Panin Asset Management
Subsidiary of PT Panin Sekuritas Tbk.

DAILY UPDATE **August 18, 2026**

MACROECONOMIC NEWS

Oil Price - Oil prices extended their rally on Monday, with Brent rising more than 2% above USD 90/barrel after gaining nearly 6% last week, as the US-Iran impasse over the Strait of Hormuz showed no meaningful progress. The expiration of their 60-day truce without a peace framework, Iran's conditions for reopening the key shipping route, and persistent regional tensions reinforced concerns over prolonged supply disruption. The renewed oil rally could reverse part of July's inflation moderation, potentially lifting August energy prices and reviving Fed tightening risks. With inflation expectations, monetary-policy pricing, and geopolitical uncertainty increasingly tied to crude-market developments, further escalation would likely weigh on broader risk appetite and delay market stabilization.

U.S. Market - Wall Street closed lower on Monday as investors paused after a record-setting week, with renewed oil-price gains amid limited progress toward a Middle East diplomatic breakthrough weighing on risk sentiment. The S&P 500 and Dow Jones declined 0.5%, while the NASDAQ Composite slipped 0.3%. Attention now turns to the Fed's latest meeting minutes for signals on the monetary-policy outlook, alongside earnings from major retailers including Home Depot, Walmart, Target, and Lowe's. Home Depot is expected to remain supported by resilient professional-customer demand despite elevated mortgage rates and housing-affordability pressures, while Walmart's results will test whether market-share gains among higher-income consumers and strength in higher-margin e-commerce, advertising, and membership businesses can offset weakness in health and wellness. Retail earnings could therefore provide a key read-through on US consumer resilience after both stocks underperformed the S&P 500's 13.3% YTD gain.

Morning News

Equity Markets

	Closing	% Change
Dow Jones	53,460	-0.51
NASDAQ	26,645	-0.32
S&P 500	7,745	-0.52
MSCI excl. Jap	1,135	0.56
Nikkei	68,723	-0.72
Shanghai Comp	3,987	0.10
Hang Seng	25,412	-0.16
STI	5,715	-0.93
JCI	6,402	1.59
Indo ETF (IDX)	11	-0.27
Indo ETF (EIDO)	13	0.00

Currency

	Closing	Last Trade
US$ - IDR	17,798	17,798
US$ - Yen	159.46	159.47
Euro - US$	1.1580	1.1581
US$ - SG$	1.278	1.277

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	85.2	3.8	4.7
Oil Brent	91.4	4.29	4.9
Coal Newcastle	129.3	-0.1	-0.1
Nickel	16834	58	0.3
Tin	55770	-84	-0.2
Gold	4408	49.1	1.1
CPO Rott	1295		
CPO Malay	4800	75	1.6

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.881	0.03	0.50
3 year	6.920	0.02	0.25
5 year	7.046	-0.10	-1.33
10 year	7.180	-0.04	-0.51
15 year	7.202	-0.01	-0.18
30 year	7.301	0.00	0.03

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MACROECONOMIC NEWS

U.S. Economy - US equities advanced to fresh record highs last week, with the S&P 500 briefly surpassing 7,800, supported by resilient earnings, a technology-sector rebound, and easing inflation pressures. July headline and core CPI and PPI moderated, while weak payrolls and softer retail sales reduced near-term tightening concerns, lifting the probability of a September Fed hold to around 67% and lowering the odds of a 25-basis-point hike to 33%. However, the upcoming July FOMC minutes remain a key policy risk, as three regional Fed presidents dissented in favor of a rate increase and at least one maintained a hawkish stance despite the softer inflation data. While disinflation and robust earnings continue to underpin risk appetite, investors may remain sensitive to any indication that the Fed's tightening bias is stronger than currently priced.

CORPORATE NEWS

PGEO – PT Pertamina Geothermal Energy is advancing several capacity-expansion projects, including Lumut Balai Units 3–4, Hululais Units 1–2, Lahendong Units 7–8 and its Binary Unit, as well as Gunung Tiga, to strengthen its clean and domestically sourced baseload portfolio. PGEO currently operates 727 MW independently and controls around 3 GW of geothermal potential, providing substantial headroom for long-term growth as Indonesia has utilized less than 12% of its estimated 24 GW national resource. Operational performance remained solid in 1H26, with electricity generation rising 13% YoY to 2,700 GWh, supported by a 99% availability factor and 90% capacity factor. The project pipeline and strong plant reliability reinforce PGEO's strategic position in Indonesia's energy transition, although timely project execution and capacity commissioning will remain key catalysts**.**

SILO – PT Siloam International Hospitals secured a syndicated loan facility of up to IDR 14.5 trillion from a consortium including BBNI, BNGA, BBCA, DBS Indonesia, MUFG, and HSBC, comprising a seven-year term loan, revolving credit, and other supporting facilities. The financing is expected to support SILO's proposed IDR 6.9 trillion acquisition of 14 hospital-property companies from First REIT subsidiaries, comprising eight targets in the first phase and six subject to put-option exercise. More than 50% of SILO's net assets, including the First REIT properties, will be pledged as collateral. While the transaction should consolidate ownership of key operating assets and potentially improve long-term strategic flexibility, its material size could increase leverage and execution risk. Shareholder approval for the acquisition and collateral arrangement will be sought at the EGM on 22 September 2026.

INCO - PT Vale Indonesia revised the timelines for its three HPAL smelter projects, pointing to slower-than-expected downstream capacity expansion. The Pomalaa project has nearly achieved mechanical completion and is undergoing commissioning, targeted for completion by December 2026, while Bahodopi's mechanical completion has been pushed to March 2027 from the previous 4Q26 operational target. Sorowako development is now expected during 2027–2028, compared with its earlier 2Q27 operating schedule. Upstream, the Tanamalia nickel block remains in the FEL II study phase, with exploration targeted for completion in 2027, potential construction in 2027–2028, and commercial operations only in 2029–2031; Volkswagen has also been mentioned as a prospective partner, although no formal agreement has been announced. While these projects remain strategically important to INCO's long-term exposure to the global EV-battery supply chain, the revised schedules could defer production growth and earnings contribution, making execution progress, resource confirmation, and ESG compliance the key near-term watchpoints.

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