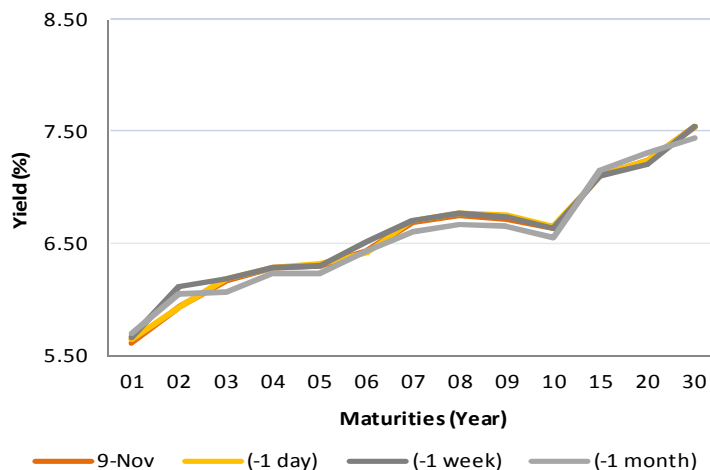


Indonesia Government Bonds Yield

Maturities (Year)	9-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.62	5.65	5.66	5.71
02	5.94	5.93	6.12	6.06
03	6.17	6.19	6.19	6.07
04	6.28	6.29	6.28	6.24
05	6.31	6.32	6.31	6.24
06	6.43	6.43	6.52	6.44
07	6.69	6.71	6.71	6.60
08	6.76	6.76	6.77	6.67
09	6.72	6.75	6.75	6.66
10	6.64	6.65	6.64	6.56
15	7.11	7.10	7.11	7.15
20	7.24	7.24	7.21	7.32
30	7.54	7.54	7.55	7.44

Source: Bloomberg



Global Market Update

- 10-yr US treasury tended to stagnate at 2.34% after there was a possibility that tax reform will be delayed until 2019. This lowered market vigilance about rising budget deficit in 2018 that is previously expected to rise to USD1.7 billion or higher than US senate rule of USD1.5 billion.

Domestic Market Update

- Indonesia Composite Bond Index relatively stagnated at 237 in last trading in the secondary market. Meanwhile, transaction volume of government bonds rose slightly to IDR10 trillion but when it comes to fixed rates series (FR), its transaction volume declined to only IDR7.25 trillion in which FR0056 became the most frequent series. On the one side, the transaction volume dropped to USD1.3 trillion.
- Coordinator Ministry of Economic Affairs, Darmin Nasution, projected that Indonesia economy in 2017 will grow more or less by 5.1% (YoY) or lower if compared with government target of 5.2% (YoY). In the meantime, we project that economic growth will post 5.13% (YoY) in this year.
- In the next week (Tuesday, 14 November 2017), the government will auction government securities with indicative target ranging from IDR15 trillion up to 22.5 trillion. There are 5 kinds of auctioned government securities that are detailed as follows SPN03180215 (new issuance), SPN12181115 (new issuance), FR0061 (reopening), FR0059 (reopening), and FR0075 (reopening).
- PT Lautan Luas Tbk to issue IDR 650 billion corporate bonds that is divided to two kinds of corporate bonds. Firstly, 3 year tenor named A series, offers 9% per year of interest rates while B series for 5 year tenor offers higher interest rates at 10%. Meanwhile, Lautan Luas has been affirmed by Pefindo with single A minus (A-).

- Yield US treasury tenor 10 tahun cenderung stagnan di level 2,34% setelah adanya kemungkinan penundaan reformasi pajak AS hingga 2019. Hal tersebut menurunkan kekhawatiran terkait meningkatnya defisit APBN AS di tahun 2018 yang sebelumnya di ekspektasikan meningkat menjadi sebesar USD1,7 miliar atau lebih tinggi dibandingkan ketentuan senat sebesar USD1,5 miliar.

- Indonesia Composite Bond Index cenderung stagnan dibandingkan hari sebelumnya di level 237. Sementara itu, volume transaksi SBN pada perdagangan terakhir di pasar sekunder naik tipis menjadi sebesar Rp10 triliun namun khusus untuk transaksi seri FR turun menjadi hanya sebesar Rp7,25 triliun di mana seri FR0056 menjadi seri yang paling banyak ditransaksikan. Di sisi lain, volume transaksi obligasi korporasi turun menjadi sebesar Rp1,3 triliun.
- Menteri Koordinator Bidang Perekonomian, Darmin Nasution, memproyeksi pertumbuhan ekonomi sepanjang tahun 2017 berkisar 5,1% (YoY) atau lebih rendah dibandingkan target pemerintah di tahun 2017 sebesar 5,2% (YoY). Sementara itu, proyeksi kami atas pertumbuhan ekonomi 2017 adalah sebesar 5,13% (YoY).
- Minggu depan (Selasa, 14 November 2017), pemerintah dijadwalkan akan melelang SUN dengan target indikatif sebesar Rp15 triliun hingga 22,5 triliun. Terdapat 5 seri SUN yang akan dilelang dengan rincian sebagai berikut SPN03180215 (*new issuance*), SPN12181115 (*new issuance*), FR0061 (*reopening*), FR0059 (*reopening*), dan FR0075 (*reopening*).
- PT Lautan Luas Tbk menerbitkan obligasi senilai Rp 650 miliar yang terbagi menjadi dua seri obligasi. Seri A dengan tenor 3 tahun menawarkan kupon sebesar 9% per tahun sedangkan seri B dengan tenor 5 tahun menawarkan kupon sebesar 10%. PT Lautan Luas sendiri telah mendapatkan rating A- dari Pefindo.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0061	102.95	6.240	1684
FR0059	102.65	6.620	1146
FR0074	103.55	7.106	1033
FR0072	109.00	7.352	836
FR0068	110.50	7.265	444
FR0053	106.55	6.222	365
FR0065	95.50	7.109	342
FR0075	102.00	7.310	337
FR0070	109.25	6.566	329
FR0069	103.10	5.582	284

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6049	-11.07	-0.18%	14.21%
Malaysia (KLCI)	1742	-6.74	-0.38%	6.24%
Thailand (SET)	1715	1.90	0.11%	11.13%
Singapore (STI)	3421	8.15	0.24%	18.8%
Hang Seng	28908	-86.74	-0.30%	31.4%
Nikkei 225	22914	-23.78	-0.10%	19.88%
Shanghai	3415	1.89	0.06%	10.05%
Dow Jones (DJIA)	23563	6.13	0.03%	19.23%
London (FTSE 100)	7530	16.61	0.22%	5.42%
DAX	13382	3.15	0.02%	16.6%

FX Rate	8-Nov		
	8-Nov	(-1 day)	(-1 week)
USD/IDR	13,524	13,509	13,550
GBP/USD	1.312	1.317	1.324
USD/JPY	113.9	114.0	114.2
USD/SGD	1.362	1.364	1.361
USD/THB	33.12	33.15	33.14
USD/MYR	4.229	4.230	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			
8-Nov	39.18	100.87	167.76
(-1 Day)	38.29	98.63	164.29
(-1 Week)	37.03	95.27	16.23
(-1 Month)	38.15	101.02	167.24
(-1 Year)	67.18	159.5	229.50

Government Bond Ownership As of November 8, 2017 (in Trillion)

Holders	2013	2014	2015	2016	2-Nov-17	3-Nov-17	6-Nov-17	7-Nov-17	8-Nov-17
Banks	335.43	375.55	350.07	399.46	640.16	623.20	613.48	612.87	613.14
Bank Indonesia	44.44	41.63	148.91	134.25	23.38	33.38	39.08	39.08	39.25
Mutual Fund	42.50	45.79	61.60	85.66	101.16	101.25	101.36	101.29	101.08
Insurance	129.55	150.60	171.62	238.24	263.80	263.83	263.57	263.23	262.92
Foreign Investor	323.83	461.35	558.52	665.81	801.72	804.57	808.88	810.05	810.00
Pension Fund	39.47	43.30	49.83	87.28	87.29	87.25	87.19	87.09	87.06
Individual Investors	32.48	30.41	42.53	57.75	62.83	62.84	62.84	62.80	62.77
Others	47.56	61.32	78.76	104.84	118.11	118.15	118.06	118.05	118.23
Total	995.25	1,209.96	1,461.85	1,773.28	2,098.47	2,094.47	2,094.47	2,094.47	2,094.47

Source: Bloomberg, IDX & DJPPR

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
TBIG02CN3	AA-(idn)	100.00	8.40	375
WSKT03ACN1	A(idn)	100.16	7.94	231
SMRA01CN2	idA+	100.02	11.48	205
AKRA01ACN1	idAA-	100.10	8.46	123
BAFI01A	idAA	100.00	6.75	121
TUFI03BCN2	idAA+	101.70	8.40	105
BBTN03ACN1	idAA+	102.60	7.22	90
MLJK01B	idAAA(sf)	99.99	7.75	70
WSKT02BCN3	idA-	105.07	7.60	40
WSKT03BCN1	A(idn)	101.00	8.25	40

Global Bonds	8-Nov			
	8-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	1.647	1.631	1.61	1.52
5-Year	2.011	1.989	2.02	1.96
10-Year	2.33	2.32	2.37	2.35
30-Year	2.79	2.78	2.86	2.88
10-Year Government Bond Yield				
UK	1.22	1.23	1.34	1.38
Germany	0.324	0.326	0.37	0.46
France	0.69	0.69	0.76	0.88
China	3.89	3.89	3.86	3.65
Japan	0.023	0.024	0.06	0.06
Korea	2.54	2.54	2.54	2.42
Thailand	2.29	2.29	2.32	2.23
Malaysia	3.99	4.00	3.95	3.90
Singapore	2.13	2.11	2.16	2.08
Indonesia USD Bond Yield				
INDO-22	2.79	2.78	2.74	2.68
INDO-27	3.61	3.58	3.58	3.52
INDO-47	4.49	4.47	4.47	4.44

Money Market	8-Nov			
	8-Nov	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.91	3.95	3.90	3.90
1M	4.80	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	1.60	1.60	1.58	1.53
Indonesia Interest Rates				
Deposit 1M	5.69	5.65	5.70	5.81
Lending	14.3	14.2	14.9	14.4

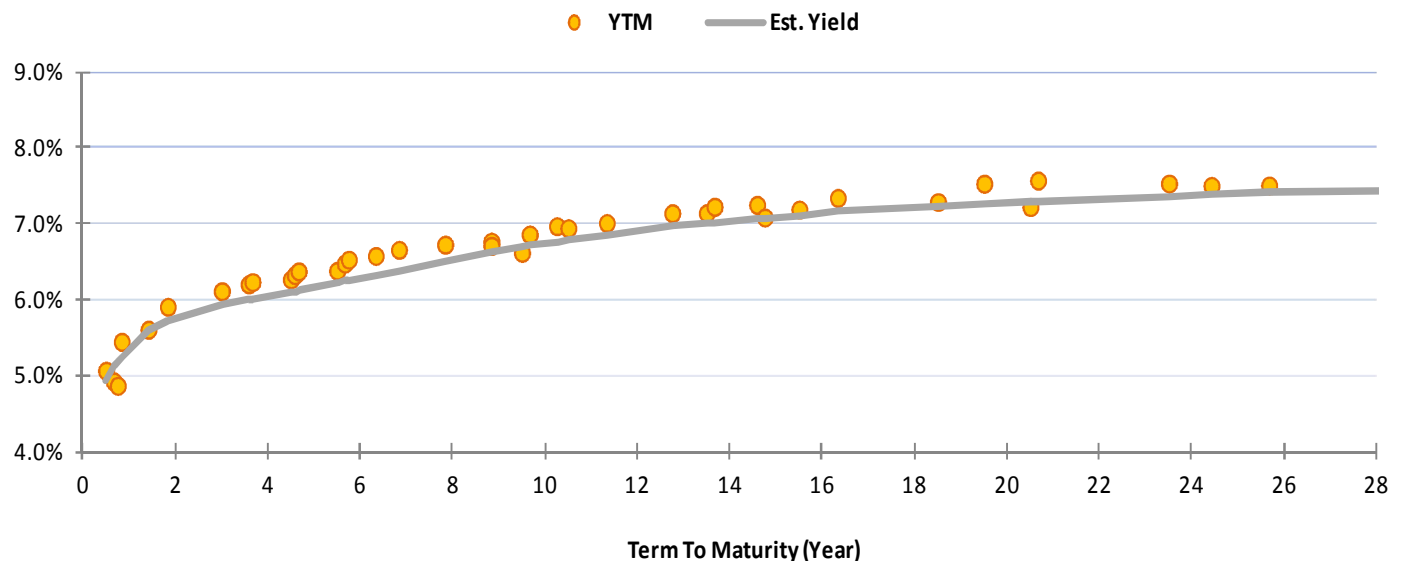
November 10, 2017

Government Bonds Prices
Closing Price Data : 9-Nov-2017



Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0066	15-May-18	0.51	5.25%	100.09	5.06%	4.94%	100.16	6	Fair
FR0032	15-Jul-18	0.68	15.00%	106.56	4.92%	5.11%	106.52	-3	Fair
FR0038	15-Aug-18	0.76	11.60%	104.97	4.86%	5.19%	104.74	-24	Dear
FR0048	15-Sep-18	0.85	9.00%	102.86	5.44%	5.26%	103.05	19	Cheap
FR0069	15-Apr-19	1.43	7.875%	103.06	5.60%	5.59%	103.10	4	Fair
FR0036	15-Sep-19	1.85	11.50%	109.59	5.90%	5.73%	109.97	38	Cheap
FR0031	15-Nov-20	3.02	11.00%	113.25	6.11%	5.92%	113.83	58	Cheap
FR0034	15-Jun-21	3.60	12.80%	120.93	6.20%	5.99%	121.73	80	Cheap
FR0053	15-Jul-21	3.68	8.25%	106.53	6.23%	6.00%	107.32	79	Cheap
FR0061	15-May-22	4.52	7.00%	102.85	6.26%	6.10%	103.52	66	Cheap
FR0035	15-Jun-22	4.60	12.90%	125.84	6.32%	6.11%	126.86	102	Cheap
FR0043	15-Jul-22	4.68	10.25%	115.45	6.37%	6.12%	116.59	114	Cheap
FR0063	15-May-23	5.52	5.625%	96.55	6.38%	6.22%	97.25	70	Cheap
FR0046	15-Jul-23	5.68	9.50%	114.17	6.47%	6.24%	115.37	120	Cheap
FR0039	15-Aug-23	5.77	11.75%	124.72	6.52%	6.25%	126.25	152	Cheap
FR0070	15-Mar-24	6.35	8.375%	109.21	6.57%	6.33%	110.55	134	Cheap
FR0044	15-Sep-24	6.85	10.00%	118.13	6.65%	6.39%	119.73	160	Cheap
FR0040	15-Sep-25	7.85	11.00%	125.72	6.72%	6.52%	127.19	146	Cheap
FR0037	15-Sep-26	8.85	12.00%	134.44	6.76%	6.63%	135.49	105	Cheap
FR0056	15-Sep-26	8.85	8.375%	110.98	6.71%	6.63%	111.52	54	Cheap
FR0059	15-May-27	9.52	7.000%	102.69	6.61%	6.70%	102.09	-61	Dear
FR0042	15-Jul-27	9.68	10.25%	123.70	6.86%	6.72%	124.84	114	Cheap
FR0047	15-Feb-28	10.27	10.00%	121.97	6.96%	6.77%	123.59	162	Cheap
FR0064	15-May-28	10.52	6.125%	94.01	6.94%	6.79%	95.03	102	Cheap
FR0071	15-Mar-29	11.35	9.00%	115.41	7.01%	6.86%	116.63	123	Cheap
FR0052	15-Aug-30	12.77	10.50%	127.86	7.13%	6.97%	129.54	168	Cheap
FR0073	15-May-31	13.52	8.75%	113.84	7.14%	7.01%	115.01	117	Cheap
FR0054	15-Jul-31	13.69	9.50%	119.59	7.22%	7.02%	121.54	195	Cheap
FR0058	15-Jun-32	14.61	8.25%	108.95	7.25%	7.07%	110.60	165	Cheap
FR0074	15-Aug-32	14.78	7.50%	103.81	7.08%	7.08%	103.78	-3	Fair
FR0065	15-May-33	15.52	6.625%	94.84	7.18%	7.12%	95.41	58	Cheap
FR0068	15-Mar-34	16.36	8.375%	109.78	7.34%	7.15%	111.64	186	Cheap
FR0072	15-May-36	18.53	8.25%	109.76	7.28%	7.23%	110.27	52	Cheap
FR0045	15-May-37	19.53	9.75%	122.58	7.52%	7.27%	125.70	312	Cheap
FR0075	15-May-38	20.53	7.50%	103.02	7.22%	7.30%	102.11	-90	Dear
FR0050	15-Jul-38	20.69	10.50%	130.42	7.57%	7.30%	133.90	348	Cheap
FR0057	15-May-41	23.53	9.50%	121.61	7.53%	7.36%	123.72	211	Cheap
FR0062	15-Apr-42	24.45	6.375%	87.53	7.50%	7.38%	88.69	116	Cheap
FR0067	15-Jul-43	25.70	8.75%	114.23	7.50%	7.40%	115.36	113	Cheap
FR0076	15-May-48	30.53	7.375%	101.28	7.27%	7.44%	99.23	-205	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 10, 2017

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