

HEADLINES & ANALYSIS

- US Treasuries rose as an interest-rate cut in Denmark enhanced the attractiveness of US yields. The benchmark 10-year yield fell 4bps to 1.80%. The 2.25% note due in November 2024 climbed 11/32 to 104 1/32. Falling yields in Europe may lead investors to buy US Government securities. (Bloomberg)
- Oil traded below \$48 a barrel as the U.S. signaled it won't intervene in the market as prices decline. The U.S., the world's biggest oil user, will let the market decide what happens. While Iran is strong enough to withstand a deeper slump even if it must sell at \$25 a barrel. Brent for March settlement slid \$1.33, or 2.7%, to \$48.84 a barrel on the London-based ICE Futures Europe exchange Monday. The European benchmark crude ended the session at a premium of \$1.04 to WTI for the same month on Jan. 16. (Bloomberg)
- Mario Draghi is likely to announce a 550 billion-euro (\$640 billion) bond-purchase program this week to steer the euro area away from deflation. Draghi's goal at a press conference after the Governing Council gathers will be to convince investors he has a strategy big and bold enough to reinvigorate the moribund economy. Speculation over his plans has already sent the euro to an 11-year low, with the fund flows probably contributing to the Swiss National Bank's shock decision to end a cap on the franc. (Bloomberg)

YIELD CURVE (%)

TTM	19-Jan-15	-1 Day	Change	TTM	19-Jan-15	-1 Day	Change
3 months	6.052	6.067	-0.015	15 years	7.993	7.990	0.003
6 months	6.296	6.321	-0.025	16 years	8.038	8.036	0.002
1 year	6.753	6.785	-0.032	17 years	8.079	8.078	0.002
2 years	7.122	7.145	-0.023	18 years	8.117	8.115	0.001
3 years	7.277	7.286	-0.010	19 years	8.150	8.150	0.001
4 years	7.356	7.355	0.001	20 years	8.181	8.180	0.001
5 years	7.412	7.406	0.006	21 years	8.208	8.208	0.000
6 years	7.466	7.457	0.009	22 years	8.233	8.233	0.000
7 years	7.524	7.513	0.010	23 years	8.255	8.255	0.000
8 years	7.585	7.575	0.010	24 years	8.275	8.275	0.000
9 years	7.648	7.639	0.009	25 years	8.293	8.293	0.000
10 years	7.712	7.704	0.008	26 years	8.309	8.309	0.000
11 years	7.774	7.768	0.007	27 years	8.324	8.324	0.000
12 years	7.834	7.829	0.005	28 years	8.337	8.337	0.000
13 years	7.891	7.887	0.004	29 years	8.349	8.349	0.000
14 years	7.944	7.941	0.003	30 years	8.359	8.359	0.000

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0070	8.375	15-Mar-24	104.90	7.619	2,540.59
FR0068	8.375	15-May-34	103.00	8.064	2,402.79
FR0071	9.000	15-Mar-29	109.00	7.929	823.70
VR0020	6.207	15-Mar-29	99.30	6.25*	700.00
OR1010	8.500	15-Oct-16	102.35	7.210	617.05

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BNGA02SB	AA(idn)	10.850	23-Dec-20	99.50	10.96	262.60
BJBR07B	idAA-	10.200	9-Feb-16	100.80	9.39	30.00
APLN02	idA	9.375	15-Aug-17	99.90	9.42	24.00
BMMS1CN2	idA(sy)	9.600	28-Mar-23	82.50	13.12	20.00
BSLT05	A(idn)	11.900	8-Oct-19	102.60	11.18	19.00

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

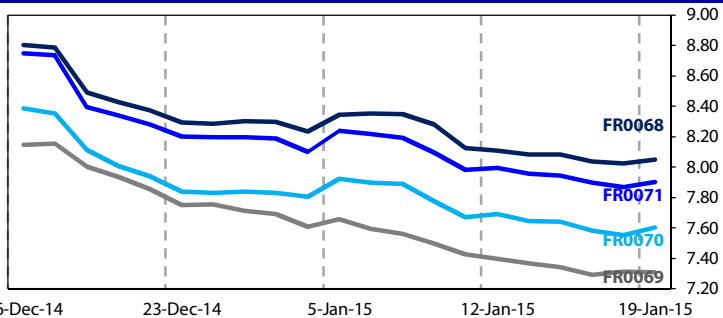
SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	19-Jan-15			Spread over UST YC (bps)		
			19-Jan-15	-1 Mo	-3 Mo	19-Jan-15	-1 Mo	-3 Mo
United States	2yr		0.490	1.100	0.770			
	5yr		1.290	1.660	1.440			
	10yr		1.830	2.170	2.230			
German	2yr	0.250	-0.171	-0.081	-	-66	-75	-
	5yr	1.000	-0.059	0.057	0.161	-135	-160	-128
	10yr	1.750	0.435	-	-	-140	-	-
Indonesia	2yr	7.250	1.097	1.499	1.296	61	83	92
	5yr	11.625	3.000	3.340	3.214	171	168	177
	10yr	5.875	4.046	4.226	4.065	222	206	184
Brazil	2yr	0.000	12.395	13.07	12.29	1,191	1,240	1,191
	5yr	10.000	12.215	12.92	12.24	1,173	1,225	1,186
	10yr	10.000	12.090	12.60	12.01	1,160	1,193	1,163

Sources: Bloomberg (Current Yield Curve), US Treasury

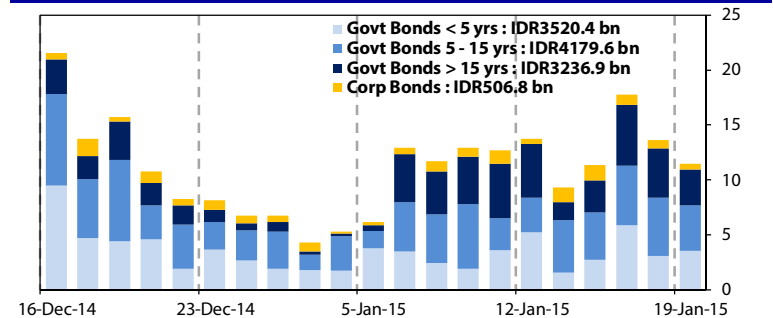
Country	Tenor	Coupon (%)	19-Jan-15			Spread over UST YC (bps)		
			19-Jan-15	-1 Mo	-3 Mo	19-Jan-15	-1 Mo	-3 Mo
Philippines	2yr	6.000	2.481	2.623	2.570	199	195	219
	5yr	7.875	3.093	3.394	3.448	180	173	201
	10yr	11.375	3.591	3.843	4.058	176	167	183
Thailand	2yr	3.125	2.138	2.195	2.362	165	153	198
	5yr	3.450	2.37	2.63	2.83	108	97	139
	10yr	3.625	2.555	2.863	3.25	73	69	102
India	2yr	7.590	7.804	8.03	8.297	731	736	792
	5yr	7.280	7.741	8.051	8.374	645	639	693
	10yr	8.830	7.729	7.962	8.372	590	579	614
Malaysia	3yr	3.172	3.612	3.652	3.481	281	255	271
	5yr	3.260	3.792	3.858	3.632	250	220	219
	10yr	4.181	3.945	4.187	3.79	212	202	156

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 (BI Rate)	7.75	18-Nov-14	25bps ↑	8.36	-0.61
US (Fed Fund Rate)	0.25	16-Dec-08	-75bps ↓	0.80	-0.55
Euro Region	0.05	4-Sep-14	-10bps ↓	-0.10	0.15
Japan	0.10	19-Dec-08	-20bps ↓	2.40	-2.30
India (Repo Rate)	7.75	14-Jan-15	-25bps ↓	4.12	3.63
Malaysia	3.25	10-Jul-14	25bps ↑	3.00	0.25
Philippines	4.00	11-Sep-14	25bps ↑	2.70	1.30
Thailand	3.00	25-Jan-12	-25bps ↓	0.60	2.40
Singapore	0.08	31-Dec-13	5bps ↑	-0.30	0.38
Brazil	11.75	3-Dec-14	50bps ↑	6.41	5.34

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	19-Jan-15	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5152 ↑	5148	0.07	-0.69	0.15	16.77	20.54
Dow Jones (DJIA)	17512 →	17512	0.00	-0.73	-1.65	6.40	5.64
London (FTSE 100)	6557 ↑	6550	0.11	0.86	0.19	-3.98	-2.84
Nikkei 225	17014 ↑	16864	0.89	-1.07	-3.45	8.13	4.44
Hang Seng (HIS)	23738 ↓	24104	-1.51	-1.20	2.69	2.62	1.85
Malaysia (KLCI)	1753 ↑	1744	0.56	1.05	2.17	-3.29	-6.09
Philippines (PSEi)	7485 ↓	7491	-0.07	1.73	5.05	25.02	27.09
Thailand (SET)	1535 ↑	1518	1.16	0.27	1.39	18.52	18.22
Singapore (STI)	3308 ↑	3301	0.21	-1.11	0.86	5.10	4.43
Brazil (BOVESPA)	49017 →	49017	0.00	1.82	-1.28	-0.34	-4.84

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	19-Jan-15	-1 Day	-1 Week	-1 Month	EoP 2013
USD/IDR	12618 ↑	12590	12599	12497	12171
Brent	48.13 ↑	47.69	46.49	61.25	110.82
WTI Crude Oil	48.69 →	48.69	46.07	56.52	98.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
19-Jan-15	7.69		-0.03	0.79	4.48	15.41	16.02
-1 Day	7.68	1.0 ↑	0.12	1.05	3.34	15.44	16.05
-1 Week	7.79	-10.0 ↓	0.24	1.63	1.59	17.13	15.11
-1 Month	8.17	-47.8 ↓	0.65	0.71	-0.41	11.98	11.83
-1 Year	8.55	-85.6 ↓	0.00	2.89	2.29	-11.17	0.53

Sources: Danareksa

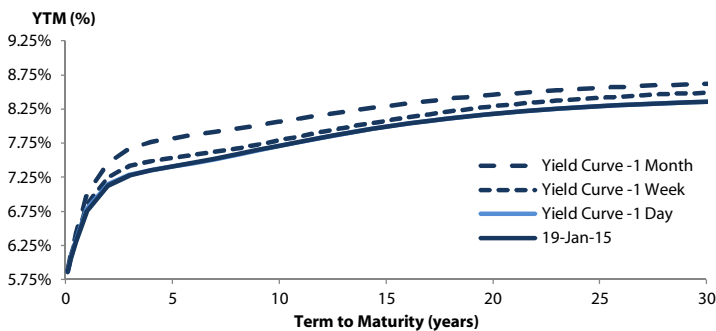
VALUATIONS OF GOVERNMENT BONDS

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
FR0027	27-Jan-05	15-Jun-15	9.50	0.4	0.39	6.00	↑ 1.8bps	101.34	6.204 6.263	101.25 101.28	19-Jan-15	101.50	338.57	6
FR0030	19-May-05	15-May-16	10.75	1.3	1.21	6.88	↓ -1.7bps	104.77	6.851 6.910	104.75 104.82	19-Jan-15	104.60	320.00	2
FR0055	23-Sep-10	15-Sep-16	7.38	1.7	1.49	7.13	↓ -0.9bps	100.36	7.029 7.088	100.43 100.52	19-Jan-15	100.31	0.80	1
FR0060	6-Oct-11	15-Apr-17	6.25	2.2	2.02	7.17	↓ -0.9bps	98.12	7.103 7.162	98.13 98.25	16-Jan-15	98.00	2.47	4
FR0028	24-Feb-05	15-Jul-17	10.00	2.5	2.19	7.22	↓ -0.9bps	106.23	7.143 7.202	106.27 106.41	19-Jan-15	106.01	200.00	4
FR0066	25-Oct-12	15-May-18	5.25	3.3	2.95	7.25	↓ -1.7bps	94.18	7.238 7.297	94.05 94.21	19-Jan-15	94.25	62.40	2
FR0032	1-Sep-05	15-Jul-18	15.00	3.5	2.81	7.30	↓ -0.8bps	123.32	7.288 7.347	123.18 123.38	10-Dec-14	123.00	10.00	1
FR0038	24-Aug-06	15-Aug-18	11.60	3.6	2.83	7.31	↓ -2.1bps	113.27	7.308 7.367	113.08 113.28	19-Jan-15	113.34	7.60	2
FR0048	27-Sep-07	15-Sep-18	9.00	3.7	3.01	7.33	↓ -2.9bps	105.26	7.328 7.387	105.06 105.26	16-Jan-15	105.25	0.70	1
FR0069	29-Aug-13	15-Apr-19	7.88	4.2	3.49	7.31	↓ -0.4bps	102.01	7.270 7.329	101.94 102.16	19-Jan-15	102.15	318.62	19
FR0036	20-Apr-06	15-Sep-19	11.50	4.7	3.55	7.39	↑ 1.5bps	115.91	7.350 7.409	115.83 116.08	16-Jan-15	116.00	27.08	3
FR0031	16-Jun-05	15-Nov-20	11.00	5.8	4.33	7.45	↑ 0.9bps	116.51	7.430 7.460	116.45 116.60	19-Jan-15	116.50	129.44	2
FR0034	26-Jan-06	15-Jun-21	12.80	6.4	4.57	7.47	↑ 1.0bps	126.71	7.459 7.518	126.45 126.79	19-Jan-15	126.25	52.92	5
FR0053	8-Jul-10	15-Jul-21	8.25	6.5	4.99	7.47	↑ 0.2bps	103.93	7.435 7.494	103.83 104.13	19-Jan-15	103.75	58.10	4
FR0061	6-Oct-11	15-May-22	7.00	7.3	5.55	7.51	↑ 1.0bps	97.14	7.454 7.513	97.14 97.46	19-Jan-15	96.75	374.50	3
FR0035	16-Feb-06	15-Jun-22	12.90	7.4	5.06	7.55	↑ 0.3bps	129.88	7.525 7.584	129.68 130.07	19-Jan-15	130.25	65.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	7.5	5.35	7.56	↑ 0.9bps	115.13	7.538 7.597	114.94 115.30	19-Jan-15	115.50	100.00	1
FR0063	13-Aug-12	15-May-23	5.63	8.3	6.32	7.57	↑ 2.1bps	88.15	7.490 7.549	88.26 88.59	19-Jan-15	88.45	2.70	1
FR0046	19-Jul-07	15-Jul-23	9.50	8.5	5.93	7.62	→ 0.0bps	111.57	7.593 7.652	111.38 111.77	16-Jan-15	111.75	0.35	1
FR0039	24-Aug-06	15-Aug-23	11.75	8.6	5.53	7.63	↑ 1.0bps	125.53	7.614 7.673	125.26 125.68	16-Jan-15	125.75	0.60	1
FR0070	29-Aug-13	15-Mar-24	8.38	9.2	6.23	7.61	↑ 5.2bps	104.99	7.503 7.562	105.28 105.68	19-Jan-15	104.90	2,540.59	124
FR0044	19-Apr-07	15-Sep-24	10.00	9.7	6.22	7.72	↑ 0.2bps	115.30	7.666 7.725	115.26 115.70	15-Jan-15	114.40	0.88	1
FR0040	21-Sep-06	15-Sep-25	11.00	10.7	6.50	7.75	↑ 0.2bps	123.24	7.710 7.769	123.10 123.59	19-Jan-15	123.50	5.60	1
FR0037	18-May-06	15-Sep-26	12.00	11.7	6.75	7.79	↑ 0.6bps	131.87	7.748 7.807	131.68 132.22	6-Jan-15	100.25	40.00	6
FR0056	23-Sep-10	15-Sep-26	8.38	11.7	7.26	7.80	↓ -0.2bps	104.33	7.771 7.830	104.10 104.56	19-Jan-15	104.40	5.00	1
FR0059	15-Sep-11	15-May-27	7.00	12.3	7.89	7.81	↑ 0.2bps	93.64	7.813 7.872	93.18 93.62	19-Jan-15	90.25	1.39	5
FR0042	25-Jan-07	15-Jul-27	10.25	12.5	7.45	7.86	↑ 1.1bps	118.76	7.851 7.910	118.35 118.88	19-Jan-15	118.65	6.00	1
FR0047	30-Aug-07	15-Feb-28	10.00	13.1	7.42	7.89	↑ 0.2bps	117.03	7.881 7.940	116.55 117.08	19-Jan-15	117.60	2.50	1
FR0064	13-Aug-12	15-May-28	6.13	13.3	8.48	7.89	↑ 1.3bps	85.62	7.857 7.916	85.40 85.84	19-Jan-15	85.80	7.17	8
FR0071	12-Sep-13	15-Mar-29	9.00	14.2	7.98	7.90	↑ 3.1bps	109.25	7.856 7.915	109.12 109.65	19-Jan-15	109.00	823.70	38
FR0052	20-Aug-09	15-Aug-30	10.50	15.6	8.06	7.99	↑ 0.9bps	122.18	7.969 8.028	121.74 122.34	19-Jan-15	123.00	1.00	1
FR0054	22-Jul-10	15-Jul-31	9.50	16.5	8.75	8.02	↑ 0.3bps	113.40	8.001 8.055	113.06 113.59	19-Jan-15	114.00	125.30	4
FR0058	21-Jul-11	15-Jun-32	8.25	17.4	9.17	8.04	↓ -0.1bps	101.92	8.038 8.097	101.40 101.96	19-Jan-15	102.05	368.74	50
FR0065	30-Aug-12	15-May-33	6.63	18.3	9.76	8.05	↑ 1.1bps	86.48	8.046 8.105	85.98 86.49	19-Jan-15	85.10	57.52	18
FR0068	1-Aug-13	15-May-34	8.38	19.3	9.51	8.05	↑ 2.6bps	103.11	8.000 8.059	103.05 103.64	19-Jan-15	103.00	2,402.79	216
FR0045	24-May-07	15-May-37	9.75	22.3	9.69	8.25	↓ -2.2bps	115.14	8.227 8.286	114.76 115.42	16-Jan-15	115.90	1.20	1
FR0050	24-Jan-08	15-Jul-38	10.50	23.5	9.86	8.30	↑ 0.2bps	122.63	8.263 8.322	122.31 123.02	19-Jan-15	123.75	1.40	1
FR0057	21-Apr-11	15-May-41	9.50	26.3	10.25	8.32	→ 0.0bps	112.52	8.283 8.342	112.24 112.94	19-Jan-15	112.49	1.50	1
FR0062	9-Feb-12	15-Apr-42	6.38	27.2	10.96	8.34	↑ 0.7bps	78.94	8.305 8.364	78.75 79.28	19-Jan-15	76.50	2.10	4
FR0067	18-Jul-13	15-Feb-44	8.75	29.1	10.40	8.37	↑ 1.7bps	104.08	8.337 8.396	103.81 104.48	19-Jan-15	105.00	271.35	40
ORIO09	10-Oct-12	15-Oct-15	6.25	0.7	0.69	6.79	↓ -1.1bps	99.61	6.878 6.937	99.44 99.48	19-Jan-15	98.85	0.81	4
ORIO10	9-Oct-13	15-Oct-16	8.50	1.7	-	7.21	↓ -5.6bps	102.10	7.172 7.231	102.07 102.16	19-Jan-15	102.35	617.05	17
ORIO11	22-Oct-14	15-Oct-17	8.50	2.7	2.34	7.52	↑ 0.4bps	102.43	7.450 7.509	102.31 102.46	19-Jan-15	101.80	544.33	77
IFR0003	29-Oct-09	15-Sep-15	9.25	0.7	0.61	6.45	↓ -34.1bps	101.73	6.078 6.137	101.95 101.98	16-Jan-15	101.55	2.20	1
IFR0005	21-Jan-10	15-Jan-17	9.00	2.0	1.79	7.86	↓ -4.5bps	102.05	7.698 7.757	102.25 102.36	21-Nov-14	102.06	8.00	2
IFR0002	26-Aug-08	15-Aug-18	11.95	3.6	2.81	7.69	↓ -14.4bps	113.05	7.522 7.581	113.44 113.64	21-Nov-14	111.58	2.00	2
IFR0008	15-Apr-10	15-Mar-20	8.80	5.2	3.99	7.91	→ 0.0bps	103.69	7.733 7.792	104.20 104.45	5-May-14	103.65	5.00	3
IFR0007	1-Apr-10	15-Jan-25	10.25	10.0	6.37	8.73	↑ 5.0bps	110.01	8.391 8.450	111.98 112.40	19-Jan-15	115.27	5.00	1
IFR0006	21-Jan-10	15-Mar-30	10.25	15.2	7.78	8.85	↓ -5.9bps	111.58	8.818 8.877	111.29 111.82	6-Nov-14	106.02	2.00	1
IFR0010	3-Mar-11	15-Feb-36	10.00	21.1	8.91	8.90	↓ -2.0bps	110.40	8.876 8.935	110.01 110.62	16-Jan-15	102.73	20.00	1
PBS001	16-Feb-12	15-Feb-18	4.50	3.1	2.71	8.90	↓ -21.4bps	88.27	8.922 8.981	88.19 88.33	16-Jan-15	87.70	12.28	3
PBS002	2-Feb-12	15-Jan-22	5.45	7.0	5.56	8.32	↓ -0.8bps	85.02	8.367 8.426	84.52 84.79	12-Dec-14	85.75	60.00	4
PBS003	2-Feb-12	15-Jan-27	6.00	12.0	7.85	9.09	↑ 0.3bps	77.70	8.919 8.978	78.40 78.77	19-Dec-14	76.35	21.00	7
PBS004	16-Feb-12	15-Feb-37	6.10	22.1	9.90	9.01	↓ -3.0bps	72.31	8.908 8.967	72.63 73.07	19-Jan-15	74.00	5.24	4
PBS005	2-May-13	15-Apr-43	6.75	28.2	12.51	6.55	↓ -262.5bps	102.50	8.864 8.923	77.70 78.19	14-Jan-15	79.30	5.00	1
PBS006	19-Sep-13	15-Sep-20	8.25	5.7	4.35	7.70	↓ -42.0bps	102.46	7.758 7.817	101.93 102.20	16-Jan-15	102.50	180.00	4
SR004	21-Mar-12	21-Sep-15	6.25	0.7	-	7.01	↑ 2.0bps	99.51	6.766 6.825	99.62 99.66	19-Jan-15	98.75	0.41	2
SR005	27-Feb-13	27-Feb-16	6.00	1.1	-	7.31	↑ 1.0bps	98.62	6.999 7.058	98.88 98.94	19-Jan-15	98.35	14.81	8
SR006	5-Mar-14	5-Mar-17	6.00	2.1	-	7.63	↑ 5.5bps	102.20	7.498 7.557	96.95 97.06	19-Jan-15	102.00	77.93	36

*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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