0.2%
29-Apr-26	0.0%	0.0%	0.0%	2.7%	18.5%	40.0%	31.8%	6.8%	0.2%
17-Jun-26	0.0%	0.0%	1.5%	11.4%	30.3%	35.5%	18.0%	3.2%	0.1%
29-Jul-26	0.0%	0.4%	4.2%	16.7%	31.8%	30.6%	13.9%	2.3%	0.1%
16-Sep-26	0.1%	1.7%	8.3%	21.6%	31.4%	25.2%	10.1%	1.6%	0.0%

Sources : CME Group, and KBVS Research (2025)

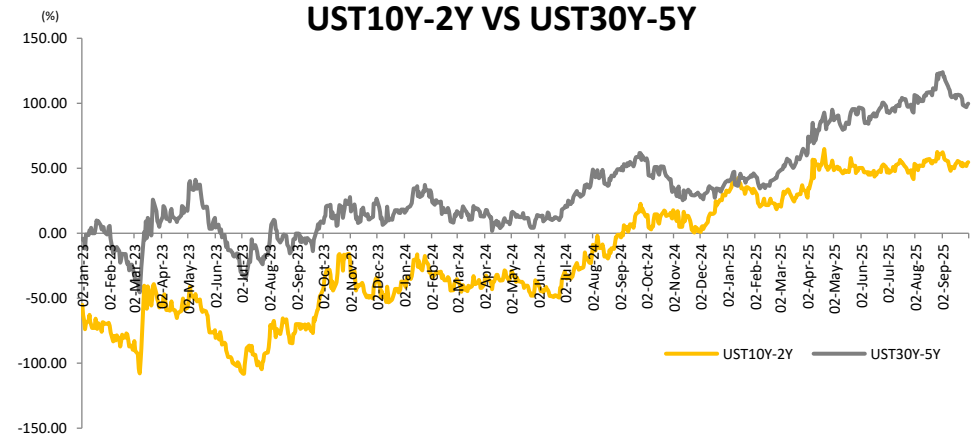
- A 25-basis point rate cut at the upcoming Oct '25 meeting is now overwhelmingly expected by the market. This move will be the 2nd Fed's monetary easing cycle in response to the changing economic landscape.
- This is anticipated to be the first of several reductions, as futures data shows further 25-bps cuts are priced in for the Dec '25 meeting and again in Mar '26, signaling the start of a sustained easing path.
- This policy shift is a response to signs of moderating economic growth, particularly a cooling labor market. The ongoing U.S. government shutdown adds further downside risk, reinforcing the case for the Fed to provide support to the economy.

## DXY



Sources : Bloomberg, and KBVS Research (2025)

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



Sources : Bloomberg, and KBVS Research (2025)

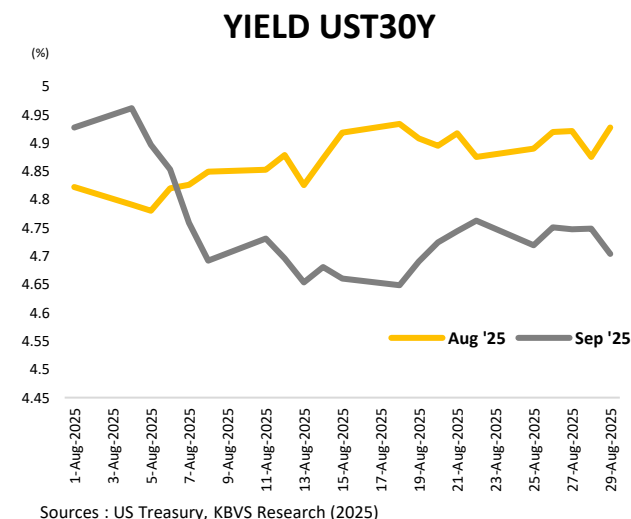
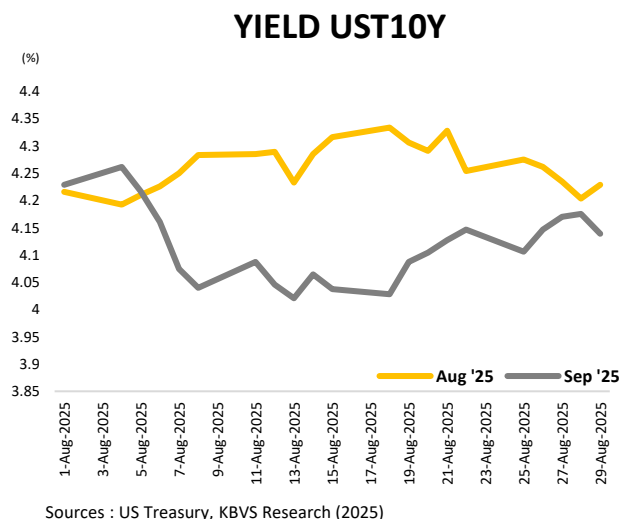
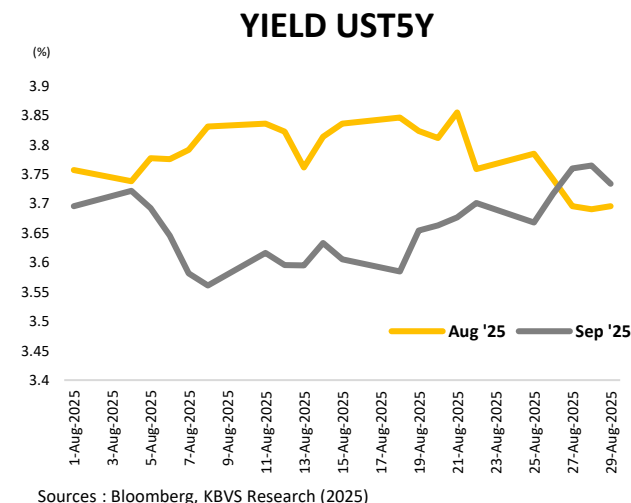
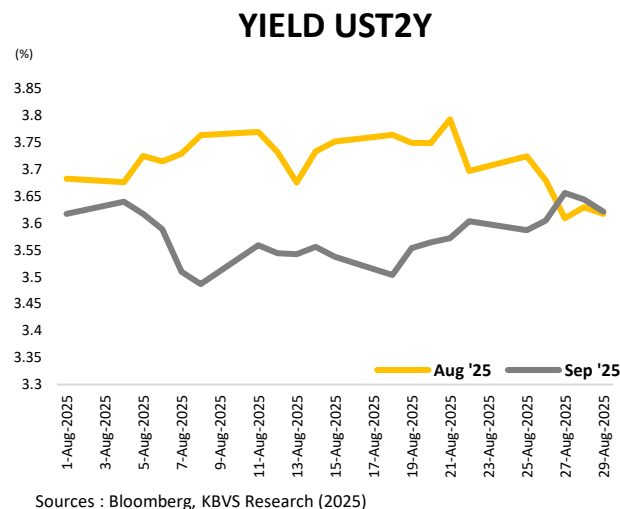
# THE MOVEMENT OF UST YIELDS

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 decrease:

- Yield UST6M
  - 0.79 bps (WoW)
  - 43.79 bps (YtD, as of Oct 1,'25)
- Yield UST1Y
  - +3.50 bps (WoW)
  - 48.93 bps (YtD, as of Oct 1,'25)
- Yield UST2Y
  - 1.62 bps (WoW)
  - 65.37 bps (YtD, as of Oct 1,'25)
- Yield UST5Y
  - 0.58 bps (WoW)
  - 67.06 bps (YtD, as of Oct 1,'25)
- Yield UST10Y
  - 1.57 bps (WoW)
  - 43.81 bps (YtD, as of Oct 1,'25)
- Yield UST30Y
  - 2.57 bps (WoW)
  - 5.80 bps (YtD, as of Oct 1,'25)





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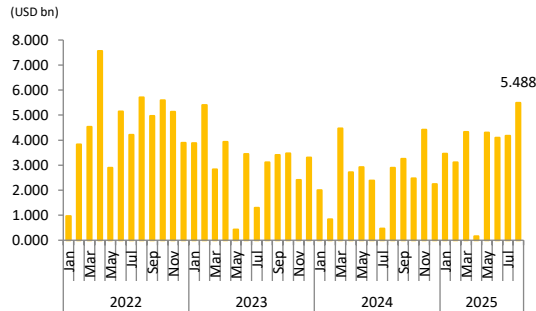
# INDONESIA ECONOMIC DATA

## INDICATORS OVERVIEW

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Policy Interest Rate	%	18 Sep '25	4.75	5.00
Economic Growth	%, yoy	2Q25	5.12	4.87
Inflation Rate	%, yoy	Sep '25	2.65	2.31
Unemployment Rate	%	Feb '25	4.76	4.91
S&P Credit Rating	Rating	17 July '24	BBB	BBB

Sources : various sources, KBVS Research (2025)

## TRADE BALANCE



Sources : BPS, KBVS Research (2025)

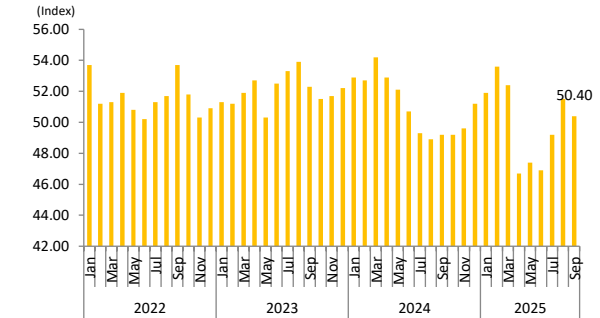
## ECONOMIC CALENDAR

(25 SEP – 1OCT '25)

Event	Actual	Forecast	Previous
<b>Thursday, 25 Sep '25</b>			
<b>Friday, 26 Sep '25</b>			
<b>Monday, 29 Sep '25</b>			
<b>Tuesday, 30 Sep '25</b>			
<b>Wednesday, 1 Oct '25</b>			
ID S&P Global Manufacturing PMI (Sep)	50.40		51.50
ID Core Inflation (YoY) (Sep)	2.19%	2.20%	2.17%
ID Inflation (YoY) (Sep)	2.65%	2.50%	2.31%
ID Inflation (MoM) (Sep)	0.21%	0.13%	-0.08%
ID Export Growth (YoY) (Aug)	5.78%	5.00%	9.86%
ID Import Growth (YoY) (Aug)	-6.56%	-2.00%	-5.86%
ID Trade Balance (Aug)	5.49B	3.99B	4.18M

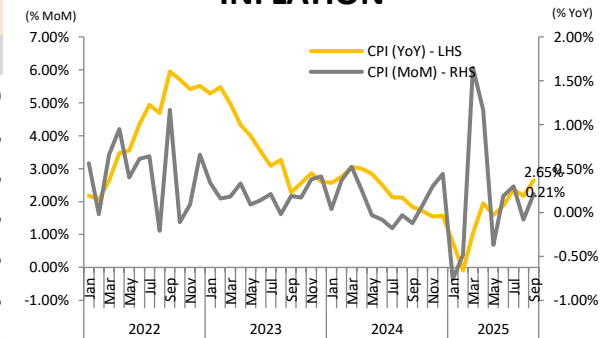
Sources : Investing, KBVS Research (2025)

## S&P GLOBAL MANUFACTURING PMI



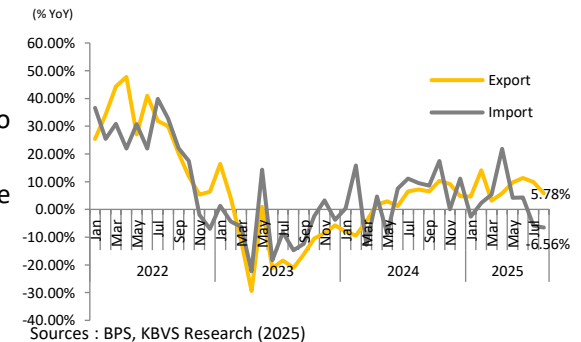
Sources : S&P Index, KBVS Research (2025)

## INFLATION



Sources : BPS, KBVS Research (2025)

## EXPORT-IMPORT

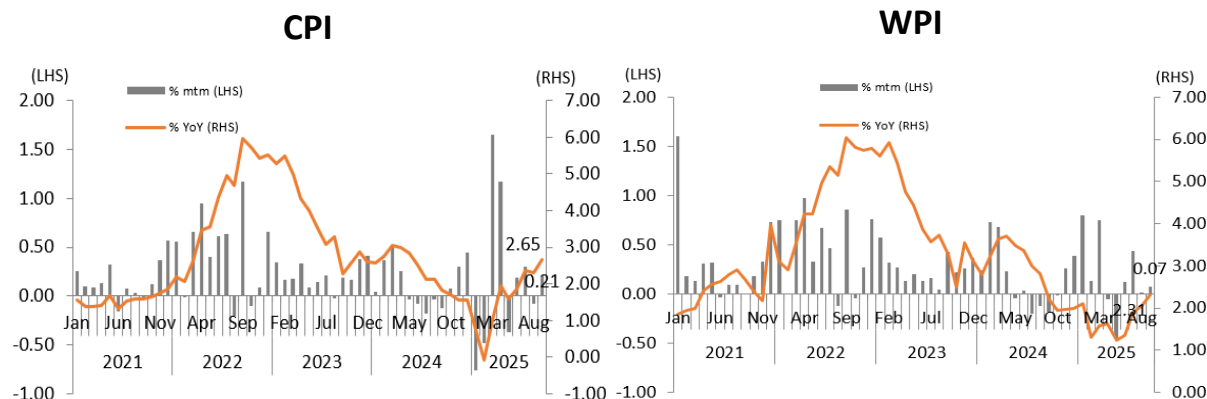


Sources : BPS, KBVS Research (2025)

The data release that influenced yield movements in the week of 25 Sep – 1 Oct '25 are as follows:

- S&P Global Manufacturing PMI decreased to 50.40 (Prev: 51.50).
- In line with expectations, Indonesia's trade surplus in Aug '25 extended its streak to 64 consecutive months, rising to USD5.49 bn.
- As expected, inflation continued to rise, reaching 0.21% MoM or 2.65% YoY. The increase was mainly driven by core inflation, which rose 0.18% MoM or 2.19% YoY.

# DOMESTIC INFLATION



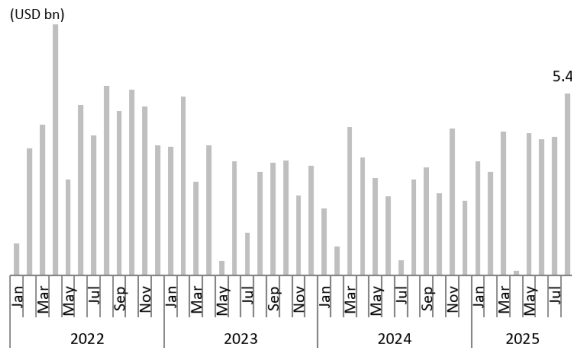
Indicators	Index		Inflation	
	Latest	M-1	MoM	YoY
Consumer Price Index (CPI)	108.74	108.51	0.21%	2.65%
Food, Beverages, and Tobacco	113.43	113.00	0.38%	5.01%
Clothing and Footwear	104.03	104.00	0.03%	0.79%
Housing, Water, Electricity, and Household Fuels	104.15	104.12	0.03%	1.64%
Equipment, Tools, and Routine Household Maintenance	104.06	104.07	-0.01%	0.30%
Health	106.05	105.91	0.13%	2.01%
Transport	109.74	109.76	-0.02%	-0.15%
Info, Comm. and Financial Services	99.22	99.21	0.01%	-0.31%
Recreation, Sport and Culture	105.18	105.16	0.02%	1.07%
Education Services	106.04	106.03	0.01%	1.15%
Food and Beverages Services/Restaurants	107.93	107.84	0.08%	1.80%
Personal Care and Other Services	121.81	120.32	1.24%	9.59%
Core inflation	107.05	106.86	0.18%	2.19%
Administered Price	110.11	110.04	0.06%	1.10%
Volatile Food	114.06	113.47	0.52%	6.44%
Wholesale Price Index (WPI)	105.27	105.20	0.07%	2.31%
Agriculture	107.46	107.77	-0.29%	5.74%
Mining and Quarrying	99.67	99.53	0.14%	-1.21%
Manufacturing	107.63	107.25	0.35%	2.14%
Farmer Exchange Rate	124.36	123.57	0.64%	3.37%
Farmers Price Received Index	155.04	153.95	0.71%	6.92%
Farmers Price Paid Index	124.67	124.58	0.07%	3.43%

Source : BPS (2025)

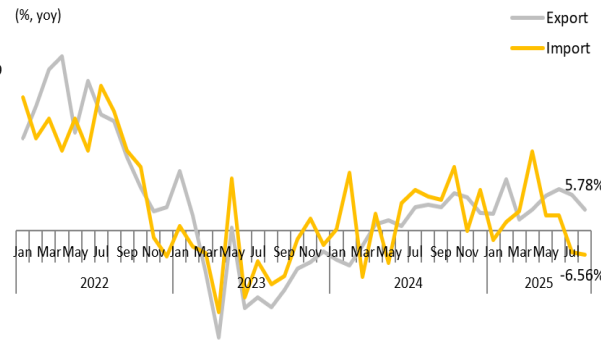
- As anticipated, headline inflation in Sep '25 continued its upward trajectory, recording 0.21% MoM or 2.65% YoY (Cons: 2.50% YoY; KBVS: 2.51% YoY; Prev: 2.31% YoY). Disaggregated data from the National Strategic Food Price Information Center (PIHPS) highlight the price dynamics of ten key commodities, most of which fall under volatile foods. The steepest monthly price increases at traditional markets were observed in red chili (+18.15% MoM) and chicken meat (+7.06% MoM), followed by eggs (+0.76% MoM), beef (+0.18% MoM), and cooking oil (+0.11% MoM).
- Within core inflation, upward pressures were traced mainly to higher jewelry gold prices and tuition fees at academies and universities.
- Looking ahead, the persistent uptrend in global gold prices, combined with continued Rupiah weakness, is expected to remain a key driver of core inflation in the near term. We anticipate some relief from currency depreciation pressures should the FOMC deliver another 25 bps Fed Funds Rate cut on 29 October 2025, which markets have largely priced in.
- The domestic front, however, several factors could add to inflationary pressures in October: a) additional liquidity injections—via IDR200tn in excess budget funds (SILPA) transferred by Bank Indonesia to state-owned banks (Himbara)—and; b) higher government spending, particularly civil servant salary adjustments under Presidential Regulation No. 79/2025 (8–12% increase), pose upside risks to Oct '25 inflation. Nonetheless, food assistance programs, particularly the 8+4+5 scheme targeting rice and cooking oil, are expected to provide some offset, helping to stabilize prices of staple goods.

# TRADE BALANCE

## TRADE BALANCE



## EXPORT-IMPORT



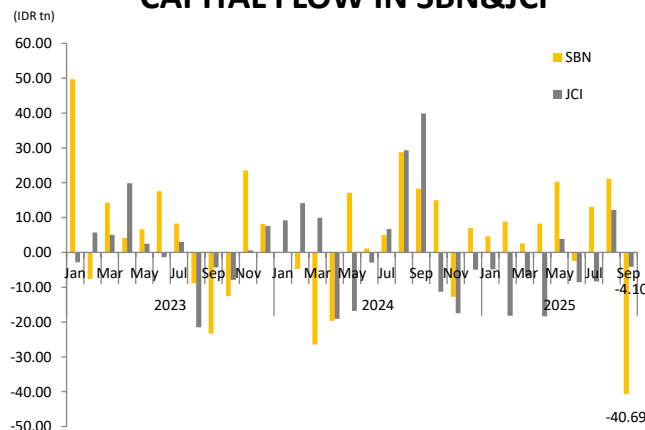
Indicators	Value (USD bn)		Growth (%)	
	Latest	M-1	MoM	YoY
Total Export (FOB)	24.96	24.75	0.87	5.78
Oil and Gas	1.07	0.94	14.45	-10.88
- Crude Oil	0.15	0.13	17.13	21.39
- Processed Oil	0.31	0.22	38.81	-13.10
- Gas	0.61	0.59	4.55	-15.18
Non-Oil and Gas	23.89	23.81	0.33	6.68
- Agriculture, Forestry, and Fisheries	0.60	0.58	4.70	10.98
- Manufacturing	19.82	20.53	-3.47	11.68
- Mining & Others	3.47	2.70	28.27	-15.50
Total Import (CIF)	19.48	20.58	-5.35	-6.56
Oil and Gas	2.73	2.51	8.71	3.17
- Crude Oil	1.01	0.79	29.02	43.55
- Processing Oil	1.72	1.73	-0.53	-11.52
- Gas	0.00	0.00	0.00	0.00
Non-Oil and Gas	16.74	18.06	-7.30	-7.98
Import Based on the Goods Usage Classification				
Consumption Goods	1.88	2.03	-7.16	-5.24
Raw/Auxiliary Materials	13.65	14.17	-3.72	-9.06
Capital Goods	3.95	4.38	-9.78	2.45
Trade Balance	5.49	4.17	31.50%	89.24%
Oil and Gas Trade Balance	-1.66	-1.58	5.30%	15.26%
Non-Oil and Gas Trade Balance	7.15	5.75	24.32%	64.70%

Source : BPS (2025)

- In line with expectations, Indonesia's trade surplus extended its streak to 64 consecutive months in Aug '25, rising to USD5.49 bn (Cons: USD4.08 bn; KBVS: USD 5.11 bn; Prev: USD 4.17 bn).
- This marks the largest surplus since Oct '22, underpinned by resilient export performance alongside subdued imports.
- Exports reached USD24.96 bn, expanding by 5.78% YoY (Cons: 6.50% YoY; KBVS: 10.74% YoY; Prev: 9.86% YoY). On the imports side, total shipments reached USD19.47 bn, declining by -6.56% YoY (Cons: 0.20% YoY; KBVS: 10.83% YoY; Prev: -5.86% YoY).
- The strengthening trade surplus should provide a supportive buffer for Indonesia's foreign exchange reserves and help underpin rupiah stability.
- This dynamic is expected to be reinforced by the increase in USD deposit rates effective 29 Sep '25, aimed at safeguarding onshore USD liquidity.
- Looking ahead, we view Indonesia's manufacturing momentum as a positive signal for export growth.
- Finally, while the recent rupiah depreciation may serve as a competitive advantage for Indonesian manufactured exports in global markets, it also carries potential risks.
- We expect weaker currency conditions to temper import volumes, particularly for consumer goods, as higher costs weigh on demand.
- Overall, however, Indonesia's export sector is well-positioned to benefit from both favorable global demand trends and improved domestic production dynamics.

# DEVELOPMENT OF TRADABLE SBN

## CAPITAL FLOW IN SBN&JCI



Sources : Bloomberg, KBVS Research (2025)

Between 25 September – 1 October '25, non-residents conducted:

- A net sell of tradeable SBN, amounting IDR6.08 tn.
- A net sell of JCI, amounting IDR3.27 tn.

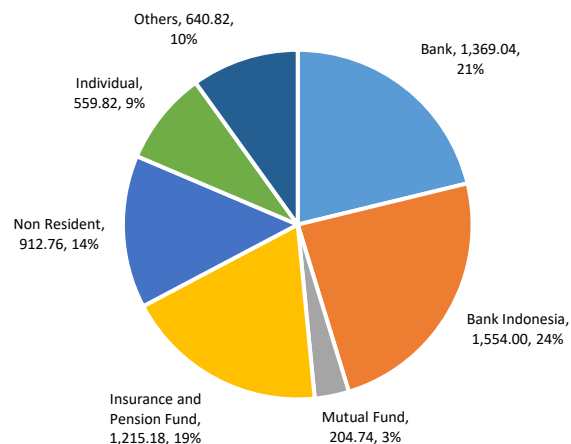
## SUN LATEST AUCTION

23 Sep '25									
Instruments	SPN03251224	SPN12260910	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	5.58	9.47	24.42	21.62	15.21	10.11	6.29	5.77	98.47
Bid to Cover Ratio	2.79	1.35	4.61	4.60	2.92	2.08	2.67	3.61	2.98
Weighted Average Yields Awarded	4.750%	4.800%	5.347%	6.280%	6.750%	6.860%	6.890%	6.899%	
9 Sep '25									
Instruments	SPN03251210	SPN12260910	FR0109	FR0108	FR0106	FR0107	FR0102	FR0105	Total
Incoming Bids (IDR tn)	0.52	5.16	27.59	24.46	8.95	5.60	3.74	3.54	79.55
Bid to Cover Ratio	-	1.01	18.39	6.99	1.85	1.67	1.12	1.26	3.25
Weighted Average Yields Awarded	-	5.153%	5.829%	6.450%	6.769%	6.900%	6.940%	6.950%	

Sources : DJPPR, KBVS Research (2025)

## OWNERSHIP of IDR TRADABLE SBN

(IDR tn,  
% of total tradable SBN)



Sources : DJPPR, and KBVS Research (2025)

As of 22 September '25, the largest ownership of tradable SBN is as follows:

- Bank Indonesia : IDR1,554.00 tn (-IDR13.89 tn, WoW),
- Banks : IDR1,369.04 tn (+IDR26.39 tn, WoW), and
- Insurance & Pension Funds: IDR1,215.18 tn (+IDR12.34 tn, WoW)

## SBSN LATEST AUCTION

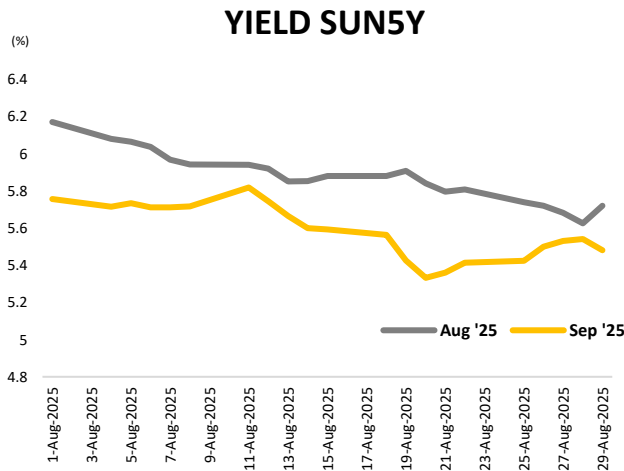
30 Sep '25								
Instruments	SPNS09032026	SPNS01062026	PBS003	PBS030	PBSG001	PBS034	PBS038	Total
Incoming Bids (IDR tn)	0.50	4.90	9.20	3.55	4.20	7.78	7.89	38.01
Bid to Cover Ratio	-	4.90	20.44	7.09	3.23	3.46	5.26	5.43
Weighted Average Yields Awarded	-	4.750%	4.900%	5.061%	5.285%	6.550%	6.845%	
16 Sep '25								
Instruments	SPNS09032026	SPNS01062026	PBS003	PBS030	PBS034	PBS039	PBS038	Total
Incoming Bids (IDR tn)	5.51	10.14	8.63	13.99	6.34	6.38	8.69	59.68
Bid to Cover Ratio	5.51	10.14	43.15	9.32	3.17	2.60	4.70	5.97
Weighted Average Yields Awarded	5.028%	5.027%	5.060%	5.196%	6.550%	6.740%	6.840%	

Sources : DJPPR, KBVS Research (2025)

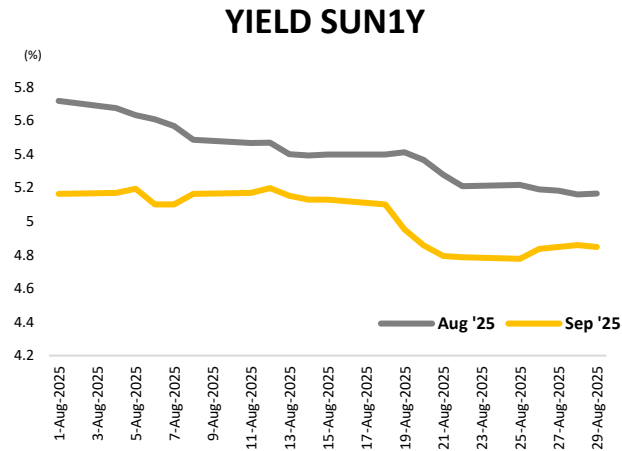
# THE MOVEMENT OF SUN YIELDS

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

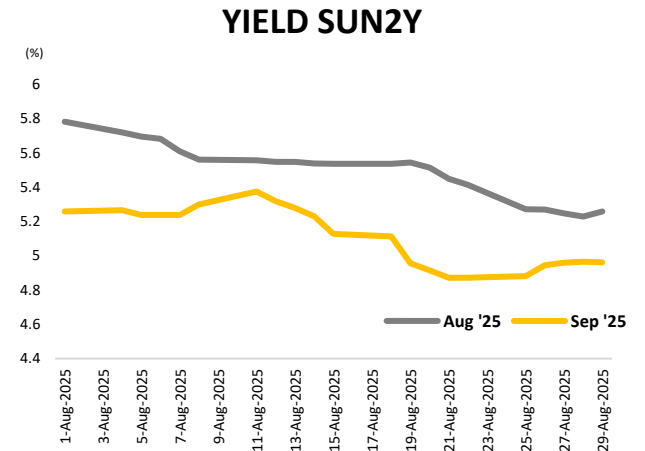
- Yield SUN1Y
  - -0.70 bps (WoW)
  - -186.00 bps (YtD, as of Oct 1, '25)
- Yield SUN2Y
  - +0.80 bps (WoW)
  - -195.10 bps (YtD, as of Oct 1, '25)
- Yield SUN5Y
  - -1.60 bps (WoW)
  - -150.50 bps (YtD, as of Oct 1, '25)
- Yield SUN10Y
  - -6.20 bps (WoW)
  - -65.90 bps (YtD, as of Oct 1, '25)
- Yield SUN30Y
  - +0.30 bps (WoW)
  - -20.30 bps (YtD, as of Oct 1, '25)



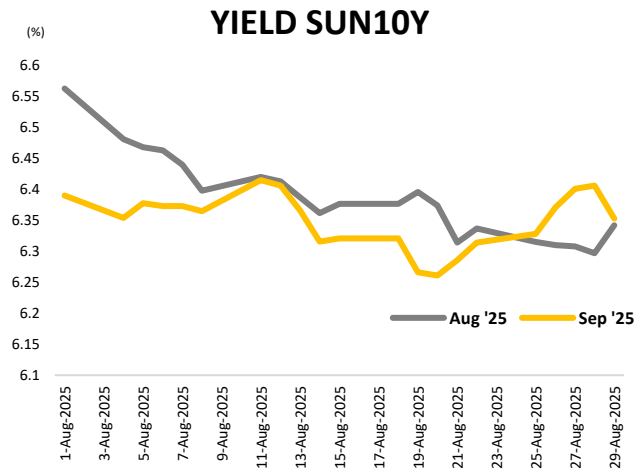
Sources : Bloomberg, KBVS Research (2025)



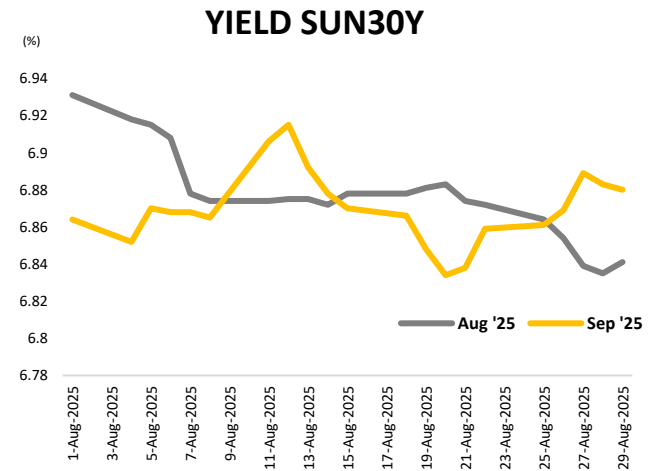
Sources : Bloomberg, KBVS Research (2025)



Sources : Bloomberg, KBVS Research (2025)



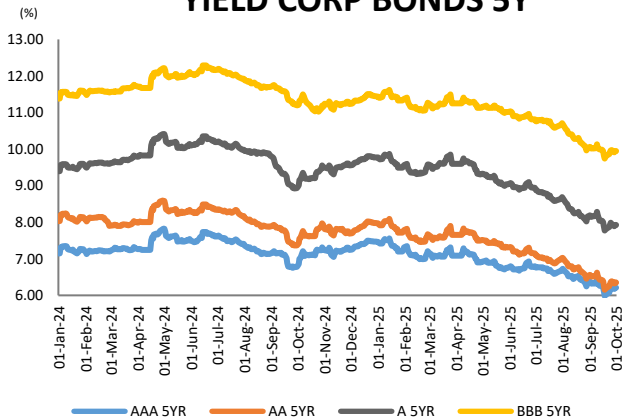
Sources : Bloomberg, KBVS Research (2025)



Sources : Bloomberg, KBVS Research (2025)

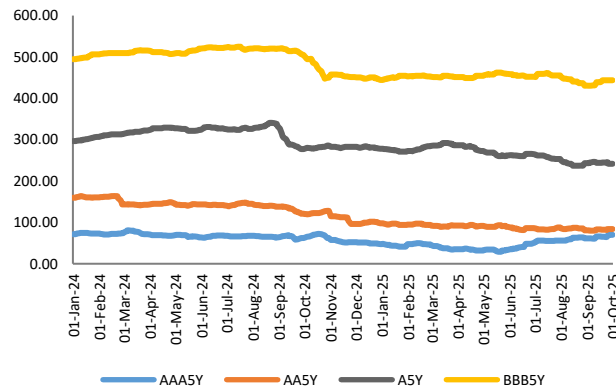
# THE MOVEMENT OF CORPORATE BOND YIELD

## YIELD CORP BONDS 5Y



Sources : Bloomberg, KBVS Research (2025)

## YIELD SPREAD 5Y TENOR

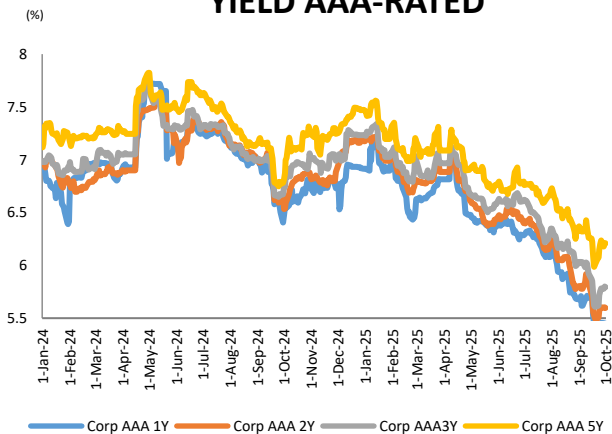


Sources : Bloomberg, KBVS Research (2025)

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

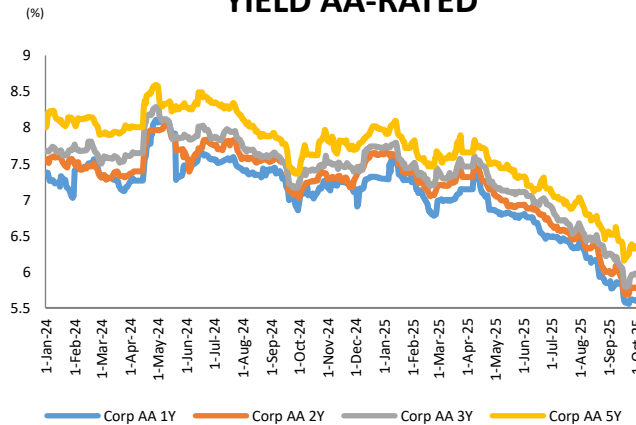
- AAA-rated
  - Tenor 1Y : -0.23 bps (WoW)
  - Tenor 2Y : +2.22 bps (WoW)
  - Tenor 5Y : +3.27 bps (WoW)
- AA-rated
  - Tenor 1Y : -2.58 bps (WoW)
  - Tenor 2Y : +0.98 bps (WoW)
  - Tenor 5Y : +0.68 bps (WoW)
- A-rated
  - Tenor 1Y : -4.73 bps (WoW)
  - Tenor 2Y : -2.12 bps (WoW), and
  - Tenor 5Y : -4.57 bps (WoW)

## YIELD AAA-RATED



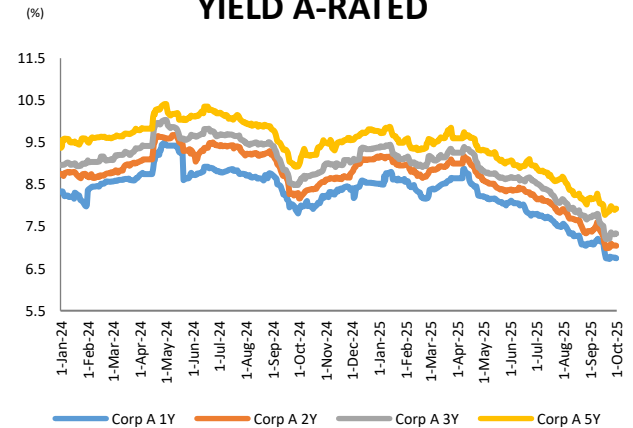
Sources : Bloomberg, KBVS Research (2025)

## YIELD AA-RATED



Sources : Bloomberg, KBVS Research (2025)

## YIELD A-RATED

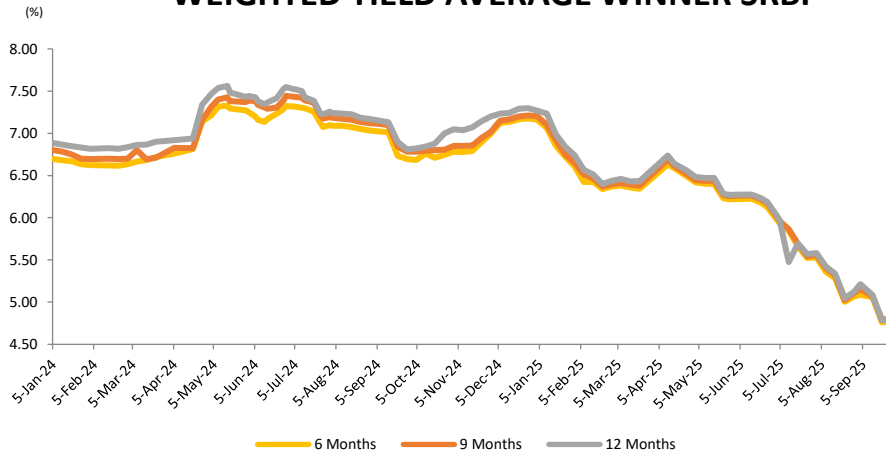


Sources : Bloomberg, KBVS Research (2025)



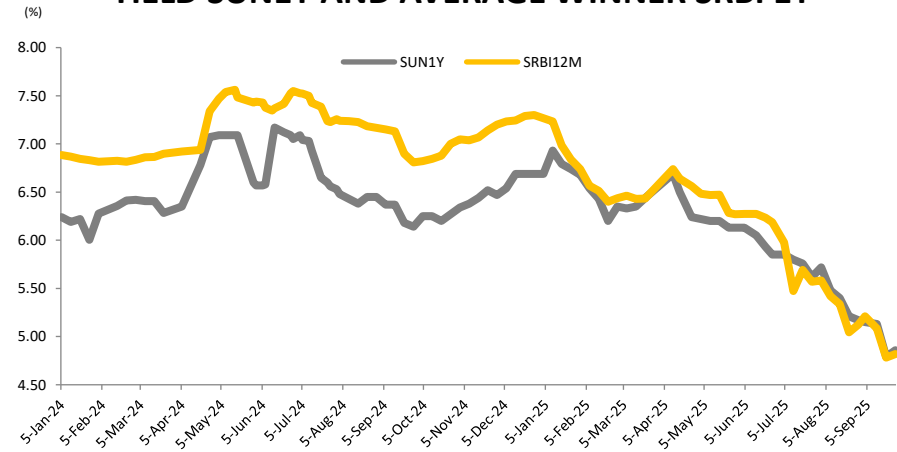
# BI'S MONETARY OPERATION

## WEIGHTED YIELD AVERAGE WINNER SRBI



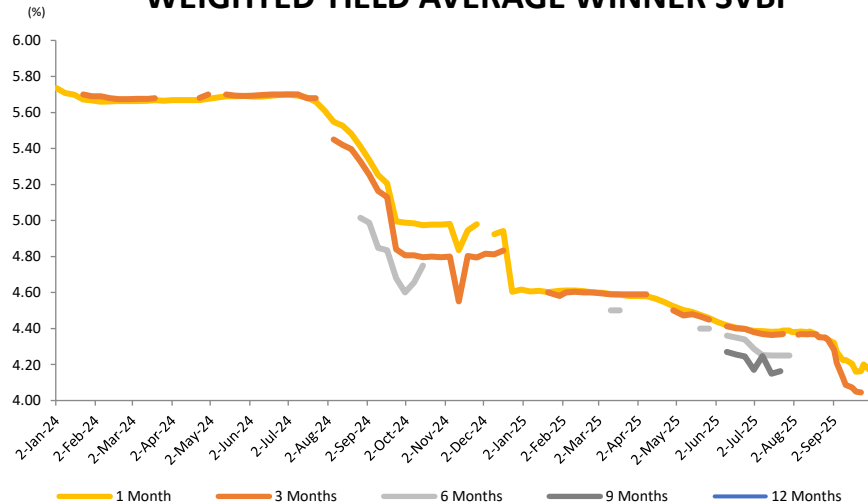
Sources : BI, KBVS Research (2025)

## YIELD SUN1Y AND AVERAGE WINNER SRBI 1Y



Sources : BI, KBVS Research (2025)

## WEIGHTED YIELD AVERAGE WINNER SVBI



Sources : BI, KBVS Research (2025)

- Yields from the latest SRBI auction reversed their prior trend and moved higher across all tenors, with the Weighted Average Yield of Winning Bids recorded at:
  - 6 month : 4,80035% (prev: 4,76000%)
  - 9 month : 4,81965% (Prev: 4,80000%)
  - 12 month : 4,86251% (Prev: 4,78204%)
- Following a different pattern, weighted average yields for SVBI showed mixed results, though the significant inversion remains firmly in place. The 9-month tenor continues to yield well below the shorter-term 1-month and 3-month tenors.
  - 1 month: 4,16825% (Prev: 4,16258%)
  - 3 month: 4,09000% (Prev: 4,04500%)
  - 9 month: 3,81000%



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**Economic Calendar**

# NEXT WEEK ECONOMIC CALENDAR

## ECONOMIC CALENDAR

(2-8 OCT 2025)

Country	Event	Forecast	Previous
<b>Thursday, Oct 2, 2025</b>			
JP	10-Year JGB Auction		1.61%
EU	Unemployment Rate (Aug)	6.20%	6.20%
US	Continuing Jobless Claims		1,926K
US	Initial Jobless Claims	229K	218K
US	Factory Orders (MoM) (Aug)	0.90%	-1.30%
<b>Friday, Oct 3, 2025</b>			
EU	ECB's De Guindos Speaks		
US	Fed's Balance Sheet		6,608B
JP	Au Jibun Bank Services PMI (Sep)	53.00	53.10
GE	HCOB Services PMI (Sep)	52.50	49.30
EU	HCOB Composite PMI (Sep)	51.20	51.20
EU	HCOB Services PMI (Sep)	51.40	51.40
GB	S&P Global Composite PMI (Sep)	51.00	53.50
GB	S&P Global Services PMI (Sep)	51.90	54.20
EU	ECB President Lagarde Speaks		
US	FOMC Member Williams Speaks		
US	Average Hourly Earnings (YoY) (Sep)		3.70%
US	Average Hourly Earnings (MoM) (Sep)	0.30%	0.30%
US	Nonfarm Payrolls (Sep)	51K	22K
US	Participation Rate (Sep)		62.30%
US	Private Nonfarm Payrolls (Sep)	35K	38K
US	U6 Unemployment Rate (Sep)		8.10%
US	Unemployment Rate (Sep)	4.30%	4.30%
GB	BoE Gov Bailey Speaks		
US	S&P Global Composite PMI (Sep)	53.60	53.60
US	S&P Global Services PMI (Sep)	53.90	54.50
EU	ECB's Schnabel Speaks		
US	ISM Non-Manufacturing Employment (Sep)		46.50
US	ISM Non-Manufacturing PMI (Sep)	52.00	52.00
US	ISM Non-Manufacturing Prices (Sep)		69.20

Country	Event	Forecast	Previous
<b>Monday, Oct 6, 2025</b>			
GB	S&P Global Construction PMI (Sep)		45.50
<b>Tuesday, Oct 7, 2025</b>			
JP	Household Spending (YoY) (Aug)		1.40%
JP	Household Spending (MoM) (Aug)		1.70%
ID	Fx Reserves (USD) (Sep)		150.70B
GB	Halifax House Price Index (MoM) (Sep)		0.30%
GB	Halifax House Price Index (YoY) (Sep)		2.20%
GE	Factory Orders (MoM) (Aug)		-2.90%
US	Trade Balance (Aug)		-78.30B
<b>Wednesday, Oct 8, 2025</b>			
US	Consumer Credit (Aug)		16.01B
JP	Adjusted Current Account (Aug)		188.28T
JP	Current Account n.s.a. (Aug)		2.684T
GE	Industrial Production (MoM) (Aug)		1.30%

