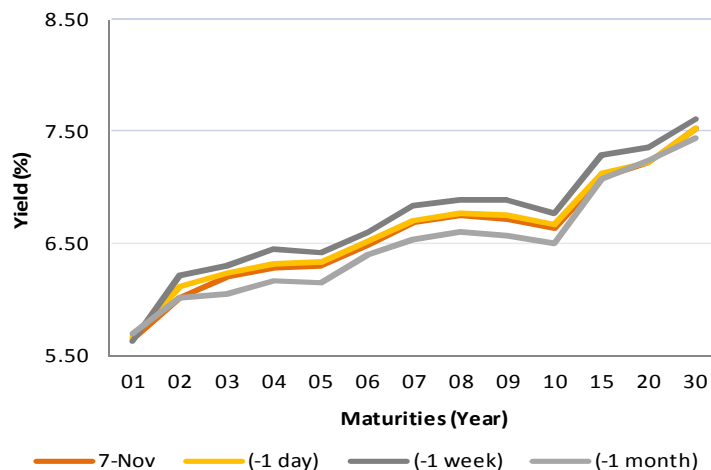


Indonesia Government Bonds Yield

Maturities (Year)	7-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.66	5.66	5.63	5.70
02	6.01	6.12	6.21	6.01
03	6.20	6.23	6.30	6.05
04	6.29	6.32	6.45	6.17
05	6.31	6.33	6.43	6.16
06	6.49	6.53	6.61	6.40
07	6.69	6.70	6.84	6.54
08	6.76	6.77	6.89	6.60
09	6.72	6.75	6.89	6.57
10	6.64	6.67	6.77	6.50
15	7.10	7.12	7.30	7.08
20	7.23	7.23	7.36	7.25
30	7.53	7.53	7.61	7.45

Source: Bloomberg



Global Market Update

- 10-yr US treasury yield continued to be downward trend to 2.31% in the last trading in which the market was likely waiting for tax reform progress that the voting scheduled in the senate was postponed to next week. Meanwhile, global yield tended to be various where yield of 10-yr UK Gilt dropped to 1.23% while 10-yr German Bund and Japan stagnated at 0.33% and 0.02%, respectively.
- Yield US treasury tenor 10 tahun kembali melanjutkan tren penurunan dengan penutupan di level 2,31% di mana pasar nampaknya masih menunggu perkembangan rancangan reformasi pajak AS di mana rencana pemungutan suara di senat AS terkait hal tersebut diundur menjadi minggu depan. Sementara itu, yield global cenderung bervariasi di mana yield UK Gilt 10 tahun turun ke level 1,23% sedangkan yield German Bund 10 tahun dan yield obligasi 10 tahun Jepang cenderung stagnan masing-masing di level 0,33% dan 0,02%.

Domestic Market Update

- Indonesia Composite Bond Index was 0.21% higher compared with prior day to 236.92. Meanwhile, transaction volume of government bonds in the last trading on the secondary market rose to IDR19.86 trillion while transaction volume of corporate bonds went down to IDR998 billion.
- Indonesia foreign reserves posted a drop level to USD126.5 billion at October 2017 compared with previous month of USD 129.4 billion due to maturity of external government debt and rupiah stabilization in the market. Nonetheless, this was able to financing 8.6 month of import activity or 8.3 month import with external government debt repayment (above international standard of 3 months import).
- Tax realization from early year until November 6, 2017 (YtD) was IDR869.6 trillion or 59.07% from the target posted at revised budget of 2017 outlook of IDR1,472 trillion.
- The government awarded IDR6.5 trillion from total incoming bids of IDR12.82 trillion. The awarded amount was higher than indicative target of IDR5 trillion while related to incoming bids was slightly lower than previous auction. In this auction, PSB013 was the most favorite sukuk series with total incoming bids reached IDR5.52 trillion.
- Indonesia Composite Bond Index meningkat sebesar 0,21% dibandingkan hari sebelumnya ke level 236,92. Sementara itu, volume transaksi SBN pada perdagangan terakhir di pasar sekunder meningkat menjadi Rp19,86 triliun sedangkan volume transaksi obligasi korporasi turun menjadi sebesar Rp993 miliar.
- Cadangan devisa Indonesia pada Oktober 2017 turun menjadi sebesar USD126,5 miliar dibandingkan dengan bulan sebelumnya sebesar USD129,4 miliar akibat penggunaan devisa untuk pembiayaan utang luar negeri pemerintah dan intervensi nilai tukar rupiah. Meskipun demikian, jumlah tersebut cukup untuk membiayai 8,6 bulan impor atau 8,3 bulan impor dan pembayaran utang luar negeri pemerintah (di atas standar internasional minimum devisa untuk pembiayaan 3 bulan impor).
- Penerimaan pajak dari awal tahun hingga 6 November 2017 tercatat sebesar Rp869,6 triliun atau 59,07% dari target di dalam outlook APBN-P 2017 sebesar Rp1472 triliun.
- Pemerintah kemarin berhasil melelang 5 seri sukuk dengan total dana yang diserap sebesar Rp6,5 triliun atau lebih tinggi dibandingkan dengan target sebesar Rp5 triliun. Sementara total penawaran yang masuk (*incoming bids*) sebesar Rp12,82 triliun atau lebih rendah dibandingkan lelang sebelumnya. Seri PBS013 menjadi seri yang paling diminati dengan total penawaran yang masuk mencapai Rp5,52 triliun.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0061	102.95	6.240	3433
FR0072	109.80	7.278	2484
FR0059	102.82	6.596	2452
FR0074	104.05	7.052	1883
PBS013	100.54	5.820	1072
FR0056	111.15	6.683	833
FR0068	109.95	7.320	819
FR0063	96.90	6.299	702
FR0075	103.30	7.190	689
FR0069	103.00	5.663	687

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6060	9.63	0.16%	14.42%
Malaysia (KLCI)	1741	8.65	0.50%	6.65%
Thailand (SET)	1713	1.01	0.06%	11.01%
Singapore (STI)	3413	31.25	0.92%	18.5%
Hang Seng	28994	397.54	1.39%	31.8%
Nikkei 225	22938	389.25	1.73%	20.00%
Shanghai	3414	25.40	0.75%	9.99%
Dow Jones (DJIA)	23557	8.81	0.04%	19.20%
London (FTSE 100)	7513	-49.17	-0.65%	5.18%
DAX	13379	-89.52	-0.66%	16.5%

FX Rate	7-Nov		
	7-Nov	(-1 day)	(-1 week)
USD/IDR	13,509	13,524	13,560
GBP/USD	1.317	1.317	1.328
USD/JPY	114.0	113.7	113.6
USD/SGD	1.364	1.362	1.363
USD/THB	33.15	33.11	33.23
USD/MYR	4.230	4.233	4.232

Macroeconomic Data	Oct-17	Sep-17	Aug-17
Consumer Price Index (MoM)	0.01	0.13	-0.07
Consumer Price Index (YoY)	3.58	3.72	3.82
Core Inflation (YoY)	3.07	3	2.98
BI 7-Day RR Rate (%)	4.25	4.25	4.5
Foreign Reserve (US\$ Bn)	126.5	129.4	128.80

Indonesia Sovereign CDS	2-year	5-year	10-year
As of			
7-Nov	38.29	98.63	164.29
(-1 Day)	37.95	96.41	161.46
(-1 Week)	37.03	95.27	160.23
(-1 Month)	37.47	100.56	167.24
(-1 Year)	63.97	152.04	220.73

Government Bond Ownership As of November 4, 2017 (in Trillion)

Holders	2013	2014	2015	2016	31-Oct-17	1-Nov-17	2-Nov-17	3-Nov-17	4-Nov-17
Banks	335.43	375.55	350.07	399.46	597.97	601.44	640.16	623.20	613.48
Bank Indonesia	44.44	41.63	148.91	134.25	46.05	46.20	23.38	33.38	39.08
Mutual Fund	42.50	45.79	61.60	85.66	100.01	100.42	101.16	101.25	101.36
Insurance	129.55	150.60	171.62	238.24	263.75	263.73	263.80	263.83	263.57
Foreign Investor	323.83	461.35	558.52	665.81	800.48	796.20	801.72	804.57	808.88
Pension Fund	39.47	43.30	49.83	87.28	87.09	87.18	87.29	87.25	87.19
Individual Investors	32.48	30.41	42.53	57.75	62.70	62.76	62.83	62.84	62.84
Others	47.56	61.32	78.76	104.84	117.93	118.05	118.11	118.15	118.06
Total	995.25	1,209.96	1,461.85	1,773.28	2,075.97	2,075.97	2,098.47	2,094.47	2,094.47

Source: Bloomberg, IDX & DJPPR

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
WSKT03ACN1	A(idn)	100.12	7.95	154
TBIG02CN3	AA-(idn)	100.05	8.38	125
BMTR01ACN1	idA+	99.02	11.77	80
BAFI01A	idAA	100.03	6.72	75
WSKT03BCN1	A(idn)	101.00	8.25	54
ISAT02ACN1	idAAA	100.42	6.23	50
SIISAT01CCN2	idAAA(sy)	104.90		50
MDLN01BCN1	idA	108.61	8.83	37
PANR01CN2	idA-	101.52	7.85	36
IMFIO1CCN4	idA	101.60	7.76	30

Global Bonds	7-Nov			
	7-Nov	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & US T-Bonds Yield				
Fed Fund Rate	1.25	1.25	1.25	1.25
2-Year	1.627	1.623	1.60	1.51
5-Year	1.983	1.984	2.02	1.96
10-Year	2.31	2.32	2.38	2.36
30-Year	2.77	2.80	2.88	2.90
10-Year Government Bond Yield				
UK	1.23	1.26	1.33	1.36
Germany	0.325	0.334	0.36	0.44
France	0.69	0.72	0.75	0.72
China	3.89	3.87	3.88	3.65
Japan	0.023	0.021	0.06	0.05
Korea	2.54	2.55	2.56	2.42
Thailand	2.29	2.28	2.32	2.28
Malaysia	4.00	4.00	3.92	3.91
Singapore	2.11	2.12	2.14	2.08
Indonesia USD Bond Yield				
INDO-22	2.78	2.77	2.71	2.70
INDO-27	3.58	3.57	3.57	3.55
INDO-47	4.47	4.45	4.46	4.45

Money Market	7-Nov			
	7-Nov	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.95	3.90	3.92	3.90
1M	4.79	4.79	4.79	4.78
3M	5.18	5.18	5.17	5.21
LIBOR				
1M	1.24	1.24	1.24	1.24
3M	1.40	1.40	1.38	1.36
6M	1.59	1.59	1.58	1.52
Indonesia Interest Rates				
Deposit 1M	5.65	5.73	5.73	5.80
Lending	14.2	14.2	14.0	14.5

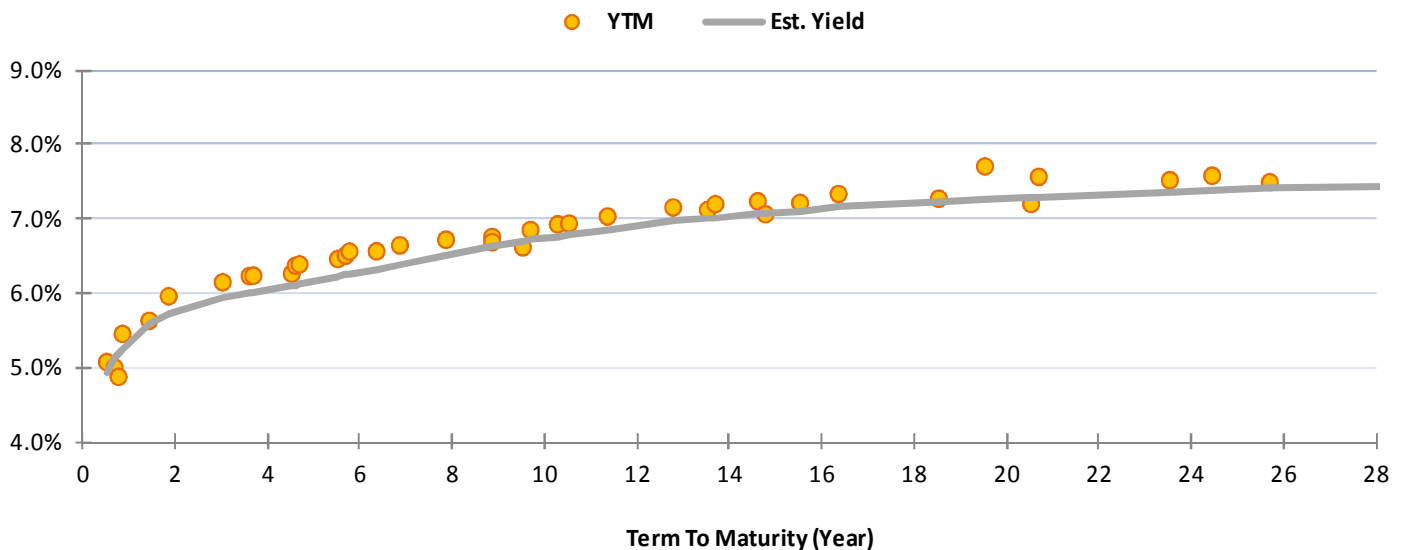
November 8 2017

Government Bonds Prices
Closing Price Data : 7-Nov-2017



Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0066	15-May-18	0.52	5.25%	100.09	5.08%	4.95%	100.15	7	Fair
FR0032	15-Jul-18	0.68	15.00%	106.60	5.00%	5.12%	106.57	-3	Fair
FR0038	15-Aug-18	0.77	11.60%	104.98	4.88%	5.19%	104.77	-21	Dear
FR0048	15-Sep-18	0.85	9.00%	102.89	5.46%	5.26%	103.07	18	Cheap
FR0069	15-Apr-19	1.44	7.875%	103.04	5.63%	5.59%	103.11	7	Fair
FR0036	15-Sep-19	1.85	11.50%	109.54	5.96%	5.73%	110.00	46	Cheap
FR0031	15-Nov-20	3.02	11.00%	113.16	6.15%	5.93%	113.85	69	Cheap
FR0034	15-Jun-21	3.61	12.80%	120.86	6.23%	5.99%	121.76	90	Cheap
FR0053	15-Jul-21	3.69	8.25%	106.51	6.24%	6.00%	107.33	81	Cheap
FR0061	15-May-22	4.52	7.00%	102.85	6.27%	6.10%	103.52	67	Cheap
FR0035	15-Jun-22	4.61	12.90%	125.65	6.37%	6.11%	126.89	124	Cheap
FR0043	15-Jul-22	4.69	10.25%	115.38	6.39%	6.12%	116.60	122	Cheap
FR0063	15-May-23	5.52	5.625%	96.16	6.46%	6.22%	97.24	108	Cheap
FR0046	15-Jul-23	5.69	9.50%	114.00	6.51%	6.24%	115.37	138	Cheap
FR0039	15-Aug-23	5.77	11.75%	124.55	6.56%	6.25%	126.26	172	Cheap
FR0070	15-Mar-24	6.36	8.375%	109.25	6.57%	6.33%	110.55	130	Cheap
FR0044	15-Sep-24	6.86	10.00%	118.19	6.65%	6.39%	119.74	155	Cheap
FR0040	15-Sep-25	7.86	11.00%	125.74	6.72%	6.52%	127.20	145	Cheap
FR0037	15-Sep-26	8.86	12.00%	134.45	6.76%	6.63%	135.50	105	Cheap
FR0056	15-Sep-26	8.86	8.375%	111.09	6.69%	6.63%	111.52	43	Cheap
FR0059	15-May-27	9.52	7.000%	102.64	6.62%	6.70%	102.08	-56	Dear
FR0042	15-Jul-27	9.69	10.25%	123.74	6.85%	6.72%	124.84	111	Cheap
FR0047	15-Feb-28	10.28	10.00%	122.28	6.93%	6.77%	123.59	131	Cheap
FR0064	15-May-28	10.53	6.125%	93.99	6.94%	6.79%	95.02	103	Cheap
FR0071	15-Mar-29	11.36	9.00%	115.17	7.04%	6.86%	116.64	147	Cheap
FR0052	15-Aug-30	12.78	10.50%	127.65	7.16%	6.97%	129.54	189	Cheap
FR0073	15-May-31	13.53	8.75%	113.97	7.12%	7.01%	115.01	104	Cheap
FR0054	15-Jul-31	13.69	9.50%	119.78	7.20%	7.02%	121.54	176	Cheap
FR0058	15-Jun-32	14.61	8.25%	109.00	7.24%	7.07%	110.59	159	Cheap
FR0074	15-Aug-32	14.78	7.50%	103.93	7.07%	7.08%	103.78	-15	Dear
FR0065	15-May-33	15.53	6.625%	94.50	7.22%	7.12%	95.41	91	Cheap
FR0068	15-Mar-34	16.36	8.375%	109.76	7.34%	7.15%	111.64	188	Cheap
FR0072	15-May-36	18.53	8.25%	109.83	7.28%	7.23%	110.27	44	Cheap
FR0045	15-May-37	19.53	9.75%	120.44	7.71%	7.27%	125.70	527	Cheap
FR0075	15-May-38	20.53	7.50%	103.15	7.20%	7.30%	102.11	-103	Dear
FR0050	15-Jul-38	20.70	10.50%	130.38	7.57%	7.30%	133.90	352	Cheap
FR0057	15-May-41	23.53	9.50%	121.66	7.52%	7.36%	123.72	207	Cheap
FR0062	15-Apr-42	24.45	6.375%	86.65	7.58%	7.38%	88.68	204	Cheap
FR0067	15-Jul-43	25.70	8.75%	114.29	7.50%	7.40%	115.36	108	Cheap
FR0076	15-May-48	30.54	7.375%	101.32	7.27%	7.44%	99.23	-209	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 8 2017

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