

July 16, 2018

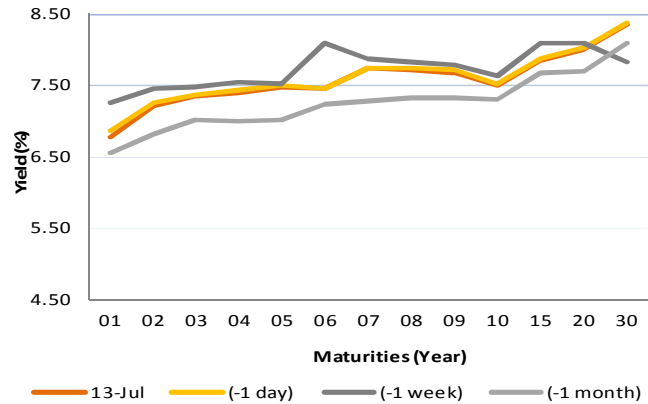
Fixed Income Daily Notes



Indonesia Government Bonds Yield

Maturities (Year)	13-Jul	(-1 day)	(-1 week)	(-1 month)
01	6.77	6.86	7.25	6.56
02	7.21	7.25	7.45	6.82
03	7.35	7.36	7.47	7.02
04	7.39	7.44	7.55	6.99
05	7.47	7.49	7.53	7.02
06	7.45	7.45	8.08	7.23
07	7.74	7.75	7.88	7.28
08	7.72	7.74	7.83	7.32
09	7.67	7.72	7.78	7.33
10	7.49	7.53	7.63	7.30
15	7.84	7.88	8.09	7.68
20	8.00	8.03	8.09	7.70
30	8.35	8.37	7.82	8.10

Source: Bloomberg



Global Market Update

- At Friday, July 13, US treasury yield fell to 2.83% because higher tension between US and European countries. Majority of global benchmark bond yield also moved downward, indicated by 10-years UK gilt fell to 1.27% and 10-years German bund yield move downward to 0.34%.
- Yield US Treasury pada hari Jum'at, 13 Juli 2018 ditutup turun ke level 2,83% akibat kenaikan tensi perang dagang global, tidak hanya terkait AS-Tiongkok, tapi juga dengan berkaitan dengan negara-negara Eropa. Dari pasar obligasi global, yield acuan global sebagian besar juga ditutup turun, terlihat dari yield 10 tahun UK Gilt yang ditutup turun ke level 1,27% dan yield 10 tahun German Bund ditutup turun ke level 0,34%.

Domestic Market Update

- After BI hiked 7DRR in the end of June, foreign investors gradually invested their fund in Indonesia. This was indicated by 7.1 trillion IDR increasing in bond market from July 2- 12 2018.
- Setelah BI menaikkan tingkat suku bunga, atau biasa disebut 7DRR, pada akhir Juni lalu, berangsur-angsur investor asing kembali ke Indonesia. Hal ini dibuktikan oleh masuknya dana asing di pasar obligasi sebesar Rp 7,1 triliun, pada periode 2 hingga 12 Juli 2018. Hal ini mengindikasikan bahwa pasar Indonesia kembali mulai diminati oleh investor-investor asing.
- At Tuesday, July 17 2018, Government will issue IDR 10—20 trillion of government securities. There are 5 auctioned government securities; SPN03181018 (New Issuance), SPN12190411 (Reopening), FR0063 (Reopening), FR0064 (Reopening), and FR0075 (Reopening).
- Pada hari Selasa, 17 Juli 2018, pemerintah akan mengadakan lelang Surat Utang Negara (SUN) atau Sukuk dengan target Rp 10-20 triliun. Adapun seri SUN yang akan dilelang ialah SPN03181018 (New Issuance), SPN12190411 (Reopening), FR0063 (Reopening), FR0064 (Reopening), dan FR0075 (Reopening).
- Today, Government bond prices on the secondary market are likely to strengthen moderately because of lower US yield, which will be restrained by deficit prediction of Indonesia Balance of Trade. Rupiah will be ranging from IDR 14,372—14,393 and yield of 10 year benchmark bond (FR0064) will be ranging from 7.38% - 7.48%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung menguat terbatas akibat turunnya yield AS yang dibatasi oleh dampak dari rilisnya data neraca perdagangan Indonesia pada hari ini, yang mana diperkirakan kembali mengalami defisit. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp14.372 – Rp14.393 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,38% - 7,48%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0064	91.00	7.43	1887
FR0063	93.00	7.37	1083
FR0069	100.85	6.67	850
FR0053	102.30	7.38	790
FR0056	104.65	7.60	688
FR0075	99.60	7.54	609
FR0065	89.75	7.80	575
FR0059	96.50	7.55	560
SPN12190314	96.04	6.27	540
FR0061	98.86	7.34	518

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
PNMP02ACN2	idA	100.00	8.00	1158
NISPO2ACN3	idAAA	99.50	7.41	185
BAFI02B	idAA	100.05	7.88	125
AMRTO2CN2	AA-(idn)	100.15	7.44	100
TBIG03CN1	AA-(idn)	100.52	8.30	40
SMFP04ACN3	idAAA	99.33	7.12	30
SMBEXI01ACN1	idAAA(sy)	101.07	6.15	27
NISPO3ACN1	idAAA	99.75	6.74	24
PNBN02SBCN2	idA+	100.00	10.25	24
WSKT03ACN2	A-(idn)	97.65	8.77	23

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (ICI)	5944	36.20	0.61%	-6.48%
Malaysia (KLCI)	1722	18.36	1.08%	-4.17%
Thailand (SET)	1644	2.59	0.16%	-6.28%
Singapore (STI)	3260	7.34	0.23%	-4.2%
Hang Seng	28525	44.61	0.16%	-4.7%
Nikkei 225	22597	409.39	1.85%	-0.74%
Shanghai	2831	-6.47	-0.23%	-14.39%
Dow Jones (DJIA)	25019	94.52	0.38%	1.21%
London (FTSE 100)	7662	10.54	0.14%	-0.34%
DAX	12541	47.76	0.38%	-2.9%

Global Bonds	13-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	2.55	2.526	2.51	2.49
5-Year	2.73	2.722	2.72	2.76
10-Year	2.85	2.85	2.83	2.94
30-Year	2.95	2.96	2.97	3.07
10-Year Government Bond Yield				
UK	1.271	1.281	1.266	1.325
Germany	0.338	0.355	0.29	0.40
France	0.62	0.64	0.64	0.73
China	3.48	3.51	3.52	3.61
Japan	0.035	0.035	0.026	0.030
Korea	2.73	2.73	2.73	2.73
Thailand	2.60	2.61	2.57	2.59
Malaysia	4.09	4.10	4.15	4.20
Singapore	2.45	2.42	2.40	2.59
Indonesia USD Bond Yield				
INDO-22	3.79	3.82	3.90	3.97
INDO-27	4.33	4.36	4.47	4.45
INDO-47	4.95	4.97	5.17	5.22

FX Rate	13-Jul	(-1 day)	(-1 week)
USD/IDR	14,372	14,329	14,342
GBP/USD	1.322	1.321	1.328
USD/JPY	112.4	112.6	110.4
USD/SGD	1.365	1.363	1.355
USD/THB	33.31	33.21	33.14
USD/MYR	4.052	4.034	4.040

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)	119.8	122.9	124.9

Indonesia Sovereign CDS	2-year	5-year	10-year
As of			
13-Jul	45.02	119.75	199.95
(-1 Day)	47.09	122.6	205.97
(-1 Week)	54.38	133.67	222.02
(-1 Month)	51.76	130.05	208.54
(-1 Year)	45.95	116.20	183.71

Money Market	13-Jul	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	4.98	4.97	4.92	6.06
1M	7.05	7.17	7.16	7.03
3M	7.31	7.34	7.33	7.16
LIBOR				
1M	2.09	2.09	2.09	2.05
3M	2.34	2.34	2.34	2.33
6M	2.51	2.51	2.50	2.49
Indonesia Interest Rates				
Deposit 1M	5.66	5.65	5.69	5.63
Lending	14.2	14.2	14.2	13.7

Benchmark	13-Jul	(-1 day)	Change	Yield
FR0061	98.96	98.83	13	7.31%
FR0059	96.04	95.89	16	7.62%
FR0074	95.81	95.60	21	8.00%
FR0072	101.77	101.83	-6	8.06%

Government Bond Ownership As of July 12, 2018 (in Trillion)

Holders	2013	2014	2015	2016	2017	9-Jul-18	10-Jul-18	11-Jul-18	12-Jul-18
Banks	335.43	375.55	350.07	399.46	491.61	542.07	528.80	531.67	533.47
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	136.08	144.41	137.98	137.59
Mutual Fund	42.50	45.79	61.60	85.66	104.00	111.4	112.3	112.5	112.3
Insurance	129.55	150.60	171.62	238.24	150.80	173.6	173.6	173.5	172.6
Foreign Investor	323.83	461.35	558.52	665.81	836.15	831.86	832.00	835.42	835.54
Pension Fund	39.47	43.30	49.83	87.28	198.06	220.47	220.42	220.45	220.65
Individual Investors	32.48	30.41	42.53	57.75	59.84	62.41	62.44	62.47	62.46
Others	47.56	61.32	78.76	104.84	117.48	131.33	131.33	131.31	131.32
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,209.24	2,205.24	2,205.24	2,205.94

Source: Bloomberg, IDX & DJPPR

July 16, 2018

Government Bonds Prices

Closing Price Data : 13-Jul-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0032	15-Jul-18	0.01	15.000%	100.30	-6.31%	100.30	0.0
FR0038	15-Aug-18	0.09	11.600%	100.59	4.02%	100.60	-1.4
FR0048	15-Sep-18	0.18	9.000%	100.51	5.70%	100.52	-1.1
FR0069	15-Apr-19	0.76	7.875%	100.97	6.51%	100.90	6.3
FR0036	15-Sep-19	1.18	11.500%	105.09	6.85%	105.01	7.6
FR0031	15-Nov-20	2.35	11.000%	108.20	7.11%	108.20	0.1
FR0034	15-Jun-21	2.93	12.800%	114.41	7.22%	114.41	0.1
FR0053	15-Jul-21	3.01	8.250%	102.59	7.27%	102.60	-0.4
FR0061	15-May-22	3.84	7.000%	98.96	7.31%	98.83	12.7
FR0035	15-Jun-22	3.93	12.900%	119.38	7.13%	119.38	0.0
FR0043	15-Jul-22	4.01	10.250%	109.33	7.50%	109.40	-6.7
FR0063	15-May-23	4.84	5.625%	92.90	7.40%	92.85	4.9
FR0046	15-Jul-23	5.01	9.500%	108.60	7.41%	108.50	10.2
FR0039	15-Aug-23	5.09	11.750%	117.54	7.53%	117.61	-7.6
FR0070	15-Mar-24	5.68	8.375%	104.55	7.38%	104.55	0.0
FR0044	15-Sep-24	6.18	10.000%	111.51	7.62%	111.32	18.8
FR0040	15-Sep-25	7.18	11.000%	117.96	7.69%	118.03	-7.1
FR0037	15-Sep-26	8.18	12.000%	125.80	7.68%	125.91	-11.8
FR0056	15-Sep-26	8.18	8.375%	104.28	7.66%	104.21	7.1
FR0059	15-May-27	8.84	7.000%	96.04	7.62%	95.89	15.7
FR0042	15-Jul-27	9.01	10.250%	116.40	7.69%	116.56	-15.8
FR0047	15-Feb-28	9.60	10.000%	115.11	7.74%	115.76	-64.5
FR0064	15-May-28	9.85	6.125%	90.88	7.45%	90.69	19.4
FR0071	15-Mar-29	10.68	9.000%	109.09	7.73%	109.16	-7.1
FR0052	15-Aug-30	12.10	10.500%	118.24	8.10%	118.24	0.0
FR0073	15-May-31	12.85	8.750%	106.35	7.95%	106.40	-5.4
FR0054	15-Jul-31	13.01	9.500%	111.83	8.02%	112.11	-28.2
FR0058	15-Jun-32	13.93	8.250%	101.75	8.04%	101.75	0.0
FR0074	15-Aug-32	14.10	7.500%	95.81	8.00%	95.60	21.2
FR0065	15-May-33	14.85	6.625%	89.75	7.80%	89.56	19.1
FR0068	15-Mar-34	15.68	8.375%	102.78	8.06%	102.70	8.2
FR0072	15-May-36	17.85	8.250%	101.77	8.06%	101.83	-6.1
FR0045	15-May-37	18.85	9.750%	114.23	8.24%	114.303	-7.4
FR0075	15-May-38	138.47	7.500%	95.30	7.97%	95.25	4.7
FR0050	15-Jul-38	20.02	10.500%	119.19	8.49%	119.19	0.0
FR0057	15-May-41	22.85	9.500%	110.81	8.42%	110.81	0.0
FR0062	15-Apr-42	23.77	6.375%	78.90	8.45%	78.84	5.2
FR0067	15-Jul-43	25.02	8.750%	103.06	8.46%	103.08	-1.9
FR0076	15-May-48	29.86	7.375%	90.98	8.37%	90.46	52.0

Source: Bloomberg, IBPA & MCS Estimates

July 16, 2018

Macroeconomic Indicator Calendar (July, 16 - 20 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
16	Balance of Trade	Jun-18	-	-1.52 billion USD	0.73 billion USD
16	Loan Growth (YoY)	Jun-18	-	10.26%	-
19	7-Days (Reverse) Repo Rate	-	-	5.25%	5.25%

GLOBAL

Date	Indicator	Country	Series Data	Actual	Previous	Projection
16	Economic Growth (YoY)	China	Quarter-II	-	6.8%	6.7%
16	Balance of Trade	Euro Area	May-18	-	16.7 billion EUR	23.6 billion EUR
16	Retail Sales (MoM)	US	Jun-18	-	0.8%	0.3%
17	Unemployment Rate	Great Britain	May-18	-	4.2%	4.3%
18	Inflation Rate (YoY)	Great Britain	Jun-18	-	2.4%	2.6%
18	Inflation Rate Final (YoY)	Euro Area	Jun-18	-	1.9%	2.0%
18	Crude Oil Inventory	US	Week Ended, July 13 - 2018	-	-12.6 million barrel	-1.9 million barrel
19	Balance of Trade	Japan	Jun-18	-	-578 billion JPY	315.7 billion JPY
19	Initial Jobless Claims	US	Week Ended, July 14-2018	-	214 thousand	217 thousand
19	Continuing Jobless Claims	US	Week Ended, July 07-2018	-	1739 thousand	1737 thousand
20	Inflation Rate (YoY)	Japan	Jun-18	-	0.7%	0.9%
20	Current Account	Euro Area	May-18	-	26.2 billion EUR	17.4 billion EUR

Source: Tradingeconomics and Bloomberg (2018)

July 16, 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
Cicik Sukaesih	cicik@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

DISCLAIMER

This Document is for information only and for the use of the recipient. It is not to be reproduced or copied or made available to others. Under no circumstances is it to be considered as an offer to sell or solicitation to buy any security. Any recommendation contained in this report may not be suitable for all investors and strictly a personal view and should not be used as a sole judgment for investment. Moreover, although the information contained herein has been obtained from sources believed to be reliable, its accuracy, completeness and reliability cannot be guaranteed. All rights reserved by PT Mega Capital Sekuritas.