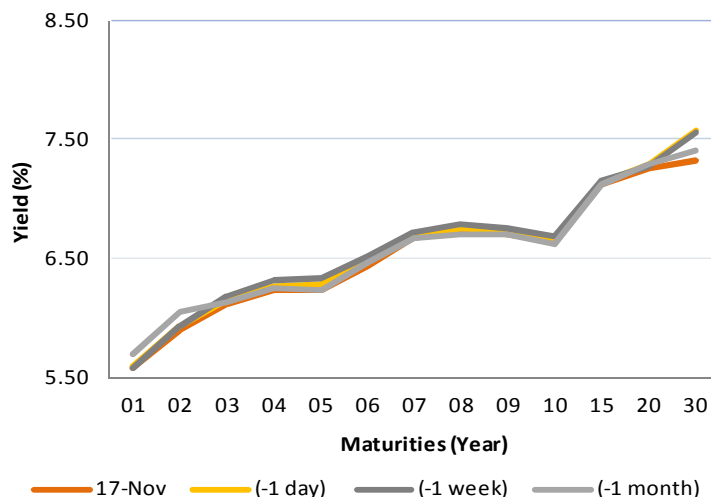


Indonesia Government Bonds Yield

Maturities (Year)	17-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.58	5.60	5.59	5.70
02	5.90	5.93	5.94	6.05
03	6.12	6.15	6.18	6.13
04	6.24	6.27	6.31	6.25
05	6.24	6.29	6.34	6.24
06	6.44	6.47	6.52	6.46
07	6.67	6.69	6.71	6.67
08	6.74	6.76	6.78	6.71
09	6.71	6.74	6.76	6.71
10	6.63	6.67	6.68	6.61
15	7.12	7.15	7.16	7.13
20	7.26	7.29	7.28	7.29
30	7.32	7.57	7.57	7.42

Source: Bloomberg



Global Market Update

- 10 yr US treasury declined to 2.34% amid rare US economic data releases in the last trading and tax reform uncertainty. Meanwhile, Goldman Sach predicted that The Fed will raise its benchmark rates (FFR) at 4 times in 2018. In this week, bond market is likely to be influenced by minutes releases of FOMC (Nov 22) and ECB (Nov 23). In addition, ECB and The Fed governor are scheduled to give speech in Nov 20 and Nov 22, respectively. The market will wait related to upcoming monetary policy courses of both central bank.

- Yield US treasury tenor 10 tahun menurun ke level 2,34% seiring minimnya rilis data ekonomi AS pada perdagangan terakhir serta ketidakpastian terkait dengan reformasi pajak AS. Sementara itu, Goldman Sach memprediksi bahwa suku bunga acuan The Fed (FFR) akan dinaikkan sebanyak 4 kali di tahun 2018. Pada minggu ini, pasar obligasi diprediksi akan terpengaruh oleh sentimen rilis risalah rapat FOMC (22 Nov) dan risalah rapat ECB (23 Nov). Selain itu, Gubernur ECB, Mario Draghi, dijadwalkan akan menyampaikan pidatonya pada hari ini (20 Nov) serta Pidato Janet Yellen yang diagendakan pada tanggal 22 Nov. Pasar menanti petunjuk terkait arah kebijakan moneter dari pidato kedua pejabat bank sentral tersebut.

Domestic Market Update

- Indonesia composite bond index rose by 0.16% to 237.52 compared with previous days. Meanwhile, the transaction volume of government bonds in the last trading in the secondary market rose to IDR13.77 trillion while corporate bonds transaction went up to IDR1.60 trillion compared with prior day.
- Indonesia Financial Services Authority (OJK) will release regulation on green bonds and municipal bonds regulation in December 2017. Related to Green Bonds, it is offered by companies that its business considering environmental sustainability aspect while municipal bond could be released by municipal administration to develop its potential sector.
- WOM Finance issued bond II that was comprised 2 series. A series amounting to IDR529 billion for a tenor of 370 days, offers interest rates of 7.15% while B series amounting to IDR210 billion for a tenor of 3 years offers, interest rates of 8.45%. WOM Finance is affirmed with double A minus (AA-) by Fitch Rating Indonesia. General offering will be held in November 29-30, 2017 and listing in IDX in December 7, 2017.
- Indonesia Composite Bond Index meningkat sebesar 0,16% ke level 237,52 dibandingkan hari sebelumnya. Sementara itu, volume transaksi SBN pada perdagangan terakhir di pasar sekunder naik menjadi sebesar Rp13,77 triliun sedangkan volume transaksi obligasi korporasi naik menjadi sebesar Rp1,60 triliun dibandingkan dengan hari sebelumnya.
- OJK pada Desember tahun ini berencana menerbitkan aturan terkait dengan green bonds dan obligasi daerah (municipal bonds). Green bonds sendiri merupakan obligasi yang dikeluarkan oleh perusahaan yang bisnisnya memperhatikan keberlanjutan lingkungan. Sementara itu, OJK juga berencana menerbitkan peraturan terkait obligasi daerah guna mengembangkan potensi daerah.
- PT. WOM Finance dalam penerbitan berkelanjutan II tahap III tahun 2017 menawarkan dua seri obligasi yaitu Seri A dengan nilai sebesar Rp529 miliar untuk tenor 370 hari menawarkan kupon sebesar 7,15% sedangkan Seri B dengan nilai sebesar Rp210 miliar untuk tenor 3 tahun menawarkan kupon sebesar 8,45%. WOM Finance telah mendapatkan rating double A minus (AA-) dari Fitch Rating Indonesia. Penawaran umum obligasi tersebut adalah 29-30 November 2017 dan pencatatan di BEI tanggal 7 Desember 2017.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0075	102.70	7.245	1819
FR0059	102.85	6.591	1666
FR0061	103.26	6.156	993
SPN12180201	99.05	4.850	882
FR0074	103.90	7.068	829
SPN12180809	96.45	5.150	750
FR0072	111.10	8.250	746
SPN12180412	98.07	5.050	700
SPN03171123	99.97	3.651	603
FR0053	106.80	6.137	445

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BNLI02SBCN2	idAA	110.65	8.52	200
BIIF01ACN3	AA+(idn)	100.90	7.80	190
WSKT03BCN1	A(idn)	100.02	8.49	148
ISAT02BCN1	idAAA	101.35	7.56	131
ISAT02ACN2	idAAA	100.03	6.12	128
PIHC01BCN2	AAA(idn)	100.02	7.89	100
SMII01BCN2	idAAA	100.60	7.17	77
BBRI01CCN1	idAAA	104.49	7.59	70
ISAT02BCN2	idAAA	100.25	7.35	55
INDF08	idAA+	103.65	7.73	40

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6052	13.82	0.23%	14.25%
Malaysia (KLCI)	1723	3.55	0.21%	4.87%
Thailand (SET)	1709	18.13	1.07%	10.79%
Singapore (STI)	3382	41.08	1.23%	17.4%
Hang Seng	29199	180.28	0.62%	32.7%
Nikkei 225	22397	45.68	0.20%	17.17%
Shanghai	3383	-16.34	-0.48%	9.00%
Dow Jones (DJIA)	23358	-100.12	-0.43%	18.19%
London (FTSE 100)	7381	-6.26	-0.08%	3.33%
DAX	12994	-53.49	-0.41%	13.2%

FX Rate	17-Nov		
	17-Nov	(-1 day)	(-1 week)
USD/IDR	13,513	13,521	13,531
GBP/USD	1.322	1.320	1.319
USD/JPY	112.1	113.1	113.5
USD/SGD	1.357	1.357	1.360
USD/THB	32.85	32.91	33.12
USD/MYR	4.156	4.168	4.192

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			
17-Nov	39.22	99.03	169.78
(-1 Day)	40.55	98.77	172.19
(-1 Week)	42.08	103.20	170.22
(-1 Month)	38.16	98.53	166.66
(-1 Year)	76.21	180.15	253.14

Global Bonds	17-Nov			
	17-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	1.719	1.710	1.66	1.58
5-Year	2.052	2.071	2.05	2.02
10-Year	2.340	2.38	2.40	2.39
30-Year	2.78	2.83	2.88	2.90
10-Year Government Bond Yield				
UK	1.29	1.31	1.34	1.33
Germany	0.359	0.375	0.41	0.45
France	0.71	0.73	0.78	0.86
China	3.94	3.93	3.92	3.73
Japan	0.041	0.047	0.04	0.07
Korea	2.57	2.57	2.57	2.48
Thailand	2.36	2.36	2.35	2.27
Malaysia	3.98	3.97	4.08	3.91
Singapore	2.12	2.13	2.15	2.16
Indonesia USD Bond Yield				
INDO-22	2.84	2.85	2.85	2.67
INDO-27	3.64	3.67	3.69	3.58
INDO-47	4.55	4.59	4.62	4.46

Money Market	17-Nov			
	17-Nov	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.90	3.93	3.90	3.91
1M	4.80	4.80	4.80	4.79
3M	5.20	5.20	5.19	5.19
LIBOR				
1M	1.29	1.28	1.25	1.24
3M	1.44	1.44	1.41	1.36
6M	1.63	1.63	1.61	1.55
Indonesia Interest Rates				
Deposit 1M	5.69	5.73	5.71	5.78
Lending	14.1	14.3	14.2	14.2

Government Bond Ownership As of November 16, 2017 (in Trillion)

Holders	2013	2014	2015	2016	10-Nov-17	13-Nov-17	14-Nov-17	15-Nov-17	16-Nov-17
Banks	335.43	375.55	350.07	399.46	607.86	604.27	604.57	599.66	610.09
Bank Indonesia	44.44	41.63	148.91	134.25	42.94	46.90	46.90	52.73	54.47
Mutual Fund	42.50	45.79	61.60	85.66	101.25	101.30	101.05	100.89	101.60
Insurance	129.55	150.60	171.62	238.24	262.92	262.73	262.76	262.77	263.32
Foreign Investor	323.83	461.35	558.52	665.81	811.97	811.73	811.72	810.90	816.02
Pension Fund	39.47	43.30	49.83	87.28	86.89	86.89	86.91	86.91	87.08
Individual Investors	32.48	30.41	42.53	57.75	62.74	62.73	62.72	62.72	62.73
Others	47.56	61.32	78.76	104.84	118.14	118.16	118.09	118.12	118.80
Total	995.25	1,209.96	1,461.85	1,773.28	2,094.72	2,094.72	2,094.72	2,094.72	2,114.12

Source: Bloomberg, IDX & DJPPR

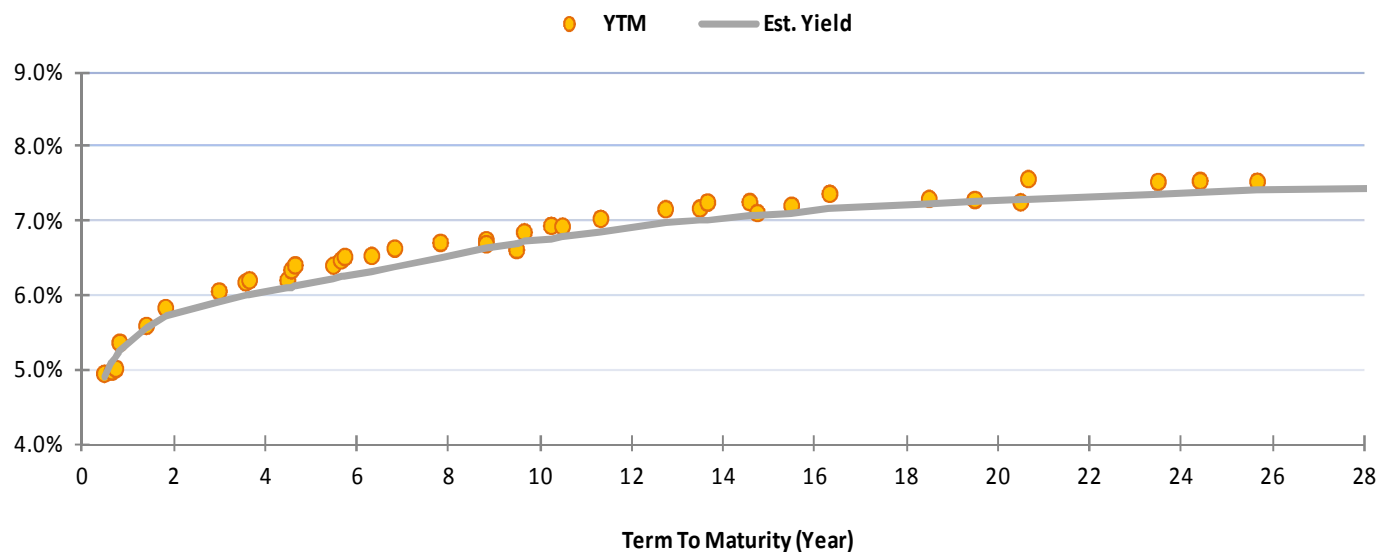
November 20, 2017

Government Bonds Prices
Closing Price Data : 17-Nov-2017



Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0066	15-May-18	0.48	5.25%	100.14	4.95%	4.91%	100.16	2	Fair
FR0032	15-Jul-18	0.65	15.00%	106.31	4.98%	5.09%	106.29	-2	Fair
FR0038	15-Aug-18	0.74	11.60%	104.67	5.01%	5.17%	104.59	-8	Fair
FR0048	15-Sep-18	0.82	9.00%	102.85	5.36%	5.24%	102.97	12	Cheap
FR0069	15-Apr-19	1.40	7.875%	103.02	5.59%	5.58%	103.05	3	Fair
FR0036	15-Sep-19	1.82	11.50%	109.61	5.83%	5.72%	109.84	23	Cheap
FR0031	15-Nov-20	2.99	11.00%	113.31	6.05%	5.92%	113.73	41	Cheap
FR0034	15-Jun-21	3.57	12.80%	120.90	6.18%	5.99%	121.60	70	Cheap
FR0053	15-Jul-21	3.65	8.25%	106.58	6.20%	6.00%	107.28	70	Cheap
FR0061	15-May-22	4.49	7.00%	103.08	6.20%	6.09%	103.51	44	Cheap
FR0035	15-Jun-22	4.57	12.90%	125.65	6.34%	6.10%	126.74	109	Cheap
FR0043	15-Jul-22	4.65	10.25%	115.24	6.41%	6.11%	116.52	129	Cheap
FR0063	15-May-23	5.49	5.625%	96.46	6.40%	6.22%	97.28	82	Cheap
FR0046	15-Jul-23	5.65	9.50%	114.13	6.47%	6.24%	115.32	119	Cheap
FR0039	15-Aug-23	5.74	11.75%	124.68	6.52%	6.25%	126.16	148	Cheap
FR0070	15-Mar-24	6.32	8.375%	109.40	6.53%	6.33%	110.53	113	Cheap
FR0044	15-Sep-24	6.83	10.00%	118.22	6.63%	6.39%	119.69	147	Cheap
FR0040	15-Sep-25	7.83	11.00%	125.75	6.71%	6.51%	127.13	138	Cheap
FR0037	15-Sep-26	8.83	12.00%	134.48	6.74%	6.63%	135.43	95	Cheap
FR0056	15-Sep-26	8.83	8.375%	111.06	6.69%	6.63%	111.51	45	Cheap
FR0059	15-May-27	9.49	7.000%	102.70	6.61%	6.70%	102.10	-60	Dear
FR0042	15-Jul-27	9.66	10.25%	123.71	6.85%	6.71%	124.81	110	Cheap
FR0047	15-Feb-28	10.25	10.00%	122.17	6.94%	6.77%	123.56	140	Cheap
FR0064	15-May-28	10.49	6.125%	94.10	6.93%	6.79%	95.05	96	Cheap
FR0071	15-Mar-29	11.33	9.00%	115.18	7.03%	6.86%	116.62	145	Cheap
FR0052	15-Aug-30	12.75	10.50%	127.58	7.16%	6.96%	129.52	193	Cheap
FR0073	15-May-31	13.49	8.75%	113.51	7.17%	7.01%	115.01	150	Cheap
FR0054	15-Jul-31	13.66	9.50%	119.28	7.25%	7.02%	121.53	225	Cheap
FR0058	15-Jun-32	14.58	8.25%	108.84	7.26%	7.07%	110.60	176	Cheap
FR0074	15-Aug-32	14.75	7.50%	103.53	7.11%	7.08%	103.79	26	Cheap
FR0065	15-May-33	15.50	6.625%	94.63	7.21%	7.12%	95.43	80	Cheap
FR0068	15-Mar-34	16.33	8.375%	109.46	7.37%	7.15%	111.64	218	Cheap
FR0072	15-May-36	18.50	8.25%	109.58	7.30%	7.23%	110.28	70	Cheap
FR0045	15-May-37	19.50	9.75%	125.45	7.29%	7.26%	125.70	25	Cheap
FR0075	15-May-38	20.50	7.50%	102.61	7.25%	7.30%	102.11	-50	Dear
FR0050	15-Jul-38	20.67	10.50%	130.42	7.57%	7.30%	133.89	347	Cheap
FR0057	15-May-41	23.50	9.50%	121.58	7.53%	7.36%	123.72	214	Cheap
FR0062	15-Apr-42	24.42	6.375%	87.08	7.54%	7.38%	88.69	162	Cheap
FR0067	15-Jul-43	25.67	8.75%	113.85	7.53%	7.40%	115.36	151	Cheap
FR0076	15-May-48	30.51	7.375%	100.95	7.30%	7.44%	99.23	-172	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 20, 2017

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