

Indonesia Government Bonds Yield				
Maturities (Year)	8-Feb	(-1 day)	(-1 week)	(-1 month)
01	5.10	5.08	5.09	5.09
02	5.31	5.33	5.32	5.44
03	5.74	5.71	5.71	5.63
04	5.89	5.88	5.86	5.67
05	5.82	5.83	5.81	5.72
06	6.08	6.10	6.03	5.57
07	6.35	6.37	6.26	6.13
08	6.45	6.43	6.32	6.21
09	6.50	6.50	6.42	6.20
10	6.36	6.37	6.28	6.13
15	6.81	6.81	6.73	6.70
20	7.08	7.07	7.03	6.83
30	7.12	7.15	7.11	7.11

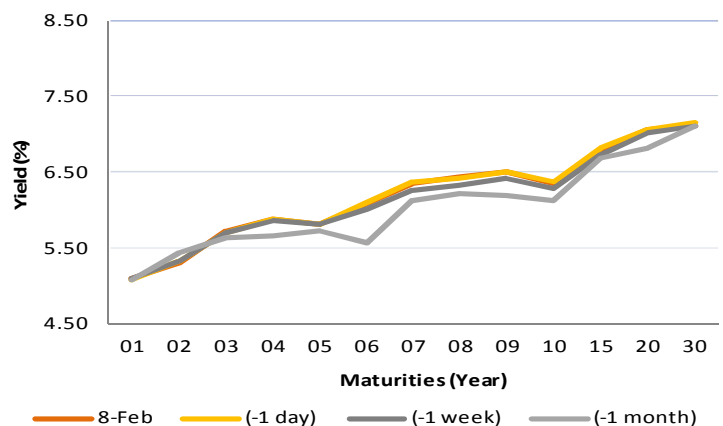
Source: Bloomberg

Global Market Update

- 10 yr US treasury yield in the last trading was relatively stagnant at high level at 2.83% driven by vigorous condition in US labor sector and hawkish tone after Bank of England's meeting. US initial jobless claims in the weekend ended February 3, 2018 posted lower level at 221 thousand claims compared with prior week at 230 thousand claims and market expectation at 232 thousand claims. Therefore, in average level over the last 4 week period declined to its lowest level since March 10, 1973 at only 224.5 thousand claims. Meanwhile, despite the BoE's decision was matching market consensus to hold its benchmark rates at 0.5%, market was shocked by after meeting statement in which BoE will raise its benchmark rates sooner and more frequent than the initial expectation. This was due to current development that global economic has been improving faster and increasing pressure from robust domestic economic and inflation outlook. In line with the yield of 10 yr US treasury, several global yield namely UK Gilt and German Bund rose to 1.614% and 0.759%, respectively.

Domestic Market Update

- Indonesia Composite Bond Index in the last trading was up softly by 0.2% to 245,24 compared with previous days.
- Japan Credit Rating Agency raised Indonesia's sovereign credit ratings to BBB from previous level at BBB- with stable outlook.
- Next week, the government will again auctioned government securities with the target ranging from IDR17 - 25.5 trillion. There 5 auctioned series as described as follows SPN03180514 (new issuance), SPN12190214 (new issuance), FR0064 (reopening), FR0065 (reopening), and FR0075 (reopening).
- Today, government bond prices in the secondary market is likely to weaken driven by rising global yield especially us treasury and rupiah against US dollar that is expected to further depreciate. Also, the transaction volume of government bonds are likely to decline ahead of the auction in the next week.



- Yield 10 tahun US treasury pada perdagangan terakhir relatif stagnan di level tertinggi sebesar 2.83% yang didorong oleh menguatnya kondisi pasar tenaga kerja AS dan sentimen hawkish pasca pertemuan Bank Sentral Inggris (BoE). Data klaim pengangguran awal (*initial jobless claims*) AS pada minggu yang berakhir 3 Februari 2018, mencatatkan level yang lebih rendah yaitu sebesar 221 ribu klaim dibandingkan minggu sebelumnya sebesar 230 ribu klaim dan ekspektasi pasar sebesar 232 ribu klaim. Dengan demikian, secara rata-rata selama 4 minggu terakhir menurun ke level terendah sejak 10 Maret 1973 menjadi sebesar 224,5 ribu klaim. Sementara itu, meski keputusan BoE sesuai dengan ekspektasi pasar untuk mempertahankan suku bunga acuan di level 0.5%, pasar dikejutkan dengan pernyataan pasca pertemuan di mana BoE akan menaikkan suku bunga acuannya lebih cepat dengan frekuensi yang lebih banyak dibandingkan ekspektasi sebelumnya. Hal tersebut didorong oleh perkembangan ekonomi global yang pulih lebih cepat dan meningkatnya tekanan dari membaiknya ekonomi domestik serta outlook inflasi. Selaras dengan yield 10 tahun US treasury, beberapa yield global seperti UK Gilt dan German Bund meningkat masing-masing ke level 1.614% dan 0.759%.

- Indonesia Composite Bond Index pada perdagangan terakhir meningkat 0,2% ke level 245,24 dibandingkan hari sebelumnya pada perdagangan terakhir.
- Japan Credit Rating Agency menaikkan rating Indonesia ke level BBB dari sebelumnya BBB- dengan outlook stabil.
- Minggu depan, pemerintah berencana kembali melelang SUN dengan target penyerapan sebesar Rp17 hingga Rp25,5 triliun. Terdapat 5 seri yang akan dilelang minggu depan yaitu SPN03180514 (*new issuance*), SPN12190214 (*new issuance*), FR0064 (*reopening*), FR0065 (*reopening*), dan FR0075 (*reopening*).
- Hari ini, harga SBN di pasar sekunder berpotensi untuk melemah akibat sentimen dari meningkatnya yield global terutama US treasury dan kemungkinan berlanjutnya depresiasi nilai tukar rupiah terhadap dolar AS. Selain itu, dari sisi volume transaksi SUN di pasar sekunder diperkirakan akan menurun menjelang lelang minggu depan.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0071	118.05	6.67	2449
FR0064	98.42	6.34	2298
FR0074	104.75	6.97	1869
FR0070	111.75	6.04	1653
FR0053	108.05	5.63	1516
SPN03180417	99.32	3.90	1362
FR0061	104.41	5.81	863
FR0072	111.54	7.11	829
SPN12180809	97.68	4.87	813
FR0059	103.70	6.46	643

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6545	9.77	0.15%	23.56%
Malaysia (KLCI)	1812	2.76	0.15%	12.04%
Thailand (SET)	1787	1.22	0.07%	15.80%
Singapore (STI)	3416	32.13	0.95%	18.6%
HangSeng	30451	128.07	0.42%	38.4%
Nikkei 225	21891	245.49	1.13%	14.53%
Shanghai	3262	-47.21	-1.43%	5.11%
Dow Jones (DJIA)	23860	-1032.89	-4.15%	20.73%
London (FTSE 100)	7171	-108.73	-1.49%	0.39%
DAX	12260	-330.14	-2.62%	6.8%

FX Rate	8-Feb		
	8-Feb	(-1 day)	(-1 week)
USD/IDR	13,669	13,615	13,393
GBP/USD	1.391	1.388	1.426
USD/JPY	108.7	109.3	109.4
USD/SGD	1.331	1.325	1.309
USD/THB	31.88	31.65	31.31
USD/MYR	3.961	3.909	3.901

Macroeconomic Data	Jan-18	Dec-17	Nov-17
Consumer Price Index (MoM)	0.62	0.71	0.20
Consumer Price Index (YoY)	3.25	3.61	3.3
Core Inflation (YoY)	2.69	2.95	3.05
BI 7-Day RR Rate (%)	4.25	4.25	4.25
Foreign Reserve (US\$ Bn)	131.98	130.2	125.9

Indonesia Sovereign CDS	2-year	5-year	10-year
As of			
8-Feb	35.14	90.85	151.94
(-1 Day)	34.59	84.86	149.65
(-1 Week)	33.09	83.58	147.31
(-1 Month)	27.89	78.19	144.93
(-1 Year)	57.82	139.69	214.10

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BIIF01ACN4	AA+(idn)	100.04	7.63	150
FIFA03ACN2	idAAA	100.38	5.91	100
SMII01BCN2	idAAA	102.35	6.46	86
BIIF01ACN3	AA+(idn)	102.35	6.84	75
BBKP01SBCN1	idA	101.75	7.52	47
TUFIO3ACN2	idAA+	102.54	7.30	40
BMTR01ACN1	idA+	99.87	11.54	32
ADMFO3CCN3	idAAA	108.25	7.22	30
TPIA01ACN1	idAA-	101.33	7.87	22
ADMFO2CCN3	idAAA	105.15		20

Global Bonds	8-Feb			
	8-Feb	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & US T-Bonds Yield				
Fed Fund Rate	1.50	1.50	1.50	1.50
2-Year	2.120	2.125	2.16	1.98
5-Year	2.552	2.557	2.57	2.33
10-Year	2.834	2.83	2.79	2.54
30-Year	3.13	3.12	3.03	2.87
10-Year Government Bond Yield				
UK	1.614	1.550	1.53	1.31
Germany	0.759	0.742	0.72	0.58
France	0.99	0.98	0.97	0.86
China	3.89	3.88	3.90	3.95
Japan	0.068	0.070	0.09	0.06
Korea	2.75	2.72	2.76	2.59
Thailand	2.41	2.39	2.35	2.29
Malaysia	3.95	3.95	3.95	3.87
Singapore	2.22	2.19	2.24	2.09
Indonesia USD Bond Yield				
INDO-22	3.21	3.17	3.07	2.92
INDO-27	3.89	3.83	3.71	3.58
INDO-47	4.69	4.64	4.55	4.46

Money Market	8-Feb			
	8-Feb	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	3.94	3.90	3.90	3.90
1M	4.92	4.92	4.93	4.97
3M	5.30	5.30	5.31	5.30
LIBOR				
1M	1.58	1.58	1.58	1.56
3M	1.80	1.80	1.79	1.72
6M	2.00	2.00	1.98	1.88
Indonesia Interest Rates				
Deposit 1M	5.57	5.60	5.56	5.62
Lending	14.0	13.8	13.5	14.2

Government Bond Ownership As of February 07, 2017 (in Trillion)

Holders	2013	2014	2015	2016	2-Feb-18	5-Feb-18	6-Feb-18	7-Feb-18
Banks	335.43	375.55	350.07	399.46	554.97	553.08	552.88	563.02
Bank Indonesia	44.44	41.63	148.91	134.25	38.42	38.73	38.73	32.23
Mutual Fund	42.50	45.79	61.60	85.66	104.58	104.57	104.48	104.27
Insurance	129.55	150.60	171.62	238.24	154.96	154.77	156.03	156.08
Foreign Investor	323.83	461.35	558.52	665.81	867.17	869.39	867.57	863.68
Pension Fund	39.47	43.30	49.83	87.28	203.19	203.06	203.16	203.33
Individual Investors	32.48	30.41	42.53	57.75	56.67	56.66	56.66	56.68
Others	47.56	61.32	78.76	104.84	116.39	116.09	116.84	117.06
Total	995.25	1,209.96	1,461.85	1,773.28	2,096.35	2,096.35	2,096.35	2,096.35

Source: Bloomberg, IDX & DJPPR

February 09, 2018

Government Bonds Prices

Closing Price Data : 8-Feb-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0066	15-May-18	0.26	5.25%	100.32	3.94%	100.32	-0.6
FR0032	15-Jul-18	0.43	15.00%	104.70	3.66%	104.78	-7.9
FR0038	15-Aug-18	0.52	11.60%	104.11	3.37%	104.12	-0.7
FR0048	15-Sep-18	0.60	9.00%	102.62	4.41%	102.62	-0.6
FR0069	15-Apr-19	1.18	7.88%	103.28	4.95%	103.28	-0.1
FR0036	15-Sep-19	1.60	11.50%	109.46	5.20%	109.45	1.0
FR0031	15-Nov-20	2.77	11.00%	113.71	5.56%	113.71	0.5
FR0034	15-Jun-21	3.35	12.80%	121.42	5.66%	121.43	-0.8
FR0053	15-Jul-21	3.43	8.25%	107.91	5.67%	107.92	-0.7
FR0061	15-May-22	4.27	7.00%	104.36	5.83%	104.37	-1.0
FR0035	15-Jun-22	4.35	12.90%	126.65	5.85%	126.57	7.4
FR0043	15-Jul-22	4.43	10.25%	116.72	5.90%	116.66	5.5
FR0063	15-May-23	5.27	5.625%	99.30	5.78%	99.30	0.9
FR0046	15-Jul-23	5.43	9.50%	116.02	5.99%	116.01	1.3
FR0039	15-Aug-23	5.52	11.75%	126.23	6.08%	126.22	0.7
FR0070	15-Mar-24	6.10	8.38%	111.80	6.03%	111.66	14.7
FR0044	15-Sep-24	6.61	10.00%	119.70	6.30%	119.57	12.7
FR0040	15-Sep-25	7.61	11.00%	127.33	6.40%	127.29	4.4
FR0037	15-Sep-26	8.61	12.00%	136.05	6.46%	135.85	20.0
FR0056	15-Sep-26	8.61	8.38%	112.34	6.48%	112.33	0.5
FR0059	15-May-27	9.27	7.00%	103.62	6.47%	103.63	-1.0
FR0042	15-Jul-27	9.44	10.25%	125.57	6.57%	125.60	-2.9
FR0047	15-Feb-28	10.02	10.00%	125.68	6.48%	125.68	0.0
FR0064	15-May-28	10.27	6.125%	98.39	6.34%	98.41	-1.9
FR0071	15-Mar-29	11.10	9.00%	118.18	6.66%	118.36	-17.9
FR0052	15-Aug-30	12.52	10.50%	130.00	6.88%	130.00	0.7
FR0073	15-May-31	13.27	8.75%	115.51	6.94%	115.28	22.6
FR0054	15-Jul-31	13.44	9.50%	121.77	6.98%	121.87	-9.6
FR0058	15-Jun-32	14.36	8.25%	110.85	7.04%	111.13	-28.0
FR0074	15-Aug-32	14.53	7.50%	104.62	6.99%	104.76	-14.2
FR0065	15-May-33	15.27	6.625%	98.51	6.78%	98.50	0.7
FR0068	15-Mar-34	16.11	8.38%	112.28	7.08%	112.46	-17.3
FR0072	15-May-36	18.28	8.25%	111.25	7.14%	111.43	-18.5
FR0045	15-May-37	19.28	9.75%	125.50	7.27%	126.06	-56.0
FR0075	15-May-38	138.47	7.500%	104.75	7.06%	104.89	-14.1
FR0050	15-Jul-38	20.44	10.50%	133.85	7.29%	133.89	-4.4
FR0057	15-May-41	23.28	9.50%	125.31	7.23%	125.34	-2.9
FR0062	15-Apr-42	24.20	6.38%	91.62	7.10%	91.62	0.0
FR0067	15-Jul-43	25.45	8.75%	116.58	7.32%	116.79	-21.3
FR0076	15-May-48	30.28	7.38%	103.31	7.13%	103.18	13.5

Source: Bloomberg, IBPA, MCS Estimates

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