Mandiri Investasi Weekly Recap

27 - 31 July 2026

Market Summary:

Global Equity: Global equities ended the week mostly higher, led by the Fed's decision to hold rates steady and stronger-than-expected Big Tech earnings (Microsoft, Amazon), which drove a sharp rally in the technology sector mid-week.

Domestic Equity: JCI ended the week higher +0.64%, as investors balanced a strong start to 2Q earnings season against continued policy uncertainty, foreign outflow in regular market reach IDR2.61tn WoW.

Domestic Bond Market: IndoGB 10Y yield steady at 7.36% while UST slightly higher to 4.73%. Rupiah back to 18,000 while foreign post IDR830bn inflow WTD (29/07) in govt bond.

Key News of The Week

Central banks held steady: Fed at 3.50–3.75% (9-3 vote, dissents favoring a hike) on above-target inflation, BoE at 3.75%, and BoJ at 1% while signaling further hikes as inflation nears target.

US Q2 GDP slowed to 1.5% ann. on weaker govt. spending/net exports despite resilient consumption, while EU GDP grew 0.4% QoQ (Spain +0.7%) on AI investment and govt. spending.

US core PCE eased to 3.3% YoY, though the savings rate hit a near four-year low of 2.7%.

AI/tech stocks swung sharply this week as US shares sold off early on capex concerns before rebounding on Microsoft's strong Azure growth, China's CXMT debuted +466% (Asia's largest 2026 IPO), and KOSPI crashed 10% before staging a record 18% rebound on better-than-expected chip earnings, with leveraged ETFs amplifying the swings.

Domestically, BI Governor sudden resignation briefly hit the rupiah/IHSG; sentiment stabilized on Destry Damayanti's acting appointment and President Prabowo's informal signal late in the week that he may nominate her permanently, though no formal nomination has been submitted to the DPR yet.

JCI's 2Q26 earnings so far were broadly resilient (55 companies), led by consumer, plantation, commodities, and telecom, with banks diverging on forward guidance and healthcare and media lagging.

Our View:

Next week's global calendar is lighter, PMI, and US unemployment are the key data points. 2Q26 earnings remain the dominant catalyst globally (AI capex debate) and domestically.

With JCI valuations still depressed, we continue to see alpha from disciplined sector allocation and view 2Q26 earnings quality as the key differentiator into 2H26. In fixed income, we retain tactical 2–5yr carry and keep duration defensive, extending only on confirmed IDR stabilization and further oil de-escalation, with the BI governor succession still the key swing factor for both.

		Index Return (%)				
Global Equity	**Price**	**1W**	**QTD**	**YTD**	**1Y**	**3Y**
IHSG	6,236.13	0.64	10.51	-27.88	-16.68	-9.44
IDX80	93.29	0.82	12.68	-29.62	-21.33	-29.79
LQ45	621.24	1.05	12.32	-26.62	-21.41	-35.52
ISSI	215.11	0.49	9.42	-30.30	-15.20	3.27
MSCI World	4,847.88	1.23	0.46	8.74	18.94	59.02
Dow Jones	52,485.03	1.04	0.32	8.51	18.93	47.30
NASDAQ Comp	25,373.85	1.59	-3.20	8.35	20.13	77.64
S&P 500	7,489.72	1.05	-0.13	8.61	18.15	63.65
Euro Stoxx 50	6,358.01	1.23	0.47	9.69	19.51	44.25
FTSE 100 (UK)	10,868.05	1.23	3.53	9.33	19.00	41.76
Nikkei 225 (Japan)	64,362.02	-0.39	-8.14	27.86	56.71	92.26
Shanghai Composite	3,832.26	0.47	-6.40	-3.35	7.25	16.45
MSCI Asia Pacific	269.81	2.49	-1.52	18.43	31.48	58.49
MSCI ASEAN	811.61	1.09	7.27	6.11	13.07	21.66
KOSPI (Korea)	6,595.45	-1.42	-22.19	56.51	103.22	147.29
Nifty (India)	24,383.60	2.59	2.17	-6.00	-1.55	23.56

	Last Data			
Rates, Currencies, Commodities	**07/31/26**	**07/24/26**	**03/31/26**	**12/31/25**
BBG Commodity	132.05	134.94	135.25	109.69
Brent Crude Oil ($/bbl)	90.12	96.78	118.35	60.85
Thermal Coal ($/mt)	130.15	130.60	142.45	107.50
Gold ($/troy oz)	4,046.15	4,052.79	4,668.06	4,319.37
Nickel ($/mt)	17,249.00	17,379.00	17,110.00	16,646.00
CPO (MYR/mt)	4,531.00	4,591.00	4,729.00	3,998.00
DXY	99.91	101.47	99.96	98.32
USDIDR	18,022.00	17,963.00	17,041.00	16,680.00
IndoGB 10Y (%)	7.34	7.35	6.86	6.07
IndoGB 2Y (%)	7.04	7.13	6.31	5.00
SRBI 12M Avg Yield (%)	7.64	7.64	5.50	4.92
UST 10Y (%)	4.73	4.68	4.32	4.17
VIX	15.99	18.58	25.25	14.95
MOVE	83.02	76.82	96.05	63.96
Indo CDS 5Y	93.60	93.89	101.28	68.86

Economic Calendar

Monday	Tuesday
3 August: (CN) Manufacturing PMI, (CH) CPI YoY, (US) S&P Global Manufacturing PMI (Final), (US) ISM Manufacturing PMI, (US) Construction Spending MoM	4 August: (US) Trade Balance, (US) Advance Goods Trade Balance

Wednesday	Thursday
5 August: (CN) Caixin Services PMI, (US) MBA Mortgage Applications, (US) ADP Employment Change, (US) ISM Services PMI	6 August: (EU) Retail Sales MoM, (US) Initial Jobless Claims

Friday
7 August: (US) Change in Nonfarm Payrolls, (US) Unemployment Rate, (US) Average Hourly Earnings MoM, (ID) BI Foreign Exchange Reserves

Chart of the Week

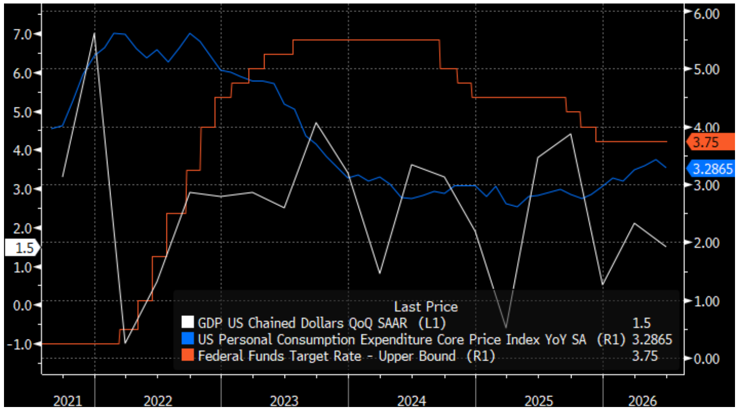

Chart: Bloomberg

Commentary: The Fed's decision to hold its policy rate steady at 3.75% marks a shift from the gradual easing cycle that brought rates down from the 5.50% cycle peak. Core PCE inflation, at 3.3%YoY, has been stuck in a narrow band for nearly two years and remains well above the Fed's 2% objective. At the same time, GDP growth has slowed to roughly 1.5%, below trend, but not signaling recession. This combination puts the Fed in a difficult position as growth is soft enough to warrant support, but inflation is sticky enough to demand caution.