Mandiri Investasi Weekly Recap

24 – 28 Aug 2026

Market Summary:

Global Equity: Global equities ended the week modestly higher (MSCI World: +0.33% WoW) ahead of the Fed Chair's address at Jackson Hole.

Domestic Equity: The JCI slipped -0.12% for the week but held above the 6,500 level, supported by foreign inflows of IDR279bn.

Domestic Bond Market: The 10Y and 2Y IndoGB yields rose 5bps WoW to 7.00% and 6.69%, respectively, amid foreign outflows of IDR1.59tn, while the rupiah remained stable.

Key News of The Week

US headline PCE inflation came in at +3.7% YoY in July, flat from the prior month, while core PCE rose +3.3% YoY. Goods prices fell -0.1%, driven by a drop in gasoline and energy-related goods, while services inflation increased +0.3%.

In his Jackson Hole speech, Fed Chairman Kevin Warsh expressed concern about elevated inflation, hinting that interest rates may need to move higher if price pressures persist. At the same time, he voiced confidence in the US economy, which has been supported by AI-related investment and resilient consumer spending. The probability of a September rate hike rose to 55.7% after the speech, according to the CME Group FedWatch tool.

Destry Damayanti was approved by a parliamentary commission as BI Governor for 2026–2031, with final confirmation expected at a plenary session on September 1. During her vetting, Destry pledged policy continuity, with financial stability, inflation control, and rupiah stability remaining the foundation of BI's strategy, alongside its expanded role in supporting growth and job creation. She affirmed close coordination with the government while preserving BI's independence.

Our View:

The next week NFP report is the single most important data point before the FOMC convenes. A weak print that validates the labor supply plateau thesis would keep wage inflation concerns alive and give Warsh's hawkish framing its clearest empirical backing yet. Domestically, if Indonesia's July trade balance turns positive, it could help shield the Rupiah against external pressure.

Indonesian bonds and equities have been comparatively stable. For IndoGBs, the setup is constructive: improved rupiah stability and lower FX hedging costs ease foreign re-entry, while reduced SRBI supply redirects domestic bank and institutional liquidity into govies, both pointing to downward pressure on yields. Indonesian equities offer a mean-reversion setup, with the JCI trading at depressed valuations and foreign positioning still light. Any improvement in the domestic macro picture therefore carries asymmetric upside for both flows and index performance.

		Index Return (%)				
Global Equity	**Price**	**1W**	**QTD**	**YTD**	**1Y**	**3Y**
IHSG	6,518.12	-0.12	15.50	-24.62	-18.03	-6.32
IDX80	96.63	-0.30	16.72	-27.10	-21.11	-27.54
LQ45	641.82	-0.43	16.04	-24.19	-20.92	-33.42
ISSI	228.76	0.16	16.36	-25.87	-14.68	6.91
MSCI World	4,986.16	0.33	3.33	11.84	18.72	67.57
Dow Jones	53,559.99	0.53	2.37	10.74	17.36	53.68
NASDAQ Comp	26,402.42	0.85	0.72	12.74	21.64	89.35
S&P 500	7,711.76	0.49	2.83	11.83	18.61	71.46
Euro Stoxx 50	6,485.67	0.36	2.49	11.89	20.18	49.91
FTSE 100 (UK)	10,824.26	0.07	3.12	8.89	17.44	45.00
Nikkei 225 (Japan)	66,405.56	0.59	-5.22	31.92	55.05	106.06
Shanghai Composite	3,952.18	1.20	-3.47	-0.33	2.83	26.03
MSCI Asia Pacific	278.10	0.36	1.51	22.07	31.20	72.67
MSCI ASEAN	827.88	-0.50	9.42	8.24	10.76	31.18
KOSPI (Korea)	6,788.88	-1.79	-19.91	61.10	112.40	166.01
Nifty (India)	24,175.65	-0.31	1.30	-6.80	-1.33	24.99

	Last Data				
Rates, Currencies, Commodities	**08/28/26**	**08/21/26**	**06/30/26**	**03/31/26**	**12/31/25**
BBG Commodity	140.19	140.49	123.18	135.25	109.69
Brent Crude Oil ($/bbl)	89.31	94.39	72.92	118.35	60.85
Thermal Coal ($/mt)	131.20	131.50	129.65	142.45	107.50
Gold ($/troy oz)	4,455.11	4,603.07	4,008.02	4,668.06	4,319.37
Nickel ($/mt)	16,861.00	17,058.00	16,287.00	17,110.00	16,646.00
CPO (MYR/mt)	4,628.00	4,791.00	4,474.00	4,729.00	3,998.00
DXY	99.70	98.80	101.19	99.96	98.32
USDIDR	17,693.00	17,694.00	17,907.00	17,041.00	16,680.00
IndoGB 10Y (%)	7.00	6.95	7.16	6.86	6.07
IndoGB 2Y (%)	6.69	6.65	7.21	6.31	5.00
SRBI 12M Avg Yield (%)	7.00	7.37	7.70	5.50	4.92
UST 10Y (%)	4.72	4.73	4.47	4.32	4.17
UST 2Y (%)	4.34	4.24	4.17	3.79	3.47
VIX	14.43	15.13	16.45	25.25	14.95
MOVE	70.97	73.40	71.96	96.05	63.96
Indo CDS 5Y	84.34	84.50	89.45	101.28	68.86

Economic Calendar

Monday	Tuesday
31 August: (CN) PMI Manufacture	1 Sep: (US) ISM Manufacturing, (US&EU) S&P Global US Manufacturing PMI, (EU) CPI, (CN) RatingDog China PMI Mfg, (ID) S&P Global Indonesia PMI Mfg, Trade Balance, CPI
Wednesday	**Thursday**
2 Sep: (US) ADP Employment Change, Durable Goods Orders, MBA Mortgage Applications	3 Sep: (US) Initial Jobless Claims, Trade Balance, ISM Services Index
Friday	
4 Sep: (US) Nonfarm Payrolls, Unemployment Rate	

Chart of the Week

Source: CMEGroup

Commentary: Markets now lean toward a September hike. The CME FedWatch tool now assigns a 59.7% probability to a 25bps hike to 375–400bps at the 16 Sep FOMC meeting, versus 40.3% for no change. A hike was the base case a month ago (63%), conviction faded to around 40% by the week before Jackson Hole, and Warsh's hawkish remarks, flagging that rates "may need to move higher" if price pressures persist, swung the odds decisively back toward tightening. The probability has continued to drift up since the speech, from 55.7% immediately after to nearly 60% now.