

July 26, 2018

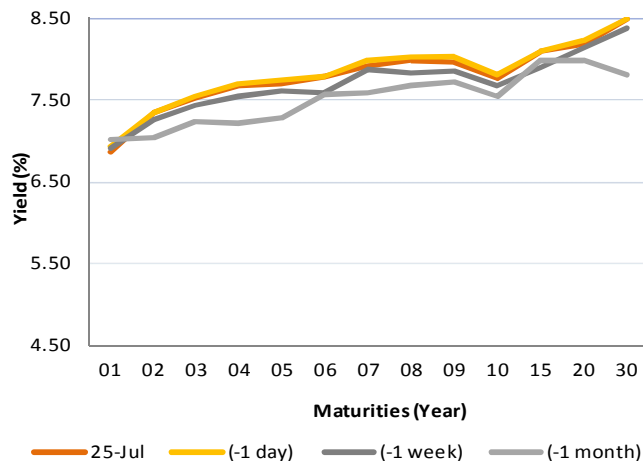
## Fixed Income Daily Notes



### Indonesia Government Bonds Yield

Maturities (Year)	25-Jul	(-1 day)	(-1 week)	(-1 month)
01	6.87	6.92	6.90	7.01
02	7.34	7.35	7.25	7.04
03	7.53	7.54	7.43	7.24
04	7.68	7.71	7.54	7.21
05	7.69	7.74	7.60	7.29
06	7.79	7.79	7.59	7.57
07	7.92	7.99	7.87	7.59
08	7.98	8.02	7.83	7.68
09	7.97	8.03	7.85	7.71
10	7.77	7.81	7.68	7.54
15	8.10	8.10	7.90	7.98
20	8.19	8.22	8.13	7.98
30	8.48	8.48	8.37	7.82

Source: Bloomberg



## Global Market Update

- Today, European Central Bank (ECB), will hold routine meeting to decide future monetary policy. ECB are predicted to stay with their monetary path to exit Quantitative Easing (QE) policy amid of trade wars escalation that will hinder economic growth. Previously, ECB have decided that by the end of this year, the will stop buying bond program in order to gradually leave QE policy.
- At Wednesday, July 25, US 10-year treasury yield rose to 2.98% because lower tension of trade wars. Meanwhile, global benchmark bond yield varied, which was indicated by 10-years UK gilt that flat at 1.27% and German Bund that moved downward to 0.39%.
- Hari ini, 26 Juli 2018, European Central Bank (ECB) akan mengadakan rapat rutin untuk menentukan kebijakan moneter ke depan. Diperkirakan, ECB tidak akan mengubah arah kebijakan moneternya meskipun terdapat eskalasi perang dagang yang dapat menghambat pertumbuhan ekonomi ke depannya. Sebelumnya, ECB sudah memutuskan untuk memberhentikan program pembelian obligasi di akhir tahun ini untuk secara perlahan keluar dari kebijakan Quantitative Easing (QE).
- Yield 10-year US Treasury note pada hari Rabu, 25 Juli 2018 ditutup naik ke level 2,98% akibat ketegangan perang dagang yang mulai mereda di tengah negosiasi antara AS dan Eropa. Di sisi lain, di pasar obligasi global, yield acuan global ditutup bervariasi, terlihat dari yield 10 tahun UK Gilt yang ditutup datar di level 1,27% dan German Bund yang ditutup turun 0,39%.

## Domestic Market Update

- Today, Government bond prices on the secondary market are likely to weaken moderately because of higher US yield and Rupiah depreciation tendency. Rupiah will be ranging from IDR 14,400—14,436 and yield of 10 year benchmark bond (FR0064) will be ranging from 7.73% - 7.77%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung melemah terbatas akibat naiknya yield AS. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp14.400 – Rp14.436 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,73% - 7,77%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
PBS006	101.73	7.35	3775
FR0059	94.25	7.91	954
FR0064	89.30	7.70	952
FR0073	104.00	8.24	702
FR0075	97.00	7.80	622
FR0065	90.25	7.74	602
FR0072	100.25	8.22	487
SPN12190214	97.16	5.25	485
FR0063	92.21	7.59	466
FR0061	99.50	7.15	451

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
OTMA02B	idAA+	99.27	7.34	263
BEXI03ACN5	idAAA	99.10	6.60	74
SMRA01CN1	idA+	101.05	7.45	72
SMBNII01CN2	idAAA(sy)	99.96		71
ASDF04BCN1	AAA(idn)	99.25	6.27	67
ADHI02CN1	idA-	99.50	7.32	61
WSKT02CN1	idA-	99.13	7.17	61
BBIA01CCN1	AAA(idn)	100.08	6.72	60
FIFA03ACN2	idAAA	99.91	4.91	58
SMFP03CN6	idAAA	101.10	8.28	52

Global Stock Marketss	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5934	2.05	0.03%	-6.64%
Malaysia (KLCI)	1764	0.85	0.05%	-1.84%
Thailand (SET)	1690	15.86	0.95%	-3.63%
Singapore (STI)	3327	34.18	1.04%	-2.2%
Hang Seng	28921	258.33	0.90%	-3.3%
Nikkei 225	22614	103.77	0.46%	-0.66%
Shanghai	2904	-1.91	-0.07%	-12.20%
Dow Jones (DJIA)	25414	172.16	0.68%	2.81%
London (FTSE 100)	7658	-50.79	-0.66%	-0.38%
DAX	12579	-110.06	-0.87%	-2.6%

Global Bonds	25-Jul	(-1 day)	(-1 week)	(-1 month)
<b>Fed Fund Rate &amp; US T-Bonds Yield</b>				
Fed Fund Rate	2.00	2.00	2.00	2.00
2-Year	2.55	2.53	2.51	2.49
5-Year	2.73	2.72	2.72	2.76
10-Year	2.98	2.95	2.87	2.83
30-Year	2.95	2.96	2.97	3.07
<b>10-Year Government Bond Yield</b>				
UK	1.27	1.28	1.23	1.24
Germany	0.39	0.40	0.34	0.32
France	0.69	0.70	0.63	0.71
China	3.56	3.56	3.47	3.56
Japan	0.07	0.08	0.04	0.03
Korea	2.73	2.73	2.73	2.73
Thailand	2.70	2.75	2.75	2.55
Malaysia	4.08	4.09	4.09	4.20
Singapore	2.39	2.45	2.42	2.54
<b>Indonesia USD Bond Yield</b>				
INDO-22	3.76	3.78	3.74	3.96
INDO-27	4.27	4.30	4.26	4.45
INDO-47	4.91	4.95	4.90	5.19

FX Rate	25-Jul	(-1 day)	(-1 week)
USD/IDR	14,418	14,478	14,409
GBP/USD	1.319	1.314	1.307
USD/JPY	111.0	111.2	112.9
USD/SGD	1.358	1.364	1.365
USD/THB	33.22	33.38	33.31
USD/MYR	4.045	4.059	4.060

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 25-Jul	43.24	108.86	178.24
(-1 Day)	42.02	113.28	190.5
(-1 Week)	42.77	115.55	193.78
(-1 Month)	49.34	138.17	216.34
(-1 Year)	41.18	112.32	183.50

Money Market	25-Jul	(-1 day)	(-1 week)	(-1 month)
<b>JIBOR</b>				
O/N	5.00	5.00	5.00	4.44
1M	6.54	6.57	6.94	6.90
3M	7.15	7.16	7.23	7.10
<b>LIBOR</b>				
1M	2.07	2.07	2.09	2.09
3M	2.33	2.33	2.35	2.33
6M	2.52	2.52	2.53	2.50
<b>Indonesia Interest Rates</b>				
Deposit 1M	5.70	5.72	5.66	5.58
Lending	13.6	13.6	13.8	13.4

Benchmark	25-Jul	(-1 day)	Change	Yield
FR0061	98.02	97.91	11	7.61%
FR0059	94.24	93.87	37	7.92%
FR0074	94.11	93.87	24	8.21%
FR0072	99.58	99.37	22	8.29%

**Government Bond Ownership As of July 24, 2018 (in Trillion)**

Holders	2013	2014	2015	2016	2017	19-Jul-18	20-Jul-18	23-Jul-18	24-Jul-18
Banks	335.43	375.55	350.07	399.46	491.61	567.78	559.02	554.06	560.81
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	113.13	121.52	128.08	123.03
Mutual Fund	42.50	45.79	61.60	85.66	104.00	113.3	113.3	113.3	113.3
Insurance	129.55	150.60	171.62	238.24	150.80	188.5	188.6	188.7	188.8
<b>Foreign Investor</b>	<b>323.83</b>	<b>461.35</b>	<b>558.52</b>	<b>665.81</b>	<b>836.15</b>	<b>842.08</b>	<b>841.80</b>	<b>839.54</b>	<b>837.11</b>
Pension Fund	39.47	43.30	49.83	87.28	198.06	206.35	206.86	207.35	207.85
Individual Investors	32.48	30.41	42.53	57.75	59.84	62.62	62.67	62.70	62.79
Others	47.56	61.32	78.76	104.84	117.48	131.29	131.30	131.33	131.37
<b>Total</b>	<b>995.25</b>	<b>1,209.96</b>	<b>1,461.85</b>	<b>1,773.28</b>	<b>2,099.77</b>	<b>2,225.05</b>	<b>2,225.05</b>	<b>2,225.05</b>	<b>2,225.05</b>

Source: Bloomberg, IDX & DJPPR

July 26, 2018



**Government Bonds Prices**

**Closing Price Data : 25-Jul-2018**

Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0038	15-Aug-18	0.06	11.600%	100.58	0.59%	100.58	-0.1
FR0048	15-Sep-18	0.14	9.000%	100.50	5.16%	100.50	-0.1
FR0069	15-Apr-19	0.72	7.875%	100.87	6.60%	100.83	3.6
FR0036	15-Sep-19	1.14	11.500%	105.12	6.72%	105.12	-0.1
FR0031	15-Nov-20	2.31	11.000%	107.74	7.28%	107.79	-5.3
FR0034	15-Jun-21	2.89	12.800%	113.63	7.45%	113.64	-0.4
FR0053	15-Jul-21	2.98	8.250%	102.11	7.44%	102.13	-2.0
FR0061	15-May-22	3.81	7.000%	98.02	7.61%	97.91	10.9
FR0035	15-Jun-22	3.89	12.900%	116.88	7.78%	116.88	0.0
FR0043	15-Jul-22	3.98	10.250%	108.77	7.65%	108.68	8.6
<b>FR0063</b>	<b>15-May-23</b>	<b>4.81</b>	<b>5.625%</b>	<b>92.06</b>	<b>7.63%</b>	<b>91.87</b>	<b>18.9</b>
FR0046	15-Jul-23	4.98	9.500%	106.87	7.80%	108.60	-172.4
FR0039	15-Aug-23	5.06	11.750%	116.17	7.81%	116.04	13.6
FR0070	15-Mar-24	5.64	8.375%	102.64	7.78%	102.64	0.0
FR0044	15-Sep-24	6.15	10.000%	110.19	7.87%	110.07	11.9
FR0040	15-Sep-25	7.15	11.000%	116.56	7.92%	116.42	13.2
FR0037	15-Sep-26	8.15	12.000%	124.24	7.90%	125.34	-110.3
FR0056	15-Sep-26	8.15	8.375%	102.65	7.92%	102.43	22.1
FR0059	15-May-27	8.81	7.000%	94.24	7.92%	93.87	36.6
FR0042	15-Jul-27	8.98	10.250%	114.48	7.96%	114.28	20.2
FR0047	15-Feb-28	9.57	10.000%	113.06	8.02%	112.88	17.7
<b>FR0064</b>	<b>15-May-28</b>	<b>9.81</b>	<b>6.125%</b>	<b>89.03</b>	<b>7.74%</b>	<b>88.86</b>	<b>16.5</b>
FR0071	15-Mar-29	10.65	9.000%	106.81	8.03%	106.76	4.6
FR0052	15-Aug-30	12.07	10.500%	117.10	8.23%	117.00	10.0
FR0073	15-May-31	12.81	8.750%	104.25	8.20%	104.09	16.2
FR0054	15-Jul-31	12.98	9.500%	110.20	8.21%	110.19	0.6
FR0058	15-Jun-32	13.90	8.250%	96.32	8.71%	100.40	-407.7
FR0074	15-Aug-32	14.07	7.500%	94.11	8.21%	93.87	23.8
<b>FR0065</b>	<b>15-May-33</b>	<b>14.82</b>	<b>6.625%</b>	<b>87.80</b>	<b>8.05%</b>	<b>87.77</b>	<b>3.6</b>
FR0068	15-Mar-34	15.65	8.375%	100.97	8.26%	100.80	16.5
FR0072	15-May-36	17.82	8.250%	99.58	8.29%	99.37	21.5
FR0045	15-May-37	18.82	9.750%	113.45	8.32%	113.45	0.0
<b>FR0075</b>	<b>15-May-38</b>	<b>138.47</b>	<b>7.500%</b>	<b>93.54</b>	<b>8.16%</b>	<b>93.30</b>	<b>23.8</b>
FR0050	15-Jul-38	19.99	10.500%	122.00	8.24%	122.75	-75.0
FR0057	15-May-41	22.82	9.500%	110.79	8.43%	110.76	3.5
FR0062	15-Apr-42	23.74	6.375%	78.92	8.45%	78.92	-0.3
FR0067	15-Jul-43	24.99	8.750%	103.18	8.44%	103.18	-0.5
FR0076	15-May-48	29.83	7.375%	88.52	8.48%	88.55	-3.4

Source: Bloomberg, IBPA & MCS Estimates

## Macroeconomic Indicator Calendar (July, 23 - 27 2018)

### INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
26	Foreign Direct Investment (YoY)	Quarter-II	-	12.4%	-

### GLOBAL

Date	Indicator	Country	Series Data	Actual	Previous	Projection
23	Consumer Confidence Flash	Euro Area	Jul-18	-0.6	-0.6	-1.3
24	Nikkei Manufacturing PMI Flash	Japan	Jul-18	51.6	53.0	53.1
24	Markit Manufacturing PMI Flash	Germany	Jul-18	57.3	55.9	56.5
24	Markit Composite PMI Flash	US	Jul-18	55.9	56.2	54.3
25	Ifo Business Climate	Germany	Jul-18	101.7	101.8	100.9
25	New Home Sales	US	Jun-18	0.63 million	0.67 million	0.59 million
25	Crude Oil Inventory	US	Week Ended, July 20 - 2018	-6.15 million barrel	5.84 million barrel	-2.7 million barrel
26	ECB Interest Rate	Euro Area	-	-	0.0%	0.0%
26	Durable Goods Order (MoM)	US	Jun-18	-	-0.6%	1.7%
26	Initial Jobless Claims	US	Week Ended, July 21-2018	-	207 thousand	221 thousand
26	Continuing Jobless Claims	US	Week Ended, July 14-2018	-	1751 thousand	1734 thousand
27	Economic Growth Adv. (QoQ)	US	Quarter-II	-	2%	3%

July 26, 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

**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