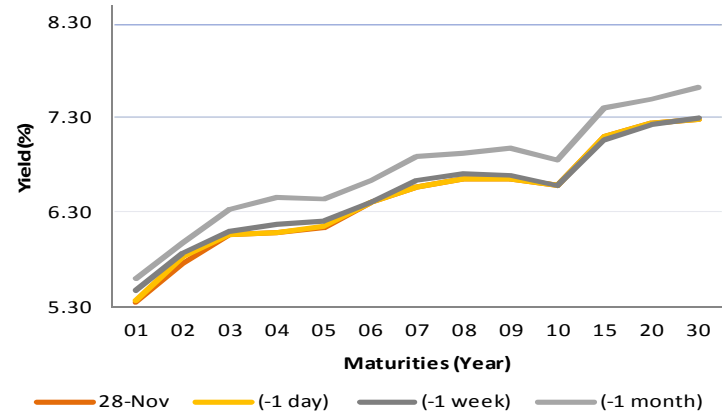


Indonesia Government Bonds Yield

Maturities (Year)	28-Nov	(-1 day)	(-1 week)	(-1 month)
01	5.34	5.37	5.48	5.61
02	5.77	5.84	5.87	5.98
03	6.06	6.07	6.10	6.33
04	6.09	6.08	6.18	6.46
05	6.14	6.15	6.20	6.45
06	6.41	6.41	6.40	6.64
07	6.57	6.57	6.63	6.89
08	6.65	6.66	6.72	6.93
09	6.65	6.66	6.69	6.97
10	6.59	6.59	6.59	6.85
15	7.10	7.10	7.08	7.41
20	7.25	7.26	7.24	7.49
30	7.29	7.28	7.30	7.62

Source: Bloomberg



Global Market Update

- 10 yr US treasury yield in the last trading relatively stagnated at 2.33% after Jerome Powell gave policy speech in US Senate that was perceived in line with market expectation. During his speech, Powell delivered that he will keep current (Janet Yellen era) monetary policy course and continue to rise fed benchmark rates while shrinking its current account gradually. Also, he underscored that monetary course will hopefully be more predictable in the future. Meanwhile, Americans confidence about US economy seemed to increase that is represented by the conference board confidence index that posted higher level to 129.5 in November 2017 compared with prior month at only 125.9 and experienced the highest level since November 2000 at once. Generally, global yield in the last trading tended to decline in which yield of 10 yr UK Gilt dropped slightly to 1.25% while 10 yr German Bund and Japan decreased to 0.33% and 0.035% respectively.
- Yield 10 tahun US treasury pada perdagangan terakhir cenderung stagnan di level 2,33% pasca pidato Jerome Powell di senat AS yang dianggap sesuai dengan ekspektasi pasar. Dalam pidatonya, Jerome Powell menyatakan bahwa ia akan mempertahankan arah kebijakan moneter The Fed seperti saat ini (era Janet Yellen) dan melanjutkan kenaikan suku bunga acuan sembari melakukan normalisasi neraca keuangan The Fed secara gradual. Selanjutnya, ia juga menekankan bahwa arah kebijakan moneter ke depan diharapkan dapat lebih terprediksi. Sementara itu, keyakinan masyarakat terhadap perekonomian AS meningkat yang tercermin dari kenaikan the conference board confidence index yang meningkat menjadi sebesar 129,5 pada November 2017 dibandingkan dengan bulan sebelumnya sebesar 125,9 dan merupakan level tertinggi sejak November 2000. Secara umum, yield global pada perdagangan terakhir cenderung menurun di mana yield 10 tahun UK Gilt turun tipis ke level 1,25% sedangkan yield 10 tahun German Bund dan Jepang masing-masing turun ke level 0,33% dan 0,035%.

Domestic Market Update

- Indonesia Composite Bond Index dropped slightly by 0.02% to 238.73 compared with previous day.
- Through its official release, Ministry of Finance decided to cancel upcoming government bond auction in this year that scheduled on 5 December 2017 (Sukuk auction) and 12 December 2017 (SUN) due to budget financing using government auction has met the target in this year. Meanwhile, BI predicted that Indonesia economy will grow by 5.1% up to 5.5% in 2018 while inflation is targeted to reach 3.5% \pm 1%. Also, current account deficit (CAD) is forecasted to 3% GDP in the next year.
- Today, the market is likely waiting for another sentiment from US economy growth release in the third quarter of 2017 that is projected to rise. Moreover, government bond prices in the secondary market today is predicted to be bullish amid rupiah appreciation, downward trend of CDS and global yield that experienced lower level in general.
- Indonesia Composite Bond Index turun tipis sebesar 0,02% ke level 238,73 dibandingkan hari sebelumnya.
- Dalam pernyataan resminya, Kementerian Keuangan menginformasikan bahwa jadwal lelang SBN di tahun ini yang tersisa yaitu pada tanggal 5 Desember 2017 (Sukuk Negara) dan 12 Desember 2017 (SUN), dibatalkan seiring dengan tercapainya kebutuhan pembiayaan negara melalui penerbitan SBN. Sementara itu, BI memprediksi pertumbuhan ekonomi di tahun 2018 akan berada pada kisaran 5,1% - 5,5% sedangkan inflasi ditargetkan sebesar 3,5% \pm 1%. Di sisi lain, current account deficit (CAD) diproyeksi sebesar 3% PDB.
- Hari ini, pasar nampaknya menanti sentimen dari rilis estimasi awal pertumbuhan ekonomi AS pada kuartal III-2017 yang diproyeksi meningkat. Selain itu, harga SBN di pasar sekunder pada hari ini diprediksi menguat seiring menguatnya nilai tukar rupiah, nilai CDS yang mengalami penurunan serta didorong oleh yield global yang sebagian besar menurun.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0059	103.00	6.569	1843
FR0074	103.90	7.068	1578
FR0075	102.15	7.152	1058
FR0072	110.80	7.184	720
FR0070	110.00	6.415	562
FR0069	103.00	5.568	464
FR0056	111.75	6.590	454
FR0068	109.98	7.315	373
FR0061	103.55	6.079	353
SPN03180118	99.43	4.300	280

Most Active Corporate Bonds		Last Price	Last Yield	Volume (IDR bn)
LTLS02ACN2	idA-	100.00	9.00	350
SMRA02CN2	idA+	100.00	8.80	267
PIHC01ACN1	AAA(idn)	101.50	7.26	160
BBRI02ACN2	idAAA	101.43	5.00	84
BNGA02CCN2	idAAA	102.50	7.52	60
OTMA01C	idAA+	103.19	8.03	60
SIAISA02	idA(sy)	102.92	9.29	44
BEXI02CCN5	idAAA	103.94	7.60	40
BNII01SB	idAA+	102.96	5.00	40
TELE01ACN3	idA	101.52	6.23	25

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6071	6.13	0.10%	14.61%
Malaysia (KLCI)	1717	-5.44	-0.32%	4.43%
Thailand (SET)	1707	10.85	0.64%	10.60%
Singapore (STI)	3442	5.99	0.17%	19.5%
Hang Seng	29681	-5.34	-0.02%	34.9%
Nikkei 225	22486	-9.75	-0.04%	17.64%
Shanghai	3334	11.43	0.34%	7.41%
Dow Jones (DJIA)	23837	255.93	1.09%	20.61%
London (FTSE 100)	7461	76.75	1.04%	4.45%
DAX	13060	59.33	0.46%	13.7%

FX Rate	28-Nov		
	28-Nov	(-1 day)	(-1 week)
USD/IDR	13,498	13,513	13,507
GBP/USD	1.334	1.332	1.324
USD/JPY	111.5	111.1	112.5
USD/SGD	1.346	1.346	1.354
USD/THB	32.59	32.61	32.75
USD/MYR	4.102	4.109	4.132

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			
28-Nov	34.72	93.73	163.69
(-1 Day)	36.33	95.63	167.67
(-1 Week)	38.95	97.07	166.23
(-1 Month)	36.39	93.42	158.76
(-1 Year)	77.77	176.11	245.33

Holders	2013	2014	2015	2016	21-Nov-17	22-Nov-17	23-Nov-17	24-Nov-17	27-Nov-17
Banks	335.43	375.55	350.07	399.46	619.02	623.81	625.95	605.09	605.91
Bank Indonesia	44.44	41.63	148.91	134.25	42.02	36.11	35.18	53.15	50.38
Mutual Fund	42.50	45.79	61.60	85.66	101.17	101.12	101.35	101.37	101.40
Insurance	129.55	150.60	171.62	238.24	263.53	263.38	263.82	263.21	263.25
Foreign Investor	323.83	461.35	558.52	665.81	821.96	823.24	822.14	825.76	827.65
Pension Fund	39.47	43.30	49.83	87.28	86.83	86.87	86.96	86.84	86.86
Individual Investors	32.48	30.41	42.53	57.75	62.75	62.73	62.74	62.73	62.71
Others	47.56	61.32	78.76	104.84	116.84	116.85	116.94	116.92	116.90
Total	995.25	1,209.96	1,461.85	1,773.28	2,114.12	2,114.12	2,115.07	2,115.07	2,115.07

Source: Bloomberg, IDX & DJPPR

Global Bonds	28-Nov			
	28-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	1.748	1.743	1.77	1.60
5-Year	2.064	2.048	2.10	2.02
10-Year	2.329	2.33	2.36	2.38
30-Year	2.76	2.77	2.76	2.88
10-Year Government Bond Yield				
UK	1.251	1.252	1.27	1.33
Germany	0.337	0.340	0.35	0.36
France	0.67	0.67	0.67	0.75
China	3.98	3.97	3.97	3.88
Japan	0.030	0.038	0.03	0.06
Korea	2.50	2.53	2.55	2.56
Thailand	2.36	2.39	2.36	2.32
Malaysia	3.96	3.95	3.96	3.92
Singapore	2.12	2.11	2.09	2.14
Indonesia USD Bond Yield				
INDO-22	2.85	2.83	2.83	2.71
INDO-27	3.61	3.62	3.61	3.57
INDO-47	4.51	4.52	4.53	4.46

Money Market	28-Nov			
	28-Nov	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.90	3.90	3.90	3.92
1M	4.80	4.80	4.80	4.79
3M	5.23	5.21	5.20	5.17
LIBOR				
1M	1.35	1.35	1.31	1.24
3M	1.48	1.48	1.45	1.38
6M	1.66	1.66	1.64	1.58
Indonesia Interest Rates				
Deposit 1M	5.70	5.66	5.69	5.73
Lending	14.2	13.9	14.1	14.0

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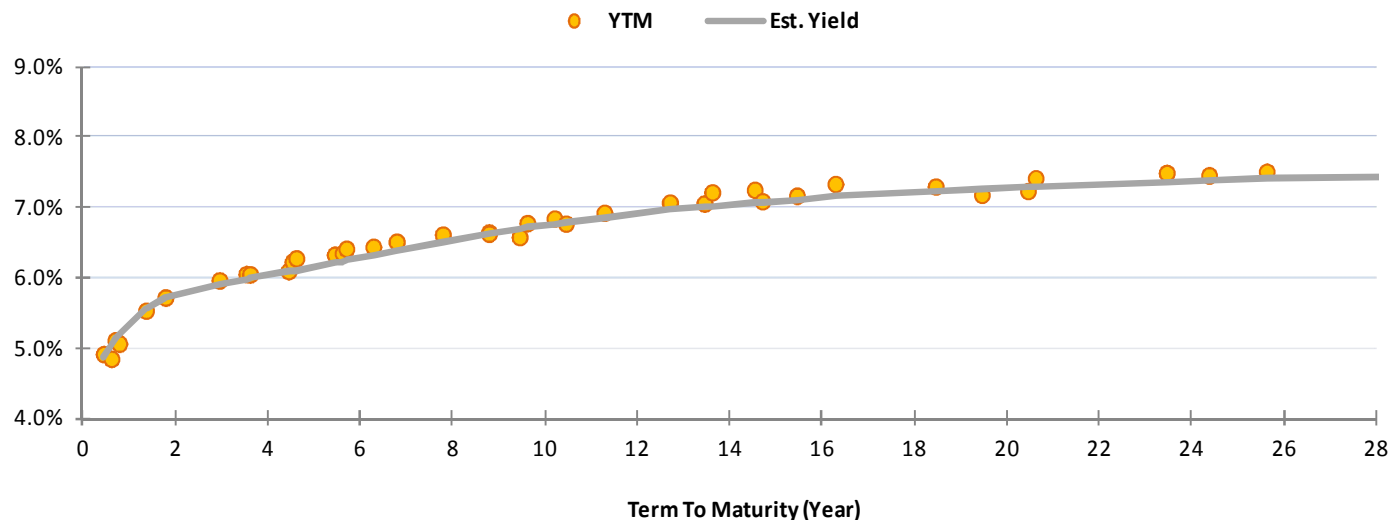
Government Bonds Prices

Closing Price Data : 28-Nov-2017



Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0066	15-May-18	0.46	5.25%	100.15	4.91%	4.88%	100.16	2	Fair
FR0032	15-Jul-18	0.63	15.00%	106.16	4.84%	5.06%	106.07	-9	Fair
FR0038	15-Aug-18	0.71	11.60%	104.45	5.11%	5.14%	104.46	1	Fair
FR0048	15-Sep-18	0.80	9.00%	103.00	5.06%	5.22%	102.90	-10	Dear
FR0069	15-Apr-19	1.38	7.875%	103.05	5.53%	5.57%	103.01	-4	Fair
FR0036	15-Sep-19	1.80	11.50%	109.69	5.72%	5.71%	109.73	3	Fair
FR0031	15-Nov-20	2.97	11.00%	113.48	5.96%	5.92%	113.63	14	Cheap
FR0034	15-Jun-21	3.55	12.80%	121.23	6.05%	5.99%	121.48	25	Cheap
FR0053	15-Jul-21	3.63	8.25%	107.07	6.04%	6.00%	107.25	17	Cheap
FR0061	15-May-22	4.46	7.00%	103.50	6.09%	6.09%	103.50	0	Fair
FR0035	15-Jun-22	4.55	12.90%	126.06	6.22%	6.10%	126.64	58	Cheap
FR0043	15-Jul-22	4.63	10.25%	115.75	6.27%	6.11%	116.46	71	Cheap
FR0063	15-May-23	5.46	5.625%	96.82	6.32%	6.21%	97.30	48	Cheap
FR0046	15-Jul-23	5.63	9.50%	114.72	6.35%	6.24%	115.29	57	Cheap
FR0039	15-Aug-23	5.72	11.75%	125.20	6.41%	6.25%	126.09	89	Cheap
FR0070	15-Mar-24	6.30	8.375%	109.89	6.44%	6.32%	110.51	62	Cheap
FR0044	15-Sep-24	6.80	10.00%	118.91	6.51%	6.39%	119.65	74	Cheap
FR0040	15-Sep-25	7.80	11.00%	126.38	6.61%	6.51%	127.09	70	Cheap
FR0037	15-Sep-26	8.80	12.00%	135.23	6.64%	6.63%	135.37	14	Cheap
FR0056	15-Sep-26	8.80	8.375%	111.52	6.62%	6.63%	111.51	-1	Fair
FR0059	15-May-27	9.47	7.000%	102.96	6.57%	6.69%	102.11	-85	Dear
FR0042	15-Jul-27	9.63	10.25%	124.30	6.77%	6.71%	124.79	49	Cheap
FR0047	15-Feb-28	10.22	10.00%	122.95	6.84%	6.77%	123.54	60	Cheap
FR0064	15-May-28	10.47	6.125%	95.25	6.77%	6.79%	95.07	-17	Dear
FR0071	15-Mar-29	11.30	9.00%	116.09	6.92%	6.86%	116.62	52	Cheap
FR0052	15-Aug-30	12.72	10.50%	128.48	7.07%	6.96%	129.50	102	Cheap
FR0073	15-May-31	13.47	8.75%	114.61	7.05%	7.01%	115.00	39	Cheap
FR0054	15-Jul-31	13.64	9.50%	119.64	7.21%	7.02%	121.52	188	Cheap
FR0058	15-Jun-32	14.56	8.25%	108.94	7.25%	7.07%	110.60	166	Cheap
FR0074	15-Aug-32	14.72	7.50%	103.77	7.08%	7.08%	103.79	2	Fair
FR0065	15-May-33	15.47	6.625%	95.04	7.16%	7.12%	95.44	41	Cheap
FR0068	15-Mar-34	16.30	8.375%	109.84	7.33%	7.15%	111.64	180	Cheap
FR0072	15-May-36	18.47	8.25%	109.64	7.29%	7.23%	110.28	64	Cheap
FR0045	15-May-37	19.47	9.75%	126.80	7.17%	7.26%	125.69	-111	Dear
FR0075	15-May-38	20.47	7.50%	102.87	7.23%	7.30%	102.11	-77	Dear
FR0050	15-Jul-38	20.64	10.50%	132.38	7.41%	7.30%	133.88	150	Cheap
FR0057	15-May-41	23.48	9.50%	122.10	7.49%	7.36%	123.71	161	Cheap
FR0062	15-Apr-42	24.39	6.375%	87.98	7.45%	7.38%	88.70	72	Cheap
FR0067	15-Jul-43	25.64	8.75%	114.20	7.50%	7.40%	115.37	117	Cheap
FR0076	15-May-48	30.48	7.375%	101.33	7.27%	7.44%	99.23	-210	Dear

Source: Bloomberg, IBPA, MCS Estimates



November 29, 2017

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