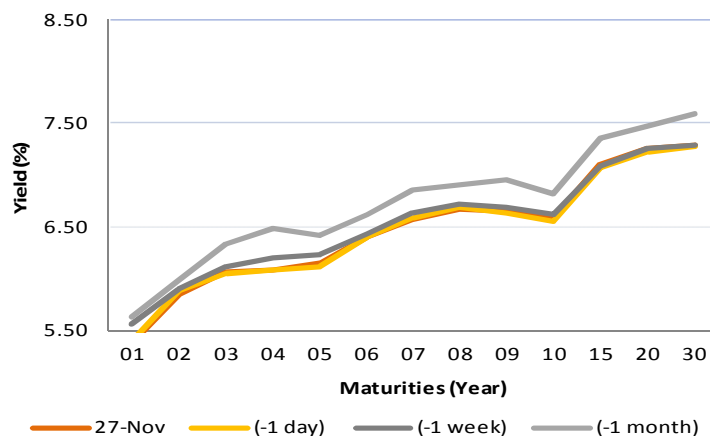


## Indonesia Government Bonds Yield

Maturities (Year)	27-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.37	5.40	5.57	5.64
02	5.84	5.88	5.91	5.98
03	6.07	6.05	6.12	6.33
04	6.08	6.09	6.21	6.48
05	6.15	6.12	6.23	6.42
06	6.41	6.40	6.43	6.61
07	6.57	6.59	6.64	6.86
08	6.66	6.68	6.72	6.91
09	6.66	6.64	6.70	6.96
10	6.59	6.55	6.62	6.83
15	7.10	7.07	7.09	7.36
20	7.26	7.23	7.25	7.47
30	7.28	7.27	7.30	7.60

Source: Bloomberg



## Global Market Update

- 10-yr US treasury yield rose slightly to 2.33% due to continuation of tax reform uncertainty after one of senate member say no about tax proposal and sentiment from US treasury auction that only for short term US treasury. Meanwhile, US new homes sales in October 2017 was 6.2% (MoM) higher to 685 thousands unit. This was also higher compared with market expectation at negative growth of - 6% (MoM). On the one hand, Fed Dallas President, Robert Kaplan (voting member) gave hawkish tone during his speech where he said that hiking the fed benchmark rates could prevent potential financial imbalances. In general, global yield tended to be vary in which 10 year UK Gilt and Japan rose to 1.25% and 0.03% respectively while 10 year German Bund decline to 0.34%. Also, regional 10 yr government bonds experienced to rise in the last trading.
- Yield 10 tahun US treasury pada perdagangan terakhir turun tipis ke level 2,33% akibat sentimen dari berlanjutnya ketidakpastian reformasi pajak AS setelah salah satu anggota senat menyatakan menolak rancangan reformasi pajak tersebut dan juga momen lelang US treasury yang hanya melelang US treasury bertenor pendek. Sementara itu, pertumbuhan penjualan rumah baru AS pada Oktober 2017 tercatat sebesar 6,2% (MoM) menjadi sebesar 685 ribu unit atau di atas ekspektasi pasar yang memprediksi pertumbuhan negatif sebesar -6% (MoM). Di sisi lain, Presiden The Fed Dallas, Robert Kaplan (voting member) menyampaikan pidato bernada hawkish di mana ia menyatakan bahwa kenaikan suku bunga acuan dapat membantu meminimalisir potensi ketidakseimbangan di sektor keuangan. Secara umum, yield global cenderung bervariasi di mana 10 tahun UK Gilt dan Jepang masing-masing naik ke level 1,25% dan 0,03% sedangkan 10 tahun German Bund turun ke level 0,34%. Selain itu, yield di kawasan regional pada perdagangan terakhir juga cenderung mengalami peningkatan.

## Domestic Market Update

- Indonesia Composite Bond Index stagnated at 238.79 compared with previous day. Meanwhile, transaction volume of government bonds in the last trading on the secondary market rose to IDR11.08 trillion in which FR0075 became the most active government bonds with transaction volume of IDR1.76 trillion. Similarly, corporate bonds transaction volume increased to IDR1.76 trillion compared with previous day.
- Indonesia Composite Bond Index cenderung stagnan di level 238,79 dibandingkan hari sebelumnya. Sementara itu, volume transaksi SBN pada perdagangan terakhir di pasar sekunder naik menjadi sebesar Rp11,08 triliun di mana FR0075 menjadi seri teraktif dengan volume transaksi sebesar Rp1,97 triliun. Hal yang sama juga terjadi pada volume transaksi obligasi korporasi yang meningkat menjadi sebesar Rp 1,76 triliun dibandingkan dengan hari sebelumnya.
- Today, amid rare Indonesia's economic data releases, the market is likely waiting for upcoming sentiment from Jerome Power who is named as Janet Yellen successor as The Fed governor. Government bond prices in the trading in the secondary market today is predicted to be lower somewhat compared with prior day thanks to rupiah depreciation against US dollar and rising global yield in general.
- Hari ini, seiring minimnya rilis data ekonomi dalam negeri, pasar nampaknya menanti sentimen dari pidato Jerome Powell yang merupakan pengganti Janet Yellen sebagai Gubernur The Fed. Harga SBN dalam perdagangan di pasar sekunder hari ini diprediksi menurun tipis dibandingkan dengan hari sebelumnya akibat melemahnya nilai tukar rupiah dan meningkatnya yield global secara umum.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0075	102.40	7.272	1972
FR0059	102.90	6.583	1860
FR0072	109.75	7.281	1544
FR0061	103.50	6.091	920
SPN12180201	99.18	4.700	884
FR0074	103.25	7.138	684
FR0063	97.00	6.282	345
FR0068	110.75	7.239	271
FR0070	110.00	6.415	260
FR0056	111.50	6.626	218

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6065	-2.55	-0.04%	14.50%
Malaysia (KLCI)	1721	2.63	0.15%	4.76%
Thailand (SET)	1696	-0.17	-0.01%	9.90%
Singapore (STI)	3436	-5.79	-0.17%	19.3%
Hang Seng	29686	-180.13	-0.60%	34.9%
Nikkei 225	22496	-54.86	-0.24%	17.69%
Shanghai	3322	-31.59	-0.94%	7.04%
Dow Jones (DJIA)	23581	22.79	0.10%	19.32%
London (FTSE 100)	7384	-25.74	-0.35%	3.38%
DAX	13000	-59.64	-0.46%	13.2%

FX Rate	27-Nov		
	27-Nov	(-1 day)	(-1 week)
USD/IDR	13,513	13,508	13,531
GBP/USD	1.332	1.334	1.323
USD/JPY	111.1	111.5	112.6
USD/SGD	1.346	1.346	1.357
USD/THB	32.61	32.68	32.82
USD/MYR	4.109	4.114	4.141

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			
27-Nov	36.33	95.63	167.67
(-1 Day)	38.95	97.07	166.33
(-1 Week)	38.95	97.07	166.33
(-1 Month)	36.39	93.42	158.76
(-1 Year)	77.72	176.12	245.40

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
SMII01ACN2	idAAA	100.00	6.15	833
BBIA01SBCN2	AA(idn)	101.00	9.05	176
MEDCO2ACN6	idA+	100.03	10.29	169
SMRA01CN3	idA+	101.17	7.49	80
BBMISMSB1CN2	idA-(sy)	92.60	9.39	52
FAST02	idAA	100.30	8.41	50
BNGAO2CCN2	idAAA	102.45	7.53	40
ADMFO3BCN2	idAAA	102.33	6.25	25
TAFS01BCN3	AAA(idn)	102.70	6.50	24
SIASA02	idA(sy)	103.18		23

Global Bonds	27-Nov			
	27-Nov	(-1 day)	(-1 week)	(-1 month)
<b>Fed Fund Rate &amp; US T-Bonds Yield</b>				
Fed Fund Rate	1.25	1.25	1.25	1.25
2-Year	1.744	1.747	1.75	1.58
5-Year	2.052	2.064	2.09	2.00
10-Year	2.329	2.34	2.37	2.37
30-Year	2.76	2.77	2.78	2.88
<b>10-Year Government Bond Yield</b>				
UK	1.252	1.249	1.29	1.33
Germany	0.340	0.359	0.36	0.37
France	0.67	0.69	0.69	0.76
China	3.97	3.96	3.96	3.91
Japan	0.030	0.024	0.03	0.07
Korea	2.53	2.53	2.56	2.52
Thailand	2.39	2.40	2.35	2.33
Malaysia	3.95	3.95	3.98	4.02
Singapore	2.11	2.08	2.08	2.20
<b>Indonesia USD Bond Yield</b>				
INDO-22	2.83	2.83	2.82	2.71
INDO-27	3.62	3.60	3.60	3.58
INDO-47	4.52	4.52	4.52	4.47

Money Market	27-Nov			
	27-Nov	(-1 day)	(-1 week)	(-1 month)
<b>JIBOR</b>				
O/N	3.90	3.90	3.90	3.92
1M	4.80	4.80	4.80	4.79
3M	5.21	5.20	5.20	5.17
<b>LIBOR</b>				
1M	1.34	1.34	1.29	1.24
3M	1.47	1.47	1.45	1.38
6M	1.65	1.65	1.63	1.57
<b>Indonesia Interest Rates</b>				
Deposit 1M	5.66	5.68	5.70	5.72
Lending	13.9	14.1	14.0	14.1

### Government Bond Ownership As of November 24, 2017 (in Trillion)

Holders	2013	2014	2015	2016	20-Nov-17	21-Nov-17	22-Nov-17	23-Nov-17	24-Nov-17
Banks	335.43	375.55	350.07	399.46	623.92	619.02	623.81	625.95	605.09
Bank Indonesia	44.44	41.63	148.91	134.25	42.02	42.02	36.11	35.18	53.15
Mutual Fund	42.50	45.79	61.60	85.66	101.21	101.17	101.12	101.35	101.37
Insurance	129.55	150.60	171.62	238.24	263.57	263.53	263.38	263.82	263.21
<b>Foreign Investor</b>	<b>323.83</b>	<b>461.35</b>	<b>558.52</b>	<b>665.81</b>	<b>816.90</b>	<b>821.96</b>	<b>823.24</b>	<b>822.14</b>	<b>825.76</b>
Pension Fund	39.47	43.30	49.83	87.28	86.95	86.83	86.87	86.96	86.84
Individual Investors	32.48	30.41	42.53	57.75	62.78	62.75	62.73	62.74	62.73
Others	47.56	61.32	78.76	104.84	116.76	116.84	116.85	116.94	116.92
<b>Total</b>	<b>995.25</b>	<b>1,209.96</b>	<b>1,461.85</b>	<b>1,773.28</b>	<b>2,114.12</b>	<b>2,114.12</b>	<b>2,114.12</b>	<b>2,115.07</b>	<b>2,115.07</b>

Source: Bloomberg, IDX & DJPPR

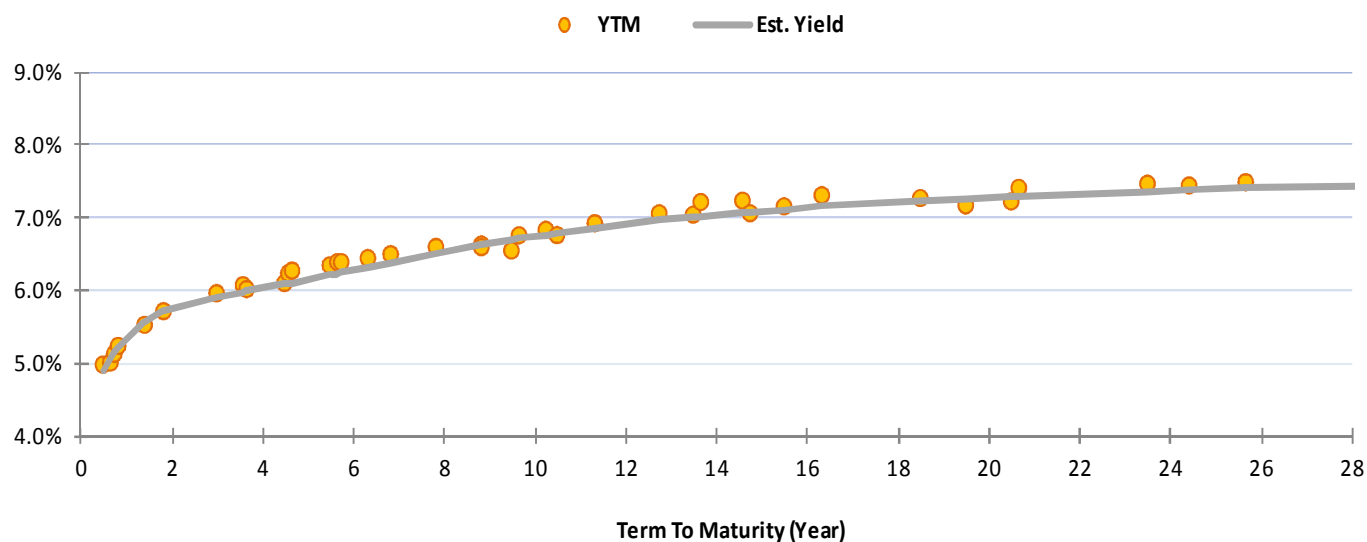
November 28, 2017

**Government Bonds Prices**  
**Closing Price Data : 27-Nov-2017**



Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0066	15-May-18	0.47	5.25%	100.11	4.99%	4.89%	100.16	5	Fair
FR0032	15-Jul-18	0.64	15.00%	106.08	5.01%	5.07%	106.14	7	Fair
FR0038	15-Aug-18	0.72	11.60%	104.45	5.14%	5.15%	104.50	6	Fair
FR0048	15-Sep-18	0.81	9.00%	102.87	5.25%	5.22%	102.92	6	Fair
FR0069	15-Apr-19	1.39	7.875%	103.05	5.53%	5.57%	103.03	-3	Fair
FR0036	15-Sep-19	1.81	11.50%	109.69	5.72%	5.71%	109.77	7	Fair
FR0031	15-Nov-20	2.98	11.00%	113.47	5.97%	5.92%	113.66	19	Cheap
FR0034	15-Jun-21	3.56	12.80%	121.14	6.08%	5.99%	121.52	38	Cheap
FR0053	15-Jul-21	3.64	8.25%	107.15	6.02%	6.00%	107.26	11	Cheap
<b>FR0061</b>	<b>15-May-22</b>	<b>4.47</b>	<b>7.00%</b>	<b>103.43</b>	<b>6.11%</b>	<b>6.09%</b>	<b>103.51</b>	<b>7</b>	<b>Fair</b>
FR0035	15-Jun-22	4.56	12.90%	125.98	6.24%	6.10%	126.67	69	Cheap
FR0043	15-Jul-22	4.64	10.25%	115.73	6.28%	6.11%	116.48	76	Cheap
FR0063	15-May-23	5.47	5.625%	96.69	6.35%	6.22%	97.29	60	Cheap
FR0046	15-Jul-23	5.64	9.50%	114.46	6.40%	6.24%	115.30	84	Cheap
FR0039	15-Aug-23	5.72	11.75%	125.27	6.40%	6.25%	126.11	85	Cheap
FR0070	15-Mar-24	6.31	8.375%	109.81	6.45%	6.32%	110.52	71	Cheap
FR0044	15-Sep-24	6.81	10.00%	118.93	6.50%	6.39%	119.66	73	Cheap
FR0040	15-Sep-25	7.81	11.00%	126.43	6.60%	6.51%	127.10	67	Cheap
FR0037	15-Sep-26	8.81	12.00%	135.27	6.64%	6.63%	135.39	12	Cheap
FR0056	15-Sep-26	8.81	8.375%	111.68	6.60%	6.63%	111.51	-17	Dear
<b>FR0059</b>	<b>15-May-27</b>	<b>9.47</b>	<b>7.000%</b>	<b>103.11</b>	<b>6.55%</b>	<b>6.70%</b>	<b>102.11</b>	<b>-100</b>	<b>Dear</b>
FR0042	15-Jul-27	9.64	10.25%	124.36	6.76%	6.71%	124.80	43	Cheap
FR0047	15-Feb-28	10.23	10.00%	122.94	6.84%	6.77%	123.55	61	Cheap
FR0064	15-May-28	10.48	6.125%	95.24	6.77%	6.79%	95.07	-17	Dear
FR0071	15-Mar-29	11.31	9.00%	116.03	6.93%	6.86%	116.62	59	Cheap
FR0052	15-Aug-30	12.73	10.50%	128.46	7.07%	6.96%	129.51	104	Cheap
FR0073	15-May-31	13.48	8.75%	114.64	7.05%	7.01%	115.00	36	Cheap
FR0054	15-Jul-31	13.64	9.50%	119.55	7.22%	7.02%	121.52	197	Cheap
FR0058	15-Jun-32	14.56	8.25%	109.00	7.24%	7.07%	110.60	161	Cheap
<b>FR0074</b>	<b>15-Aug-32</b>	<b>14.73</b>	<b>7.50%</b>	<b>103.91</b>	<b>7.07%</b>	<b>7.08%</b>	<b>103.79</b>	<b>-12</b>	<b>Dear</b>
FR0065	15-May-33	15.48	6.625%	95.02	7.16%	7.12%	95.44	42	Cheap
FR0068	15-Mar-34	16.31	8.375%	109.99	7.31%	7.15%	111.64	165	Cheap
<b>FR0072</b>	<b>15-May-36</b>	<b>18.48</b>	<b>8.25%</b>	<b>109.82</b>	<b>7.28%</b>	<b>7.23%</b>	<b>110.28</b>	<b>46</b>	<b>Cheap</b>
FR0045	15-May-37	19.48	9.75%	126.80	7.17%	7.26%	125.69	-111	Dear
FR0075	15-May-38	20.48	7.50%	102.89	7.23%	7.30%	102.11	-78	Dear
FR0050	15-Jul-38	20.65	10.50%	132.31	7.42%	7.30%	133.88	157	Cheap
FR0057	15-May-41	23.48	9.50%	122.28	7.47%	7.36%	123.72	143	Cheap
FR0062	15-Apr-42	24.40	6.375%	88.01	7.45%	7.38%	88.70	68	Cheap
FR0067	15-Jul-43	25.65	8.75%	114.34	7.49%	7.40%	115.36	103	Cheap
FR0076	15-May-48	30.49	7.375%	101.37	7.26%	7.44%	99.23	-214	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 28, 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	Economist & Fixed Income Analyst
Yulia	yulia@megasekuritas.id	Administrative Assistant

**DISCLAIMER**

This Document is for information only and for the use of the recipient. It is not to be reproduced or copied or made available to others. Under no circumstances is it to be considered as an offer to sell or solicitation to buy any security. Any recommendation contained in this report may not be suitable for all investors and strictly a personal view and should not be used as a sole judgment for investment. Moreover, although the information contained herein has been obtained from sources believed to be reliable, its accuracy, completeness and reliability cannot be guaranteed. All rights