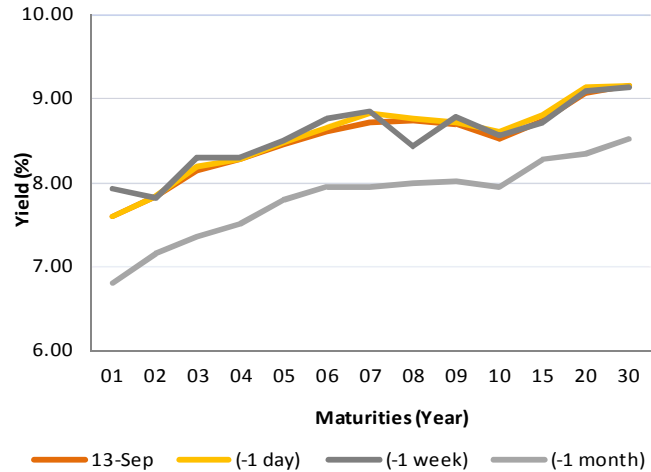


Fixed Income Daily Notes



Indonesia Government Bonds Yield				
Maturities (Year)	13-Sep	(-1 day)	(-1 week)	(-1 month)
01	7.59	7.60	7.93	6.81
02	7.84	7.83	7.82	7.16
03	8.15	8.19	8.29	7.36
04	8.28	8.28	8.30	7.50
05	8.44	8.47	8.50	7.79
06	8.60	8.65	8.76	7.95
07	8.71	8.83	8.85	7.95
08	8.73	8.75	8.43	8.00
09	8.69	8.72	8.78	8.02
10	8.52	8.61	8.56	7.94
15	8.74	8.80	8.72	8.28
20	9.07	9.13	9.09	8.35
30	9.15	9.14	9.13	8.52

Source: Bloomberg



Global Market Update

- Yesterday, September 13 2018, yield of US 10-years treasury note flat at 2,97% after release of below-than-expected US inflation data. On the other hand, majority of global benchmark bond yield moved upward, indicated by 10-years UK gilt and German Bunds, which rose to 1.50% and 0.42%.
- Yield 10-years US Treasury note pada hari Kamis, 13 September ditutup datar di level 2,97% akibat inflasi AS yang dilaporkan berada di bawah perkiraan. Pada pasar obligasi global, mayoritas yield acuan global ditutup naik, terlihat dari yield 10 tahun UK Gilt dan German Bunds yang ditutup mengalami kenaikan ke level 1,50% dan 0,42%.

Domestic Market Update

- Bank Indonesia (BI) would maintain hawkish policy direction in 2019 even though Rupiah pressure would be reduced next year. According to Deputy Governor of BI, Mirza Adityaswara, principal of BI monetary policy would be still “ahead of curve” in order to stabilize currency. BI predicted that The Fed would hike their FFR 3 times until FFR reached 3.25%. Thus, BI are predicted to hike their interest rate 3 times in 2019.
- Bank Indonesia (BI) akan mempertahankan arah kebijakannya yang cenderung hawkish pada 2019 meskipun diperkirakan tekanan kepada Rupiah pada tahun depan cenderung berkurang. Menurut Deputi Gubernur BI, Mirza Adityaswara, kebijakan moneter BI akan tetap mengikuti prinsip ahead of curve demi stabilitas mata uang di tahun depan. BI sendiri memperkirakan adanya kenaikan Fed Funds Rate (FFR) sebanyak 3 kali dengan total kenaikan sebesar 75 bps menjadi 3,25% di tahun 2019. Dengan kata lain, BI juga diperkirakan juga akan menaikkan tingkat suku bunga sebesar 3 kali di tahun 2019.
- Today, Government bond prices on the secondary market are likely to strengthen moderately, which are pushed by Turkey positive sentiment. Rupiah will be ranging from IDR 14,729 - 14,807 and yield of 10 year benchmark bond (FR0064) will be ranging from 8.35% - 8.58%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung menguat terbatas akibat sentimen positif yang dibawa oleh Turki. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp14.729 – Rp14.807 sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 8,35% - 8,58%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0063	89.60	8.36	1703
FR0064	84.50	8.51	1677
FR0072	95.50	8.75	827
FR0075	86.00	9.03	720
FR0056	98.51	8.63	692
FR0071	102.45	8.64	561
SPN12190214	97.46	6.35	518
FR0058	94.50	8.95	452
FR0061	98.50	7.47	421
PBS013	99.25	7.42	415

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BEXI02BCN7	idAAA	100.53	7.94	310
SMSMII01ACN1	idAAA(sy)	99.56	7.73	180
WSKT03ACN1	A(idn)	97.22	6.84	174
BEXI04ACN2	idAAA	100.05	6.96	155
NISPO3ACN1	idAAA	100.11	5.81	100
IIFFO1A	idAAA	99.81	6.63	60
SMFPO4ACN3	idAAA	99.33	7.41	55
SMFPO4ACN5	idAAA	99.95	7.51	55
BIIF01ACN4	AA+(idn)	98.77	6.51	50
WSKT02CN2	idA-	97.38	7.48	42

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5858	60.12	1.04%	-7.83%
Malaysia (KLCI)	1793	7.35	0.41%	-0.23%
Thailand (SET)	1718	38.57	2.30%	-2.04%
Singapore (STI)	3132	7.12	0.23%	-8.0%
Hang Seng	27014	669.45	2.54%	-9.7%
Nikkei 225	22821	216.71	0.96%	0.25%
Shanghai	2687	30.47	1.15%	-18.77%
Dow Jones (DJIA)	26146	147.07	0.57%	5.77%
London (FTSE 100)	7282	-31.79	-0.43%	-5.28%
DAX	12056	23.25	0.19%	-6.7%

FX Rate	13-Sep		
	13-Sep	(-1 day)	(-1 week)
USD/IDR	14,768	14,794	14,913
GBP/USD	1.311	1.305	1.293
USD/JPY	111.9	111.3	110.8
USD/SGD	1.370	1.372	1.375
USD/THB	32.62	32.72	32.79
USD/MYR	4.151	4.140	4.140

Macroeconomic Data	Aug-18	Jul-18	Jun-18
Consumer Price Index (MoM)	-0.05	0.28	0.59
Consumer Price Index (YoY)	3.20	3.18	3.12
Core Inflation (YoY)	2.90	2.87	2.72
BI 7-Day RR Rate (%)	5.50	5.25	5.25
Foreign Reserve (US\$ Bn)	117.9	118.3	119.8

Indonesia Sovereign CDS	2-year	5-year	10-year
As of 13-Sep	66.38	134.30	217.15
(-1 Day)	69.72	141.07	225.72
(-1 Week)	65.63	141.75	225.93
(-1 Month)	45.43	123.92	210.73
(-1 Year)	33.09	95.71	163.00

Global Bonds	13-Sep			
	13-Sep	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & US T-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	2.97	2.96	2.87	2.87
30-Year	2.95	2.96	2.97	3.07
10-Year Government Bond Yield				
UK	1.50	1.48	1.42	1.24
Germany	0.42	0.41	0.35	0.32
France	0.73	0.72	0.69	0.67
China	3.66	3.67	3.62	3.59
Japan	0.11	0.11	0.11	0.10
Korea	2.73	2.73	2.73	2.73
Thailand	2.86	2.84	2.76	2.72
Malaysia	4.11	4.16	4.17	4.07
Singapore	2.45	2.43	2.39	2.43
Indonesia USD Bond Yield				
INDO-22	3.93	3.95	3.91	3.80
INDO-27	4.56	4.61	4.61	4.39
INDO-47	5.19	5.22	5.20	4.97

Money Market	13-Sep			
	13-Sep	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.44	5.42	5.40	5.34
1M	6.70	6.70	6.70	6.65
3M	7.12	7.12	7.13	7.14
LIBOR				
1M	2.13	2.13	2.13	2.08
3M	2.33	2.33	2.33	2.32
6M	2.56	2.56	2.54	2.51
Indonesia Interest Rates				
Deposit 1M	5.90	5.85	5.85	5.77
Lending	13.7	13.8	13.6	14.0

Benchmark	13-Sep	(-1 day)	Change	Yield
FR0061	96.27	96.23	4	8.20%
FR0059	90.25	89.66	60	8.62%
FR0074	88.96	88.65	31	8.90%
FR0072	93.00	92.57	43	9.05%

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

Holders	2013	2014	2015	2016	2017	6-Sep-18	7-Sep-18	10-Sep-18	12-Sep-18
Banks	335.43	375.55	350.07	399.46	491.61	604.93	611.18	611.46	606.20
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	108.66	99.71	100.32	107.78
Mutual Fund	42.50	45.79	61.60	85.66	104.00	117.5	118.1	118.1	118.1
Insurance	129.55	150.60	171.62	238.24	150.80	191.3	191.5	191.6	191.0
Foreign Investor	323.83	461.35	558.52	665.81	836.15	841.57	838.21	836.96	835.25
Pension Fund	39.47	43.30	49.83	87.28	198.06	211.40	212.43	212.54	212.63
Individual Investors	32.48	30.41	42.53	57.75	59.84	63.92	63.93	64.00	64.02
Others	47.56	61.32	78.76	104.84	117.48	133.17	133.22	133.24	133.75
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,272.52	2,268.29	2,268.29	2,268.79

Source: Bloomberg, IDX & DJPPR

September 14, 2018

Government Bonds Prices

Closing Price Data : 13-Sep-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0048	15-Sep-18	0.01	9.000%	100.06	-11.81%	100.07	-1.4
FR0069	15-Apr-19	0.59	7.875%	100.32	7.28%	100.32	-0.2
FR0036	15-Sep-19	1.01	11.500%	103.81	7.45%	103.81	0.2
FR0031	15-Nov-20	2.18	11.000%	106.24	7.80%	106.29	-5.1
FR0034	15-Jun-21	2.76	12.800%	111.52	8.03%	111.72	-19.6
FR0053	15-Jul-21	2.84	8.250%	100.46	8.06%	100.25	21.5
FR0061	15-May-22	3.67	7.000%	96.27	8.20%	96.23	3.9
FR0035	15-Jun-22	3.76	12.900%	99.67	13.00%	99.67	0.0
FR0043	15-Jul-22	3.84	10.250%	105.93	8.40%	105.89	4.1
FR0063	15-May-23	4.67	5.625%	89.51	8.39%	89.40	11.3
FR0046	15-Jul-23	4.84	9.500%	104.09	8.45%	104.24	-15.2
FR0039	15-Aug-23	4.92	11.750%	112.94	8.47%	112.81	12.3
FR0070	15-Mar-24	5.51	8.375%	99.46	8.50%	99.12	33.8
FR0044	15-Sep-24	6.01	10.000%	106.81	8.53%	107.00	-18.4
FR0040	15-Sep-25	7.01	11.000%	112.28	8.63%	111.66	62.3
FR0037	15-Sep-26	8.01	12.000%	118.50	8.74%	118.75	-25.0
FR0056	15-Sep-26	8.01	8.375%	98.51	8.64%	98.27	23.8
FR0059	15-May-27	8.67	7.000%	90.25	8.62%	89.66	59.9
FR0042	15-Jul-27	8.84	10.250%	109.59	8.67%	109.32	26.9
FR0047	15-Feb-28	9.43	10.000%	108.43	8.67%	108.30	12.5
FR0064	15-May-28	9.68	6.125%	84.54	8.50%	83.79	74.8
FR0071	15-Mar-29	10.51	9.000%	102.11	8.69%	101.95	16.0
FR0052	15-Aug-30	11.93	10.500%	112.44	8.79%	118.24	-580.1
FR0073	15-May-31	12.68	8.750%	101.13	8.60%	101.13	0.0
FR0054	15-Jul-31	12.84	9.500%	104.82	8.86%	104.77	4.9
FR0058	15-Jun-32	13.76	8.250%	95.90	8.77%	95.90	0.0
FR0074	15-Aug-32	13.93	7.500%	88.96	8.90%	88.65	30.9
FR0065	15-May-33	14.68	6.625%	82.90	8.71%	82.71	18.3
FR0068	15-Mar-34	15.51	8.375%	95.63	8.90%	96.22	-59.8
FR0072	15-May-36	17.68	8.250%	93.00	9.05%	92.57	42.9
FR0045	15-May-37	18.68	9.750%	105.94	9.08%	105.991	-5.2
FR0075	15-May-38	138.47	7.500%	85.70	9.07%	85.47	23.3
FR0050	15-Jul-38	19.85	10.500%	112.60	9.11%	116.70	-410.0
FR0057	15-May-41	22.68	9.500%	103.00	9.18%	103.10	-10.0
FR0062	15-Apr-42	23.60	6.375%	73.91	9.07%	73.91	0.0
FR0067	15-Jul-43	24.85	8.750%	94.91	9.27%	94.92	-0.2
FR0076	15-May-48	29.69	7.375%	82.38	9.14%	82.67	-29.6

Source: Bloomberg, IBPA & MCS Estimates

Macroeconomic Indicator Calendar (September 10 - September 14 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
10	Retail Sales (YoY)	Jul-18	2.9%	2.3%	3.4%

GLOBAL

Date	Indicator	Country	Series Data	Actual	Previous	Projection
10	Economic Growth Annual. Final	Japan	Quarter-II	3.0%	-0.9%	1.9%
10	Inflation Rate (YoY)	China	Aug-18	2.3%	2.1%	2.2%
11	Unemployment Rate	United Kingdom	Jul-18	4.0%	4.0%	4.1%
11	Zew Economic Sentiment Index	Germany	Sep-18	-10.6	-13.7	-10.4
11	Wholesale Inventories (MoM)	US	Jul-18	0.6%	0.1%	0.3%
12	Crude Oil Inventory	US	Week Ended, Sep 07 - 2018	-5.3 million barrel	-4.3 million barrel	-0.2 million barrel
13	BoE Interest Rate	United Kingdom	-	0.75%	0.75%	0.75%
13	ECB Interest Rate	Euro Area	-	0.00%	0.00%	0.00%
13	Inflation Rate Final (YoY)	Germany	Aug-18	2.0%	2.0%	2.0%
13	Inflation Rate (YoY)	US	Aug-18	2.7%	2.9%	3.0%
13	Initial Jobless Claims	US	Week Ended, Sep 08-2018	204 thousand	205 thousand	206 thousand
13	Continuing Jobless Claims	US	Week Ended, Sep 01-2018	1696 thousand	1711 thousand	1703 thousand
14	Balance of Trade	Euro Area	Jul-18	-	EUR 22.5 billion	EUR 25.5 billion
14	Retail Sales (MoM)	US	Aug-18	-	0.50%	0.35%

September 14, 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

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