

January 23, 2019

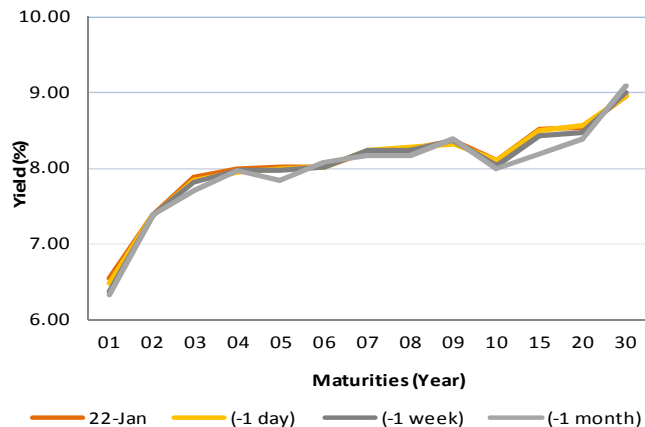
Fixed Income Daily Notes



Indonesia Government Bonds Yield

| Maturities (Year) | 22-Jan | (-1 day) | (-1 week) | (-1 month) |
|-------------------|--------|----------|-----------|------------|
| 01 | 6.55 | 6.48 | 6.36 | 6.33 |
| 02 | 7.38 | 7.38 | 7.39 | 7.38 |
| 03 | 7.88 | 7.84 | 7.82 | 7.70 |
| 04 | 8.00 | 7.96 | 7.96 | 7.97 |
| 05 | 8.01 | 8.00 | 7.98 | 7.83 |
| 06 | 8.02 | 8.02 | 8.02 | 8.09 |
| 07 | 8.21 | 8.22 | 8.23 | 8.16 |
| 08 | 8.26 | 8.28 | 8.24 | 8.17 |
| 09 | 8.37 | 8.32 | 8.35 | 8.39 |
| 10 | 8.11 | 8.10 | 8.04 | 7.99 |
| 15 | 8.52 | 8.50 | 8.43 | 8.19 |
| 20 | 8.55 | 8.55 | 8.47 | 8.38 |
| 30 | 8.96 | 8.96 | 9.01 | 9.09 |

Source: Bloomberg



Global Market Update

- Yesterday, January 22 2019, US 10-years treasury note yield fell to 2.74% after gloomy economic outlook, which was caused by China economic slowing down and IMF economic projection. Yield of global benchmark bond moved varied, reflected by 10-years UK Gilt, which flat at 1.32%, while 10-years German Bunds moved downward to 0.23%.
- Yield 10-years US Treasury note kemarin, 22 Januari 2019, ditutup turun ke level 2,74% akibat adanya pelemahan ekonomi Tiongkok dan revisi pertumbuhan ekonomi global oleh IMF. Di sisi lain, yield obligasi benchmark global ditutup bervariasi, tercermin dari yield 10-years UK Gilt, yang ditutup datar pada 1,32%, sementara 10-years German Bunds ditutup turun ke level 0,23%.

Domestic Market Update

- Yesterday, January 22 2019, The government absorbed IDR 7.64 trillion in the last Islamic government securities (SBSN) or Sukuk auction from total incoming bids IDR 24.48 trillion. The absorbed amount was below government indicative target, IDR 8 trillion, even though its total incoming bids were higher than previous auction, IDR 17.81 trillion. Moreover, SPNS23012020 became the most interesting series in the auction with an incoming bids IDR 6.55 trillion, while PBS014 was the series which was not won.
- Pemerintah berhasil menyerap Rp 7,64 triliun dana dari investor dalam lelang Surat Berharga Syariah Negara (SBSN) kemarin, 22 Januari 2019, dengan tingkat penawaran yang masuk (incoming bids) mencapai Rp 24,48 triliun. Adapun jumlah dana yang diserap masih berada di bawah target indikatif pemerintah sebesar Rp 8 triliun, meskipun total penawarannya lebih tinggi dibanding lelang sebelumnya, sebesar Rp 17,81 triliun. Pada lelang kali ini, seri SPNS23012020 menjadi seri yang paling banyak diminati oleh investor dengan tingkat penawaran yang masuk mencapai Rp 6,55 triliun, sedangkan seri PBS014 menjadi satu-satunya seri yang tidak dimenangkan.
- Today, Government bond prices on the secondary market are likely to flat. Rupiah will be ranging from IDR 14,198 - IDR 14,268 and yield of 10-years benchmark bond (FR0078) will be ranging from 8.06% - 8.09%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi cenderung datar. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp 14.198 – Rp 14.268, sedangkan yield benchmark 10 tahun (FR0078) pada perdagangan hari ini diperkirakan bergerak di rentang 8,06% - 8,09%.

| Most Active Government Bonds | Last Price | Last Yield | Volume (IDR bn) |
|------------------------------|------------|------------|-----------------|
| FR0068 | 99.20 | 8.47 | 2020 |
| FR0077 | 100.65 | 7.97 | 1635 |
| FR0072 | 98.00 | 8.47 | 1269 |
| FR0078 | 101.10 | 8.09 | 1127 |
| FR0073 | 101.57 | 8.54 | 705 |
| PBS019 | 101.09 | 7.96 | 584 |
| FR0064 | 86.80 | 8.18 | 511 |
| FR0069 | 100.25 | 2.47 | 454 |
| SPN12190214 | 99.67 | 5.70 | 301 |
| PBS012 | 100.00 | 8.87 | 280 |

| Global Stock Marketss | Last Price | Chg (bps) | % Chg | % YTD |
|-----------------------|------------|-----------|--------|-------|
| Indonesia (JCI) | 6468.56 | 17.73 | 0.27% | 4.42% |
| Malaysia (KLCI) | 1702.12 | 9.90 | 0.59% | 0.68% |
| Thailand (SET) | 1601.77 | 13.39 | 0.84% | 2.42% |
| Singapore (STI) | 3192.71 | -27.85 | -0.86% | 4.04% |
| Hang Seng | 27005.45 | -191.09 | -0.70% | 4.49% |
| Nikkei 225 | 20622.91 | -96.42 | -0.47% | 3.04% |
| Shanghai | 2579.70 | -30.81 | -1.18% | 3.44% |
| Dow Jones (DJIA) | 24404.48 | -301.87 | -1.22% | 4.62% |
| London (FTSE 100) | 6901.39 | -69.20 | -0.99% | 2.58% |
| DAX | 11090.11 | -46.09 | -0.41% | 5.03% |

| FX Rate | 22-Jan | | |
|---------|--------|----------|-----------|
| | 22-Jan | (-1 day) | (-1 week) |
| USD/IDR | 14,233 | 14,223 | 14,136 |
| GBP/USD | 1.296 | 1.289 | 1.286 |
| USD/JPY | 109.4 | 109.7 | 108.7 |
| USD/SGD | 1.360 | 1.359 | 1.356 |
| USD/THB | 31.79 | 31.81 | 31.91 |
| USD/MYR | 4.135 | 4.124 | 4.106 |

| Macroeconomic Data | Dec-18 | Nov-18 | Oct-18 |
|----------------------------|--------|--------|--------|
| Consumer Price Index (MoM) | 0.62 | 0.27 | 0.28 |
| Consumer Price Index (YoY) | 3.13 | 3.23 | 3.16 |
| Core Inflation (YoY) | 3.07 | 3.03 | 2.94 |
| BI 7-Day RR Rate (%) | 6.00 | 6.00 | 5.75 |
| Foreign Reserve (US\$ Bn) | 120.70 | 117.20 | 115.20 |

| Indonesia Sovereign CDS | 2-year | 5-year | 10-year |
|-------------------------|--------|--------|---------|
| As of | | | |
| 22-Jan | 52.35 | 125.28 | 199.38 |
| (-1 Day) | 51.92 | 122.34 | 198.17 |
| (-1 Week) | 53.27 | 127.11 | 204.82 |
| (-1 Month) | 57.60 | 142.83 | 220.06 |
| (-1 Year) | 29.69 | 80.09 | 144.75 |

| Most Active Corporate Bonds | | Last Price | Last Yield | Volume (IDR bn) |
|-----------------------------|-----------|------------|------------|-----------------|
| SIBMTR01CN2 | idA+(sy) | 102.11 | 9.60 | 100 |
| ADMFO4CCN3 | idAAA | 100.74 | 8.18 | 85 |
| SIPPLN02BCN3 | idAAA(sy) | 88.11 | 9.30 | 70 |
| BEXI03BCN4 | idAAA | 100.43 | 6.74 | 60 |
| ISAT01CCN3 | idAAA | 104.45 | 9.22 | 25 |
| BNLI01SBCN1 | idAA+ | 99.97 | 6.72 | 22 |
| SMBEXI01ACN1 | idAAA(sy) | 99.72 | 6.86 | 22 |
| PPGD03BCN1 | idAAA | 97.59 | 8.95 | 20 |
| SIISAT01ACN3 | idAAA(sy) | 106.76 | 8.62 | 20 |
| SIPPLN01BCN2 | idAAA(sv) | 102.84 | 8.97 | 20 |

| Global Bonds | 22-Jan | | | |
|--|--------|----------|-----------|------------|
| | 22-Jan | (-1 day) | (-1 week) | (-1 month) |
| Fed Fund Rate & UST-Bonds Yield | | | | |
| Fed Fund Rate | 2.50 | 2.50 | 2.50 | 2.50 |
| 2-Year | 2.59 | 2.62 | 2.54 | 2.56 |
| 5-Year | 2.58 | 2.62 | 2.53 | 2.58 |
| 10-Year | 2.74 | 2.79 | 2.71 | 2.74 |
| 30-Year | 3.06 | 3.10 | 3.07 | 3.00 |
| 10-Year Government Bond Yield | | | | |
| UK | 1.32 | 1.32 | 1.26 | 1.26 |
| Germany | 0.23 | 0.25 | 0.20 | 0.25 |
| France | 0.64 | 0.65 | 0.62 | 0.69 |
| China | 3.11 | 3.11 | 3.14 | 3.31 |
| Japan | -0.01 | 0.00 | 0.01 | 0.01 |
| Korea | 2.73 | 2.73 | 2.73 | 2.73 |
| Thailand | 2.44 | 2.46 | 2.46 | 2.44 |
| Malaysia | 4.06 | 4.06 | 4.06 | 4.09 |
| Singapore | 2.21 | 2.21 | 2.17 | 2.10 |
| Indonesia USD Bond Yield | | | | |
| INDO-22 | 3.72 | 3.75 | 3.83 | 3.98 |
| INDO-27 | 4.27 | 4.27 | 4.32 | 4.52 |
| INDO-47 | 4.99 | 4.97 | 5.00 | 5.23 |

| Money Market | 22-Jan | | | |
|---------------------------------|--------|----------|-----------|------------|
| | 22-Jan | (-1 day) | (-1 week) | (-1 month) |
| JIBOR | | | | |
| O/N | 5.90 | 5.90 | 5.90 | 5.90 |
| 1M | 7.17 | 7.19 | 7.23 | 7.55 |
| 3M | 7.41 | 7.42 | 7.43 | 7.71 |
| LIBOR | | | | |
| 1M | 2.51 | 2.51 | 2.51 | 2.51 |
| 3M | 2.77 | 2.76 | 2.77 | 2.81 |
| 6M | 2.85 | 2.85 | 2.85 | 2.89 |
| Indonesia Interest Rates | | | | |
| Deposit 1M | 6.19 | 6.28 | 6.25 | 6.34 |
| Lending | 13.8 | 13.8 | 13.9 | 13.9 |

| 2018 Benchmark | 22-Jan | (-1 day) | Change | Yield |
|----------------|--------|----------|--------|-------|
| FR0063 | 91.71 | 91.80 | -9 | 7.93% |
| FR0064 | 86.54 | 86.65 | -11 | 8.22% |
| FR0065 | 84.48 | 84.44 | 3 | 8.52% |
| FR0075 | 90.79 | 90.79 | 0 | 8.48% |

Government Bond Ownership As of January 18, 2019 (in Trillion)

| Holders | 2014 | 2015 | 2016 | 2017 | 2018 | 15-Jan-19 | 16-Jan-19 | 17-Jan-19 | 18-Jan-19 |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Banks | 375.55 | 350.07 | 399.46 | 491.61 | 481.33 | 627.62 | 635.41 | 656.51 | 657.32 |
| Bank Indonesia | 41.63 | 148.91 | 134.25 | 141.83 | 253.47 | 121.70 | 115.06 | 112.46 | 111.28 |
| Mutual Fund | 45.79 | 61.60 | 85.66 | 104.00 | 118.63 | 118.35 | 117.94 | 119.84 | 119.96 |
| Insurance | 150.60 | 171.62 | 238.24 | 150.80 | 201.59 | 201.44 | 201.37 | 201.42 | 201.43 |
| Foreign Investor | 461.35 | 558.52 | 665.81 | 836.15 | 893.25 | 899.19 | 898.54 | 904.74 | 904.41 |
| Pension Fund | 43.30 | 49.83 | 87.28 | 198.06 | 212.88 | 213.01 | 213.01 | 213.19 | 213.62 |
| Individual Investors | 30.41 | 42.53 | 57.75 | 59.84 | 73.07 | 73.00 | 72.98 | 72.94 | 72.95 |
| Others | 61.32 | 78.76 | 104.84 | 117.48 | 134.22 | 134.24 | 134.25 | 135.21 | 135.33 |
| Total | 1,209.96 | 1,461.85 | 1,773.28 | 2,099.77 | 2,368.45 | 2,388.56 | 2,388.56 | 2,416.31 | 2,416.31 |

Source: Bloomberg, IDX & DJPPR

January 23, 2019



Government Bonds Prices

Closing Price Data : 22-Jan-2019

| Series | Maturity | TTM | Coupon | Price | YTM | Price (-1) | Price Spread (bps) |
|---------------|------------------|--------------|---------------|---------------|--------------|---------------|--------------------|
| FR0069 | 15-Apr-19 | 0.23 | 7.875% | 100.28 | 6.45% | 100.27 | 1.2 |
| FR0036 | 15-Sep-19 | 0.65 | 11.500% | 103.15 | 6.36% | 103.25 | -10.7 |
| FR0031 | 15-Nov-20 | 1.82 | 11.000% | 106.22 | 7.25% | 106.28 | -5.8 |
| FR0034 | 15-Jun-21 | 2.40 | 12.800% | 111.13 | 7.61% | 111.24 | -11.2 |
| FR0053 | 15-Jul-21 | 2.48 | 8.250% | 101.29 | 7.67% | 101.31 | -1.4 |
| FR0061 | 15-May-22 | 3.31 | 7.000% | 97.74 | 7.78% | 97.77 | -2.7 |
| FR0035 | 15-Jun-22 | 3.40 | 12.900% | 115.00 | 7.77% | 115.11 | -10.8 |
| FR0043 | 15-Jul-22 | 3.48 | 10.250% | 107.37 | 7.79% | 107.37 | 0.2 |
| FR0063 | 15-May-23 | 4.31 | 5.625% | 91.71 | 7.93% | 91.80 | -8.9 |
| FR0046 | 15-Jul-23 | 4.48 | 9.500% | 105.36 | 8.05% | 105.36 | 0.0 |
| FR0039 | 15-Aug-23 | 4.56 | 11.750% | 114.38 | 7.96% | 114.38 | 0.0 |
| FR0070 | 15-Mar-24 | 5.15 | 8.375% | 101.53 | 8.00% | 101.52 | 1.4 |
| FR0077 | 15-May-24 | 5.32 | 8.125% | 100.68 | 7.96% | 100.71 | -2.7 |
| FR0044 | 15-Sep-24 | 5.65 | 10.000% | 108.90 | 8.00% | 97.65 | 1125.3 |
| FR0040 | 15-Sep-25 | 6.65 | 11.000% | 114.38 | 8.15% | 114.46 | -8.9 |
| FR0037 | 15-Sep-26 | 7.65 | 12.000% | 121.09 | 8.22% | 121.28 | -18.8 |
| FR0056 | 15-Sep-26 | 7.65 | 8.375% | 101.49 | 8.11% | 101.55 | -5.7 |
| FR0059 | 15-May-27 | 8.32 | 7.000% | 92.74 | 8.22% | 92.80 | -6.0 |
| FR0042 | 15-Jul-27 | 8.48 | 10.250% | 111.78 | 8.29% | 111.94 | -15.4 |
| FR0047 | 15-Feb-28 | 9.07 | 10.000% | 110.63 | 8.31% | 110.63 | 0.0 |
| FR0064 | 15-May-28 | 9.32 | 6.125% | 86.54 | 8.22% | 86.65 | -10.5 |
| FR0071 | 15-Mar-29 | 10.15 | 9.000% | 105.15 | 8.24% | 105.28 | -12.6 |
| FR0078 | 15-May-29 | 10.32 | 8.250% | 101.19 | 8.08% | 101.26 | -6.8 |
| FR0052 | 15-Aug-30 | 11.57 | 10.500% | 116.75 | 8.23% | 116.75 | 0.0 |
| FR0073 | 15-May-31 | 12.32 | 8.750% | 102.05 | 8.48% | 101.99 | 6.2 |
| FR0054 | 15-Jul-31 | 12.48 | 9.500% | 107.79 | 8.48% | 107.71 | 8.0 |
| FR0058 | 15-Jun-32 | 13.41 | 8.250% | 97.84 | 8.52% | 97.89 | -4.6 |
| FR0074 | 15-Aug-32 | 13.57 | 7.500% | 91.76 | 8.54% | 91.79 | -3.0 |
| FR0065 | 15-May-33 | 14.32 | 6.625% | 84.48 | 8.52% | 84.44 | 3.4 |
| FR0068 | 15-Mar-34 | 15.15 | 8.375% | 99.01 | 8.49% | 99.03 | -1.8 |
| FR0072 | 15-May-36 | 17.32 | 8.250% | 97.99 | 8.47% | 98.61 | -61.8 |
| FR0045 | 15-May-37 | 18.32 | 9.750% | 110.00 | 8.65% | 110 | 0.0 |
| FR0075 | 15-May-38 | 19.32 | 7.500% | 90.79 | 8.48% | 90.79 | 0.2 |
| FR0050 | 15-Jul-38 | 19.49 | 10.500% | 117.74 | 8.61% | 117.74 | 0.0 |
| FR0079 | 15-Apr-39 | 20.24 | 8.375% | 98.55 | 8.52% | 98.47 | 8.8 |
| FR0057 | 15-May-41 | 22.33 | 9.500% | 107.89 | 8.69% | 107.98 | -9.3 |
| FR0062 | 15-Apr-42 | 23.24 | 6.375% | 76.73 | 8.73% | 76.80 | -7.1 |
| FR0067 | 15-Jul-43 | 24.49 | 8.750% | 100.26 | 8.72% | 100.16 | 10.0 |
| FR0076 | 15-May-48 | 29.33 | 7.375% | 84.26 | 9.04% | 83.94 | 32.8 |

Source: Bloomberg, IBPA & MCS Estimates

Macroeconomic Indicator Calendar (January 21 2019 - January 25 2019)

INDONESIA

| Date | Indicator | Series Data | Actual | Previous | Projection |
|------|---------------------------------|-------------|--------|----------|------------|
| 25 | Foreign Direct Investment (YoY) | 4th Quarter | - | -20.2% | - |

GLOBAL

| Date | Indicator | Country | Series Data | Actual | Previous | Projection |
|------|--------------------------------|---------------|---------------------------|--------|----------------------|-------------------|
| 21 | Economic Growth Rate (YoY) | China | 4th Quarter | 6.4% | 6.5% | 6.4% |
| 22 | Unemployment Rate | Great Britain | Nov-18 | 4.0% | 4.1% | 4.1% |
| 22 | ZEW Economic Sentiment Index | Germany | Jan-19 | -15.0 | -17.5 | -17.0 |
| 23 | Balance of Trade | Japan | Dec-18 | - | JPY -737 billion | JPY -29.5 billion |
| 23 | BoJ Interest Rate | Japan | - | - | -0.1% | -0.1% |
| 23 | Consumer Confidence Flash | Euro Area | Jan-19 | - | -6.2 | -4.3 |
| 23 | Crude Oil Inventory | US | Week Ended, Jan 18 - 2019 | - | -2.68 million barrel | - |
| 24 | Markit Manufacturing PMI Flash | Germany | Jan-19 | - | 51.5 | 51.2 |
| 24 | ECB Interest Rate | Euro Area | - | - | 0.0% | 0.0% |
| 24 | Markit Manufacturing PMI Flash | US | Jan-19 | - | 53.8 | 53.4 |
| 24 | Initial Jobless Claims | US | Week Ended, Jan 19 - 2019 | - | 213 thousand | - |
| 24 | Continuing Jobless Claims | US | Week Ended, Jan 12 - 2019 | - | 1737 thousand | - |
| 25 | Ifo Business Climate | Germany | Jan-19 | - | 101.0 | 100.6 |

January 23, 2019

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 |
| Cicik Sukaesih | cicik@megasekuritas.id | Debt Sales |
| Ajeng Palupi P. | palupi@megasekuritas.id | Debt Sales |
| Ratna Nurhasanah | ratna.nurhasanah@megasekuritas.id | Debt Sales |
| Marlina Sabanita | marlina.sabanita@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 reserved by PT Mega Capital Sekuritas.