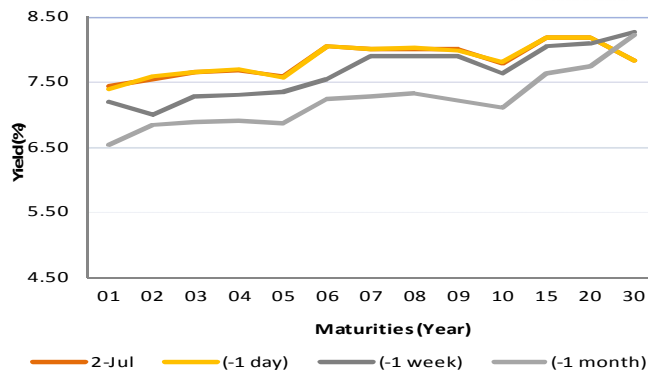


Indonesia Government Bonds Yield

Maturities (Year)	2-Jul	(-1 day)	(-1 week)	(-1 month)
01	7.42	7.39	7.19	6.54
02	7.54	7.58	7.01	6.84
03	7.64	7.65	7.28	6.89
04	7.66	7.69	7.30	6.91
05	7.59	7.57	7.35	6.86
06	8.04	8.04	7.54	7.23
07	8.00	8.01	7.89	7.29
08	8.00	8.02	7.90	7.33
09	8.00	7.98	7.89	7.21
10	7.79	7.80	7.62	7.11
15	8.19	8.17	8.06	7.63
20	8.19	8.17	8.09	7.74
30	7.82	7.82	8.27	8.23

Source: Bloomberg



Global Market Update

- At Monday, July 02 2018, US Treasury yield rose to 2.87% because of US manufacture data that better-than-expected. On the other side, global benchmark bond yield move varied, 10-years UK gilt yield climbed down to 1.25%, while 10-years German Bund yield flat at 0.30%.
- Yield US Treasury pada hari Senin, 02 Juli 2018 ditutup naik ke level 2,87% akibat data manufaktur AS yang lebih tinggi dibandingkan ekspektasi. Dari pasar obligasi global, yield acuan global ditutup bervariasi, terlihat dari yield 10 tahun UK Gilt yang ditutup turun ke level 1,25%, sementara yield 10 tahun German Bund ditutup datar di level 0,30%.

Domestic Market Update

- Indonesia inflation in June reached 0.59% (MoM) and 3.12% (YoY). This inflation is the lowest inflation when Idul Fitri event occurred in the last 5 years. Last 2 year, inflation when Idul Fitri event reached 0.69% and 0.93% (MoM). According to Head of Statistic Indonesia, Suhariyanto, low inflation means that government succeed in regulating market price of volatile goods.
- Today, July 03 2018, Government will issue IDR10—15 trillion of government securities. There are 5 auctioned government securities with predicted yield; SPN12181004 (5.50%-5.60%), SPN12190704 (5.90%-6.00%), FR0063 (7.47%-7.52%), FR0065(8.09%-8.14%), and FR0075 (8.08%-8.13%). Meanwhile, predicted incoming bids is IDR 20-35 trillion.
- Today, Government bond prices on the secondary market are likely to weaken moderately which is pushed by higher US yield. Rupiah will be ranging from IDR 14,314—14,370 and yield of 10 year benchmark bond (FR0064) will be ranging from 7.71% - 7.77%.
- Inflasi Indonesia pada bulan Juni 2018 tercatat sebesar 0,59% (MoM) dan 3,12% (YoY). Tingkat inflasi ini merupakan tingkat inflasi terendah saat hari raya Idul Fitri sejak 5 tahun terakhir. Tahun lalu, tingkat inflasi saat lebaran mencapai 0,69% (MoM) dan pada tahun 2015 mencapai 0,93% (MoM). Menurut kepala BPS, Suhariyanto, penurunan ini disebabkan keberhasilan pemerintah dalam mengatur harga-harga.
- Pada hari ini, Selasa, 03 Juli 2018, pemerintah akan mengadakan lelang Surat Utang Negara (SUN) dengan target indikatif Rp 10-15 triliun. Adapun seri SUN yang akan dilelang dengan indikasi yield ialah SPN12181004 (5,50%-5,60%), SPN12190704 (5,90%-6,00%), FR0063 (7,47%-7,52%), FR0065(8,09%-8,14%), dan FR0075 (8,08%-8,13%). Perkiraan incoming bids adalah Rp 20-35 triliun.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung melemah terbatas akibat naiknya tingkat yield AS. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp 14.314 – Rp14.370 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,71% - 7,77%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
SPN12190314	96.20	5.65	1295
FR0072	100.75	8.17	1047
FR0059	94.80	7.82	1017
FR0070	101.85	7.96	876
FR0069	100.46	7.24	789
FR0075	96.00	7.90	667
FR0048	100.51	6.19	667
PBS013	99.74	6.55	664
FR0068	99.95	8.38	652
FR0064	88.97	7.74	620

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BVIC01BCN2	idA-	100.05	10.29	145
NISP02ACN2	idAAA	99.70	8.92	140
NISP02ACN3	idAAA	99.60	7.03	110
BNGA02ACN2	idAAA	100.07	6.56	100
SMADMFO3ACN2	idAAA(sy)	98.90	7.64	93
BBIA01SBCN1	AAA(idn)	100.02	9.39	80
BEXI02CCN5	idAAA	100.71	9.14	66
ASDF04ACN1	AAA(idn)	98.85	7.40	45
ISAT01ECN4	idAAA	98.15	9.48	42
ADMFO2CCN3	idAAA	103.00	7.12	40

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5747	-52.47	-0.90%	-9.58%
Malaysia (KLCI)	1685	-6.45	-0.38%	-6.22%
Thailand (SET)	1607	11.69	0.73%	-8.35%
Singapore (STI)	3239	-29.76	-0.91%	-4.8%
Hang Seng	28955	0.00	0.00%	-3.2%
Nikkei 225	21812	-492.58	-2.21%	-4.19%
Shanghai	2776	-71.86	-2.52%	-16.07%
Dow Jones (DJIA)	24307	35.77	0.15%	-1.67%
London (FTSE 100)	7548	-89.08	-1.17%	-1.82%
DAX	12238	-67.83	-0.55%	-5.3%

FX Rate	2-Jul		
	2-Jul	(-1 day)	(-1 week)
USD/IDR	14,342	14,268	14,130
GBP/USD	1.314	1.321	1.328
USD/JPY	110.9	110.8	109.8
USD/SGD	1.369	1.363	1.362
USD/THB	33.17	33.03	32.93
USD/MYR	4.040	4.032	4.018

Macroeconomic Data	Jun-18	May-18	Apr-18
Consumer Price Index (MoM)		0.21	0.10
Consumer Price Index (YoY)		3.23	3.41
Core Inflation (YoY)		2.75	2.69
BI 7-Day RR Rate (%)		4.75	4.25
Foreign Reserve (US\$ Bn)		122.9	124.9

Indonesia Sovereign CDS	2-year	5-year	10-year
As of 2-Jul	55.49	141.59	229.73
(-1 Day)	53.24	136.07	219.68
(-1 Week)	50.85	135.84	214.37
(-1 Month)	48.87	122.68	201.78
(-1 Year)	46.20	117.15	185.09

Global Bonds	2-Jul			
	2-Jul	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & US T-Bonds Yield				
Fed Fund Rate	2.00	2.00	2.00	1.75
2-Year	2.549	2.567	2.54	2.46
5-Year	2.889	2.937	2.84	2.80
10-Year	2.872	2.86	2.88	2.94
30-Year	3.20	3.25	3.11	3.15
10-Year Government Bond Yield				
UK	1.252	1.277	1.29	1.30
Germany	0.302	0.300	0.33	0.42
France	0.65	0.66	0.71	0.72
China	3.46	3.48	3.59	3.65
Japan	0.020	0.029	0.03	0.05
Korea	2.73	2.73	2.73	2.72
Thailand	2.57	2.58	2.62	2.60
Malaysia	4.20	4.20	4.21	4.18
Singapore	2.48	2.52	2.53	2.56
Indonesia USD Bond Yield				
INDO-22	3.94	3.94	3.96	3.89
INDO-27	4.51	4.51	4.45	4.36
INDO-47	5.21	5.21	5.19	5.10

Money Market	2-Jul			
	2-Jul	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	4.78	4.49	4.45	4.31
1M	7.09	6.96	6.88	6.96
3M	7.26	7.10	7.09	7.09
LIBOR				
1M	2.09	2.09	2.10	2.01
3M	2.34	2.34	2.34	2.31
6M	2.50	2.50	2.50	2.48
Indonesia Interest Rates				
Deposit 1M	5.65	5.65	5.65	5.59
Lending	13.7	13.6	13.5	13.3

Benchmark	2-Jul	(-1 day)	Change	Yield
FR0061	98.23	97.86	37	7.53%
FR0059	94.13	94.43	-30	7.93%
FR0074	93.61	92.76	85	8.27%
FR0072	98.53	98.13	40	8.41%

Government Bond Ownership As of June 28, 2018 (in Trillion)

Holders	2013	2014	2015	2016	2017	25-Jun-18	26-Jun-18	27-Jun-18	28-Jun-18
Banks	335.43	375.55	350.07	399.46	491.61	389.27	390.00	412.74	421.51
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	278.72	278.61	255.65	247.32
Mutual Fund	42.50	45.79	61.60	85.66	104.00	111.8	111.6	111.6	111.2
Insurance	129.55	150.60	171.62	238.24	150.80	172.4	172.4	172.4	172.7
Foreign Investor	323.83	461.35	558.52	665.81	836.15	835.66	835.08	835.30	834.33
Pension Fund	39.47	43.30	49.83	87.28	198.06	217.64	217.72	217.72	218.38
Individual Investors	32.48	30.41	42.53	57.75	59.84	61.83	61.89	61.89	61.89
Others	47.56	61.32	78.76	104.84	117.48	129.44	129.46	129.46	129.48
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,196.76	2,196.76	2,196.76	2,196.92

Source: Bloomberg, IDX & DJPPR

July 03, 2018

Government Bonds Prices

Closing Price Data : 2-Jul-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0032	15-Jul-18	0.04	15.000%	100.36	3.86%	100.36	0.0
FR0038	15-Aug-18	0.12	11.600%	101.03	2.99%	101.03	0.0
FR0048	15-Sep-18	0.21	9.000%	100.50	6.30%	100.57	-7.8
FR0069	15-Apr-19	0.79	7.875%	100.52	7.16%	100.52	-0.1
FR0036	15-Sep-19	1.21	11.500%	104.93	7.11%	104.73	20.3
FR0031	15-Nov-20	2.38	11.000%	107.63	7.42%	107.38	25.0
FR0034	15-Jun-21	2.96	12.800%	113.93	7.45%	113.84	8.3
FR0053	15-Jul-21	3.04	8.250%	101.85	7.55%	101.83	2.5
FR0061	15-May-22	3.87	7.000%	98.23	7.53%	97.86	37.2
FR0035	15-Jun-22	3.96	12.900%	118.91	7.32%	118.91	0.0
FR0043	15-Jul-22	4.04	10.250%	109.07	7.59%	109.24	-16.9
FR0063	15-May-23	4.87	5.625%	92.48	7.50%	92.40	8.5
FR0046	15-Jul-23	5.04	9.500%	108.50	7.44%	108.50	0.0
FR0039	15-Aug-23	5.12	11.750%	115.96	7.89%	115.96	0.0
FR0070	15-Mar-24	5.71	8.375%	101.57	8.02%	101.57	0.0
FR0044	15-Sep-24	6.21	10.000%	109.40	8.04%	109.40	0.0
FR0040	15-Sep-25	7.21	11.000%	116.61	7.92%	115.76	84.9
FR0037	15-Sep-26	8.21	12.000%	122.56	8.17%	122.56	0.0
FR0056	15-Sep-26	8.21	8.375%	102.69	7.92%	102.76	-7.7
FR0059	15-May-27	8.87	7.000%	94.13	7.93%	94.43	-30.3
FR0042	15-Jul-27	9.04	10.250%	113.97	8.04%	113.97	0.0
FR0047	15-Feb-28	9.63	10.000%	111.93	8.18%	111.93	0.0
FR0064	15-May-28	9.88	6.125%	88.98	7.74%	88.77	21.1
FR0071	15-Mar-29	10.71	9.000%	106.53	8.07%	106.12	40.8
FR0052	15-Aug-30	12.13	10.500%	116.66	8.29%	116.66	0.0
FR0073	15-May-31	12.88	8.750%	104.18	8.22%	102.95	122.4
FR0054	15-Jul-31	13.04	9.500%	109.93	8.24%	109.71	22.0
FR0058	15-Jun-32	13.96	8.250%	99.97	8.25%	99.97	0.0
FR0074	15-Aug-32	14.13	7.500%	93.61	8.27%	92.76	84.6
FR0065	15-May-33	14.88	6.625%	87.08	8.14%	86.70	37.6
FR0068	15-Mar-34	15.71	8.375%	99.78	8.40%	100.23	-44.8
FR0072	15-May-36	17.88	8.250%	98.53	8.41%	98.13	39.9
FR0045	15-May-37	18.88	9.750%	116.00	8.35%	113.15	285.0
FR0075	15-May-38	138.47	7.500%	93.90	8.12%	93.97	-6.7
FR0050	15-Jul-38	20.05	10.500%	122.50	8.19%	122.00	50.0
FR0057	15-May-41	22.88	9.500%	110.94	8.41%	111.17	-22.6
FR0062	15-Apr-42	23.80	6.375%	79.57	8.37%	79.57	0.0
FR0067	15-Jul-43	25.05	8.750%	103.23	8.44%	103.50	-27.0
FR0076	15-May-48	29.89	7.375%	95.14	8.30%	92.72	241.3

Source: Bloomberg, IBPA & MCS Estimates

Macroeconomic Indicator Calendar (July, 02 - 05 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
02	Inflation Rate (MoM)	Jun-18	0.59%	0.21%	0.44%
02	Inflation Rate (YoY)	Jun-18	3.12%	3.23%	3.30%
02	Core Inflation Rate (YoY)	Jun-18	2.72%	2.75%	2.72%
04	M2 Money Supply	May-18	-	7.4%	-

GLOBAL

Date	Indicator	Country	Series Data	Actual	Previous	Projection
02	Unemployment Rate	Euro Area	May-18	8.4%	8.4%	8.5%
02	ISM Manufacturing PMI	US	Jun-18	60.2	58.7	57.0
03	Factory Orders (MoM)	US	May-18	-	-0.8%	-0.2%
04	Markit Composite PMI Final	Euro Area	Jun-18	-	54.1	54.8
04	Crude Oil Inventory	US	Week Ended, June 29 - 2018	-	-9.89 million barrel	-2.0 million barrel
05	ADP Employment Change	US	Jun-18	-	178 thousand	190 thousand
05	ISM Non-Manufacturing PMI	US	Jun-18	-	58.6	56.0
05	Initial Jobless Claims	US	Week Ended, June 30-2018	-	227 thousand	225 thousand
05	Continuing Jobless Claims	US	Week Ended, June 23- 2018	-	1705 thousand	1707 thousand
06	Balance of Trade	US	May-18	-	USD -46.2 billion	USD -45.5 billion
06	Non-Farm Payrolls	US	Jun-18	-	223 thousand	178 thousand
06	Unemployment Rate	US	Jun-18	-	3.8%	3.8%

Source: Tradingeconomics and Bloomberg (2018)

July 03, 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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