

HEADLINES & ANALYSIS

- With Treasury yields hovering near their highest levels in years, there was a sense that bond buyers might jump at the chance to take down \$49 billion of debt over two auctions on Monday. But in a sign that investor angst over surging supply can't be relieved by higher yields alone, demand was only deemed "average" at best. (Bloomberg)
- The case is strengthening for Norwegian central bank policy makers to soon raise interest rates for the first time in seven years. Economic growth is accelerating, oil prices are up, unemployment is nearing rock-bottom levels and central banks around the world are starting to withdraw stimulus. At the same time, the government this month decided to lower the inflation target, opening for a faster tightening of policy in the short run. (Bloomberg)
- Inflation in India dropped below 5% for the first time in three months, giving the central bank room to keep interest rates on hold for longer while providing relief to battered bond investors. Government data on Monday showed inflation at 4.44% in February, lower than the 5.07% pace in January. (Bloomberg)

YIELD CURVE (%)

TTM	12-Mar-18	-1 Day	Change	TTM	12-Mar-18	-1 Day	Change
3 months	4.190	4.197	-0.007	15 years	7.354	7.369	-0.015
6 months	4.661	4.676	-0.015	16 years	7.382	7.397	-0.015
1 year	5.279	5.307	-0.029	17 years	7.406	7.421	-0.015
2 years	5.787	5.825	-0.037	18 years	7.428	7.443	-0.015
3 years	6.082	6.115	-0.033	19 years	7.446	7.461	-0.015
4 years	6.321	6.347	-0.026	20 years	7.463	7.478	-0.015
5 years	6.524	6.545	-0.021	21 years	7.477	7.492	-0.015
6 years	6.695	6.713	-0.017	22 years	7.490	7.505	-0.016
7 years	6.836	6.851	-0.015	23 years	7.501	7.517	-0.016
8 years	6.951	6.965	-0.014	24 years	7.512	7.527	-0.016
9 years	7.045	7.059	-0.014	25 years	7.521	7.537	-0.016
10 years	7.122	7.136	-0.014	26 years	7.529	7.545	-0.016
11 years	7.186	7.200	-0.014	27 years	7.537	7.553	-0.016
12 years	7.239	7.253	-0.014	28 years	7.544	7.559	-0.016
13 years	7.284	7.298	-0.014	29 years	7.550	7.566	-0.016
14 years	7.322	7.336	-0.014	30 years	7.555	7.571	-0.016

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0059	7.000	15-May-27	100.70	6.919	1,052.30
FR0061	7.000	15-May-22	102.46	6.307	973.90
FR0056	8.375	15-Sep-26	108.85	6.981	883.28
SPN03180514	-	#N/A	99.34	-	750.00
FR0064	6.125	15-May-28	95.80	6.758	689.34

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
ADMFO4BCN1	idAAA	7.450	12-Dec-20	100.50	7.25	100.00
AKRA01B	idAA-	8.750	21-Dec-19	103.00	6.94	80.00
NISP02ACN2	idAAA	6.750	2-Sep-18	100.53	6.71	45.00
BEXI03CCN1	idAAA	8.700	8-Jun-21	105.70	6.73	40.00
BFIN03BCN4	AA-(idn)	7.250	6-Mar-20	100.02	7.24	30.00

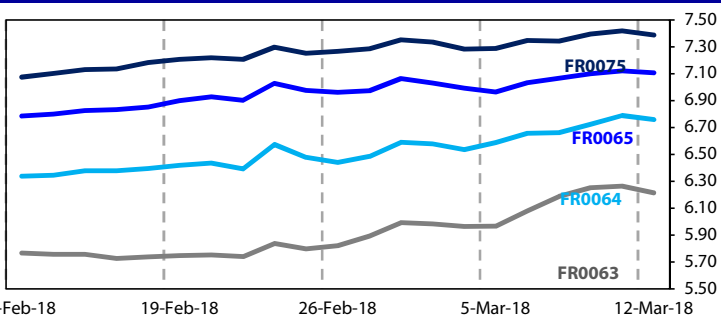
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	12-Mar-18			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	12-Mar-18			Spread over UST YC (bps)		
			12-Mar-18	-1 Mo	-3 Mo	12-Mar-18	-1 Mo	-3 Mo				12-Mar-18	-1 Mo	-3 Mo			
United States USD	2yr		2.270	2.260	1.950				Philippines PHP	2yr	6.000	4.515	4.162	4.142	225	211	231
	5yr		2.640	2.520	2.180					5yr	7.875	5.537	4.948	4.722	290	243	254
	10yr		2.870	2.830	2.400					10yr	11.375	6.097	5.488	5.100	323	266	270
German EUR	2yr	0.250	-0.570	-	-	-284	-	-	Thailand THB	2yr	3.125	1.346	1.415	1.545	-92	-64	-29
	5yr	1.000	0.019	0.096	-	-262	-242	-		5yr	3.450	1.827	1.842	1.902	-81	-68	-28
	10yr	1.750	0.641	0.745	-	-223	-209	-		10yr	3.625	2.38	2.429	2.418	-49	-40	2
Indonesia USD	2yr	11.625	2.672	2.546	2.173	40	50	34	India INR	2yr	7.590	6.996	6.912	6.688	473	486	486
	5yr	3.750	3.740	3.439	3.023	110	92	84		5yr	7.280	7.535	7.47	7.091	490	495	491
	10yr	3.500	4.172	4.030	3.586	130	120	119		10yr	8.830	7.649	7.493	-	478	466	-
Brazil BRL	2yr	0.000	7.022	7.68	8.00	475	563	617	Malaysia MYR	3yr	3.172	3.419	3.431	3.429	99	117	148
	5yr	10.000	8.570	9.10	9.61	630	705	778		5yr	3.260	3.599	3.625	3.645	96	111	147
	10yr	10.000	9.586	9.96	10.35	732	791	852		10yr	4.181	3.986	3.964	3.983	112	113	158

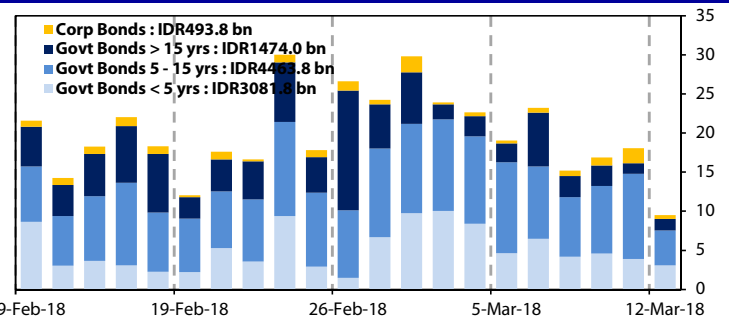
Sources: Bloomberg (Current Yield Curve), US Treasury

YIELD OF GOVERNMENT BOND BENCHMARK (%)



Sources: Bloomberg

TRADING VOLUME BY MATURITY (IDR TRILLION)



Sources: Indonesia Stock Exchange

KEY TARGETED RATE

Country	Rate (%)	Last Change	Change	Inflation Rate (%)	Real Interest Rate (%)
Indonesia (SDRR)	4.25	22-Sep-17	-25bps ↓	3.18	1.07
US (Fed Fund Rate)	1.50	13-Dec-17	25bps ↑	2.10	-0.60
Euro Region	0.00	16-Mar-16	-5bps ↓	1.60	-1.60
Japan	0.10	19-Dec-08	-20bps ↓	1.40	-1.30
India (Repo Rate)	6.00	2-Aug-17	-25bps ↓	5.11	0.89
Malaysia	3.25	25-Jan-18	25bps ↑	2.70	0.55
Philippines	3.00	16-May-16	-100bps ↓	4.50	-1.50
Thailand	3.00	25-Jan-12	-25bps ↓	0.42	2.58
Singapore	0.08	31-Dec-13	5bps ↑	0.00	0.08
Brazil	6.75	7-Feb-18	-25bps ↓	2.84	3.91

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	12-Mar-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,501 ↑	6,433	1.05	-0.76	-0.07	20.59	2.28
Dow Jones (DJIA)	25,336 →	25,336	0.00	1.85	4.73	21.21	2.49
London (FTSE 100)	7,223 ↓	7,225	-0.02	1.51	1.84	-1.63	-6.04
Nikkei 225	21,824 ↑	21,469	1.65	3.72	2.06	11.32	-4.13
Hang Seng (HIS)	31,594 ↑	30,996	1.93	5.71	7.07	34.05	5.60
Malaysia (KLCI)	1,861 ↑	1,844	0.94	1.01	2.27	8.36	3.58
Philippines (PSEi)	8,454 ↑	8,373	0.97	0.80	-0.59	18.29	-1.23
Thailand (SET)	1,800 ↑	1,775	1.41	-0.47	0.78	16.91	2.66
Singapore (STI)	3,540 ↑	3,486	1.57	2.95	4.82	12.98	4.03
Brazil (BOVESPA)	86,371 →	86,371	0.00	0.41	6.76	33.55	13.05

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	12-Mar-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	13,765 ↓	13,797	13,762	13,628	13,555
Brent	64.62 ↓	65.28	65.43	62.42	66.82
WTI Crude Oil	62.04 →	62.04	62.57	59.2	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
12-Mar-18	6.49		0.20	-0.75	-1.86	12.33	-0.90
-1 Day	6.51	↓ -2.3	-0.19	-0.93	-2.00	11.81	-1.10
-1 Week	6.34	↑ 15.3	0.02	-0.51	-1.43	13.45	-0.15
-1 Month	6.10	↑ 39.1	-0.05	-0.46	-0.39	15.47	0.92
-1 Year	7.47	↓ -98.0	-0.27	0.23	1.34	10.51	3.52

Sources: Danareksa

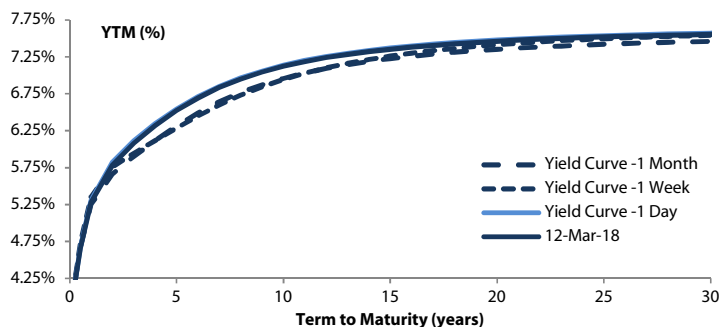
VALUATIONS OF GOVERNMENT BONDS

Bond	Issue Date	Mature Date	Coupon	TTM	Modified Duration	YTM (Change)	Prev Closing Price	Fair Yield Range	Fair Price Range	Last Trade			
										Date	Price	Vol (IDR bn)	Freq
FR0066	25-Oct-12	15-May-18	5.25	0.2	0.17	4.13 ↓ -29.5bps	100.18	3.695 4.057	100.20 100.26	9-Mar-18	99.93	75.00	5
FR0032	1-Sep-05	15-Jul-18	15.00	0.3	0.34	3.81 ↓ -24.1bps	103.72	3.511 3.872	103.76 103.89	12-Mar-18	103.10	200.00	2
FR0038	24-Aug-06	15-Aug-18	11.60	0.4	0.42	4.40 ↓ -4.7bps	102.99	3.702 4.063	103.18 103.34	5-Mar-18	103.10	80.00	1
FR0048	27-Sep-07	15-Sep-18	9.00	0.5	0.48	4.73 ↓ -2.6bps	102.10	4.411 4.772	102.10 102.28	9-Mar-18	101.72	75.00	5
FR0069	29-Aug-13	15-Apr-19	7.88	1.1	1.01	5.34 ↓ -0.7bps	102.64	5.041 5.402	102.58 102.97	12-Mar-18	102.50	75.13	3
FR0036	20-Apr-06	15-Sep-19	11.50	1.5	1.32	5.63 ↓ -2.5bps	108.34	5.518 5.708	108.26 108.54	9-Mar-18	108.00	1.00	1
FR0031	16-Jun-05	15-Nov-20	11.00	2.7	2.27	5.94 ↓ -2.9bps	112.32	5.808 6.069	112.00 112.68	9-Mar-18	112.35	36.00	3
FR0034	26-Jan-06	15-Jun-21	12.80	3.3	2.67	6.11 ↓ -6.5bps	119.47	6.030 6.180	119.26 119.75	9-Mar-18	119.85	50.00	1
FR0053	8-Jul-10	15-Jul-21	8.25	3.3	2.88	6.18 ↓ -0.3bps	106.15	6.077 6.312	105.75 106.48	12-Mar-18	106.11	155.15	6
FR0061	6-Oct-11	15-May-22	7.00	4.2	3.51	6.31 ↓ -5.1bps	102.49	6.213 6.379	102.23 102.84	12-Mar-18	102.46	973.90	22
FR0035	16-Feb-06	15-Jun-22	12.90	4.3	3.32	6.43 → 0.0bps	123.75	6.311 6.444	123.70 124.26	9-Mar-18	124.00	1.50	1
FR0043	22-Feb-07	15-Jul-22	10.25	4.3	3.51	6.42 ↑ 0.4bps	114.30	6.296 6.472	114.10 114.81	9-Mar-18	114.00	45.93	2
FR0063	13-Aug-12	15-May-23	5.63	5.2	4.34	6.21 ↓ -5.0bps	97.42	6.111 6.314	96.99 97.86	12-Mar-18	97.70	346.44	22
FR0046	19-Jul-07	15-Jul-23	9.50	5.3	4.20	6.40 → 0.0bps	113.65	6.330 6.626	112.74 114.17	12-Mar-18	113.00	1.17	1
FR0039	24-Aug-06	15-Aug-23	11.75	5.4	4.14	6.60 ↑ 1.1bps	123.18	6.486 6.676	122.79 123.77	9-Mar-18	121.40	18.40	2
FR0070	29-Aug-13	15-Mar-24	8.38	6.0	4.56	6.65 ↓ -2.4bps	108.44	6.536 6.742	107.96 109.02	12-Mar-18	108.40	385.69	26
FR0044	19-Apr-07	15-Sep-24	10.00	6.5	4.70	6.78 ↓ -1.0bps	116.71	6.749 6.839	116.38 116.89	9-Mar-18	116.50	1.00	1
FR0040	21-Sep-06	15-Sep-25	11.00	7.5	5.14	6.87 ↓ -0.7bps	123.93	6.822 6.939	123.45 124.23	9-Mar-18	124.03	872.78	6
FR0037	18-May-06	15-Sep-26	12.00	8.5	5.52	6.96 ↓ -3.1bps	131.96	6.912 6.981	131.79 132.32	15-Jan-18	138.50	10.00	1
FR0056	23-Sep-10	15-Sep-26	8.38	8.5	5.92	6.98 ↓ -3.3bps	108.83	6.880 7.018	108.58 109.51	12-Mar-18	108.85	883.28	24
FR0059	15-Sep-11	15-May-27	7.00	9.2	6.55	6.92 ↓ -2.8bps	100.53	6.825 6.958	100.27 101.16	12-Mar-18	100.70	1,052.30	51
FR0042	25-Jan-07	15-Jul-27	10.25	9.3	6.27	6.83 → 0.0bps	123.31	6.835 7.110	121.16 123.28	9-Mar-18	121.50	3.00	1
FR0047	30-Aug-07	15-Feb-28	10.00	9.9	6.63	6.68 → 0.0bps	123.84	6.667 6.921	121.84 123.92	12-Mar-18	122.75	20.00	1
FR0064	13-Aug-12	15-May-28	6.13	10.2	7.25	6.76 ↓ -3.1bps	95.39	6.698 6.807	95.04 95.81	12-Mar-18	95.80	689.34	54
FR0071	12-Sep-13	15-Mar-29	9.00	11.0	6.94	7.16 ↓ -1.8bps	113.88	7.094 7.231	113.27 114.40	12-Mar-18	113.15	91.80	6
FR0052	20-Aug-09	15-Aug-30	10.50	12.4	7.49	7.25 ↑ 0.2bps	126.34	7.211 7.303	125.82 126.69	12-Mar-18	126.75	92.00	4
FR0073	6-Aug-15	15-May-31	8.75	13.2	7.88	7.29 ↓ -2.4bps	112.26	7.250 7.353	111.64 112.58	12-Mar-18	112.25	227.27	22
FR0074	10-Nov-16	15-Aug-32	7.50	14.4	8.73	7.33 ↓ -1.9bps	101.45	7.260 7.421	100.68 102.11	12-Mar-18	101.80	433.24	9
FR0054	22-Jul-10	15-Jul-31	9.50	13.3	7.90	7.33 ↓ -0.2bps	118.27	7.268 7.362	117.96 118.84	9-Mar-18	118.65	16.92	4
FR0058	21-Jul-11	15-Jun-32	8.25	14.3	8.40	7.34 ↓ -2.2bps	107.94	7.276 7.411	107.29 108.54	12-Mar-18	107.50	22.02	3
FR0065	30-Aug-12	15-May-33	6.63	15.2	9.13	7.11 ↓ -1.6bps	95.57	7.048 7.209	94.65 96.08	12-Mar-18	97.00	122.01	92
FR0068	1-Aug-13	15-Mar-34	8.38	16.0	8.71	7.44 ↓ -0.3bps	108.65	7.395 7.516	107.92 109.10	12-Mar-18	108.32	645.56	29
FR0072	9-Jul-15	15-May-36	8.25	18.2	9.45	7.42 ↓ -2.8bps	108.24	7.392 7.539	106.96 108.48	12-Mar-18	108.75	343.64	22
FR0045	24-May-07	15-May-37	9.75	19.2	9.38	7.43 ↓ -10.7bps	123.50	7.324 7.686	120.52 124.76	12-Mar-18	123.50	1.05	1
FR0075	10-Aug-17	15-May-38	7.50	20.2	10.13	7.39 ↓ -3.1bps	101.15	7.317 7.475	100.24 101.90	12-Mar-18	101.30	349.26	108
FR0050	24-Jan-08	15-Jul-38	10.50	20.3	9.64	7.43 ↓ -0.1bps	131.96	7.404 7.572	130.13 132.26	12-Mar-18	131.40	6.00	2
FR0057	21-Apr-11	15-May-41	9.50	23.2	10.21	7.49 → 0.0bps	121.90	7.418 7.521	121.54 122.86	28-Feb-18	122.00	160.00	6
FR0062	9-Feb-12	15-Apr-42	6.38	24.1	11.07	7.54 → 0.0bps	87.14	7.350 7.625	86.30 89.06	12-Mar-18	89.40	3.37	6
FR0067	18-Jul-13	15-Feb-44	8.75	25.9	11.04	7.45 ↓ -0.5bps	114.84	7.409 7.533	113.77 115.35	12-Mar-18	118.00	1.00	1
FR0076	22-Sep-17	15-May-48	7.38	30.2	11.76	7.38 ↓ -0.4bps	99.97	7.216 7.474	98.81 101.93	12-Mar-18	101.25	2.13	8
ORIO12	21-Oct-15	15-Oct-18	9.00	0.6	-	4.38 ↓ -0.9bps	102.67	4.011 4.372	102.70 102.92	12-Mar-18	101.25	9.91	9
ORIO13	26-Oct-16	15-Oct-19	6.60	1.6	-	5.73 ↓ -0.9bps	101.31	5.611 5.973	100.95 101.50	12-Mar-18	99.85	5.45	14
ORIO14	25-Oct-17	15-Oct-20	5.85	2.6	-	5.88 ↓ -0.2bps	99.92	5.761 6.122	99.35 100.21	12-Mar-18	99.20	9.94	21
IFR0008	15-Apr-10	15-Mar-20	8.80	2.0	1.75	6.97 ↓ -0.2bps	103.38	7.036 7.397	102.57 103.25	5-May-14	103.65	5.00	3
IFR0007	21-Jan-10	15-Jan-25	10.25	6.8	4.96	7.52 ↓ -0.1bps	114.38	7.634 7.995	111.69 113.73	10-Oct-17	120.36	10.00	2
IFR0006	1-Apr-10	15-Mar-30	10.25	12.0	6.87	8.42 ↓ -182.9bps	113.65	10.172 10.534	98.09 100.53	12-Mar-18	113.65	81.31	1
IFR0010	3-Mar-11	15-Feb-36	10.00	17.9	8.83	8.39 → 0.0bps	114.75	8.356 8.717	111.52 115.13	23-Aug-17	120.00	1.01	1
PBS002	2-Feb-12	15-Jan-22	5.45	3.8	3.38	6.25 → 0.0bps	97.29	6.167 6.507	96.44 97.57	7-Mar-18	97.23	25.61	4
PBS003	2-Feb-12	15-Jan-27	6.00	8.8	6.59	7.26 ↓ -3.2bps	91.88	7.213 7.403	91.00 92.16	9-Jan-18	98.10	70.10	4
PBS004	16-Feb-12	15-Feb-37	6.10	18.9	10.36	7.63 → 0.0bps	84.80	7.431 7.793	83.38 86.58	8-Mar-18	84.80	103.72	15
PBS005	2-May-13	15-Apr-43	6.75	25.1	10.72	8.05 ↑ 6.3bps	86.08	8.003 8.365	83.16 86.51	20-Feb-18	90.98	128.00	1
PBS006	19-Sep-13	15-Sep-20	8.25	2.5	2.17	6.02 ↑ 13.4bps	105.10	5.876 6.166	104.77 105.46	2-Mar-18	105.90	3.59	2
PBS011	14-Jan-16	15-Aug-23	8.75	5.4	4.33	6.34 ↓ -0.1bps	110.90	6.446 6.807	108.69 110.41	9-Mar-18	110.75	9.00	2
PBS012	28-Jan-16	15-Nov-31	8.88	13.7	8.01	7.38 ↑ 0.3bps	112.75	7.361 7.526	111.38 112.90	12-Mar-18	112.75	0.90	1
PBS013	6-Oct-16	15-May-19	6.25	1.2	1.10	5.68 ↑ 3.0bps	100.63	5.309 5.670	100.64 101.05	12-Mar-18	101.25	287.00	6
PBS014	6-Oct-16	15-May-21	6.50	3.2	2.78	6.17 → 0.0bps	100.95	6.165 6.526	99.91 100.94	28-Feb-18	100.95	92.00	7
PBS015	21-Jul-17	15-Jul-47	8.00	29.3	10.95	8.20 → 0.0bps	97.83	7.886 8.247	97.27 101.28				
PBS016	6-Sep-17	15-Mar-20	6.25	2.0	1.81	5.70 → 0.0bps	101.04			9-Mar-18	101.10	0.80	1
SR007	11-Mar-15	11-Mar-18	8.25	0.0	-	#N/A N/I	100.08	#####	#####	6-Mar-18	100.00	48.04	13
SR008	10-Mar-16	10-Mar-19	8.30	1.0	-	5.47 ↑ 9.1bps	102.72	5.097 5.458	102.75 103.10	12-Mar-18	102.65	127.43	22
SR009	22-Mar-17	10-Mar-20	6.90	2.0	-	5.80 ↓ -4.0bps	102.06	5.753 6.114	101.47 102.16	12-Mar-18	100.55	97.90	29

*Val: Valuation based on ENSS Yield Curve; MDur (Modified Duration) is in year; Coupon, Price, & Yield are in %

Source: Bloomberg, Danareksa Sekuritas, IDX (Last Trade)

YIELD CURVE MOVEMENT



Source: Danareksa Sekuritas

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