

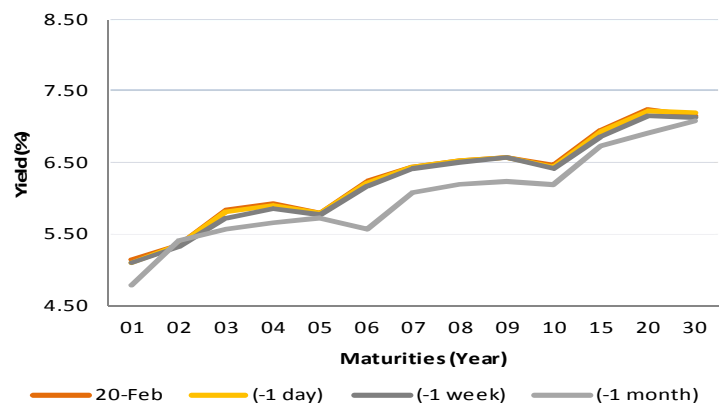
February 21, 2018

## Fixed Income Daily Notes



Indonesia Government Bonds Yield				
Maturities (Year)	20-Feb	(-1 day)	(-1 week)	(-1 month)
01	5.14	5.09	5.09	4.78
02	5.35	5.36	5.32	5.42
03	5.83	5.82	5.73	5.57
04	5.93	5.91	5.86	5.66
05	5.80	5.79	5.77	5.72
06	6.24	6.22	6.17	5.57
07	6.43	6.44	6.42	6.08
08	6.53	6.54	6.52	6.20
09	6.57	6.57	6.57	6.24
10	6.47	6.45	6.41	6.19
15	6.96	6.93	6.86	6.73
20	7.25	7.23	7.16	6.90
30	7.16	7.20	7.13	7.10

Source: Bloomberg



### Global Market Update

- Yield of 10-year US treasury rose to 2.89% compared to last Friday ahead of US treasury issuance and anxiousness of additional US treasury issuance to curb US budget deficit. In this week, 10 yr US treasury yields are expected to move within the range of 2.85% - 2.90% for anticipating release FOMC minutes on Thursday morning (WIB). Meanwhile, several yield of global indicator bonds moved vary in which the 10-yr UK Gilt yield declined to 1.58% while the German Bund stagnated at 0.73%.
- Yield 10 tahun US treasury cenderung meningkat terbatas menjadi sebesar 2,89% dibandingkan perdagangan Jumat lalu menjelang lelang US treasury serta kekhawatiran penerbitan surat utang AS yang lebih besar guna menekan defisit APBN AS. Yield US treasury pada minggu ini diperkirakan masih bergerak pada rentang 2,85% - 2,90% seiring antisipasi pasar menunggu rilis risalah rapat FOMC (FOMC Minutes) pada Kamis dini hari (WIB). Sementara itu, beberapa yield obligasi indikator global bergerak bervariasi di mana yield 10 tahun UK Gilt turun ke level 1,58% sedangkan German Bund stagnan di level 0,73%.

### Domestic Market Update

- Indonesia Composite Bond Index in the last trading on the secondary market relatively stagnated at 244.47 compared with previous day. Meanwhile, the transaction volume of government bonds rose to IDR16.65 trillion where FR0072 became the most active transaction on the secondary market. Similarly, transaction of corporate bonds increased to IDR1 trillion.
- Indonesia Composite Bond Index pada perdagangan terakhir cenderung stagnan ke level 244,47 dibandingkan dengan hari sebelumnya. Sementara itu, volume transaksi SBN dibandingkan hari sebelumnya meningkat menjadi sebesar Rp16,65 triliun di mana seri FR0072 menjadi seri yang paling banyak diperdagangkan di pasar sekunder sedangkan transaksi obligasi korporasi meningkat menjadi sebesar Rp1 triliun.
- Tax revenue at the end of January 2018 grew by 11.17% (YoY) to IDR78.94 trillion and it was the highest alteration since the last 4 years. In the meantime, budget deficit in the first month of 2018 was 0.25% GDP or lower than the same period in the previous year at 0.33% GDP. Furthermore, this was also below government target of budget deficit at 2.19% PDB in this year.
- Penerimaan pajak hingga akhir Januari 2018 tercatat sebesar 11,17% (YoY) menjadi sebesar Rp78,94 triliun yang merupakan angka tertinggi dalam 4 tahun terakhir. Sementara itu, defisit APBN pada Januari 2018 tercatat sebesar 0,25% PDB atau lebih rendah dibandingkan dengan periode yang sama di tahun 2017 sebesar 0,33% PDB. Selain itu, defisit awal tahun 2018 juga masih jauh di bawah target 2018 dengan defisit APBN sebesar 2,19% PDB.
- Indonesia's bond is officially included at Global Aggregate Index that starting June 1, 2018. This potentially attracts foreign capital inflow by about USD4-5 billion.
- Obligasi Indonesia resmi masuk dalam Global Aggregate Index per 1 Juni 2018 di mana potensi foreign capital inflow mencapai USD4-5 miliar.
- The government bond prices on the secondary market are potentially to rise somewhat after Bloomberg announced Indonesia's bond that included on global aggregate index although global yield especially US treasury still high. Moreover, rupiah against US dollar is forecasted to be IDR13.575 - IDR13.590 while yield of 10 year government bond (FR0064) will be ranging at 6.39% - 6.43%.
- Pergerakan harga SBN di pasar sekunder hari ini berpotensi menguat terbatas seiring info terkait dengan masuknya obligasi Indonesia dalam global aggregate index. Di tengah kenaikan yield global. Nilai tukar rupiah berpotensi diperkirakan bergerak fluktuatif pada rentang Rp13.575 - Rp13.590 sedangkan yield benchmark 10 tahun (FR0064) diperkirakan akan bergerak pada kisaran 6,39% - 6,43%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0072	109.58	7.29	2203
PBS016	100.83	5.81	1733
FR0074	103.07	7.16	1915
FR0059	103.25	6.52	2009
FR0064	98.00	6.39	1269
FR0061	103.99	5.92	1364
FR0071	116.65	6.83	869
FR0056	111.42	6.61	587
FR0065	99.00	6.73	599
FR0075	102.82	7.23	604

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BEXI03BCN6	idAAA	100.00	7.00	300
SMII01BCN2	idAAA	102.40	6.43	160
BEXI03CCN2	idAAA	105.24	6.66	40
SIAGI01ACN1	A-(idn)	100.84	-	40
ADMFO3BCN2	idAAA	101.48	6.52	36
PRTL01ACN1	AAA(idn)	101.40	6.98	35
ADHI01BCN1	idA-	103.60	7.01	32
SITINS01BCN1	idA+(sy)	102.00	-	32
BBKP01SBCN1	idA	101.60	7.63	30
SMFP04BCN3	idAAA	100.00	6.85	30

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6663	-26.41	-0.39%	25.79%
Malaysia (KLCI)	1838	-1.33	-0.07%	13.05%
Thailand (SET)	1801	-8.65	-0.48%	16.73%
Singapore (STI)	3477	-11.35	-0.33%	20.7%
HangSeng	30874	-241.80	-0.78%	40.3%
Nikkei 225	21925	-224.11	-1.01%	14.71%
Shanghai	3199	0.00	0.00%	3.08%
Dow Jones (DJIA)	24965	-254.63	-1.01%	26.32%
London (FTSE 100)	7247	-0.89	-0.01%	1.46%
DAX	12488	102.30	0.83%	8.8%

Global Bonds	20-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	2.264	2.192	2.11	2.04
5-Year	2.652	2.630	2.54	2.41
10-Year	2.893	2.89	2.83	2.61
30-Year	3.16	3.13	3.11	2.90
<b>10-Year Government Bond Yield</b>				
UK	1.584	1.601	1.62	1.35
Germany	0.732	0.732	0.75	0.56
France	1.00	0.99	0.99	0.84
China	3.87	3.87	3.88	3.94
Japan	0.059	0.057	0.07	0.07
Korea	2.80	2.80	2.78	2.65
Thailand	2.43	2.41	2.40	2.33
Malaysia	4.02	4.02	3.97	3.95
Singapore	2.37	2.29	2.23	2.13
<b>Indonesia USD Bond Yield</b>				
INDO-22	3.39	3.39	3.34	2.97
INDO-27	4.06	4.05	4.06	3.62
INDO-47	4.83	4.83	4.87	4.52

FX Rate	20-Feb	(-1 day)	(-1 week)
USD/IDR	13,568	13,548	13,628
GBP/USD	1.400	1.400	1.389
USD/JPY	107.3	106.6	107.8
USD/SGD	1.319	1.314	1.323
USD/THB	31.51	31.40	31.48
USD/MYR	3.893	3.895	3.939

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			
20-Feb	32.82	87.41	151.50
(-1 Day)	33.79	84.66	150.58
(-1 Week)	33.46	85.54	151.37
(-1 Month)	30.69	80.08	145.56
(-1 Year)	51.43	135.31	204.55

Money Market	20-Feb	(-1 day)	(-1 week)	(-1 month)
<b>JIBOR</b>				
O/N	3.95	3.91	3.92	3.93
1M	4.92	4.93	4.93	4.94
3M	5.30	5.30	5.30	5.32
<b>LIBOR</b>				
1M	1.60	1.60	1.59	1.56
3M	1.89	1.89	1.84	1.75
6M	2.12	2.12	2.06	1.93
<b>Indonesia Interest Rates</b>				
Deposit 1M	5.56	5.58	5.57	5.59
Lending	14.3	14.0	13.6	14.3

### Government Bond Ownership As of February 19, 2017 (in Trillion)

Holders	2013	2014	2015	2016	13-Feb-18	14-Feb-18	15-Feb-18	19-Feb-18
Banks	335.43	375.55	350.07	399.46	575.81	562.78	567.27	570.25
Bank Indonesia	44.44	41.63	148.91	134.25	39.50	52.43	53.75	51.25
Mutual Fund	42.50	45.79	61.60	85.66	103.19	103.12	103.47	103.43
Insurance	129.55	150.60	171.62	238.24	157.69	157.73	159.54	159.59
<b>Foreign Investor</b>	<b>323.83</b>	<b>461.35</b>	<b>558.52</b>	<b>665.81</b>	<b>851.41</b>	<b>851.08</b>	<b>855.13</b>	<b>854.51</b>
Pension Fund	39.47	43.30	49.83	87.28	203.25	203.53	204.57	204.63
Individual Investors	32.48	30.41	42.53	57.75	56.71	56.72	56.71	56.77
Others	47.56	61.32	78.76	104.84	118.85	119.03	118.41	118.41
<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>2,118.84</b>	<b>2,118.84</b>

Source: Bloomberg, IDX & DJPPR

February 21, 2018

## Government Bonds Prices

Closing Price Data : 20-Feb-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0066	15-May-18	0.23	5.25%	100.33	3.73%	100.36	-2.9
FR0032	15-Jul-18	0.40	15.00%	104.58	3.22%	104.95	-37.1
FR0038	15-Aug-18	0.48	11.60%	104.12	3.26%	104.12	0.0
FR0048	15-Sep-18	0.57	9.00%	102.59	4.25%	102.60	-0.9
FR0069	15-Apr-19	1.15	7.88%	103.19	4.96%	103.27	-7.4
FR0036	15-Sep-19	1.57	11.50%	109.24	5.24%	109.22	2.6
FR0031	15-Nov-20	2.74	11.00%	113.50	5.59%	113.51	-1.0
FR0034	15-Jun-21	3.32	12.80%	121.24	5.67%	121.21	3.2
FR0053	15-Jul-21	3.40	8.25%	107.55	5.77%	107.62	-7.1
FR0061	15-May-22	4.23	7.00%	104.16	5.87%	104.17	-1.5
FR0035	15-Jun-22	4.32	12.90%	126.13	5.93%	126.29	-15.4
FR0043	15-Jul-22	4.40	10.25%	116.52	5.92%	116.69	-16.9
<b>FR0063</b>	<b>15-May-23</b>	<b>5.23</b>	<b>5.625%</b>	<b>99.43</b>	<b>5.75%</b>	<b>99.45</b>	<b>-2.1</b>
FR0046	15-Jul-23	5.40	9.50%	115.71	6.04%	115.79	-8.2
FR0039	15-Aug-23	5.48	11.75%	125.86	6.12%	<b>125.91</b>	-4.8
FR0070	15-Mar-24	6.07	8.38%	110.95	6.18%	110.96	-1.2
FR0044	15-Sep-24	6.57	10.00%	119.24	6.37%	119.27	-3.7
FR0040	15-Sep-25	7.57	11.00%	126.69	6.48%	126.56	12.8
FR0037	15-Sep-26	8.57	12.00%	135.28	6.55%	135.18	10.1
FR0056	15-Sep-26	8.57	8.38%	111.61	6.58%	111.67	-5.9
FR0059	15-May-27	9.24	7.00%	103.14	6.54%	102.99	14.8
FR0042	15-Jul-27	9.40	10.25%	124.89	6.64%	124.79	10.0
FR0047	15-Feb-28	9.99	10.00%	124.25	6.64%	124.25	0.0
<b>FR0064</b>	<b>15-May-28</b>	<b>10.24</b>	<b>6.125%</b>	<b>97.71</b>	<b>6.43%</b>	<b>97.84</b>	<b>-13.4</b>
FR0071	15-Mar-29	11.07	9.00%	116.64	6.83%	116.60	3.5
FR0052	15-Aug-30	12.49	10.50%	129.18	6.96%	129.61	-43.3
FR0073	15-May-31	13.24	8.75%	114.17	7.08%	114.30	-13.2
FR0054	15-Jul-31	13.41	9.50%	121.01	7.05%	121.14	-13.2
FR0058	15-Jun-32	14.33	8.25%	110.38	7.08%	110.31	7.0
FR0074	15-Aug-32	14.49	7.50%	103.37	7.12%	103.32	5.4
<b>FR0065</b>	<b>15-May-33</b>	<b>15.24</b>	<b>6.625%</b>	<b>97.24</b>	<b>6.92%</b>	<b>97.32</b>	<b>-8.5</b>
FR0068	15-Mar-34	16.07	8.38%	111.01	7.21%	111.14	-13.0
FR0072	15-May-36	18.24	8.25%	109.88	7.26%	109.87	1.4
FR0045	15-May-37	19.24	9.75%	124.58	7.34%	124.576	0.0
<b>FR0075</b>	<b>15-May-38</b>	<b>138.47</b>	<b>7.500%</b>	<b>102.97</b>	<b>7.22%</b>	<b>103.12</b>	<b>-15.7</b>
FR0050	15-Jul-38	20.41	10.50%	133.92	7.28%	<b>133.78</b>	13.3
FR0057	15-May-41	23.25	9.50%	125.34	7.23%	125.34	0.0
FR0062	15-Apr-42	24.16	6.38%	90.15	7.24%	90.15	0.0
FR0067	15-Jul-43	25.41	8.75%	116.80	7.30%	116.78	1.5
FR0076	15-May-48	30.25	7.38%	102.89	7.17%	102.83	6.0

Source: Bloomberg, IBPA, MCS Estimates

**Macroeconomic Indicator Calendar (19 Februari - 23 Februari 2018)**
**INDONESIA**

Tgl	Indikator	Series Data	Aktual	Sebelumnya	Proyeksi
19	Penjualan Mobil (YoY)	Jan-2018	11,2%	-2%	-
21	Pertumbuhan Kredit (YoY)	Jan-2018	-	8.35%	-

**GLOBAL**

Tgl	Indikator	Negara	Series Data	Aktual	Sebelumnya	Proyeksi
19	Neraca Perdagangan	Jepang	Jan-2018	¥-943 miliar	¥359 miliar	¥-1.002 miliar
19	Ekspor	Jepang	Jan-2018	12,2%	9,3%	10,3%
19	Impor	Jepang	Jan-2018	7,9%	14,9%	8,3%
19	<i>Current Account</i>	Euro Area	Dec-2017	€45,8 miliar	€37,8 miliar	€40,9 miliar
20	<i>Consumer Confidence</i>	Euro Area	Feb-2018	0,1	1,3	1
21	<i>PMI Manufaktur (Flash)</i>	AS	<i>Feb-2018</i>	-	55,5	54,9
21	<i>Penjualan Rumah Bekas (YoY)</i>	AS	<i>Jan-2018</i>	-	-3,6%	1,5%
21	<i>PMI Manufaktur</i>	<i>Jepang</i>	<i>Feb-2018</i>	-	54,8	54,4
21	<i>PMI Manufaktur</i>	<i>Euro Area</i>	<i>Feb-2018</i>	-	59,6	58,9
22	<i>FOMC Minutes</i>	AS	Jan-2018	-	-	-
22	<i>Continuing Jobless Claims</i>	AS	<i>Week Ended Feb -10,2018</i>	-	1,94 juta	1,94 juta
22	<i>Initial Jobless Claims</i>	AS	<i>Week Ended Feb -17,2018</i>	-	230 ribu	231 ribu
22	EIA Stok Minyak Mentah	AS	<i>Week Ended Feb-16,2018</i>	-	1,84 juta	0,43 juta
23	<i>Monetary Policy Forum</i>	AS	Feb-2018	-	-	-
23	Inflasi (YoY)	Euro Area	Jan-2018	-	1,4%	1,3%
23	Inflasi (MoM)	Euro Area	Jan-2018	-	0,4%	-1%
23	Inflasi Inti (YoY)	Euro Area	Jan-2018	-	0,9%	-

Source: Tradingeconomics & MCS Estimates

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