

February 15, 2018

## Fixed Income Daily Notes



Indonesia Government Bonds Yield				
Maturities (Year)	14-Feb	(-1 day)	(-1 week)	(-1 month)
01	5.09	5.12	5.10	5.01
02	5.32	5.36	5.31	5.45
03	5.73	5.74	5.74	5.63
04	5.86	5.89	5.89	5.74
05	5.77	5.81	5.82	5.76
06	6.17	6.16	6.08	5.59
07	6.42	6.40	6.35	6.15
08	6.52	6.51	6.45	6.23
09	6.57	6.58	6.50	6.25
10	6.41	6.41	6.36	6.22
15	6.86	6.85	6.81	6.76
20	7.16	7.15	7.08	6.91
30	7.13	7.12	7.12	7.11

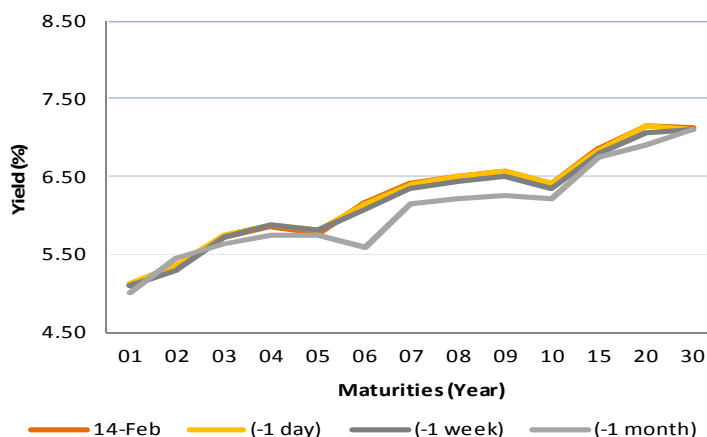
Source: Bloomberg

### Global Market Update

- The yield of 10 yr US treasury in the last trading on the secondary market rose to 2.90% after US inflation beat market expectation. US inflation in January 2018 was 2.1% (YoY) or higher than market consensus at 1.9% (YoY) although relatively similar with December 2017. Meanwhile, in monthly, US inflation rose to 0.5% compared with December 2017 at 0.2% (MoM). This has been delivering anxiousness related to Fed Fund Rates hikes more than 3 times this year. Similar with 10 yr US treasury, global yield namely UK Gilt and German Bund also raised to 1.64% and 0.75%, respectively.

### Domestic Market Update

- Indonesia Composite Bond Index in the last trading was 0.08% lower to 244.83 compared with previous day.
- Today, the market will likely focus on Bank Indonesia's monthly monetary meeting (RDG BI) that is scheduled to release the result on the evening. Despite rupiah against US dollar has been depreciating at the worst level since 2 years ago, the central bank will still maintain its benchmark rates (BI-7DRR) at 4.25% due to stable inflation.
- On the next week, the government is scheduled to issue Sukuk with an indicative target of IDR8 trillion. There are 6 auctioned series namely SPN-S 07082018 (reopening), PBS016 (reopening), PBS002 (reopening), PBS017 (reopening), PBS012 (reopening), and PBS004 (reopening).
- Government bond prices on the secondary market in general will be bearish compared with previous day due to rising global yield especially US treasury. Nonetheless, the drop will be limited since the rupiah try to rebound against US dollar. The rupiah against US dollar will be IDR13.550 - IDR13.600 while yield of 10 year benchmark rate (FR0064) will be ranging from 6.37% - 6.40%.



- Yield US treasury tenor 10 tahun pada perdagangan terakhir meningkat ke level 2,90% setelah rilis inflasi AS pada Januari 2018 di atas ekspektasi pasar. Inflasi AS pada Januari 2018 tercatat sebesar 2,1% (YoY) atau di atas konsensus pasar sebesar 1,9% (YoY) meski stagnan jika dibandingkan dengan Desember 2017. Sementara itu, secara bulanan, inflasi AS meningkat menjadi sebesar 0,5% (MoM) dibandingkan Desember 2017 sebesar 0,2% (MoM). Inflasi AS yang tercatat di atas ekspektasi pasar ini memberikan kekhawatiran terhadap kemungkinan kenaikan suku bunga acuan The Fed (FFR) lebih dari 3 kali di tahun ini. Selaras dengan yield 10 tahun US treasury, yield global diantaranya UK Gilt dan German Bund juga mengalami peningkatan masing-masing ke level 1,64% dan 0,75%.

- Indonesia Composite Bond Index turun sebesar 0,08% ke level 244,83 dibandingkan hari sebelumnya pada perdagangan terakhir.
- Hari ini, diperkirakan pasar akan fokus pada RDG Bank Indonesia yang dijadwalkan akan merilis update kebijakan moneter pada sore hari ini. Meski nilai tukar rupiah terhadap dolar AS sempat mengalami pelemahan (depresiasi) terbesar dalam dua tahun terakhir namun BI diperkirakan masih akan menahan BI-7DRRR di level 4.25% seiring masih stabilnya inflasi.
- Minggu depan, pemerintah dijadwalkan akan kembali melelang sukuk dengan target penyerapan sebesar Rp8 triliun rupiah di mana terdapat 6 seri yang akan dilelang yaitu SPN-S 07082018 (reopening), PBS016 (reopening), PBS002 (reopening), PBS017 (reopening), PBS012 (reopening), dan PBS004 (reopening).
- Harga SBN di pasar sekunder secara umum pada hari ini berpotensi untuk mengalami koreksi dibandingkan dengan perdagangan kemarin seiring dengan kenaikan yield global terutama US treasury. Meski demikian, koreksi tersebut diperkirakan cenderung terbatas seiring dengan mulai menguatnya nilai tukar rupiah terhadap dolar AS. Pergerakan nilai tukar rupiah diprediksi berada pada rentang Rp 13.550 - 13.600 sedangkan yield benchmark 10 tahun (FR0064) diprediksi bergerak pada kisaran 6,37% - 6,40%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0064	98.00	6.39	4825
FR0075	103.77	7.14	3792
FR0065	99.25	6.70	2469
FR0074	103.50	7.11	1257
FR0071	117.15	6.77	1184
FR0056	111.60	6.58	1174
FR0072	110.50	7.20	620
FR0059	102.25	6.67	579
PBS013	101.20	5.23	528
FR0040	127.26	6.40	500

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
LTLS02ACN2	idA-	100.26	8.89	165
SIISAT02ECN2	idAAA(sy)	101.85	8.37	135
NISPO2BCN2	idAAA	100.72	6.80	120
PIHC01ACN2	AAA(idn)	100.48	7.31	80
SMII01BCN2	idAAA	102.45	6.42	72
SMFP04ACN1	idAAA	100.44	5.66	70
MEDCO2BCN5	idA+	104.86	8.48	60
APAI01C	idAAA	101.98	8.23	46
ISAT02ECN2	idAAA	101.85	8.37	40
TLKM01DCN1	idAAA	119.83	9.04	32

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6594	16.22	0.25%	24.50%
Malaysia (KLCI)	1830	1.91	0.10%	11.77%
Thailand (SET)	1792	-7.94	-0.44%	16.15%
Singapore (STI)	3403	-12.21	-0.36%	18.1%
Hang Seng	30516	676.07	2.27%	38.7%
Nikkei 225	21154	-90.51	-0.43%	10.67%
Shanghai	3199	14.20	0.45%	3.08%
Dow Jones (DJIA)	24893	253.04	1.03%	25.96%
London (FTSE 100)	7214	45.96	0.64%	1.00%
DAX	12339	142.66	1.17%	7.5%

FX Rate	14-Feb		
	14-Feb	(-1 day)	(-1 week)
USD/IDR	13,568	13,628	13,615
GBP/USD	1.400	1.389	1.388
USD/JPY	107.0	107.8	109.3
USD/SGD	1.314	1.323	1.325
USD/THB	31.34	31.48	31.65
USD/MYR	3.903	3.939	3.909

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			
14-Feb	35.91	90.96	158.82
(-1 Day)	34.88	93.31	158.94
(-1 Week)	38.90	100.43	164.49
(-1 Month)	28.72	79.58	143.46
(-1 Year)	53.80	134.25	207.48

Global Bonds	14-Feb			
	14-Feb	(-1 day)	(-1 week)	(-1 month)
<b>Fed Fund Rate &amp; US T-Bonds Yield</b>				
Fed Fund Rate	1.50	1.50	1.50	1.50
2-Year	2.178	2.105	2.13	2.05
5-Year	2.648	2.543	2.56	2.41
10-Year	2.910	2.90	2.84	2.59
30-Year	3.16	3.11	3.12	2.86
<b>10-Year Government Bond Yield</b>				
UK	1.639	1.618	1.55	1.31
Germany	0.754	0.747	0.74	0.56
France	0.99	0.99	0.98	0.84
China	3.87	3.88	3.88	3.95
Japan	0.067	0.066	0.07	0.08
Korea	2.76	2.78	2.72	2.64
Thailand	2.39	2.40	2.39	2.32
Malaysia	3.99	3.97	3.95	3.88
Singapore	2.23	2.23	2.19	2.08
<b>Indonesia USD Bond Yield</b>				
INDO-22	3.40	3.36	3.17	2.92
INDO-27	4.10	4.06	3.83	3.57
INDO-47	4.89	4.86	4.64	4.48

Money Market	14-Feb			
	14-Feb	(-1 day)	(-1 week)	(-1 month)
<b>JIBOR</b>				
O/N	3.90	3.92	3.90	3.90
1M	4.92	4.93	4.92	4.94
3M	5.30	5.30	5.30	5.30
<b>LIBOR</b>				
1M	1.59	1.59	1.58	1.56
3M	1.84	1.84	1.80	1.74
6M	2.06	2.06	2.00	1.91
<b>Indonesia Interest Rates</b>				
Deposit 1M	5.54	5.57	5.60	5.63
Lending	13.9	13.6	13.8	14.2

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

Holders	2013	2014	2015	2016	8-Feb-18	9-Feb-18	12-Feb-18	13-Feb-18
Banks	335.43	375.55	350.07	399.46	571.65	569.86	572.74	575.81
Bank Indonesia	44.44	41.63	148.91	134.25	34.13	36.05	39.50	39.50
Mutual Fund	42.50	45.79	61.60	85.66	103.90	103.93	103.37	103.19
Insurance	129.55	150.60	171.62	238.24	156.57	156.82	157.28	157.69
<b>Foreign Investor</b>	<b>323.83</b>	<b>461.35</b>	<b>558.52</b>	<b>665.81</b>	<b>862.26</b>	<b>862.04</b>	<b>855.53</b>	<b>851.41</b>
Pension Fund	39.47	43.30	49.83	87.28	203.31	203.25	203.17	203.25
Individual Investors	32.48	30.41	42.53	57.75	56.70	56.68	56.70	56.71
Others	47.56	61.32	78.76	104.84	117.89	117.79	118.13	118.85
<b>Total</b>	<b>995.25</b>	<b>1,209.96</b>	<b>1,461.85</b>	<b>1,773.28</b>	<b>2,106.42</b>	<b>2,106.42</b>	<b>2,106.42</b>	<b>2,106.42</b>

Source: Bloomberg, IDX & DJPPR

February 15, 2018

**Government Bonds Prices**

**Closing Price Data : 14-Feb-2018**



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0066	15-May-18	0.25	5.25%	100.35	3.71%	100.31	3.3
FR0032	15-Jul-18	0.41	15.00%	104.62	3.35%	104.66	-4.8
FR0038	15-Aug-18	0.50	11.60%	104.12	3.26%	104.12	0.0
FR0048	15-Sep-18	0.58	9.00%	102.60	4.29%	102.61	-0.6
FR0069	15-Apr-19	1.16	7.88%	103.25	4.93%	103.26	-1.1
FR0036	15-Sep-19	1.58	11.50%	109.33	5.22%	109.36	-3.4
FR0031	15-Nov-20	2.75	11.00%	113.65	5.55%	113.67	-1.6
FR0034	15-Jun-21	3.33	12.80%	121.32	5.66%	121.35	-2.7
FR0053	15-Jul-21	3.42	8.25%	107.87	5.67%	107.89	-1.9
FR0061	15-May-22	4.25	7.00%	104.40	5.81%	104.34	5.6
FR0035	15-Jun-22	4.33	12.90%	126.41	5.88%	126.49	-8.2
FR0043	15-Jul-22	4.42	10.25%	116.65	5.90%	116.63	2.1
<b>FR0063</b>	<b>15-May-23</b>	<b>5.25</b>	<b>5.625%</b>	<b>99.52</b>	<b>5.73%</b>	<b>99.42</b>	<b>10.3</b>
FR0046	15-Jul-23	5.42	9.50%	115.91	6.01%	115.91	-0.4
FR0039	15-Aug-23	5.50	11.75%	125.99	6.11%	<b>126.15</b>	-15.9
FR0070	15-Mar-24	6.08	8.38%	111.27	6.12%	111.57	-30.4
FR0044	15-Sep-24	6.59	10.00%	119.45	6.33%	119.51	-5.9
FR0040	15-Sep-25	7.59	11.00%	126.77	6.47%	126.98	-20.8
FR0037	15-Sep-26	8.59	12.00%	135.62	6.51%	135.62	0.0
FR0056	15-Sep-26	8.59	8.38%	111.80	6.55%	111.98	-17.5
FR0059	15-May-27	9.25	7.00%	103.22	6.53%	103.29	-7.1
FR0042	15-Jul-27	9.42	10.25%	125.07	6.62%	125.19	-12.0
FR0047	15-Feb-28	10.01	10.00%	125.68	6.48%	125.68	0.0
<b>FR0064</b>	<b>15-May-28</b>	<b>10.25</b>	<b>6.125%</b>	<b>98.10</b>	<b>6.38%</b>	<b>98.24</b>	<b>-13.9</b>
FR0071	15-Mar-29	11.09	9.00%	117.33	6.75%	117.55	-21.8
FR0052	15-Aug-30	12.51	10.50%	129.76	6.91%	129.80	-4.3
FR0073	15-May-31	13.25	8.75%	115.06	6.99%	115.04	2.0
FR0054	15-Jul-31	13.42	9.50%	121.17	7.03%	121.43	-26.4
FR0058	15-Jun-32	14.34	8.25%	110.43	7.08%	110.58	-15.5
FR0074	15-Aug-32	14.51	7.50%	103.73	7.08%	103.86	-13.7
<b>FR0065</b>	<b>15-May-33</b>	<b>15.26</b>	<b>6.625%</b>	<b>98.09</b>	<b>6.83%</b>	<b>98.27</b>	<b>-18.2</b>
FR0068	15-Mar-34	16.09	8.38%	111.46	7.16%	111.72	-25.7
FR0072	15-May-36	18.26	8.25%	110.67	7.19%	110.83	-15.7
FR0045	15-May-37	19.26	9.75%	124.73	7.33%	127.958	-323.2
<b>FR0075</b>	<b>15-May-38</b>	<b>138.47</b>	<b>7.500%</b>	<b>103.87</b>	<b>7.14%</b>	<b>104.14</b>	<b>-26.9</b>
FR0050	15-Jul-38	20.43	10.50%	133.49	7.31%	<b>133.59</b>	-10.7
FR0057	15-May-41	23.26	9.50%	125.24	7.24%	125.35	-11.0
FR0062	15-Apr-42	24.18	6.38%	90.14	7.24%	90.08	6.7
FR0067	15-Jul-43	25.43	8.75%	116.72	7.30%	116.85	-12.9
FR0076	15-May-48	30.27	7.38%	103.48	7.12%	103.50	-2.2

Source: Bloomberg, IBPA, MCS Estimates

**Macroeconomic Indicator Calendar (12 Februari - 16 Februari 2018)**
**INDONESIA**

Tgl	Indikator	Series Data	Aktual	Sebelumnya	Proyeksi
15	Pertumbuhan Kredit (YoY)	Jan-2018	-	8,35%	
15	Neraca Perdagangan	Jan-2018	-	USD-0,27 miliar	USD0,64 miliar
15	Ekspor	Jan-2018	-	6,93%	
15	Impor	Jan-2018	-	17,83%	
15	BI-7DRRR	Feb-2018	-	4,25%	4,25%
15	<i>Lending Facility Rates</i>	Feb-2018	-	5%	5%
15	<i>Deposit Facility Rates</i>	Feb-2018	-	3,5%	3,5%

**GLOBAL**

Tgl	Indikator	Negara	Series Data	Aktual	Sebelumnya	Proyeksi
13	Defisit/Surplus APBN	AS	Jan-2018	USD49 miliar	USD-23 miliar	USD51 miliar
14	Inflasi Inti (YoY)	AS	Jan-2018	1,8%	1,8%	1,8%
14	Inflasi (YoY)	AS	Jan-2018	2,1%	2,1%	2,1%
14	Inflasi (MoM)	AS	Jan-2018	0,5%	0,1%	0,3%
14	Penjualan Eceran (YoY)	AS	Jan-2018	3,6%	5,4%	5,38%
14	EIA Stok Minyak Mentah	AS	<i>Week Ended February 09- 2018</i>	1,84 juta	1,89 juta	0,28 juta
14	Produksi Industri (YoY)	Euro	Dec-2017	5,2%	3,7%	3,6%
14	PDB (YoY) (Flash)	Euro	Dec-2017	2,7%	2,8%	2,7%
14	PDB (YoY) (Flash)	Jepang	Q4-2017	0,5%	0,6%	0,3%
15	<i>Continuing Jobless Claims</i>	AS	<i>Week Ended February 03-2018</i>	-	1,92 ribu	1,93 ribu
15	<i>Initial Jobless Claims</i>	AS	<i>Week Ended February 10- 2018</i>	-	221 ribu	224 ribu
15	Produksi Industri (YoY)	AS	Jan-2018	-	3,6%	3,84%
15	Neraca Perdagangan	Euro	Dec-2017	-	€26,3 miliar	€28,1 miliar
16	<i>Building Permits (MoM)</i>	AS	Jan-2018	-	-0,2%	-

Sumber: Tradingeconomics dan MCS Estimates (2018)

February 15, 2018

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