Mandiri Investasi Weekly Recap

18 – 21 Aug 2026

Market Summary:

Global Equity: Global equities ended the week lower (MSCI World: -1.19%WoW) as rising long-term yields raised concerns about the fiscal outlook and heavy Treasury/AI-related credit issuance, compounded by renewed US–Iran tensions, higher oil, and weakness in semis/AI names.

Domestic Equity: JCI rallied +1.93% WoW to 6,525.69 with foreign inflow IDR2.2Tn WoW, reversing IDR1.58tn net sell the prior week.

Domestic Bond Market: The 10Y IndoGB yield declined 23bps WoW to 6.95% and 2Y fell 18bps to 6.65%, on rupiah strength to IDR17,694/US$ and continued foreign inflow of IDR13.8Tn WoW.

Key News of The Week

US Treasury will at least double the size of long-end liquidity-support buybacks (from a US$2bn to at least US$4bn per-operation cap) effective Sep 9 through Nov 4, after the 30Y UST yield hit 5.33%.

Total US debt surpassed US$40tn for the first time, moving closer to the statutory debt ceiling of US$41.1tn.

Gold climbed to a more than three-month high on Friday (US$4,600/oz), on track for its third straight weekly gain as the U.S. Treasury's buyback support plan dragged on the dollar.

BI held policy rate unchanged at 5.75%, as expected. BI maintained its expectation of the next Fed rate hike in 4Q26, with global inflation forecast at 4.5% and global growth 3.0% in 2026.

Indonesia's total external debt reached US$453.4bn in 2Q26 (+4.4% YoY, 30.6% of GDP), with govt debt at US$216.3bn (+2.9% YoY) and private debt at US$194.6bn (-0.6% YoY); the rise was driven by public debt including higher non-resident SRBI holdings. Debt remains dominated by long-term maturities (82.1% of total)

Indonesia booked a BoP deficit of -US$0.9bn in 2Q26 (1Q26: -US$9.1bn) as the current account deficit widened to US$12.5bn (-3.3% of GDP, from -US$3.6bn/-1.0% in 1Q26) while the capital and financial account recorded a US$12.0bn surplus (1Q26: -US$4.8bn deficit), supported by direct investment and portfolio investment inflows.

Our View:

Rising US Treasury yields are drawing market attention due to heavy fiscal supply and shifting rate outlooks. Treasury buybacks offer only temporary liquidity support rather than fundamental relief. Meanwhile, investors will be focus on the Jackson Hole symposium for signals on future Federal Reserve policy next week.

Indonesian bonds and equities have been comparatively stable, though the CAD and the SRBI policy shift remain the key variables to watch. For IndoGBs the setup is constructive: better rupiah stability and lower FX hedging costs ease foreign re-entry, while reduced SRBI supply redirects domestic bank and institutional liquidity into the govies, both pointing to downward yield pressure. Indo equities offer a mean-reversion setup, with the JCI trading at depressed valuations and foreign positioning still light. Thus, a re-engagement catalyst (rupiah stability, BI continuity, or an improving current account) carries asymmetric upside to flows and to index performance.

Index Return (%)

Global Equity	Price	1W	QTD	YTD	1Y	3Y
IHSG	6,525.69	1.93	15.64	-24.53	-17.30	-5.65
IDX80	96.93	2.24	17.08	-26.88	-22.21	-27.07
LQ45	644.59	1.95	16.54	-23.86	-22.24	-33.06
ISSI	228.40	2.65	16.18	-25.99	-14.00	7.95
MSCI World	4,969.82	-1.19	2.99	11.47	20.27	70.83
Dow Jones	53,277.01	-0.85	1.83	10.15	18.96	55.38
NASDAQ Comp	26,180.46	-2.05	-0.13	11.79	24.08	93.85
S&P 500	7,674.37	-1.43	2.33	11.28	20.47	74.91
Euro Stoxx 50	6,462.22	-1.18	2.12	11.49	18.31	51.68
FTSE 100 (UK)	10,816.56	0.62	3.04	8.81	16.19	48.77
Nikkei 225 (Japan)	66,016.36	-3.93	-5.77	31.14	54.93	107.23
Shanghai Composite	3,905.20	-0.56	-4.62	-1.51	3.56	25.15
MSCI Asia Pacific	277.09	-0.35	1.14	21.63	31.15	75.27
MSCI ASEAN	832.03	0.16	9.97	8.78	11.41	33.21
KOSPI (Korea)	6,912.95	-0.93	-18.45	64.04	120.04	174.79
Nifty (India)	24,252.00	-0.47	1.62	-6.50	-3.32	25.03

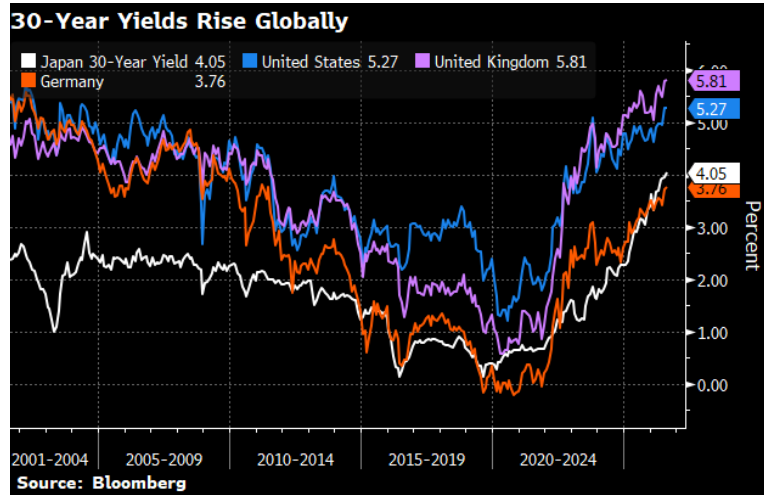
Last Data

Rates, Currencies, Commodities	08/21/26	08/14/26	06/30/26	03/31/26	12/31/25
BBG Commodity	140.49	135.39	123.18	135.25	109.69
Brent Crude Oil ($/bbl)	94.39	88.52	72.92	118.35	60.85
Thermal Coal ($/mt)	131.50	129.25	129.65	142.45	107.50
Gold ($/troy oz)	4,603.07	4,376.40	4,008.02	4,668.06	4,319.37
Nickel ($/mt)	17,058.00	16,815.00	16,287.00	17,110.00	16,646.00
CPO (MYR/mt)	4,791.00	4,528.00	4,474.00	4,729.00	3,998.00
DXY	98.80	99.67	101.19	99.96	98.32
USDIDR	17,694.00	17,827.00	17,907.00	17,041.00	16,680.00
IndoGB 10Y (%)	6.95	7.18	7.16	6.86	6.07
IndoGB 2Y (%)	6.65	6.83	7.21	6.31	5.00
SRBI 12M Avg Yield (%)	7.37	7.37	7.70	5.50	4.92
UST 10Y (%)	4.73	4.69	4.47	4.32	4.17
UST 2Y (%)	4.24	4.17	4.17	3.79	3.47
VIX	15.13	14.25	16.45	25.25	14.95
MOVE	73.40	69.58	71.96	96.05	63.96
Indo CDS 5Y	84.50	84.28	89.45	101.28	68.86

Economic Calendar

Monday	Tuesday
24 August: -	25 August: (US) New Home Sales, Conf. Board Consumer Confidence
Wednesday	**Thursday**
26 August: (US)Personal Income & Spending, PCE Price Index	27 August: (US) Initial Jobless Claims, Jackson Hole Economic Policy
Friday	
28 August: (US) U. of Mich. Sentiment, Jackson Hole Economic Policy Symposium, (JP) Tokyo CPI	

Chart of the Week



Commentary: Long-term government bond yields in the US, Japan, Germany, and the UK are surging simultaneously due to a global supply glut of new debt issued to fund massive fiscal deficits. This synchronized sell-off is intensified by persistent energy-driven inflation and the Bank of Japan's historic exit from ultra-loose monetary policy, which together force central banks to maintain higher interest rates.