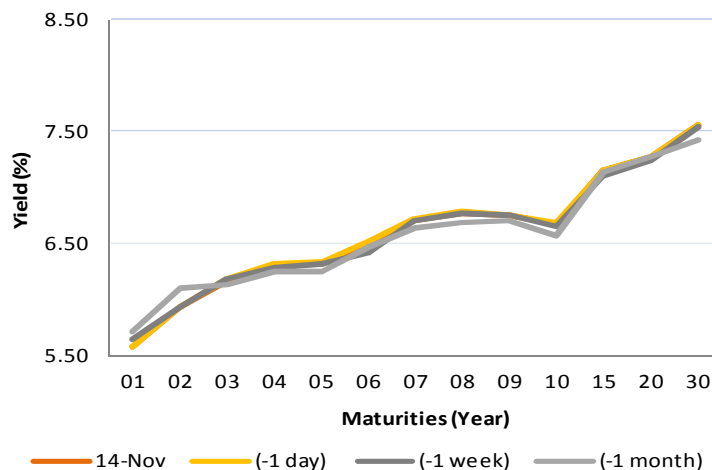


Indonesia Government Bonds Yield

Maturities (Year)	14-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.58	5.59	5.65	5.72
02	5.93	5.94	5.93	6.09
03	6.17	6.18	6.19	6.13
04	6.30	6.31	6.29	6.26
05	6.32	6.34	6.32	6.25
06	6.51	6.52	6.43	6.47
07	6.71	6.71	6.71	6.64
08	6.77	6.78	6.76	6.69
09	6.76	6.76	6.75	6.70
10	6.66	6.68	6.65	6.57
15	7.15	7.16	7.10	7.14
20	7.28	7.28	7.24	7.27
30	7.57	7.57	7.54	7.43

Source: Bloomberg



Global Market Update

- 10 Year US treasury went down to 2.37% due to shifting investor form short term US treasury to medium and long term US treasury. This situation was amid high probability of rising FFR in December meeting that could trigger up short term US treasury yield. Nonetheless, the benign expectation of long term inflation and the probability of delaying US treasury enactment created medium and long term US treasury more interesting. Furthermore, the market has been waiting US tax reform development in senate and October inflation (released in today) that is projected to lower compared with previous month.
- Yield US treasury tenor 10 tahun turun ke level 2,37% yang disebabkan oleh pergeseran minat investor dari US treasury bertenor pendek ke tenor menengah dan panjang. Hal tersebut seiring hampir dipastikannya kenaikan FFR pada Desember 2017 yang berpotensi mendorong *yield* US bertenor pendek lebih tinggi. Namun demikian, ekspektasi inflasi dalam jangka panjang yang relatif moderat dan ditambah dengan kemungkinan tertundanya pelaksanaan reformasi pajak membuat US treasury bertenor menengah dan panjang menjadi lebih menarik. Selain menunggu perkembangan rancangan reformasi pajak di senat AS, pasar juga menanti rilis data inflasi AS Oktober 2017 (hari ini, WIB) yang diproyeksi lebih rendah dibandingkan bulan sebelumnya.

Domestic Market Update

- Indonesia composite bond index tended to stagnate at 236.95 in the previous day. Meanwhile, the transaction volume of government bonds in the last trading on the secondary market rose to IDR15.21 trillion while transaction of corporate bonds dropped to only IDR 562 billion compared with previous day.
- Indonesia Composite Bond Index cenderung stagnan di level 236,95 dibandingkan hari sebelumnya. Sementara itu, volume transaksi SBN pada perdagangan terakhir di pasar sekunder meningkat menjadi sebesar Rp15,21 triliun sedangkan volume transaksi obligasi korporasi turun menjadi hanya sebesar Rp562 miliar dibandingkan dengan hari sebelumnya.
- There were IDR 19.4 trillion of nominal awarded in the last government securities auction yesterday. This was lower if compared with previous auction at IDR22.5 trillion. Moreover, total incoming bids was lower to only IDR38.92 trillion compared with previous auction of IDR41.48 trillion incoming bids. FR0061 and FR0075 became the most interested series in that auction with total incoming bids was IDR9.78 trillion and IDR9.76 trillion respectively.
- Dalam lelang SUN kemarin, pemerintah menyerap Rp19,4 triliun atau lebih rendah dibandingkan penyerapan lelang SUN sebelumnya sebesar Rp22,5 triliun. Selain itu, total penawaran yang masuk (*incoming bids*) juga lebih rendah yaitu sebesar Rp38,92 triliun, dibandingkan dengan lelang SUN sebelumnya sebesar Rp41,48 triliun. Seri FR0061 dan FR0075 menjadi seri yang paling diminati dalam lelang tersebut dengan total penawaran yang masuk masing-masing sebesar Rp9,78 triliun dan Rp9,76 triliun.
- In the next week (Tuesday, November 21, 2017), the government is scheduled to auction Sukuk series with indicative target of IDR5 trillion. There were 5 auctioned series namely SPN-S 08052018 (*reopening*), PBS013 (*reopening*), PBS014 (*reopening*), PBS011 (*reopening*), and PBS012 (*reopening*).
- Minggu depan (Selasa, 21 November 2017), pemerintah dijadwalkan akan melelang Sukuk dengan target indikatif sebesar Rp5 triliun. Terdapat 5 seri sukuk yang akan dilelang yaitu SPN-S 08052018 (*reopening*), PBS013 (*reopening*), PBS014 (*reopening*), PBS011 (*reopening*), dan PBS012 (*reopening*).

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0075	102.11	7.300	4448
FR0059	102.43	6.651	3054
FR0061	102.74	6.292	2712
FR0068	109.50	7.364	862
SPN12180201	98.99	4.827	526
FR0072	109.40	7.315	414
FR0070	109.50	6.516	412
PBS012	112.92	7.380	341
SPN12180906	95.91	5.300	291
FR0071	115.20	7.029	268

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BIIF01ACN2	AA+(idn)	102.38	7.30	140
ISAT02BCN1	idAAA	101.43	7.52	38
INDF08	idAA+	102.60	8.01	29
IMFIO3ACN1	idA	100.40	7.03	25
BBRIO2CCN3	idAAA	104.51	7.40	20
BBRIO2ACN3	idAAA	101.15	7.14	20
BEXIO3ECN4	idAAA	107.45	8.24	20
BFINO2CCN2	AA-(idn)	101.30	6.98	20
PPGD03CCN1	idAAA	101.00	7.45	18
ADMFO3BCN4	idAAA	102.40	7.23	16

Global Stock Marketss	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5988	-33.16	-0.55%	13.06%
Malaysia (KLCI)	1742	-3.88	-0.22%	5.60%
Thailand (SET)	1703	15.58	0.92%	10.35%
Singapore (STI)	3399	-20.04	-0.59%	18.0%
Hang Seng	29152	-30.06	-0.10%	32.5%
Nikkei 225	22380	-0.98	0.00%	17.09%
Shanghai	3430	-18.29	-0.53%	10.50%
Dow Jones (DJIA)	23409	-30.23	-0.13%	18.45%
London (FTSE 100)	7414	-0.76	-0.01%	3.80%
DAX	13033	-40.94	-0.31%	13.5%

FX Rate	14-Nov		
	14-Nov	(-1 day)	(-1 week)
USD/IDR	13,555	13,543	13,509
GBP/USD	1.317	1.312	1.317
USD/JPY	113.5	113.6	114.0
USD/SGD	1.359	1.362	1.364
USD/THB	33.06	33.07	33.15
USD/MYR	4.194	4.191	4.230

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			
14-Nov	41.00	101.43	170.58
(-1 Day)	42.49	102.51	173.01
(-1 Week)	42.08	103.20	170.22
(-1 Month)	37.32	99.07	168.10
(-1 Year)	83.29	197.00	272.56

Global Bonds	14-Nov			
	14-Nov	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & UST-Bonds Yield				
Fed Fund Rate	1.25	1.25	1.25	1.25
2-Year	1.684	1.683	1.63	1.55
5-Year	2.054	2.076	1.99	1.96
10-Year	2.367	2.41	2.32	2.30
30-Year	2.83	2.87	2.78	2.80
10-Year Government Bond Yield				
UK	1.32	1.33	1.23	1.27
Germany	0.396	0.415	0.33	0.36
France	0.76	0.78	0.69	0.78
China	3.98	3.96	3.89	3.74
Japan	0.035	0.045	0.02	0.07
Korea	2.60	2.59	2.54	2.40
Thailand	2.37	2.35	2.29	2.23
Malaysia	4.06	4.11	4.00	3.90
Singapore	2.17	2.16	2.11	2.07
Indonesia USD Bond Yield				
INDO-22	2.84	2.84	2.78	2.65
INDO-27	3.67	3.67	3.58	3.53
INDO-47	4.59	4.60	4.47	4.43

Money Market	14-Nov			
	14-Nov	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.91	3.95	3.95	3.91
1M	4.80	4.80	4.79	4.78
3M	5.19	5.19	5.18	5.19
LIBOR				
1M	1.25	1.25	1.24	1.24
3M	1.42	1.42	1.40	1.36
6M	1.62	1.62	1.60	1.55
Indonesia Interest Rates				
Deposit 1M	5.70	5.71	5.65	5.76
Lending	14.2	14.2	14.2	14.3

Government Bond Ownership As of November 13, 2017 (in Trillion)

Holders	2013	2014	2015	2016	7-Nov-17	8-Nov-17	9-Nov-17	10-Nov-17	13-Nov-17
Banks	335.43	375.55	350.07	399.46	612.87	613.14	613.98	607.86	604.27
Bank Indonesia	44.44	41.63	148.91	134.25	39.08	39.25	37.57	42.94	46.90
Mutual Fund	42.50	45.79	61.60	85.66	101.29	101.08	101.10	101.25	101.30
Insurance	129.55	150.60	171.62	238.24	263.23	262.92	263.08	262.92	262.73
Foreign Investor	323.83	461.35	558.52	665.81	810.05	810.00	811.05	811.97	811.73
Pension Fund	39.47	43.30	49.83	87.28	87.09	87.06	86.90	86.89	86.89
Individual Investors	32.48	30.41	42.53	57.75	62.80	62.77	62.76	62.74	62.73
Others	47.56	61.32	78.76	104.84	118.05	118.23	118.26	118.14	118.16
Total	995.25	1,209.96	1,461.85	1,773.28	2,094.47	2,094.47	2,094.72	2,094.72	2,094.72

Source: Bloomberg, IDX & DJPPR

November 15, 2017

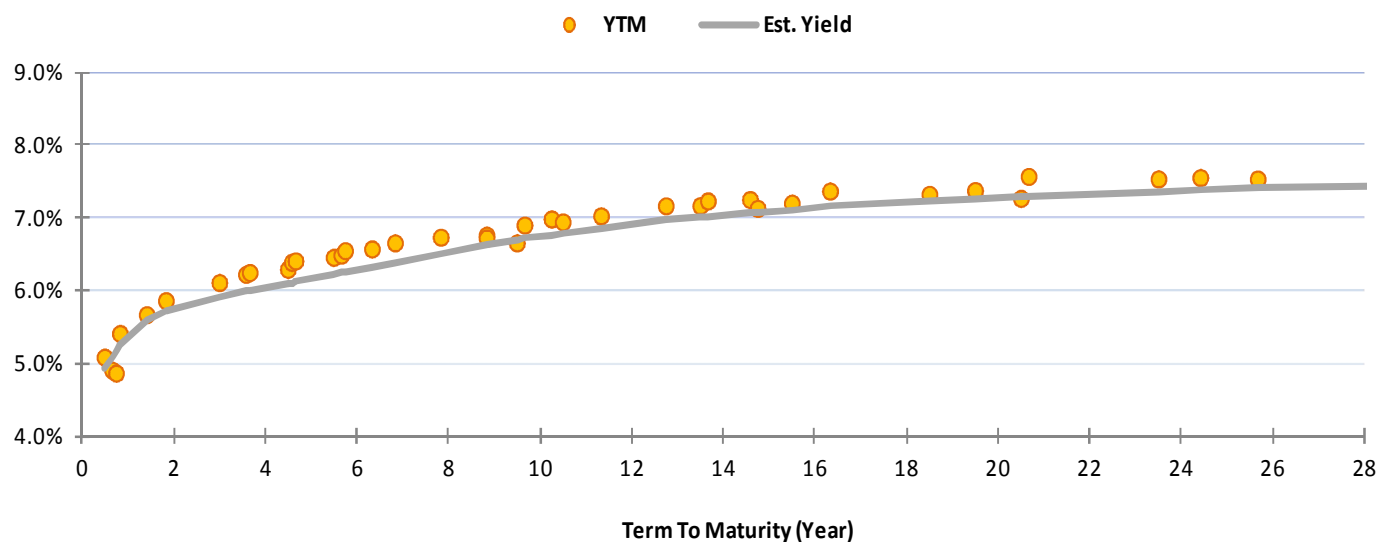
Government Bonds Prices

Closing Price Data : 14-Nov-2017



Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0066	15-May-18	0.50	5.25%	100.08	5.08%	4.92%	100.16	8	Fair
FR0032	15-Jul-18	0.67	15.00%	106.49	4.90%	5.10%	106.41	-8	Fair
FR0038	15-Aug-18	0.75	11.60%	104.97	4.86%	5.18%	104.66	-31	Dear
FR0048	15-Sep-18	0.84	9.00%	102.86	5.41%	5.25%	103.01	15	Cheap
FR0069	15-Apr-19	1.42	7.875%	102.95	5.67%	5.58%	103.07	12	Cheap
FR0036	15-Sep-19	1.84	11.50%	109.63	5.86%	5.72%	109.91	28	Cheap
FR0031	15-Nov-20	3.01	11.00%	113.22	6.11%	5.92%	113.78	57	Cheap
FR0034	15-Jun-21	3.59	12.80%	120.81	6.22%	5.99%	121.67	85	Cheap
FR0053	15-Jul-21	3.67	8.25%	106.46	6.25%	6.00%	107.30	84	Cheap
FR0061	15-May-22	4.50	7.00%	102.75	6.29%	6.10%	103.52	76	Cheap
FR0035	15-Jun-22	4.59	12.90%	125.51	6.38%	6.11%	126.80	129	Cheap
FR0043	15-Jul-22	4.67	10.25%	115.27	6.41%	6.12%	116.56	128	Cheap
FR0063	15-May-23	5.50	5.625%	96.22	6.45%	6.22%	97.27	105	Cheap
FR0046	15-Jul-23	5.67	9.50%	114.08	6.49%	6.24%	115.35	126	Cheap
FR0039	15-Aug-23	5.75	11.75%	124.58	6.55%	6.25%	126.21	162	Cheap
FR0070	15-Mar-24	6.34	8.375%	109.22	6.57%	6.33%	110.54	132	Cheap
FR0044	15-Sep-24	6.84	10.00%	118.11	6.65%	6.39%	119.71	160	Cheap
FR0040	15-Sep-25	7.84	11.00%	125.63	6.73%	6.52%	127.16	153	Cheap
FR0037	15-Sep-26	8.84	12.00%	134.40	6.76%	6.63%	135.46	105	Cheap
FR0056	15-Sep-26	8.84	8.375%	110.89	6.72%	6.63%	111.52	63	Cheap
FR0059	15-May-27	9.50	7.000%	102.42	6.65%	6.70%	102.09	-33	Dear
FR0042	15-Jul-27	9.67	10.25%	123.35	6.90%	6.72%	124.83	148	Cheap
FR0047	15-Feb-28	10.26	10.00%	121.83	6.98%	6.77%	123.57	175	Cheap
FR0064	15-May-28	10.51	6.125%	94.00	6.94%	6.79%	95.04	104	Cheap
FR0071	15-Mar-29	11.34	9.00%	115.25	7.02%	6.86%	116.63	138	Cheap
FR0052	15-Aug-30	12.76	10.50%	127.59	7.16%	6.97%	129.53	194	Cheap
FR0073	15-May-31	13.51	8.75%	113.58	7.16%	7.01%	115.01	143	Cheap
FR0054	15-Jul-31	13.67	9.50%	119.51	7.23%	7.02%	121.53	202	Cheap
FR0058	15-Jun-32	14.59	8.25%	108.94	7.25%	7.07%	110.60	166	Cheap
FR0074	15-Aug-32	14.76	7.50%	103.35	7.13%	7.08%	103.78	43	Cheap
FR0065	15-May-33	15.51	6.625%	94.70	7.20%	7.12%	95.42	72	Cheap
FR0068	15-Mar-34	16.34	8.375%	109.50	7.36%	7.15%	111.64	214	Cheap
FR0072	15-May-36	18.51	8.25%	109.36	7.32%	7.23%	110.28	92	Cheap
FR0045	15-May-37	19.51	9.75%	124.40	7.37%	7.26%	125.70	130	Cheap
FR0075	15-May-38	20.51	7.50%	102.51	7.26%	7.30%	102.11	-40	Dear
FR0050	15-Jul-38	20.68	10.50%	130.42	7.57%	7.30%	133.89	348	Cheap
FR0057	15-May-41	23.52	9.50%	121.54	7.53%	7.36%	123.72	218	Cheap
FR0062	15-Apr-42	24.43	6.375%	86.99	7.55%	7.38%	88.69	170	Cheap
FR0067	15-Jul-43	25.68	8.75%	113.88	7.53%	7.40%	115.36	149	Cheap
FR0076	15-May-48	30.52	7.375%	101.05	7.29%	7.44%	99.23	-182	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 15, 2017

PT. MEGA CAPITAL SEKURITAS
Head Office
Menara Bank Mega Lt. 2
Jl. Kapten P. Tendean Kav 12-14A
Jakarta 12790

Dealing Room

Phone No : +62 21 7995795

Fax No : +62 21 79175965

Eva Sarah Hutabarat	eva@megasekuritas.id	Head of Debt Capital Market
Cicik Sukaesih	cicik@megasekuritas.id	Debt Sales
Emilda Mardiyanti	emilda.mardiyanti@megasekuritas.id	Debt Sales
Ajeng Palupi P.	palupi@megasekuritas.id	Debt Sales
Dhian Karyantono	dhian@megasekuritas.id	Fixed Income Analyst
Yulia	yulia@megasekuritas.id	Administrative Assistant

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