KIWOOM RESEARCH · MONTHLY OUTLOOK · INDONESIA

An Empty Chair, a Full Rally

What August Must Prove for IHSG

IHSG — August 2026 Outlook · Indonesia Equity Strategy

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IHSG — AUGUST 2026 OUTLOOK

Key Takeaways

Indonesia's benchmark enters August riding its best month of 2026 — a +10.28% July surge that clawed back roughly a third of this year's steep correction. This year's August carries a variable the last six did not: a Bank Indonesia Governor's chair that has sat empty since 27 July.

- **Seasonality is unambiguous.** August has been positive for IHSG in all six years since 2020 — a 100% hit rate averaging +2.83% — and August 2025's +4.63% helped carry the index into a string of record closes.
- **Momentum backs the seasonal case.** July's +10.28% rally was the strongest month of 2026, lifting price back above its 10- and 20-day moving averages with daily RSI at a neutral 53.6 — room to extend before the index looks stretched.
- **The swing factor is BI succession, not the economy.** Perry Warjiyo's exit, two years early, leaves Destry Damayanti as caretaker Governor while Destry, Muliaman D. Hadad, Aida S. Budiman and Thomas Djiwandono circulate as candidates.
- **Global liquidity cues get louder in August.** Fed Chair Kevin Warsh has withdrawn forward guidance, so 7 August Nonfarm Payrolls will do more work than usual in shaping September rate expectations and EM flows.
- **Net-net: ~60–65% probability of a positive August,** below the mechanical 100% seasonal hit rate, discounted for BI-succession and US-data event risk — base-case range 6,050–6,450 ahead of the 7,000 year-end target.

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REVIEW FOCUS

IHSG August Outlook — By the Numbers

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August win rate, 2020–2025

+10.28%
July 2026 return — best month YTD

~ -28%
2026 YTD return, even after July's rebound

7,000
KSI year-end 2026 index target

KEY FACTS

Last (31 Jul 2026)	**≈ 6,236**
August 6-yr average return	**+2.83%**
Daily RSI (14)	**53.65 — neutral**
Near-term resistance	**6,220, then 6,285–6,385**
Near-term support	**6,050–6,000**

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SEASONALITY & TECHNICALS

The Chart Case for August

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
6 Yr Avg	-1.26	-1.35	-2.55	1.85	-.47	-.20	3.63	2.83	-.97	1.69	1.89	1.31
2026	-3.67	-1.13	-14.42	-1.30	-11.92	-7.90	10.28					
2025	.41	-11.80	3.83	3.93	6.04	-3.46	8.04	4.63	2.94	1.28	4.22	1.62
2024	-.89	1.50	-.37	-.75	-3.64	1.33	2.72	5.72	-1.86	.61	-6.07	-.48
2023	-.16	.06	-.55	1.62	-4.08	.43	4.05	.32	-.19	-2.70	4.87	2.71
2022	.75	3.88	2.66	2.23	-1.11	-3.32	.57	3.27	-1.92	.83	-.25	-3.26
2021	-1.95	6.47	-4.11	.17	-.80	.64	1.41	1.32	2.22	4.84	-.87	.73
2020	-5.71	-8.20	-16.76	3.91	.79	3.19	4.98	1.73	-7.03	5.30	9.44	6.53

-16.76 10.28

IHSG monthly returns (%), 2020–2026. Every August since 2020 has closed green.

IHSG daily chart with 10/20/50-day MAs and RSI(14). Source: Investing.com / TradingView, 30 Jul 2026.

WHAT INVESTORS ARE WATCHING

Three Catalysts That Will Set the Tone for August

1

BI Governor Announcement

The President has yet to submit a name to DPR. A Destry Damayanti, Muliaman Hadad or Aida Budiman nomination would likely be read as continuity-friendly; a Thomas Djiwandono nomination would test IHSG's ability to shrug off governance concerns.

2

Nota Keuangan RAPBN 2027

Traditionally delivered ahead of 17 August Independence Day (RAPBN 2026's Nota Keuangan was read on 15 August 2025), this year's address will be watched for 2027 growth, deficit and financing assumptions — and any signal on BI's new leadership.

3

US Payrolls & the Warsh Fed

With forward guidance withdrawn, Chair Warsh's Fed has turned more data-reactive than communicative. The 7 Aug Nonfarm Payrolls print (prior: a soft 57K) carries outsized weight for September rate-path pricing, the dollar and EM flows.

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FIRST WEEK OF AUGUST

Economic Calendar (WIB)

Date	Time	Event	Imp.	Forecast	Previous
3 Aug	20:45	S&P Global Manufacturing PMI (Jul)	★★★	53.8	53.9
3 Aug	21:00	ISM Manufacturing PMI (Jul)	★★★	—	53.3
4 Aug	21:00	JOLTS Job Openings (Jun)	★★★	—	7.594M
5 Aug	19:15	**ADP Nonfarm Employment Change (Jul)**	★★★	—	98K
5 Aug	20:45	S&P Global Services PMI (Jul)	★★★	53.6	51.2
5 Aug	21:00	ISM Non-Manufacturing PMI (Jul)	★★★	—	54.0
6 Aug	19:30	Initial Jobless Claims	★★★	—	197K
7 Aug	19:30	**Nonfarm Payrolls (Jul)**	★★★	—	57K
7 Aug	19:30	Unemployment Rate (Jul)	★★★	—	4.2%

Highlighted rows: the two employment prints most likely to move September Fed pricing.

IHSG RANGE FOR AUGUST

Where the Index Goes From Here

Technically, IHSG remains inside the healthy consolidation-to-bullish channel it has held since June, still supported above its rising 10/20-day moving averages. The path higher is staged, not straight: clear 6,220, then the 6,285–6,385 supply zone, before the index is “free” to work toward the year-end 7,000 target. The 6,050–6,000 zone is the line we'd want held.

Scenario	August Range	Trigger
Bear	5,900 – 6,050	BI names a political pick and/or NFP surprises hot, pushing the Fed's September path hawkish; support 6,050–6,000 gives way.
Base (house view)	6,050 – 6,450	BI succession lands on an institutional name; NFP prints close to trend. Index works through 6,220, tests 6,285–6,385.
Bull	6,450 – 6,950	Clean BI pick plus a soft NFP that firms up Fed-cut odds; 6,385 breaks decisively, front-loading progress toward 7,000 year-end.

THEMATIC IDEAS

Who Benefits If the Base Case Plays Out

Theme	Watch	Rationale
Banking / rate-cycle optionality	**BBCA, BBRI, BMRI**	First beneficiaries if a market-friendly BI Governor is confirmed and the “KSSK-plus-Danantara” coordination announced 27–29 July translates into visible policy support.
Nickel & metals / reflation	**INCO, ANTM**	INCO led session-one gainers on 31 July; a Fed that is data-reactive rather than pre-committed keeps the door open for a softer dollar to support metals.
Danantara-linked flagship	**TLKM**	Among the largest assets folded into Danantara's portfolio; positioned to benefit if the KSSK-plus-Danantara framework channels state support more visibly into blue-chip balance sheets.

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BOTTOM LINE

August's seasonal record is perfect — but this year it must clear a policy vacuum, not just a calendar. **We think IHSG holds its footing, with a base-case range of 6,050–6,450**, and a bias to test 6,220 and 6,285–6,385, provided BI's succession lands on any of its three institutional names and Warsh's Fed doesn't spring a hawkish surprise off the 7 August payrolls report. A Thomas Djiwandono nomination, or a hot NFP print, are the two events most likely to break the seasonal pattern — worth watching, not yet our base case.

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