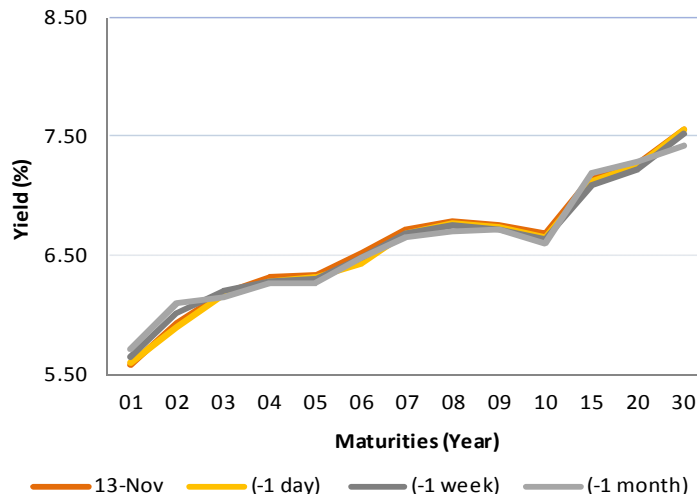


Indonesia Government Bonds Yield

Maturities (Year)	13-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.59	5.61	5.66	5.72
02	5.94	5.91	6.01	6.10
03	6.18	6.18	6.20	6.15
04	6.31	6.29	6.29	6.27
05	6.34	6.32	6.31	6.27
06	6.52	6.44	6.49	6.49
07	6.71	6.70	6.69	6.65
08	6.78	6.77	6.76	6.71
09	6.76	6.75	6.72	6.71
10	6.68	6.66	6.64	6.60
15	7.16	7.13	7.10	7.18
20	7.28	7.26	7.23	7.29
30	7.57	7.55	7.53	7.43

Source: Bloomberg



Global Market Update

- 10 year US treasury tended to stagnate at 2.40% due to the expectation that the market has been waiting any clues from conference that is attended by The Fed's Governor, BoE's Governor, ECB' Governor and BoJ's Governor in Frankfurt on today. Moreover, US tax reform is still the main focus among investor that its enactment is expected to delay. In general, global yield tended to be various in which 10 year UK gilt and German Bund was relatively stagnated at 1.33% and 0.4% respectively. Meanwhile, 10 year Japan continued to rise to 0.047%.
- Yield US treasury tenor 10 tahun cenderung stagnan di level 2,40% yang disebabkan oleh perkiraan bahwa pasar menunggu sentimen dari konferensi yang dihadiri oleh Gubernur The Fed, Gubernur BoJ, Gubernur BoE, dan Gubernur ECB di Frankfurt hari ini waktu setempat. Dalam konferensi tersebut, pasar menunggu adanya petunjuk terkait arah kebijakan moneter dari masing-masing bank sentral ke depan. Selain itu, pasar juga menunggu perkembangan reformasi pajak AS yang tampaknya tidak bisa di undang-undangkan pada akhir tahun ini. Secara umum, yield global mengalami pergerakan yang bervariasi di mana 10 tahun UK Gilt dan German Bund cenderung stagnan masing-masing di level 1,33% dan 0,4%. Sementara itu, 10 yield Jepang kembali meningkat ke level 0,047%.

Domestic Market Update

- Indonesia Composite Bond Index dropped by 0.10% compared with previous day to 236,92. Meanwhile, transaction volume of government bonds in the last trading on the secondary market declined to only IDR6.6 trillion while transaction volume of corporate bonds rose significantly to IDR2.5 trillion.
- Chairman of Fiscal Policy Agency (BKF), Suahazil Nazara, estimated that the realization of government spending in 2017 only reached IDR2,005 - IDR2,026 trillion or below budget outlook of IDR2,133 trillion and government target posted in revised budget 2017 (APBN-P 2017) of IDR2,133 trillion. With this estimation, budget deficit hopefully could reach government target outlook of 2.67% GDP.
- Today, the government is scheduled to auction government securities with the target indicative ranging from IDR15 trillion to Rp22.5 trillion. There are 5 series auctioned today and indication awarded yield detailed as follows SPN03180215 (4.79% - 4.89%), SPN12181115 (5.58% - 5.68%), FR0061 (6.27% - 6.32%), FR0059 (6.62% - 6.67%), and FR0075 (7.24% - 7.29%).
- Indonesia Composite Bond Index menurun sebesar 0,10% dibandingkan hari sebelumnya ke level 236,92. Sementara itu, volume transaksi SBN pada perdagangan terakhir di pasar sekunder turun menjadi hanya sebesar Rp6,6 triliun sedangkan volume transaksi obligasi korporasi meningkat signifikan menjadi sebesar Rp2,5 triliun.
- Kepala Badan Kebijakan Fiskal (BKF), Suahazil Nazara, memperkirakan realisasi belanja hingga akhir tahun 2017 diperkirakan hanya sebesar Rp2.005 triliun - Rp2.026 triliun atau berada di bawah outlook APBN-P 2017 sebesar Rp2.098 dan target di dalam APBN-P 2017 sebesar Rp2.133 triliun. Dengan perkiraan realisasi tersebut, harapannya defisit APBN-P 2017 masih sesuai outlook sebesar 2,67% PDB.
- Hari ini pemerintah dijadwalkan akan kembali melelang SUN dengan target indikatif sebesar Rp15 triliun hingga Rp22,5 triliun. Terdapat lima seri yang akan dilelang pada hari ini dengan indikasi yield yang dimenangkan adalah sebagai berikut SPN03180215 (4,79% - 4,89%), SPN12181115 (5,58% - 5,68%), FR0061 (6,27% - 6,32%), FR0059 (6,62% - 6,67%), dan FR0075 (7,24% - 7,29%).

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0074	102.65	7.200	2061
FR0068	108.15	7.499	793
FR0061	102.65	6.314	425
FR0056	110.85	6.724	413
FR0059	102.25	6.676	386
SPN12180104	99.37	4.650	325
FR0064	94.55	6.862	282
FR0066	99.95	5.353	210
SPN03180118	99.17	4.650	200
FR0053	106.34	6.281	195

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
ASDF03ACN4	AAA(idn)	100.00	6.30	715
BNGA02ACN3	idAAA	100.00	6.20	440
SIAISA02	idA(sy)	101.22	10.15	300
BSSB01CN1	idA+	100.00	9.35	250
BNII01SB	idAA+	101.82	7.12	100
IMFIO2BCN1	idA	101.30	6.98	80
WSKT03ACN1	A(idn)	100.10	7.96	64
PNBN02CN2	idAA	103.40	7.74	55
ANTM01ACN1	idBBB+	100.65	7.74	40
BEXIO2CCN7	idAAA	105.11	7.81	40

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6021	-0.37	-0.01%	13.68%
Malaysia (KLCI)	1747	-4.79	-0.27%	5.83%
Thailand (SET)	1687	-2.23	-0.13%	9.34%
Singapore (STI)	3419	-0.97	-0.03%	18.7%
Hang Seng	29182	61.26	0.21%	32.6%
Nikkei 225	22381	-300.43	-1.32%	17.09%
Shanghai	3448	15.16	0.44%	11.09%
Dow Jones (DJIA)	23440	17.49	0.07%	18.60%
London (FTSE 100)	7415	-17.81	-0.24%	3.81%
DAX	13074	-53.05	-0.40%	13.9%

FX Rate	13-Nov		
	13-Nov	(-1 day)	(-1 week)
USD/IDR	13,543	13,531	13,524
GBP/USD	1.312	1.319	1.317
USD/JPY	113.6	113.5	113.7
USD/SGD	1.362	1.360	1.362
USD/THB	33.07	33.12	33.11
USD/MYR	4.191	4.192	4.233

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			
13-Nov	42.49	102.51	173.01
(-1 Day)	42.08	103.20	170.22
(-1 Week)	42.08	103.20	170.22
(-1 Month)	38.86	98.26	165.77
(-1 Year)	83.285	197	272.56

Global Bonds	13-Nov			
	13-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	1.685	1.656	1.62	1.54
5-Year	2.077	2.052	1.98	1.95
10-Year	2.405	2.40	2.32	2.30
30-Year	2.87	2.88	2.80	2.82
10-Year Government Bond Yield				
UK	1.33	1.34	1.26	1.33
Germany	0.415	0.409	0.33	0.37
France	0.78	0.78	0.72	0.79
China	3.96	3.92	3.87	3.70
Japan	0.047	0.038	0.02	0.06
Korea	2.59	2.57	2.55	2.40
Thailand	2.35	2.35	2.28	2.22
Malaysia	4.11	4.08	4.00	3.90
Singapore	2.16	2.15	2.12	2.03
Indonesia USD Bond Yield				
INDO-22	2.84	2.85	2.77	2.63
INDO-27	3.67	3.69	3.57	3.48
INDO-47	4.60	4.62	4.45	4.39

Money Market	13-Nov			
	13-Nov	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.95	3.90	3.90	3.91
1M	4.80	4.80	4.79	4.78
3M	5.19	5.19	5.18	5.20
LIBOR				
1M	1.25	1.25	1.24	1.24
3M	1.41	1.41	1.40	1.35
6M	1.61	1.61	1.59	1.53
Indonesia Interest Rates				
Deposit 1M	5.71	5.71	5.73	5.78
Lending	14.2	14.2	14.2	14.1

Government Bond Ownership As of November 10, 2017 (in Trillion)

Holders	2013	2014	2015	2016	6-Nov-17	7-Nov-17	8-Nov-17	9-Nov-17	10-Nov-17
Banks	335.43	375.55	350.07	399.46	613.48	612.87	613.14	613.98	607.86
Bank Indonesia	44.44	41.63	148.91	134.25	39.08	39.08	39.25	37.57	42.94
Mutual Fund	42.50	45.79	61.60	85.66	101.36	101.29	101.08	101.10	101.25
Insurance	129.55	150.60	171.62	238.24	263.57	263.23	262.92	263.08	262.92
Foreign Investor	323.83	461.35	558.52	665.81	808.88	810.05	810.00	811.05	811.97
Pension Fund	39.47	43.30	49.83	87.28	87.19	87.09	87.06	86.90	86.89
Individual Investors	32.48	30.41	42.53	57.75	62.84	62.80	62.77	62.76	62.74
Others	47.56	61.32	78.76	104.84	118.06	118.05	118.23	118.26	118.14
Total	995.25	1,209.96	1,461.85	1,773.28	2,094.47	2,094.47	2,094.47	2,094.72	2,094.72

Source: Bloomberg, IDX & DJPPR

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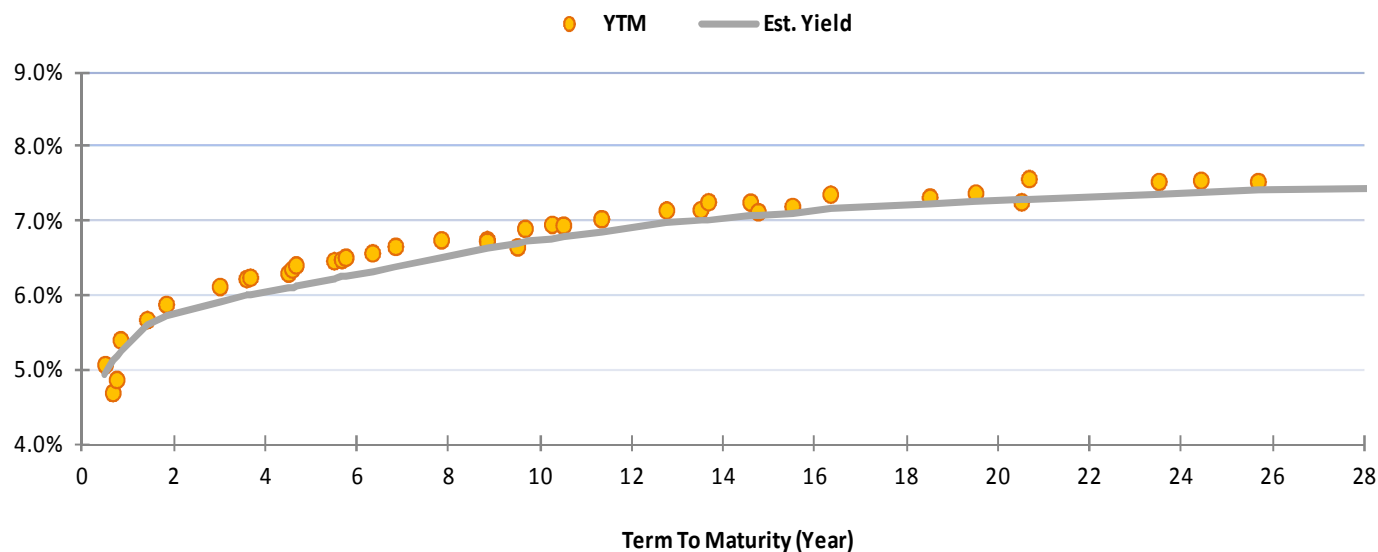
Government Bonds Prices

Closing Price Data : 13-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%	4.93%	100.16	7	Fair
FR0032	15-Jul-18	0.67	15.00%	106.66	4.69%	5.11%	106.48	-19	Dear
FR0038	15-Aug-18	0.76	11.60%	104.97	4.86%	5.18%	104.71	-26	Dear
FR0048	15-Sep-18	0.84	9.00%	102.88	5.40%	5.25%	103.04	16	Cheap
FR0069	15-Apr-19	1.42	7.875%	102.95	5.67%	5.59%	103.09	14	Cheap
FR0036	15-Sep-19	1.84	11.50%	109.62	5.87%	5.72%	109.95	33	Cheap
FR0031	15-Nov-20	3.01	11.00%	113.21	6.12%	5.92%	113.81	60	Cheap
FR0034	15-Jun-21	3.59	12.80%	120.82	6.22%	5.99%	121.71	88	Cheap
FR0053	15-Jul-21	3.68	8.25%	106.49	6.24%	6.00%	107.31	82	Cheap
FR0061	15-May-22	4.51	7.00%	102.73	6.29%	6.10%	103.52	79	Cheap
FR0035	15-Jun-22	4.59	12.90%	125.68	6.35%	6.11%	126.84	116	Cheap
FR0043	15-Jul-22	4.68	10.25%	115.29	6.40%	6.12%	116.58	129	Cheap
FR0063	15-May-23	5.51	5.625%	96.18	6.46%	6.22%	97.26	107	Cheap
FR0046	15-Jul-23	5.68	9.50%	114.13	6.48%	6.24%	115.36	123	Cheap
FR0039	15-Aug-23	5.76	11.75%	124.80	6.51%	6.25%	126.23	144	Cheap
FR0070	15-Mar-24	6.35	8.375%	109.24	6.57%	6.33%	110.54	131	Cheap
FR0044	15-Sep-24	6.85	10.00%	118.12	6.65%	6.39%	119.73	161	Cheap
FR0040	15-Sep-25	7.85	11.00%	125.56	6.74%	6.52%	127.18	162	Cheap
FR0037	15-Sep-26	8.85	12.00%	134.52	6.75%	6.63%	135.48	96	Cheap
FR0056	15-Sep-26	8.85	8.375%	110.85	6.72%	6.63%	111.52	67	Cheap
FR0059	15-May-27	9.51	7.000%	102.45	6.65%	6.70%	102.09	-37	Dear
FR0042	15-Jul-27	9.68	10.25%	123.37	6.90%	6.72%	124.83	147	Cheap
FR0047	15-Feb-28	10.27	10.00%	122.08	6.95%	6.77%	123.58	150	Cheap
FR0064	15-May-28	10.52	6.125%	94.00	6.94%	6.79%	95.03	103	Cheap
FR0071	15-Mar-29	11.35	9.00%	115.24	7.03%	6.86%	116.63	139	Cheap
FR0052	15-Aug-30	12.77	10.50%	127.77	7.14%	6.97%	129.54	176	Cheap
FR0073	15-May-31	13.52	8.75%	113.72	7.15%	7.01%	115.01	129	Cheap
FR0054	15-Jul-31	13.68	9.50%	119.25	7.25%	7.02%	121.53	229	Cheap
FR0058	15-Jun-32	14.60	8.25%	108.91	7.25%	7.07%	110.60	169	Cheap
FR0074	15-Aug-32	14.77	7.50%	103.42	7.12%	7.08%	103.78	36	Cheap
FR0065	15-May-33	15.52	6.625%	94.75	7.19%	7.12%	95.42	67	Cheap
FR0068	15-Mar-34	16.35	8.375%	109.58	7.36%	7.15%	111.64	207	Cheap
FR0072	15-May-36	18.52	8.25%	109.39	7.32%	7.23%	110.27	89	Cheap
FR0045	15-May-37	19.52	9.75%	124.40	7.37%	7.26%	125.70	130	Cheap
FR0075	15-May-38	20.52	7.50%	102.62	7.25%	7.30%	102.11	-50	Dear
FR0050	15-Jul-38	20.69	10.50%	130.42	7.57%	7.30%	133.90	348	Cheap
FR0057	15-May-41	23.52	9.50%	121.60	7.53%	7.36%	123.72	212	Cheap
FR0062	15-Apr-42	24.44	6.375%	87.05	7.54%	7.38%	88.69	164	Cheap
FR0067	15-Jul-43	25.69	8.75%	113.90	7.53%	7.40%	115.36	146	Cheap
FR0076	15-May-48	30.53	7.375%	101.03	7.29%	7.44%	99.23	-180	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 14, 2017

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