

April 30, 2018

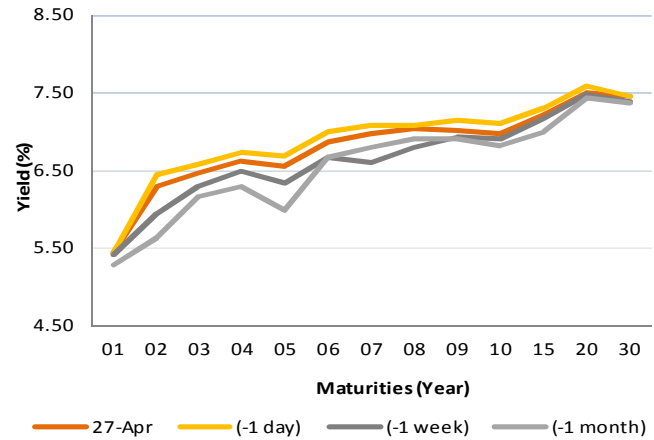
Fixed Income Daily Notes



Indonesia Government Bonds Yield

| Maturities (Year) | 27-Apr | (-1 day) | (-1 week) | (-1 month) |
|-------------------|--------|----------|-----------|------------|
| 01 | 5.43 | 5.43 | 5.42 | 5.28 |
| 02 | 6.30 | 6.44 | 5.94 | 5.64 |
| 03 | 6.47 | 6.59 | 6.28 | 6.17 |
| 04 | 6.63 | 6.74 | 6.48 | 6.30 |
| 05 | 6.56 | 6.69 | 6.34 | 5.99 |
| 06 | 6.87 | 6.99 | 6.66 | 6.66 |
| 07 | 6.96 | 7.08 | 6.61 | 6.79 |
| 08 | 7.04 | 7.09 | 6.81 | 6.91 |
| 09 | 7.01 | 7.14 | 6.92 | 6.91 |
| 10 | 6.98 | 7.09 | 6.90 | 6.83 |
| 15 | 7.22 | 7.31 | 7.17 | 6.99 |
| 20 | 7.49 | 7.58 | 7.49 | 7.43 |
| 30 | 7.45 | 7.45 | 7.40 | 7.38 |

Source: Bloomberg



Global Market Update

- At the next May 1 2018, US government will decide whether trade wars will affect global market. Last month, US government imposed import tariff for aluminum and steel, with some partnership country as exception and at that day, those exception will be expired. The decision of US government will become market mover this week, and even become one of the Fed consideration in FOMC.
- At Friday, April 27, US Treasury yield was decreased to 2.96%. This decreasing was caused by opportunistic buying from investor. Furthermore, yield of global bonds also closed decreasing, UK gilt yield was climbed down to 1.44%, while German Bund yield was climbed down to 0.57%.
- Pada 1 Mei 2018 mendatang, AS akan memutuskan apakah perang dagang AS-Tiongkok akan berdampak langsung pada seluruh dunia atau tidak. Bulan lalu, AS mengenakan tarif impor aluminium dan baja ke seluruh dunia, dengan beberapa negara sebagai pengecualian. Pengecualian ini akan habis masa berlakunya pada 1 Mei mendatang. Keputusan presiden AS dalam isu ini akan menjadi salah satu penggerak pasar, dan bahkan bisa menjadi salah satu pertimbangan oleh FOMC pada tanggal 3 Mei mendatang.
- Yield US Treasury pada hari Jumat, 27 April turun menjadi 2,96 %. Hal ini disebabkan oleh tingginya yield di hari sebelumnya yang memicu pembelian-pembelian oportunistik dari para investor. Dari pasar obligasi global, yield acuan global sebagian besar ditutup turun, yang terlihat dari yield 10 tahun UK Gilt ditutup turun ke level 1,44%. Sementara itu, yield 10 tahun German Bund ditutup turun ke level 0,57%.

Domestic Market Update

- Today, Government bond prices on the secondary market are likely to strengthen moderately as Rupiah moderate appreciation and yield decreasing of US-10 Years Treasury. On the other hand, because there will be an auction at Wednesday, May 2, government bond prices strengthening will be restrained. Rupiah will be ranging from IDR 13,860 - 13,895, while yield of 10 year benchmark bond (FR0064) will be ranging from 6.92% - 7.02%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung menguat terbatas yang diakibatkan oleh kecenderungan apresiasi terbatas Rupiah pada hari ini. Selain itu, turunnya yield AS pada hari Jum'at juga menjadi salah satu faktor pendorong naiknya harga SBN pada hari ini. Di sisi lain, faktor adanya lelang pada hari Rabu, 2 Mei dapat menjadi pembatas penguatan nilai SBN ini. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp13.860 – Rp13.895 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 6,92% - 7,02%.

| Most Active Government Bonds | Last Price | Last Yield | Volume (IDR bn) |
|------------------------------|------------|------------|-----------------|
| FR0064 | 94.50 | 6.89 | 3945 |
| FR0075 | 100.80 | 7.42 | 1818 |
| FR0074 | 101.85 | 7.29 | 1762 |
| FR0053 | 105.11 | 6.45 | 1755 |
| FR0061 | 101.70 | 6.51 | 1730 |
| FR0072 | 103.00 | 7.93 | 1297 |
| FR0056 | 109.00 | 6.94 | 1278 |
| FR0059 | 100.50 | 6.92 | 1101 |
| FR0065 | 94.66 | 7.21 | 1081 |
| FR0070 | 107.10 | 6.88 | 1039 |

| Most Active Corporate Bonds | Last Price | Last Yield | Volume (IDR bn) | |
|-----------------------------|------------|------------|-----------------|-----|
| PNMP02ACN2 | idA | 100.10 | 7.96 | 163 |
| BIIF01ACN2 | AA+(idn) | 102.62 | 6.19 | 120 |
| BIIF01ACN4 | AA+(idn) | 100.34 | 7.50 | 98 |
| BTPN03BCN2 | AAA(idn) | 100.27 | 7.39 | 90 |
| WOMF02BCN3 | AA-(idn) | 101.04 | 8.00 | 90 |
| BBIA01CCN1 | AAA(idn) | 102.04 | 7.59 | 60 |
| WOMF02ACN3 | AA-(idn) | 100.50 | 6.29 | 59 |
| AMRT02CN2 | AA-(idn) | 100.00 | 7.50 | 49 |
| TUFIO3ACN2 | idAAA+ | 102.9 | 7.00 | 40 |
| TRACO1BCN1 | AA-(idn) | 100.00 | 7.75 | 35 |

| Global Stock Markets | Last Price | Chg (bps) | % Chg | % YTD |
|----------------------|------------|-----------|--------|--------|
| Indonesia (JCI) | 5919 | 10.04 | 0.17% | 11.75% |
| Malaysia (KLCI) | 1863 | 11.20 | 0.60% | 13.51% |
| Thailand (SET) | 1778 | 4.82 | 0.27% | 15.24% |
| Singapore (STI) | 3577 | 7.19 | 0.20% | 24.2% |
| Hang Seng | 30281 | 272.99 | 0.91% | 37.6% |
| Nikkei 225 | 22468 | 148.26 | 0.66% | 17.55% |
| Shanghai | 3082 | 7.20 | 0.23% | -0.69% |
| Dow Jones (DJIA) | 24311 | -11.15 | -0.05% | 23.01% |
| London (FTSE 100) | 7502 | 80.78 | 1.09% | 5.03% |
| DAX | 12581 | 80.40 | 0.64% | 9.6% |

| Global Bonds | 27-Apr | | | |
|---|--------|----------|-----------|------------|
| | 27-Apr | (-1 day) | (-1 week) | (-1 month) |
| Fed Fund Rate & US T-Bonds Yield | | | | |
| Fed Fund Rate | 1.75 | 1.75 | 1.75 | 1.75 |
| 2-Year | 2.279 | 2.248 | 2.27 | 2.25 |
| 5-Year | 2.597 | 2.548 | 2.57 | 2.65 |
| 10-Year | 2.982 | 3.03 | 2.91 | 2.74 |
| 30-Year | 3.01 | 2.96 | 3.03 | 3.15 |
| 10-Year Government Bond Yield | | | | |
| UK | 1.444 | 1.503 | 1.48 | 1.35 |
| Germany | 0.569 | 0.591 | 0.59 | 0.49 |
| France | 0.79 | 0.81 | 0.81 | 0.72 |
| China | 3.63 | 3.63 | 3.53 | 3.74 |
| Japan | 0.050 | 0.054 | 0.06 | 0.04 |
| Korea | 2.70 | 2.70 | 2.72 | 2.63 |
| Thailand | 2.44 | 2.46 | 2.40 | 2.40 |
| Malaysia | 4.13 | 4.20 | 4.07 | 3.94 |
| Singapore | 2.53 | 2.55 | 2.47 | 2.29 |
| Indonesia USD Bond Yield | | | | |
| INDO-22 | 3.74 | 3.76 | 3.64 | 3.60 |
| INDO-27 | 4.34 | 4.39 | 4.22 | 4.11 |
| INDO-47 | 5.03 | 5.07 | 4.90 | 4.85 |

| FX Rate | 27-Apr | | |
|---------|--------|----------|-----------|
| | 27-Apr | (-1 day) | (-1 week) |
| USD/IDR | 13,856 | 13,879 | 13,927 |
| GBP/USD | 1.378 | 1.392 | 1.400 |
| USD/JPY | 109.1 | 109.3 | 107.7 |
| USD/SGD | 1.324 | 1.328 | 1.316 |
| USD/THB | 31.51 | 31.61 | 31.35 |
| USD/MYR | 3.919 | 3.919 | 3.899 |

| Money Market | 27-Apr | | | |
|---------------------------------|--------|----------|-----------|------------|
| | 27-Apr | (-1 day) | (-1 week) | (-1 month) |
| JIBOR | | | | |
| O/N | 4.77 | 4.18 | 4.01 | 4.15 |
| 1M | 6.20 | 5.58 | 5.10 | 5.03 |
| 3M | 6.22 | 5.76 | 5.40 | 5.36 |
| LIBOR | | | | |
| 1M | 1.91 | 1.90 | 1.90 | 1.88 |
| 3M | 2.36 | 2.36 | 2.36 | 2.31 |
| 6M | 2.52 | 2.52 | 2.51 | 2.45 |
| Indonesia Interest Rates | | | | |
| Deposit 1M | 5.54 | 5.51 | 5.77 | 5.56 |
| Lending | 13.9 | 13.9 | 13.8 | 13.9 |

| Macroeconomic Data | Mar-18 | Feb-18 | Jan-18 |
|----------------------------|--------|--------|--------|
| Consumer Price Index (MoM) | 0.20 | 0.17 | 0.62 |
| Consumer Price Index (YoY) | 3.40 | 3.18 | 3.25 |
| Core Inflation (YoY) | 2.67 | 2.58 | 2.69 |
| BI 7-Day RR Rate (%) | 4.25 | 4.25 | 4.25 |
| Foreign Reserve (US\$ Bn) | 126 | 128 | 131.98 |

| Indonesia Sovereign CDS | 2-year | 5-year | 10-year |
|-------------------------|--------|--------|---------|
| As of 27-Apr | 43.85 | 105.88 | 178.06 |
| (-1 Day) | 43.93 | 105.76 | 178.94 |
| (-1 Week) | 36.86 | 99.27 | 168.52 |
| (-1 Month) | 42.75 | 100.76 | 166.01 |
| (-1 Year) | 50.20 | 127.32 | 196.12 |

| Benchmark | 27-Apr | (-1 day) | Change | Yield |
|-----------|--------|----------|--------|-------|
| FR0061 | 101.40 | 100.94 | 46 | 6.60% |
| FR0059 | 99.85 | 99.08 | 77 | 7.02% |
| FR0074 | 101.20 | 100.51 | 68 | 7.36% |
| FR0072 | 106.72 | 105.99 | 72 | 7.56% |

Government Bond Ownership As of April 26, 2018 (in Trillion)

| Holders | 2013 | 2014 | 2015 | 2016 | 2017 | 23-Apr-18 | 24-Apr-18 | 25-Apr-18 | 26-Apr-18 |
|-------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Banks | 335.43 | 375.55 | 350.07 | 399.46 | 491.61 | 567.93 | 574.55 | 567.36 | 575.74 |
| Bank Indonesia | 44.44 | 41.63 | 148.91 | 134.25 | 141.83 | 94.33 | 94.33 | 109.32 | 109.35 |
| Mutual Fund | 42.50 | 45.79 | 61.60 | 85.66 | 104.00 | 104.2 | 104.2 | 104.3 | 104.7 |
| Insurance | 129.55 | 150.60 | 171.62 | 238.24 | 150.80 | 167.5 | 167.5 | 167.5 | 168.2 |
| Foreign Investor | 323.83 | 461.35 | 558.52 | 665.81 | 836.15 | 868.26 | 861.02 | 852.76 | 848.48 |
| Pension Fund | 39.47 | 43.30 | 49.83 | 87.28 | 198.06 | 209.95 | 210.51 | 210.91 | 211.25 |
| Individual Investors | 32.48 | 30.41 | 42.53 | 57.75 | 59.84 | 60.79 | 60.79 | 60.79 | 60.84 |
| Others | 47.56 | 61.32 | 78.76 | 104.84 | 117.48 | 124.98 | 124.98 | 124.98 | 125.48 |
| Total | 995.25 | 1,209.96 | 1,461.85 | 1,773.28 | 2,099.77 | 2,184.59 | 2,179.59 | 2,197.93 | 2,204.08 |

Source: Bloomberg, IDX & DJPPR

April 30, 2018



Government Bonds Prices

Closing Price Data : 27-Apr-2018

| Series | Maturity | TTM | Coupon | Price | YTM | Price (-1) | Price Spread (bps) |
|---------------|------------------|---------------|---------------|--------------|--------------|--------------|--------------------|
| FR0066 | 15-May-18 | 0.05 | 5.250% | 100.04 | 3.93% | 100.03 | 1.0 |
| FR0032 | 15-Jul-18 | 0.22 | 15.000% | 102.28 | 3.61% | 102.31 | -2.7 |
| FR0038 | 15-Aug-18 | 0.30 | 11.600% | 102.67 | 2.91% | 102.67 | 0.0 |
| FR0048 | 15-Sep-18 | 0.39 | 9.000% | 101.58 | 4.61% | 101.60 | -1.8 |
| FR0069 | 15-Apr-19 | 0.97 | 7.875% | 101.67 | 6.04% | 101.61 | 5.6 |
| FR0036 | 15-Sep-19 | 1.39 | 11.500% | 106.76 | 6.26% | 106.70 | 5.9 |
| FR0031 | 15-Nov-20 | 2.56 | 11.000% | 110.70 | 6.36% | 110.63 | 7.3 |
| FR0034 | 15-Jun-21 | 3.14 | 12.800% | 117.66 | 6.46% | 117.81 | -14.7 |
| FR0053 | 15-Jul-21 | 3.22 | 8.250% | 105.19 | 6.43% | 105.03 | 16.0 |
| FR0061 | 15-May-22 | 4.05 | 7.000% | 101.40 | 6.60% | 100.94 | 46.1 |
| FR0035 | 15-Jun-22 | 4.14 | 12.900% | 122.05 | 6.69% | 121.88 | 16.5 |
| FR0043 | 15-Jul-22 | 4.22 | 10.250% | 112.83 | 6.69% | 113.39 | -56.6 |
| FR0063 | 15-May-23 | 5.05 | 5.625% | 96.04 | 6.56% | 95.52 | 52.5 |
| FR0046 | 15-Jul-23 | 5.22 | 9.500% | 112.01 | 6.72% | 111.57 | 44.6 |
| FR0039 | 15-Aug-23 | 5.30 | 11.750% | 121.36 | 6.86% | 121.02 | 33.8 |
| FR0070 | 15-Mar-24 | 5.89 | 8.375% | 107.22 | 6.86% | 106.97 | 25.3 |
| FR0044 | 15-Sep-24 | 6.39 | 10.000% | 115.44 | 6.96% | 115.05 | 38.8 |
| FR0040 | 15-Sep-25 | 7.39 | 11.000% | 122.54 | 7.03% | 123.85 | -131.1 |
| FR0037 | 15-Sep-26 | 8.39 | 12.000% | 130.60 | 7.09% | 130.13 | 46.6 |
| FR0056 | 15-Sep-26 | 8.39 | 8.375% | 107.98 | 7.09% | 107.64 | 33.8 |
| FR0059 | 15-May-27 | 9.05 | 7.000% | 99.85 | 7.02% | 99.08 | 77.1 |
| FR0042 | 15-Jul-27 | 9.22 | 10.250% | 120.30 | 7.19% | 120.20 | 10.1 |
| FR0047 | 15-Feb-28 | 9.81 | 10.000% | 119.39 | 7.20% | 122.43 | -304.1 |
| FR0064 | 15-May-28 | 10.06 | 6.125% | 93.83 | 6.99% | 93.05 | 78.2 |
| FR0071 | 15-Mar-29 | 10.89 | 9.000% | 112.66 | 7.29% | 112.46 | 19.2 |
| FR0052 | 15-Aug-30 | 12.31 | 10.500% | 125.10 | 7.36% | 125.11 | -1.1 |
| FR0073 | 15-May-31 | 13.06 | 8.750% | 111.95 | 7.31% | 110.95 | 100.3 |
| FR0054 | 15-Jul-31 | 13.22 | 9.500% | 117.24 | 7.43% | 117.24 | 0.0 |
| FR0058 | 15-Jun-32 | 14.15 | 8.250% | 107.62 | 7.37% | 106.85 | 77.0 |
| FR0074 | 15-Aug-32 | 14.31 | 7.500% | 101.20 | 7.36% | 100.51 | 68.4 |
| FR0065 | 15-May-33 | 15.06 | 6.625% | 94.66 | 7.21% | 93.87 | 78.7 |
| FR0068 | 15-Mar-34 | 15.89 | 8.375% | 108.80 | 7.42% | 108.34 | 46.6 |
| FR0072 | 15-May-36 | 18.06 | 8.250% | 106.72 | 7.56% | 105.99 | 72.5 |
| FR0045 | 15-May-37 | 19.06 | 9.750% | 123.10 | 7.46% | 123.104 | 0.0 |
| FR0075 | 15-May-38 | 138.47 | 7.500% | 99.92 | 7.51% | 99.13 | 78.2 |
| FR0050 | 15-Jul-38 | 20.23 | 10.500% | 129.09 | 7.65% | 129.09 | 0.0 |
| FR0057 | 15-May-41 | 23.07 | 9.500% | 119.46 | 7.69% | 120.32 | -86.4 |
| FR0062 | 15-Apr-42 | 23.98 | 6.375% | 86.44 | 7.61% | 86.44 | 0.0 |
| FR0067 | 15-Jul-43 | 25.23 | 8.750% | 112.29 | 7.65% | 112.22 | 6.4 |
| FR0076 | 15-May-48 | 30.07 | 7.375% | 99.32 | 7.39% | 100.47 | -114.7 |

Source: Bloomberg, IBPA & MCS Estimates

April 30, 2018

Macroeconomic Indicator Calendar (April, 30 - May, 04 2018)

INDONESIA

| Date | Indicator | Series Data | Actual | Previous | Projection |
|------|---------------------------|-------------|--------|----------|------------|
| 30 | M2 Money Supply (YoY) | Mar-18 | - | 8.3% | - |
| 02 | Inflation Rate (YoY) | Apr-18 | - | 3.40% | 3.52% |
| 02 | Core Inflation Rate (YoY) | Apr-18 | - | 2.67% | 2.66% |
| 04 | Consumer Confidence | Apr-18 | - | 121.6 | 122.6 |

GLOBAL

| Date | Indicator | Country | Series Data | Actual | Previous | Projection |
|------|------------------------------|-----------|------------------------------------|--------|--------------------|--------------------|
| 30 | NBS Manufacturing PMI | China | Apr-18 | - | 51.5 | 51.3 |
| 30 | Inflation Rate Prelim. (YoY) | Germany | Apr-18 | - | 1.6% | 1.6% |
| 01 | ISM Manufacturing PMI | US | Apr-18 | - | 59.3 | 58.6 |
| 02 | Crude Oil Inventory | US | <i>Week Ended, April 27 - 2018</i> | - | 2.2 million barrel | 0.1 million barrel |
| 02 | ADP Employment Change | US | Apr-18 | - | 241 thousand | 200 thousand |
| 02 | Unemployment Rate | Euro Area | Mar-18 | - | 8.5% | 8.5% |
| 02 | GDP Growth Rate Flash (YoY) | Euro Area | Quarter I | - | 2.7% | 2.8% |
| 03 | Continuing Jobless Claims | US | <i>Week Ended, April 21- 2018</i> | - | 1837 thousand | 1829 thousand |
| 03 | Initial Jobless Claims | US | <i>Week Ended, April 28 -2018</i> | - | 209 thousand | 220 thousand |
| 03 | The Fed Interest Rate | US | - | - | 1.75% | 1.75% |
| 03 | Balance of Trade | US | Mar-18 | - | -57.6 billion USD | -56.7 billion USD |
| 04 | Unemployment Rate | US | Apr-18 | - | 4.1% | 4.0% |
| 04 | Non-Farm Payrolls | US | Apr-18 | - | 103 thousand | 198 thousand |

Source: Tradingeconomics and Bloomberg (2018)

April 30, 2018

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 |
| Cicah Sukaesih | cicah@megasekuritas.id | Debt Sales |
| Emilda Mardiyanti | emilda.mardiyanti@megasekuritas.id | Debt Sales |
| Ajeng Palupi P. | palupi@megasekuritas.id | Debt Sales |
| Qolbie Ardie | qolbie@megasekuritas.id | Economist & Fixed Income Analyst |
| Siti Maulina M. | siti.maulina@megasekuritas.id | Administrative Assistant |

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