

July 27, 2018

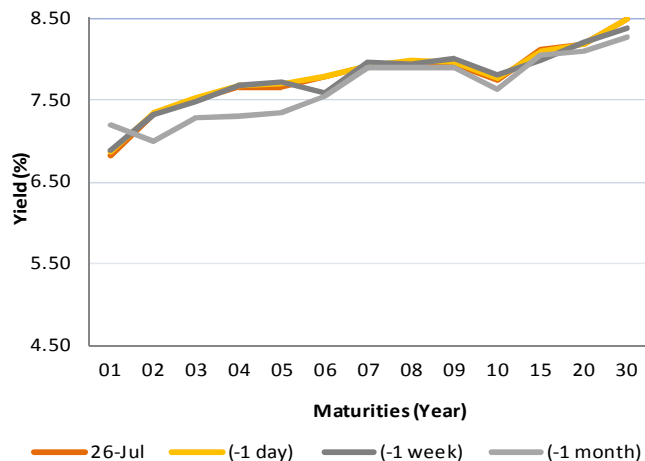
Fixed Income Daily Notes



Indonesia Government Bonds Yield

Maturities (Year)	26-Jul	(-1 day)	(-1 week)	(-1 month)
01	6.83	6.87	6.88	7.19
02	7.33	7.34	7.33	7.01
03	7.50	7.53	7.48	7.28
04	7.66	7.68	7.68	7.30
05	7.66	7.69	7.72	7.35
06	7.79	7.79	7.59	7.54
07	7.91	7.92	7.96	7.89
08	7.94	7.98	7.94	7.90
09	7.94	7.97	8.00	7.89
10	7.74	7.77	7.81	7.62
15	8.12	8.10	7.99	8.06
20	8.19	8.19	8.19	8.09
30	8.48	8.48	8.38	8.27

Source: Bloomberg



Global Market Update

- Next week, August 02 2018, Bank of England (BoE) will hold monetary meeting to decide the direction of their interest rate. BoE are predicted to stay in their monetary policy path, increase interest rate 25 bps to 0.75%, highest since March 2009. However, BoE governor, Mark Carney, are indicated to stay alert about slowing economic growth in Great Britain since Brexit Referendum.
- At Thursday, July 26, US 10-year treasury yield was flat at 2.98%. Meanwhile, majority of global benchmark bond yield moved upward, which was indicated by 10-years UK gilt and German Bund that rose to 1.28% and 0.40%.
- Pada Kamis minggu depan, 2 Agustus 2018, Bank of England (BoE) akan mengadakan rapat penentuan tingkat suku bunga. Mereka diperkirakan akan tetap pada jalurnya dalam menaikan tingkat suku bunga ke tingkat 0,75%, tertinggi sejak mereka melakukan kebijakan Quantitative Easing (QE) pada Maret 2009 untuk mencegah resesi ekonomi. Namun demikian, Gubernur BoE, Mark Carney, diindikasikan tetap akan berhati-hati dalam penentuan kenaikan tingkat suku bunga ini, mengingat adanya perlambatan ekonomi di Inggris Raya sejak referendum Brexit.
- Yield 10-year US Treasury note pada hari Kamis, 26 Juli 2018 ditutup datar di level 2,98%. Di sisi lain, di pasar obligasi global, mayoritas yield acuan global ditutup mengalami kenaikan, terlihat dari yield 10 tahun UK Gilt dan German Bund yang ditutup naik ke level 1,28% dan 0,40%.

Domestic Market Update

- Today, Government bond prices on the secondary market are likely to flat. Rupiah will be ranging from IDR 14,454—14,486 and yield of 10 year benchmark bond (FR0064) will be ranging from 7.68% - 7.72%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung datar. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp14.454 – Rp14.486 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,68% - 7,72%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0059	94.65	7.85	3304
FR0064	89.50	5.00	1356
FR0072	99.50	5.17	1131
FR0070	102.30	5.31	999
FR0068	100.50	8.32	928
FR0069	100.90	6.53	776
FR0073	104.00	8.24	718
FR0063	92.20	7.59	558
FR0053	102.00	7.48	530
FR0075	93.75	8.14	380

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BBTN03BCN1	idAA+	100.76	8.27	114
IMFI03BCN1	idA	99.15	7.27	110
PPRO01ACN1	BBB+(idn)	100.04	7.66	108
BEXI03ACN5	idAAA	99.18	6.70	100
TRAC01BCN1	AA-(idn)	100.07	7.72	70
WSKT03ACN1	A(idn)	96.01	7.02	55
ADMFO2CCN2	idAAA	101.29	5.39	44
SMFP04ACN3	idAAA	99.40	5.35	40
SMRA01CN2	idA+	102.50	8.97	40
WSKT02CN1	idA-	101.17	7.06	40

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5946	12.25	0.21%	-6.44%
Malaysia (KLCI)	1766	2.45	0.14%	-1.70%
Thailand (SET)	1702	11.79	0.70%	-2.96%
Singapore (STI)	3329	1.77	0.05%	-2.2%
Hang Seng	28781	-139.76	-0.48%	-3.8%
Nikkei 225	22587	-27.38	-0.12%	-0.78%
Shanghai	2882	-21.42	-0.74%	-12.85%
Dow Jones (DJIA)	25527	112.97	0.44%	3.27%
London (FTSE 100)	7663	4.91	0.06%	-0.32%
DAX	12809	229.90	1.83%	-0.8%

Global Bonds	26-Jul			
	26-Jul	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & UST-Bonds Yield				
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	2.98	2.84	2.84
30-Year	2.95	2.96	2.97	3.07
10-Year Government Bond Yield				
UK	1.28	1.27	1.18	1.26
Germany	0.40	0.39	0.33	0.32
France	0.70	0.69	0.62	0.70
China	3.54	3.56	3.44	3.53
Japan	0.09	0.07	0.04	0.03
Korea	2.73	2.73	2.73	2.73
Thailand	2.71	2.70	2.77	2.56
Malaysia	4.08	4.08	4.09	4.20
Singapore	2.41	2.39	2.43	2.54
Indonesia USD Bond Yield				
INDO-22	3.76	3.76	3.76	3.98
INDO-27	4.26	4.27	4.27	4.49
INDO-47	4.89	4.91	4.92	5.21

FX Rate	26-Jul		
	26-Jul	(-1 day)	(-1 week)
USD/IDR	14,470	14,418	14,507
GBP/USD	1.311	1.319	1.302
USD/JPY	111.2	111.0	112.5
USD/SGD	1.364	1.358	1.371
USD/THB	33.41	33.22	33.47
USD/MYR	4.065	4.045	4.074

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			
26-Jul	42.32	108.86	175.17
(-1 Day)	43.24	108.86	178.24
(-1 Week)	44.00	115.55	198.01
(-1 Month)	50.92	138.17	221.98
(-1 Year)	41.89	112.32	181.52

Money Market	26-Jul			
	26-Jul	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.00	5.00	5.02	4.46
1M	6.51	6.54	6.79	6.95
3M	7.13	7.15	7.19	7.10
LIBOR				
1M	2.08	2.08	2.08	2.09
3M	2.34	2.34	2.35	2.34
6M	2.52	2.52	2.53	2.50
Indonesia Interest Rates				
Deposit 1M	5.68	5.70	5.68	5.64
Lending	13.5	13.6	13.8	13.8

Benchmark	26-Jul	(-1 day)	Change	Yield
FR0061	98.06	98.02	5	7.59%
FR0059	94.45	94.24	22	7.88%
FR0074	94.18	94.11	7	8.21%
FR0072	99.60	99.58	2	8.29%

Government Bond Ownership As of July 25, 2018 (in Trillion)

Holders	2013	2014	2015	2016	2017	20-Jul-18	23-Jul-18	24-Jul-18	25-Jul-18
Banks	335.43	375.55	350.07	399.46	491.61	559.02	554.06	560.81	572.04
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	121.52	128.08	123.03	108.63
Mutual Fund	42.50	45.79	61.60	85.66	104.00	113.3	113.3	113.3	112.7
Insurance	129.55	150.60	171.62	238.24	150.80	188.6	188.7	188.8	188.9
Foreign Investor	323.83	461.35	558.52	665.81	836.15	841.80	839.54	837.11	835.19
Pension Fund	39.47	43.30	49.83	87.28	198.06	206.86	207.35	207.85	208.19
Individual Investors	32.48	30.41	42.53	57.75	59.84	62.67	62.70	62.79	62.81
Others	47.56	61.32	78.76	104.84	117.48	131.30	131.33	131.37	131.42
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,225.05	2,225.05	2,225.05	2,219.90

Source: Bloomberg, IDX & DJPPR

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Government Bonds Prices

Closing Price Data : 26-Jul-2018

Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0038	15-Aug-18	0.05	11.600%	100.57	-1.25%	100.58	-0.5
FR0048	15-Sep-18	0.14	9.000%	100.50	4.94%	100.50	-0.1
FR0069	15-Apr-19	0.72	7.875%	100.90	6.54%	100.87	3.0
FR0036	15-Sep-19	1.14	11.500%	105.12	6.70%	105.12	-0.4
FR0031	15-Nov-20	2.31	11.000%	107.88	7.20%	107.74	14.7
FR0034	15-Jun-21	2.89	12.800%	113.82	7.38%	113.63	18.1
FR0053	15-Jul-21	2.97	8.250%	102.17	7.42%	102.11	6.6
FR0061	15-May-22	3.81	7.000%	98.06	7.59%	98.02	4.5
FR0035	15-Jun-22	3.89	12.900%	117.22	7.67%	120.48	-325.5
FR0043	15-Jul-22	3.97	10.250%	108.64	7.68%	108.77	-12.6
FR0063	15-May-23	4.81	5.625%	92.17	7.60%	92.06	10.4
FR0046	15-Jul-23	4.97	9.500%	107.23	7.72%	106.87	35.5
FR0039	15-Aug-23	5.06	11.750%	116.25	7.79%	116.17	7.9
FR0070	15-Mar-24	5.64	8.375%	102.74	7.76%	102.64	9.7
FR0044	15-Sep-24	6.15	10.000%	110.36	7.84%	110.19	17.0
FR0040	15-Sep-25	7.15	11.000%	116.88	7.86%	116.56	32.1
FR0037	15-Sep-26	8.15	12.000%	124.27	7.90%	124.24	2.8
FR0056	15-Sep-26	8.15	8.375%	102.81	7.90%	102.65	15.8
FR0059	15-May-27	8.81	7.000%	94.45	7.88%	94.24	21.6
FR0042	15-Jul-27	8.98	10.250%	114.62	7.94%	114.48	13.6
FR0047	15-Feb-28	9.56	10.000%	113.24	7.99%	113.06	17.5
FR0064	15-May-28	9.81	6.125%	89.27	7.70%	89.03	24.1
FR0071	15-Mar-29	10.64	9.000%	106.80	8.04%	106.81	-1.1
FR0052	15-Aug-30	12.06	10.500%	117.10	8.23%	117.10	0.0
FR0073	15-May-31	12.81	8.750%	104.22	8.21%	104.25	-3.6
FR0054	15-Jul-31	12.98	9.500%	110.37	8.19%	110.20	17.2
FR0058	15-Jun-32	13.90	8.250%	101.10	8.12%	96.32	477.7
FR0074	15-Aug-32	14.07	7.500%	94.18	8.21%	94.11	6.6
FR0065	15-May-33	14.81	6.625%	87.62	8.07%	87.80	-18.7
FR0068	15-Mar-34	15.65	8.375%	100.79	8.28%	100.97	-17.3
FR0072	15-May-36	17.82	8.250%	99.60	8.29%	99.58	1.9
FR0045	15-May-37	18.82	9.750%	113.45	8.32%	113.45	0.0
FR0075	15-May-38	138.47	7.500%	93.63	8.15%	93.54	9.9
FR0050	15-Jul-38	19.98	10.500%	122.00	8.24%	122.00	0.0
FR0057	15-May-41	22.82	9.500%	110.76	8.43%	110.79	-3.2
FR0062	15-Apr-42	23.74	6.375%	78.87	8.45%	78.92	-4.9
FR0067	15-Jul-43	24.99	8.750%	103.16	8.45%	103.18	-1.7
FR0076	15-May-48	29.82	7.375%	88.55	8.48%	88.52	3.3

Source: Bloomberg, IBPA & MCS Estimates

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Macroeconomic Indicator Calendar (July, 23 - 27 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
27	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%	0.0%
26	Durable Goods Order (MoM)	US	Jun-18	1.0%	-0.3%	1.7%
26	Initial Jobless Claims	US	Week Ended, July 21-2018	217 thousand	208 thousand	221 thousand
26	Continuing Jobless Claims	US	Week Ended, July 14-2018	1745 thousand	1753 thousand	1734 thousand
27	Economic Growth Adv. (QoQ)	US	Quarter-II	-	2%	3%

Source: Tradingeconomics and Bloomberg (2018)

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