

July 19, 2018

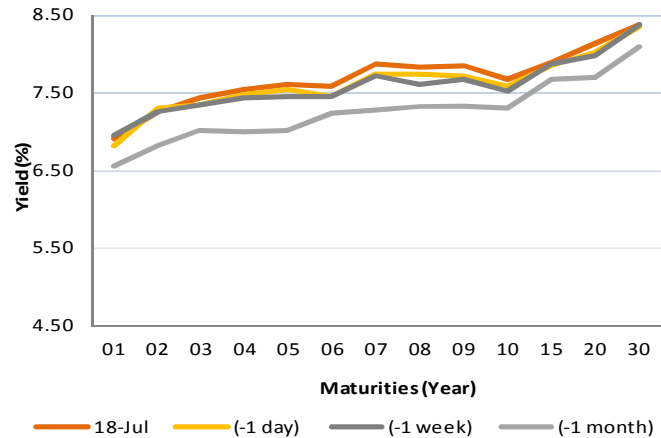
Fixed Income Daily Notes



Indonesia Government Bonds Yield

Maturities (Year)	18-Jul	(-1 day)	(-1 week)	(-1 month)
01	6.90	6.81	6.95	6.56
02	7.25	7.30	7.26	6.82
03	7.43	7.35	7.34	7.02
04	7.54	7.48	7.44	6.99
05	7.60	7.55	7.45	7.02
06	7.59	7.45	7.45	7.23
07	7.87	7.74	7.73	7.28
08	7.83	7.74	7.62	7.32
09	7.85	7.72	7.68	7.33
10	7.68	7.58	7.53	7.30
15	7.90	7.86	7.87	7.68
20	8.13	8.03	7.99	7.70
30	8.37	8.35	8.37	8.10

Source: Bloomberg



Global Market Update

- At Wednesday, July 18, US treasury yield rose to 2.87% because The Fed Beige Book report about inflation pressure. On the other side, global benchmark bond yield moved varied, indicated by 10-years UK gilt that fell to 1.23% and German Bund that flat at 0.34%.
- Yield US Treasury pada hari Rabu, 18 Juli 2018 ditutup mengalami kenaikan hingga ke level 2,87% akibat adanya laporan terkait tekanan inflasi dari The Fed. Di sisi lain, di pasar obligasi global, yield acuan global ditutup bervariasi, terlihat dari yield 10 tahun UK Gilt yang mengalami penurunan ke level 1,23% dan German Bund ditutup datar di level 0,34%.

Domestic Market Update

- Today, BI will announce the result of Governor Council Meeting (RDG), which reflected BI monetary policy ahead. BI was predicted to hold 7DRR at 5.25%. According to Bank Permata economist, Josua Pardede, after BI hike 7DRR last month, Rupiah were tend to less volatile. On the other side, inflation was also stable at 3.12% in June. Therefore, he stated that BI would not hike 7DRR this month because of Rupiah and inflation condition.
- Hari ini, Bank Indonesia (BI) akan mengumumkan hasil Rapat Dewan Gubernur (RDG) terkait kebijakan moneternya dalam 1 bulan ke depan. BI diprediksi akan menahan tingkat suku bunganya, atau biasa disebut 7-days Repo Rate (7DRR), pada level 5,25%. Menurut ekonom Bank Permata, Josua Pardede, setelah BI menaikkan tingkat suku bunga sebanyak 50 bps pada bulan lalu, volatilitas Rupiah berangsur-angsur mulai mereda. Tidak hanya itu, hingga saat ini, tingkat inflasi cenderung stabil di angka 3,12% pada bulan Juni. Oleh karena itu, mengingat stabilnya Rupiah dan inflasi, ia mengatakan bahwa kemungkinan besar BI akan mempertahankan tingkat suku bunganya pada bulan ini.
- Today, Government bond prices on the secondary market are likely to weaken because of higher US yield. Rupiah will be ranging from IDR 14,395—14,424 and yield of 10 year benchmark bond (FR0064) will be ranging from 7.60% - 7.66%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung melemah akibat naiknya yield AS. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp14.395 – Rp14.424 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,60% - 7,66%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0064	89.25	7.70	3057
FR0063	92.33	7.55	2997
FR0075	94.20	8.09	2482
FR0053	102.40	7.34	1239
FR0069	100.80	6.72	992
SPN12190131	97.03	5.73	710
FR0059	94.25	7.92	617
FR0070	103.75	7.54	499
SPNS07082018	99.79	5.20	441
FR0056	104.00	7.70	401

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
PNBN02CN3	idAA	97.39	8.29	80
FIFA03ACN2	idAAA	99.99	6.53	80
WSKT03BCN2	A-(idn)	98.39	8.68	65
BBRI01BCN3	idAAA	100.95	7.02	56
SMBNII01CN2	idAAA(sy)	100.08		55
WSKT03ACN1	A(idn)	93.27	11.48	51
SIEXCL01BCN1	AAA(idn)	101.36	5.81	42
ISAT02ACN3	idAAA	101.04	5.00	40
SMBEXI01ACN1	idAAA(sy)	101.07	5.19	31
BEXI02BCN6	idAAA	100.35	6.91	30

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5891	29.22	0.50%	-7.32%
Malaysia (KLCI)	1753	15.79	0.91%	-2.43%
Thailand (SET)	1636	9.78	0.60%	-6.72%
Singapore (STI)	3241	0.86	0.03%	-4.8%
Hang Seng	28117	-64.26	-0.23%	-6.0%
Nikkei 225	22794	96.83	0.43%	0.13%
Shanghai	2787	-10.87	-0.39%	-15.72%
Dow Jones (DJIA)	25199	79.40	0.32%	1.94%
London (FTSE 100)	7676	49.95	0.65%	-0.15%
DAX	12766	104.40	0.82%	-1.2%

Global Bonds	18-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	2.87	2.86	2.85	2.94
30-Year	2.95	2.96	2.97	3.07
10-Year Government Bond Yield				
UK	1.23	1.26	1.29	1.30
Germany	0.34	0.34	0.37	0.38
France	0.63	0.63	0.65	0.71
China	3.47	3.48	3.51	3.61
Japan	0.04	0.04	0.04	0.03
Korea	2.73	2.73	2.73	2.73
Thailand	2.75	2.74	2.59	2.64
Malaysia	4.09	4.11	4.09	4.22
Singapore	2.42	2.41	2.41	2.54
Indonesia USD Bond Yield				
INDO-22	3.74	3.77	3.82	3.97
INDO-27	4.26	4.27	4.37	4.46
INDO-47	4.90	4.92	5.02	5.19

FX Rate	18-Jul	(-1 day)	(-1 week)
USD/IDR	14,409	14,384	14,392
GBP/USD	1.307	1.312	1.321
USD/JPY	112.9	112.9	112.0
USD/SGD	1.365	1.365	1.364
USD/THB	33.31	33.31	33.34
USD/MYR	4.060	4.046	4.039

Money Market	18-Jul	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.00	5.00	4.96	4.32
1M	6.94	6.98	7.18	6.80
3M	7.23	7.24	7.35	7.06
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	5.67	5.68	5.52
Lending	13.8	13.7	14.4	13.4

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			
18-Jul	42.77	115.55	193.78
(-1 Day)	43.04	116.33	194.86
(-1 Week)	48.61	126.52	211.12
(-1 Month)	53.05	133.06	212.42
(-1 Year)	43.12	116.07	186.13

Benchmark	18-Jul	(-1 day)	Change	Yield
FR0061	98.54	98.75	-21	7.44%
FR0059	95.26	95.80	-54	7.75%
FR0074	95.65	96.02	-36	8.02%
FR0072	101.43	101.60	-17	8.10%

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

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Government Bonds Prices

Closing Price Data : 18-Jul-2018

Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0032	15-Jul-18	-0.01	15.000%	100.05	205.68%	100.05	0.0
FR0038	15-Aug-18	0.08	11.600%	100.58	3.38%	100.59	-1.3
FR0048	15-Sep-18	0.16	9.000%	100.50	5.57%	100.50	0.0
FR0069	15-Apr-19	0.74	7.875%	100.86	6.65%	100.93	-7.5
FR0036	15-Sep-19	1.16	11.500%	105.15	6.77%	105.09	5.7
FR0031	15-Nov-20	2.33	11.000%	108.19	7.10%	108.12	7.3
FR0034	15-Jun-21	2.91	12.800%	114.29	7.25%	114.34	-4.6
FR0053	15-Jul-21	2.99	8.250%	102.53	7.29%	102.61	-8.4
FR0061	15-May-22	3.83	7.000%	98.54	7.44%	98.75	-20.8
FR0035	15-Jun-22	3.91	12.900%	119.38	7.13%	119.38	0.0
FR0043	15-Jul-22	3.99	10.250%	109.14	7.55%	109.03	10.2
FR0063	15-May-23	4.83	5.625%	92.41	7.53%	92.62	-21.7
FR0046	15-Jul-23	4.99	9.500%	108.60	7.41%	108.60	0.0
FR0039	15-Aug-23	5.08	11.750%	117.31	7.57%	117.49	-18.0
FR0070	15-Mar-24	5.66	8.375%	103.70	7.56%	104.55	-84.7
FR0044	15-Sep-24	6.17	10.000%	111.26	7.67%	111.55	-29.4
FR0040	15-Sep-25	7.17	11.000%	117.66	7.74%	117.97	-31.4
FR0037	15-Sep-26	8.17	12.000%	125.34	7.75%	125.69	-34.5
FR0056	15-Sep-26	8.17	8.375%	103.65	7.76%	104.13	-47.8
FR0059	15-May-27	8.83	7.000%	95.26	7.75%	95.80	-54.2
FR0042	15-Jul-27	9.00	10.250%	115.75	7.78%	116.33	-58.0
FR0047	15-Feb-28	9.59	10.000%	114.62	7.80%	114.94	-31.1
FR0064	15-May-28	9.83	6.125%	89.89	7.60%	90.41	-52.1
FR0071	15-Mar-29	10.67	9.000%	108.61	7.79%	108.83	-21.7
FR0052	15-Aug-30	12.08	10.500%	118.75	8.04%	118.75	0.0
FR0073	15-May-31	12.83	8.750%	106.06	7.98%	106.47	-40.3
FR0054	15-Jul-31	13.00	9.500%	111.72	8.03%	111.91	-18.4
FR0058	15-Jun-32	13.92	8.250%	100.53	8.18%	101.75	-122.0
FR0074	15-Aug-32	14.09	7.500%	95.65	8.02%	96.02	-36.5
FR0065	15-May-33	14.84	6.625%	89.53	7.83%	89.67	-13.6
FR0068	15-Mar-34	15.67	8.375%	102.51	8.09%	102.68	-16.4
FR0072	15-May-36	17.84	8.250%	101.43	8.10%	101.60	-17.1
FR0045	15-May-37	18.84	9.750%	114.28	8.24%	114.276	0.0
FR0075	15-May-38	138.47	7.500%	94.59	8.05%	95.27	-67.9
FR0050	15-Jul-38	20.01	10.500%	122.00	8.24%	122.00	0.0
FR0057	15-May-41	22.84	9.500%	110.74	8.43%	110.81	-6.9
FR0062	15-Apr-42	23.76	6.375%	78.95	8.44%	78.94	0.8
FR0067	15-Jul-43	25.01	8.750%	103.15	8.45%	103.18	-2.8
FR0076	15-May-48	29.85	7.375%	90.60	8.35%	90.98	-37.5

Source: Bloomberg, IBPA & MCS Estimates

July 19, 2018

Macroeconomic Indicator Calendar (July, 16 - 20 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
16	Balance of Trade	Jun-18	1.74 billion USD	-1.52 billion USD	0.73 billion USD
19	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	6.7%	6.8%	6.7%
16	Balance of Trade	Euro Area	May-18	16.5 billion EUR	16.7 billion EUR	23.6 billion EUR
16	Retail Sales (MoM)	US	Jun-18	0.5%	1.3%	0.3%
17	Unemployment Rate	Great Britain	May-18	4.2%	4.2%	4.3%
18	Inflation Rate (YoY)	Great Britain	Jun-18	2.4%	2.4%	2.6%
18	Inflation Rate Final (YoY)	Euro Area	Jun-18	2.0%	1.9%	2.0%
18	Crude Oil Inventory	US	Week Ended, July 13 - 2018	5.84 million barrel	-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)

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