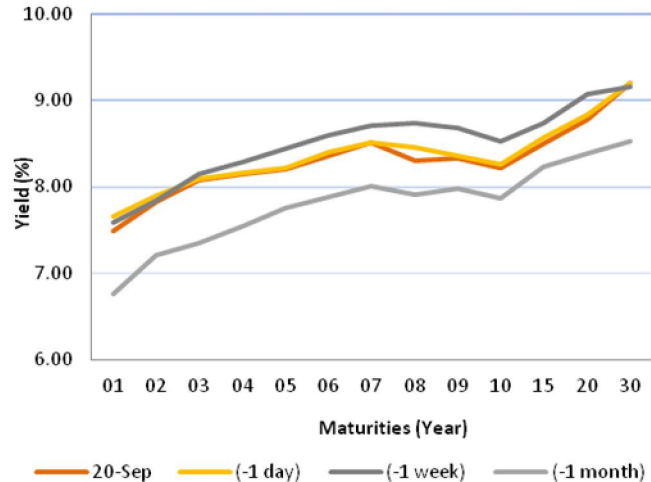


Fixed Income Daily Notes



Indonesia Government Bonds Yield				
Maturities (Year)	20-Sep	(-1 day)	(-1 week)	(-1 month)
01	7.50	7.66	7.59	6.76
02	7.83	7.89	7.84	7.21
03	8.08	8.09	8.15	7.35
04	8.15	8.17	8.28	7.54
05	8.20	8.22	8.44	7.76
06	8.36	8.40	8.60	7.88
07	8.52	8.52	8.71	8.01
08	8.30	8.45	8.73	7.91
09	8.32	8.36	8.69	7.97
10	8.22	8.26	8.52	7.87
15	8.50	8.56	8.74	8.23
20	8.79	8.84	9.07	8.38
30	9.20	9.20	9.15	8.53

Source: Bloomberg



Global Market Update

- Japan inflation was increasing in August to 1.3%, higher than previous month, 0.9%. However, even though this is the highest inflation in 6 month, Bank of Japan were predicted would not change the policy because those inflation was still far from the target, 2%.
- Yesterday, September 20 2018, yield of US 10-years flat at 3.06%. On the other hand, global benchmark bond yield moved downward, indicated by 10-years UK gilt and German Bunds, that moved downward to 1.59% and 0.47%.
- Inflasi Jepang pada bulan Agustus tercatat sebesar 1,3%, lebih tinggi dibandingkan inflasi pada bulan Juli 2018 sebesar 0,9%. Meskipun inflasi ini merupakan yang tertinggi sejak 6 bulan terakhir, diprediksi Bank of Japan pada pertemuan berikutnya tidak akan mengubah kebijakan moneternya sama sekali karena tingkat inflasi Jepang yang masih jauh dari target 2%.
- Yield 10-years US Treasury note pada kemarin, 20 September ditutup datar di level 3,06%. Pada pasar obligasi global, mayoritas yield acuan global ditutup mengalami penurunan, terlihat dari yield 10 tahun UK Gilt dan German Bunds yang ditutup turun ke level 1,59% dan 0,47%.

Domestic Market Update

- Related to high proportion of foreign in Government Securities (SBN), government tried to reduce those proportion. One of government policy was increasing Rupiah SBN proportion. In 2019, foreign exchange SBN, would be reduced to less than 20%.
- Berkaitan dengan proporsi kepemilikan investor asing di pasar obligasi yang relatif cukup tinggi, pemerintah sedang mengupayakan beberapa kebijakan untuk mengurangi proporsi asing, salah satunya adalah penambahan proporsi SBN Rupiah. Pada tahun 2019, pemerintah akan mengurangi proporsi SBN valas, yang mana awalnya mempunyai proporsi 20% dari total SBN.
- Today, Government bond prices on the secondary market are likely to strengthen moderately because of positive sentiment of Rupiah. Rupiah will be ranging from IDR 14,748 - 14,814 and yield of 10-years benchmark bond (FR0064) will be ranging from 8.09% - 8.23%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung menguat terbatas yang didorong oleh sentimen positif Rupiah. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp14.748 – Rp14.814. Yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 8,09% - 8,23%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0063	90.50	8.12	1794
FR0072	97.50	8.52	1455
FR0073	101.00	8.62	1239
FR0064	86.46	4.83	1232
FR0053	100.75	7.94	1219
FR0070	100.89	8.17	899
FR0075	88.45	8.74	811
PBS013	99.50	7.04	769
FR0069	100.45	7.02	743
FR0065	85.00	8.43	272

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
BEXI02BCN7	idAAA	100.55	7.84	160
GNSMII01ACN1	idAAA	100.01	6.60	100
SIBMTR01ACN1	idA+(sy)	100.00	11.66	85
TBIG03CN1	AA-(idn)	100.00	7.32	70
BNGA02BCN4	idAAA	100.00	8.50	60
NISPO3ACN1	idAAA	98.83	6.16	55
SSIA01ACN1	idA	100.65	9.56	52
JLBS01B	idA+	100.00	10.65	50
PPGD03ACN1	idAAA	100.02	2.87	46
BJBR01BSBCN1	idA	100.60	8.25	35

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	5931	57.67	0.98%	-6.68%
Malaysia (KLCI)	1804	2.99	0.17%	0.38%
Thailand (SET)	1752	2.31	0.13%	-0.09%
Singapore (STI)	3180	3.86	0.12%	-6.5%
Hang Seng	27478	70.30	0.26%	-8.2%
Nikkei 225	23675	2.41	0.01%	4.00%
Shanghai	2729	-1.61	-0.06%	-17.47%
Dow Jones (DJIA)	26657	251.22	0.95%	7.84%
London (FTSE 100)	7367	36.20	0.49%	-4.17%
DAX	12326	107.46	0.88%	-4.6%

Global Bonds	20-Sep			
	20-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	3.06	3.06	2.97	2.83
30-Year	2.95	2.96	2.97	3.07
10-Year Government Bond Yield				
UK	1.58	1.61	1.50	1.27
Germany	0.47	0.49	0.42	0.34
France	0.79	0.80	0.73	0.68
China	3.68	3.67	3.66	3.60
Japan	0.12	0.12	0.11	0.09
Korea	2.73	2.73	2.73	2.73
Thailand	2.86	2.87	2.86	2.75
Malaysia	4.09	4.10	4.11	4.02
Singapore	2.52	2.51	2.45	2.38
Indonesia USD Bond Yield				
INDO-22	3.93	3.95	3.93	3.79
INDO-27	4.57	4.58	4.56	4.40
INDO-47	5.20	5.23	5.19	4.96

FX Rate	20-Sep		
	20-Sep	(-1 day)	(-1 week)
USD/IDR	14,781	14,824	14,768
GBP/USD	1.327	1.314	1.311
USD/JPY	112.5	112.3	111.9
USD/SGD	1.364	1.369	1.370
USD/THB	32.34	32.41	32.62
USD/MYR	4.139	4.136	4.151

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

Money Market	20-Sep			
	20-Sep	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.45	5.45	5.44	5.40
1M	6.70	6.70	6.70	6.70
3M	7.13	7.13	7.12	7.13
LIBOR				
1M	2.18	2.18	2.16	2.06
3M	2.35	2.35	2.33	2.31
6M	2.57	2.57	2.57	2.52
Indonesia Interest Rates				
Deposit 1M	5.89	5.94	5.90	5.76
Lending	13.5	13.7	13.7	13.7

Indonesia Sovereign CDS	2-year	5-year	10-year
As of 20-Sep	73.59	139.66	219.76
(-1 Day)	66.00	133.16	215.41
(-1 Week)	69.26	134.30	217.15
(-1 Month)	44.02	121.06	204.04
(-1 Year)	39.61	101.77	168.77

Benchmark	20-Sep	(-1 day)	Change	Yield
FR0061	96.66	96.65	2	8.07%
FR0059	92.29	92.21	8	8.26%
FR0074	90.86	90.78	8	8.64%
FR0072	96.09	95.46	63	8.69%

Government Bond Ownership As of September 18, 2018 (in Trillion)

Holders	2013	2014	2015	2016	2017	13-Sep-18	14-Sep-18	17-Sep-18	18-Sep-18
Banks	335.43	375.55	350.07	399.46	491.61	605.61	611.89	607.84	614.48
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	109.68	115.89	117.40	109.98
Mutual Fund	42.50	45.79	61.60	85.66	104.00	118.2	118.4	118.2	118.1
Insurance	129.55	150.60	171.62	238.24	150.80	191.0	191.0	190.8	190.8
Foreign Investor	323.83	461.35	558.52	665.81	836.15	833.40	835.55	834.68	835.57
Pension Fund	39.47	43.30	49.83	87.28	198.06	213.11	214.31	213.83	213.97
Individual Investors	32.48	30.41	42.53	57.75	59.84	64.11	64.15	64.22	64.25
Others	47.56	61.32	78.76	104.84	117.48	133.74	133.79	133.23	133.14
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,268.79	2,285.00	2,280.24	2,280.24

Source: Bloomberg, IDX & DJPPR

September 21, 2018

Government Bonds Prices

Closing Price Data : 20-Sep-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0069	15-Apr-19	0.57	7.875%	100.45	7.03%	100.40	4.7
FR0036	15-Sep-19	0.99	11.500%	103.88	7.30%	103.84	4.3
FR0031	15-Nov-20	2.16	11.000%	106.31	7.73%	106.35	-3.8
FR0034	15-Jun-21	2.74	12.800%	111.52	8.00%	111.51	0.4
FR0053	15-Jul-21	2.82	8.250%	100.60	8.00%	100.61	-1.3
FR0061	15-May-22	3.65	7.000%	96.66	8.07%	96.65	1.5
FR0035	15-Jun-22	3.74	12.900%	114.99	8.14%	115.00	-1.6
FR0043	15-Jul-22	3.82	10.250%	106.77	8.14%	106.73	4.4
FR0063	15-May-23	4.65	5.625%	90.53	8.11%	90.38	14.6
FR0046	15-Jul-23	4.82	9.500%	104.97	8.22%	104.99	-1.2
FR0039	15-Aug-23	4.90	11.750%	113.89	8.24%	113.94	-4.2
FR0070	15-Mar-24	5.49	8.375%	100.47	8.27%	100.28	19.2
FR0044	15-Sep-24	5.99	10.000%	107.86	8.30%	107.78	8.2
FR0040	15-Sep-25	6.99	11.000%	113.15	8.47%	113.15	0.0
FR0037	15-Sep-26	7.99	12.000%	119.81	8.53%	119.81	0.0
FR0056	15-Sep-26	7.99	8.375%	100.69	8.25%	100.39	30.3
FR0059	15-May-27	8.65	7.000%	92.29	8.26%	92.21	7.8
FR0042	15-Jul-27	8.82	10.250%	111.63	8.35%	110.39	124.1
FR0047	15-Feb-28	9.41	10.000%	108.79	8.62%	108.79	0.0
FR0064	15-May-28	9.66	6.125%	86.45	8.18%	86.27	17.7
FR0071	15-Mar-29	10.49	9.000%	103.42	8.50%	103.25	17.9
FR0052	15-Aug-30	11.91	10.500%	112.94	8.73%	112.94	0.0
FR0073	15-May-31	12.66	8.750%	101.20	8.59%	101.00	20.0
FR0054	15-Jul-31	12.82	9.500%	106.59	8.64%	106.43	16.3
FR0058	15-Jun-32	13.75	8.250%	96.74	8.66%	95.70	104.0
FR0074	15-Aug-32	13.91	7.500%	90.86	8.64%	90.78	7.8
FR0065	15-May-33	14.66	6.625%	84.73	8.46%	84.36	36.7
FR0068	15-Mar-34	15.49	8.375%	97.37	8.69%	97.35	1.8
FR0072	15-May-36	17.66	8.250%	96.09	8.69%	95.46	63.4
FR0045	15-May-37	18.66	9.750%	106.61	9.01%	106.614	0.0
FR0075	15-May-38	138.47	7.500%	88.25	8.76%	87.93	31.8
FR0050	15-Jul-38	19.83	10.500%	111.50	9.22%	112.25	-75.0
FR0057	15-May-41	22.67	9.500%	105.10	8.97%	105.10	0.0
FR0062	15-Apr-42	23.58	6.375%	73.91	9.07%	73.91	0.0
FR0067	15-Jul-43	24.83	8.750%	98.45	8.90%	95.25	320.0
FR0076	15-May-48	29.67	7.375%	82.58	9.10%	83.07	-48.8

Source: Bloomberg, IBPA & MCS Estimates

Macroeconomic Indicator Calendar (September 17 - September 21 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
17	Balance of Trade	Aug-18	USD -1.02 billion	USD -2.0 billion	USD -0.7 billion
17	Export Growth (YoY)	Aug-18	4.15%	19.33%	11.35%
17	Import Growth (YoY)	Aug-18	24.65%	31.56%	14.10%

GLOBAL

Date	Indicator	Country	Series Data	Actual	Previous	Projection
17	Inflation Rate Final (YoY)	Euro Area	Aug-18	2.0%	2.1%	2.0%
18	Balance of Trade	Japan	Aug-18	JPY -445 billion	JPY -231.0 billion	JPY 575.5 billion
19	BoJ Interest Rate	Japan	-	-0.1%	-0.1%	-0.1%
19	Inflation Rate (YoY)	United Kingdom	Aug-18	2.7%	2.5%	2.7%
19	Crude Oil Inventory	US	Week Ended, Sep 14 - 2018	-2.06 million barrel	-5.3 million barrel	-1.2 million barrel
20	Existing Home Sales	US	Aug-18	5.34 million	5.34 million	5.36 million
20	Initial Jobless Claims	US	Week Ended, Sep 15-2018	201 thousand	204 thousand	208 thousand
20	Continuing Jobless Claims	US	Week Ended, Sep 08-2018	1645 thousand	1700thousand	1700 thousand
21	Inflation Rate (YoY)	Japan	Aug-18	1,3%	0.9%	1.0%

September 21, 2018

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