

July 04, 2018

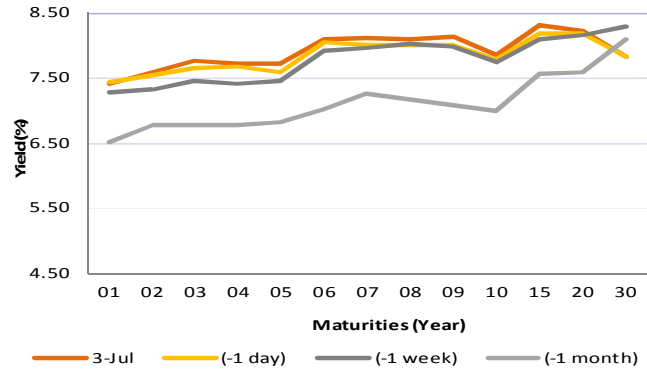
Fixed Income Daily Notes



Indonesia Government Bonds Yield

Maturities (Year)	3-Jul	(-1 day)	(-1 week)	(-1 month)
01	7.41	7.42	7.27	6.52
02	7.59	7.54	7.33	6.77
03	7.75	7.64	7.45	6.77
04	7.73	7.66	7.42	6.78
05	7.71	7.59	7.45	6.83
06	8.08	8.04	7.92	7.03
07	8.11	8.00	7.97	7.27
08	8.08	8.00	8.02	7.18
09	8.14	8.00	7.98	7.07
10	7.85	7.79	7.73	6.99
15	8.31	8.19	8.10	7.56
20	8.22	8.19	8.15	7.58
30	7.82	7.82	8.30	8.09

Source: Bloomberg



Global Market Update

- At Tuesday, July 03 2018, US Treasury yield fell to 2.83% after higher tension of trade wars occurred because US president, Donald Trump, finalize tariff policy for Chinese goods, which would be implemented next Friday. Majority of global benchmark bond yield move downward, 10-years UK gilt yield climbed down to 1.24%, while 10-years German Bund yield fell to 0.29%.
- Yield US Treasury pada hari Selasa, 03 Juli 2018 ditutup turun ke level 2,83% akibat tensi perang dagang yang tinggi setelah presiden AS, Donald Trump, melakukan finalisasi pengenaan tarif kepada barang Tiongkok yang mulai berlaku Jum'at besok. Dari pasar obligasi global, mayoritas yield acuan global ditutup turun, terlihat dari yield 10 tahun UK Gilt yang ditutup turun ke level 1,24% dan yield 10 tahun German Bund yang ditutup turun ke level 0,29%.

Domestic Market Update

- Yesterday, July 03 2018, The government absorbed IDR 11.32 trillion in the last government securities (SUN) auction from total incoming bids IDR 21.47 trillion. The absorbed amount was above government's indicative target, IDR 10 trillion. Moreover, incoming bids posted lower level than last auction, IDR 31.48 trillion. Meanwhile, SPN12181004 became the most interesting series in the auction with an incoming bids IDR 7.25 trillion.
- Kemarin, 03 Juli 2018, pemerintah berhasil menyerap Rp 11,32 triliun dana dari investor dalam lelang Surat Utang Negara (SUN) kemarin dengan tingkat penawaran yang masuk (incoming bids) mencapai Rp 21,47 triliun. Jumlah dana yang diserap berada di atas target indikatif pemerintah sebesar Rp 10 triliun. Jumlah incoming bids pada lelang kemarin jauh lebih rendah dibandingkan dengan lelang SUN sebelumnya yang mencapai Rp 31,48 triliun. Seri SPN12181004 menjadi seri yang paling banyak diminati oleh investor dengan tingkat penawaran yang masuk mencapai Rp 7,25 triliun.
- Today, Government bond prices on the secondary market are likely to strengthen, which is pushed by lower US yield. Rupiah will be ranging from IDR 14,312—14,360 and yield of 10 year benchmark bond (FR0064) will be ranging from 7.72% - 7.77%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung menguat akibat turunnya tingkat yield AS. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp 14.312 – Rp14.360 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,72% - 7,77%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0065	86.24	8.25	1844
FR0072	100.00	8.25	1456
FR0059	93.25	8.08	1410
FR0056	102.00	8.03	1340
FR0069	100.54	7.13	1325
SPN12181004	98.64	5.55	1113
SPN12190104	96.84	6.50	1050
FR0074	95.35	8.06	960
PBS016	98.77	7.02	786
FR0063	91.75	7.69	754

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
NISP02ACN3	idAAA	99.72	6.82	312
BNII02BCN1	idAAA	97.55	9.03	160
SMBNII01CN2	idAAA(sy)	100.78	8.15	120
SMFP03BCN5	idAAA	100.83	7.28	114
FIFA03ACN2	idAAA	99.80	7.20	100
SMADMFO3ACN1	idAAA(sy)	99.72	6.15	86
ASDF03BCN3	AAA(idn)	101.00	7.85	80
BBIA01CCN1	AAA(idn)	100.02	8.24	60
PNBN03SBCN1	idA+	100.00	9.50	51
IFFF01A	idAAA	101.04	7.20	40

Global Stock Marketss	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5634	-112.83	-1.96%	-11.36%
Malaysia (KLCI)	1680	-4.68	-0.28%	-6.48%
Thailand (SET)	1627	19.35	1.20%	-7.25%
Singapore (STI)	3236	-3.04	-0.09%	-4.9%
Hang Seng	28546	-409.54	-1.41%	-4.6%
Nikkei 225	21786	-26.39	-0.12%	-4.30%
Shanghai	2787	11.33	0.41%	-15.73%
Dow Jones (DJIA)	24175	-132.36	-0.54%	-2.20%
London (FTSE 100)	7593	45.44	0.60%	-1.23%
DAX	12349	110.97	0.91%	-4.4%

Global Bonds	3-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	2.832	2.87	2.88	2.93
30-Year	3.20	3.25	3.11	3.15
10-Year Government Bond Yield				
UK	1.241	1.252	1.30	1.28
Germany	0.292	0.302	0.34	0.37
France	0.64	0.65	0.74	0.69
China	3.50	3.46	3.58	3.67
Japan	0.020	0.020	0.03	0.05
Korea	2.73	2.73	2.73	2.72
Thailand	2.56	2.57	2.58	2.54
Malaysia	4.20	4.20	4.21	4.18
Singapore	2.48	2.48	2.56	2.56
Indonesia USD Bond Yield				
INDO-22	3.94	3.94	3.98	3.94
INDO-27	4.52	4.51	4.49	4.40
INDO-47	5.23	5.21	5.21	5.14

FX Rate	3-Jul	(-1 day)	(-1 week)
USD/IDR	14,360	14,342	14,205
GBP/USD	1.319	1.314	1.323
USD/JPY	110.6	110.9	110.1
USD/SGD	1.365	1.369	1.363
USD/THB	33.15	33.17	33.03
USD/MYR	4.042	4.040	4.023

Macroeconomic Data	Jun-18	May-18	Apr-18
Consumer Price Index (MoM)	0.59	0.21	0.10
Consumer Price Index (YoY)	3.12	3.23	3.41
Core Inflation (YoY)	2.72	2.75	2.69
BI 7-Day RR Rate (%)	5.25	4.75	4.25
Foreign Reserve (US\$ Bn)		122.9	124.9

Indonesia Sovereign CDS	2-year	5-year	10-year
As of			
3-Jul	53.50	136.45	220.09
(-1 Day)	55.49	141.59	226.73
(-1 Week)	50.36	134.50	212.67
(-1 Month)	47.27	122.84	200.05
(-1 Year)	46.73	118.43	186.63

Money Market	3-Jul	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	4.79	4.78	4.42	4.30
1M	7.14	7.09	6.89	7.01
3M	7.31	7.26	7.10	7.13
LIBOR				
1M	2.10	2.10	2.10	2.02
3M	2.34	2.34	2.34	2.32
6M	2.51	2.51	2.50	2.48
Indonesia Interest Rates				
Deposit 1M	5.64	5.65	5.65	5.66
Lending	14.3	13.7	13.6	13.7

Benchmark	3-Jul	(-1 day)	Change	Yield
FR0061	97.92	98.23	-31	7.63%
FR0059	93.31	94.13	-82	8.07%
FR0074	92.92	93.61	-69	8.36%
FR0072	98.10	98.53	-43	8.46%

Government Bond Ownership As of June 29, 2018 (in Trillion)

Holders	2013	2014	2015	2016	2017	26-Jun-18	27-Jun-18	28-Jun-18	29-Jun-18
Banks	335.43	375.55	350.07	399.46	491.61	390.00	412.74	421.51	461.15
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	278.61	255.65	247.32	210.04
Mutual Fund	42.50	45.79	61.60	85.66	104.00	111.6	111.6	111.2	111.4
Insurance	129.55	150.60	171.62	238.24	150.80	172.4	172.4	172.7	172.8
Foreign Investor	323.83	461.35	558.52	665.81	836.15	835.08	835.30	834.33	830.17
Pension Fund	39.47	43.30	49.83	87.28	198.06	217.72	217.72	218.38	219.41
Individual Investors	32.48	30.41	42.53	57.75	59.84	61.89	61.89	61.89	61.94
Others	47.56	61.32	78.76	104.84	117.48	129.46	129.46	129.48	130.02
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,196.76	2,196.76	2,196.92	2,196.92

Source: Bloomberg, IDX & DJPPR

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Government Bonds Prices

Closing Price Data : 3-Jul-2018

Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0032	15-Jul-18	0.03	15.000%	100.49	-2.61%	100.36	13.2
FR0038	15-Aug-18	0.12	11.600%	101.03	2.99%	101.03	0.0
FR0048	15-Sep-18	0.20	9.000%	100.46	6.45%	100.50	-3.8
FR0069	15-Apr-19	0.78	7.875%	100.52	7.16%	100.52	0.1
FR0036	15-Sep-19	1.20	11.500%	104.85	7.18%	104.93	-8.8
FR0031	15-Nov-20	2.37	11.000%	107.52	7.46%	107.63	-10.6
FR0034	15-Jun-21	2.95	12.800%	113.71	7.52%	113.93	-21.4
FR0053	15-Jul-21	3.04	8.250%	101.81	7.57%	101.85	-4.2
FR0061	15-May-22	3.87	7.000%	97.92	7.63%	98.23	-30.9
FR0035	15-Jun-22	3.95	12.900%	118.91	7.32%	118.91	0.0
FR0043	15-Jul-22	4.04	10.250%	109.07	7.59%	109.07	-0.6
FR0063	15-May-23	4.87	5.625%	92.06	7.61%	92.48	-42.0
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	5.70	8.375%	101.57	8.02%	101.57	0.0
FR0044	15-Sep-24	6.21	10.000%	109.91	7.94%	109.40	50.9
FR0040	15-Sep-25	7.21	11.000%	116.31	7.97%	116.61	-30.1
FR0037	15-Sep-26	8.21	12.000%	123.30	8.06%	122.56	73.3
FR0056	15-Sep-26	8.21	8.375%	102.20	8.00%	102.69	-49.0
FR0059	15-May-27	8.87	7.000%	93.31	8.07%	94.13	-82.0
FR0042	15-Jul-27	9.04	10.250%	114.01	8.04%	113.97	4.0
FR0047	15-Feb-28	9.63	10.000%	111.93	8.18%	111.93	0.0
FR0064	15-May-28	9.87	6.125%	88.78	7.77%	88.98	-20.4
FR0071	15-Mar-29	10.71	9.000%	106.05	8.14%	106.53	-47.7
FR0052	15-Aug-30	12.13	10.500%	116.66	8.29%	116.66	0.0
FR0073	15-May-31	12.87	8.750%	103.71	8.27%	104.18	-46.3
FR0054	15-Jul-31	13.04	9.500%	109.60	8.28%	109.93	-33.3
FR0058	15-Jun-32	13.96	8.250%	99.97	8.25%	99.97	0.0
FR0074	15-Aug-32	14.13	7.500%	92.92	8.36%	93.61	-69.2
FR0065	15-May-33	14.88	6.625%	86.10	8.27%	87.08	-97.7
FR0068	15-Mar-34	15.71	8.375%	99.24	8.46%	99.78	-54.4
FR0072	15-May-36	17.88	8.250%	98.10	8.46%	98.53	-43.2
FR0045	15-May-37	18.88	9.750%	127.03	8.08%	116	1102.5
FR0075	15-May-38	138.47	7.500%	93.51	8.17%	93.90	-39.4
FR0050	15-Jul-38	20.05	10.500%	122.50	8.19%	122.50	0.0
FR0057	15-May-41	22.88	9.500%	110.61	8.44%	110.94	-33.1
FR0062	15-Apr-42	23.80	6.375%	79.57	8.37%	79.57	0.0
FR0067	15-Jul-43	25.05	8.750%	103.01	8.46%	103.23	-22.0
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	0.4%	-0.4%	-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%

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