

HEADLINES & ANALYSIS

- US Treasury 30-yr bonds rose, pushing yields toward record lows, as speculation that the ECB will start buying bonds and tumbling yields around the world spurred demand for the value of U.S. debt. Benchmark 10-year note yields declined for the 6th time in 7 days while offering about 1.34% points of higher yield than comparable maturity German government securities. The 30-yr yield fell 7bps to 2.38%. The 3% bond due in November 2044 gained 1 20/32 to 113 7/32.. 10-yr note yields dropped 5bps to 1.79%. (Bloomberg)
- Pefindo has affirmed its "idA-" rating of PT Bank Solut's (BSLT) outstanding Bond IV/2010 amounting to IDR371 billion. The "idBBB+" rating for the Bank's subordinated debt I/2010 amounting to IDR10 billion is also affirmed. The bond and subordinated bond will mature on April 9, 2015. The Bank has allocated IDR381 billion in deposit on call at other banks for repayment of the maturing bonds, with total placement with Bank Indonesia and other banks totaled IDR1.24 trillion as of January 19, 2015. (Pefindo)
- Pefindo has affirmed its "idAAA" rating to PT Bank Sumitomo Mitsui Indonesia (SMBC Indonesia) and assigned its "idAAA" rating to the Bank's proposed MTN I of up to IDR1.0 trillion. The outlook for the corporate credit rating is "stable". The ratings reflect very strong support from its Parent, Sumitomo Mitsui Banking Corporation (SMBC, rated A+/Negative by Standard & Poor's), the Bank's very strong capitalization and its highly favorable asset quality indicators. However, the ratings are partly offset by the Bank's concentrated loan and deposit profile. (Pefindo)

YIELD CURVE (%)

TTM	20-Jan-15	-1 Day	Change	TTM	20-Jan-15	-1 Day	Change
3 months	5.995	6.052	-0.057	15 years	7.668	7.993	-0.325
6 months	6.197	6.296	-0.100	16 years	7.710	8.038	-0.328
1 year	6.597	6.753	-0.156	17 years	7.750	8.079	-0.329
2 years	6.929	7.122	-0.193	18 years	7.786	8.117	-0.330
3 years	7.074	7.277	-0.203	19 years	7.820	8.150	-0.331
4 years	7.146	7.356	-0.210	20 years	7.850	8.181	-0.331
5 years	7.191	7.412	-0.221	21 years	7.878	8.208	-0.330
6 years	7.232	7.466	-0.235	22 years	7.903	8.233	-0.330
7 years	7.274	7.524	-0.250	23 years	7.926	8.255	-0.329
8 years	7.320	7.585	-0.265	24 years	7.947	8.275	-0.328
9 years	7.369	7.648	-0.279	25 years	7.966	8.293	-0.327
10 years	7.421	7.712	-0.291	26 years	7.983	8.309	-0.326
11 years	7.473	7.774	-0.301	27 years	7.999	8.324	-0.325
12 years	7.525	7.834	-0.310	28 years	8.013	8.337	-0.324
13 years	7.575	7.891	-0.316	29 years	8.025	8.349	-0.323
14 years	7.623	7.944	-0.321	30 years	8.037	8.359	-0.323

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0068	8.375	15-May-34	105.99	7.769	9,045.42
FR0070	8.375	15-Mar-24	105.84	7.481	6,557.27
ORIO10	8.500	15-Oct-16	102.27	7.108	2,158.70
FR0071	9.000	15-Mar-29	110.50	7.762	1,125.78
FR0069	7.875	15-Apr-19	103.10	7.012	663.26

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BSLT05	A(idn)	11.900	8-Oct-19	102.70	11.15	66.00
MEDCO1CN2	idAA-	8.500	15-Mar-18	93.35	11.02	61.86
PTHK01A	idA-	8.750	28-Jun-16	97.00	11.03	52.00
ADMFO2DCN1	idAAA+	8.900	1-Mar-18	96.84	10.09	50.00
APOL02A	idD	12.000	30-Jun-21	18.50	69.68	45.00

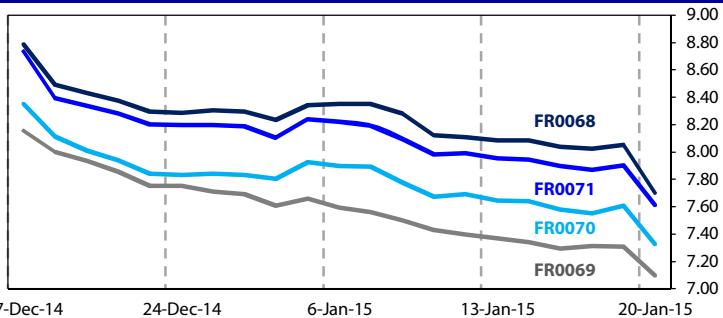
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	20-Jan-15			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	20-Jan-15			Spread over UST YC (bps)		
			-1 Mo	-3 Mo	20-Jan-15	-1 Mo	-3 Mo	-1 Mo				-3 Mo	-1 Mo	-3 Mo			
United States	2yr		0.530	1.100	0.800				Philippines	2yr	6.000	2.470	2.623	2.592	194	195	218
	5yr		1.310	1.660	1.460					5yr	7.875	3.140	3.393	3.900	183	173	244
	10yr		1.820	2.170	2.250					10yr	11.375	3.498	3.843	4.059	168	167	181
German	2yr	0.250	-0.158	-0.081	-	-69	-75	-	Thailand	2yr	3.125	2.149	2.195	2.357	162	153	195
	5yr	1.000	-	-	-	-	-	-		5yr	3.450	2.42	2.63	2.78	111	97	132
	10yr	1.750	0.449	-	-	-137	-	-		10yr	3.625	2.601	2.863	3.224	78	69	97
Indonesia	2yr	7.250	1.162	1.499	1.210	63	83	80	India	2yr	7.590	7.82	8.03	-	729	736	-
	5yr	11.625	2.980	3.340	3.166	167	168	171		5yr	7.280	7.718	8.051	8.38	641	639	692
	10yr	5.875	3.951	4.226	3.973	213	206	172		10yr	8.830	7.725	7.962	8.357	591	579	611
Brazil	2yr	0.000	12.390	13.07	12.24	1,186	1,240	1,183	Malaysia	3yr	3.172	3.598	3.652	3.481	275	255	268
	5yr	10.000	12.100	12.92	12.23	1,157	1,225	1,182		5yr	3.260	3.792	3.858	3.632	248	220	217
	10yr	10.000	11.890	12.60	12.00	1,136	1,193	1,159		10yr	4.181	3.916	4.187	3.79	210	202	154

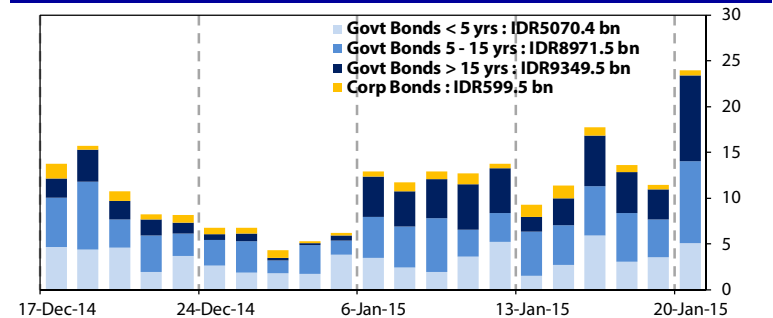
Sources: Bloomberg (Current Yield Curve), US Treasury

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 (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	20-Jan-15	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5166 ↑	5152	0.27	-0.93	0.42	16.57	20.87
Dow Jones (DJIA)	17515 ↑	17512	0.02	-0.56	-1.63	6.42	5.66
London (FTSE 100)	6620 ↑	6586	0.52	1.19	1.14	-3.17	-1.91
Nikkei 225	17366 ↑	17014	2.07	1.63	-1.45	11.03	6.60
Hang Seng (HIS)	23951 ↓	23738	0.90	-1.09	3.61	4.46	2.77
Malaysia (KLCI)	1750 ↓	1753	-0.18	0.07	1.99	-3.18	-6.26
Philippines (PSEi)	7453 ↓	7485	-0.43	0.73	4.59	24.10	26.54
Thailand (SET)	1535 ↓	1535	-0.02	0.01	1.37	19.00	18.20
Singapore (STI)	3334 ↑	3308	0.80	-0.21	1.66	6.56	5.26
Brazil (BOVESPA)	47877 ↑	47758	0.25	-0.34	-3.57	-1.71	-7.05

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	20-Jan-15	-1 Day	-1 Week	-1 Month	EoP 2013
USD/IDR	12576 ↓	12618	12601	12497	12171
Brent	45.47 ↓	47.12	46.33	61.25	110.82
WTI Crude Oil	46.39 ↓	48.69	45.89	56.52	98.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
20-Jan-15	7.44		1.92	2.44	7.85	17.37	4.42
-1 Day	7.69	↓ -25.7	-0.03	0.79	4.48	15.41	2.46
-1 Week	7.76	↓ -32.1	0.27	1.88	2.04	16.45	1.94
-1 Month	8.17	↓ -73.5	0.65	0.71	-0.41	11.98	11.83
-1 Year	8.53	↓ -109.1	0.21	2.51	2.28	-11.03	0.74

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	5.88	↓ -12.5bps	101.38	6.034	6.212	101.26	101.34	20-Jan-15	101.30	218.57	9
FR0030	19-May-05	15-May-16	10.75	1.3	1.20	6.73	↓ -16.1bps	104.95	6.671	6.753	104.94	105.04	20-Jan-15	104.60	280.00	4
FR0055	23-Sep-10	15-Sep-16	7.38	1.7	1.49	6.92	↓ -21.7bps	100.68	6.814	6.951	100.64	100.85	19-Jan-15	100.31	0.80	1
FR0060	6-Oct-11	15-Apr-17	6.25	2.2	2.02	6.94	↓ -25.0bps	98.59	6.878	6.999	98.46	98.71	20-Jan-15	98.60	13.00	2
FR0028	24-Feb-05	15-Jul-17	10.00	2.5	2.19	7.00	↓ -21.7bps	106.72	6.903	7.041	106.64	106.96	19-Jan-15	106.01	200.00	4
FR0066	25-Oct-12	15-May-18	5.25	3.3	2.95	7.06	↓ -20.2bps	94.72	7.011	7.102	94.60	94.86	20-Jan-15	94.40	25.40	2
FR0032	1-Sep-05	15-Jul-18	15.00	3.5	2.81	7.10	↓ -21.7bps	124.00	7.057	7.152	123.84	124.17	10-Dec-14	123.00	10.00	1
FR0038	24-Aug-06	15-Aug-18	11.60	3.6	2.84	7.11	↓ -21.3bps	113.92	7.076	7.173	113.72	114.04	19-Jan-15	113.34	7.60	2
FR0048	27-Sep-07	15-Sep-18	9.00	3.7	3.01	7.23	↓ -11.1bps	105.57	7.091	7.211	105.63	106.03	16-Jan-15	105.25	0.70	1
FR0069	29-Aug-13	15-Apr-19	7.88	4.2	3.50	7.10	↓ -20.8bp	102.77	7.035	7.136	102.64	103.01	20-Jan-15	103.10	663.26	26
FR0036	20-Apr-06	15-Sep-19	11.50	4.7	3.55	7.20	↓ -18.9bps	116.71	7.133	7.197	116.73	117.00	16-Jan-15	116.00	27.08	3
FR0031	16-Jun-05	15-Nov-20	11.00	5.8	4.33	7.42	↓ -2.2bps	116.62	7.130	7.309	117.22	118.15	19-Jan-15	116.50	129.44	2
FR0034	26-Jan-06	15-Jun-21	12.80	6.4	4.57	7.45	↓ -2.0bps	126.82	7.165	7.344	127.46	128.51	19-Jan-15	126.25	52.92	5
FR0053	8-Jul-10	15-Jul-21	8.25	6.5	5.00	7.24	↓ -23.1bps	105.14	7.174	7.267	105.01	105.50	20-Jan-15	106.00	86.00	8
FR0061	6-Oct-11	15-May-22	7.00	7.3	5.56	7.27	↓ -24.4bps	98.48	7.163	7.307	98.27	99.07	20-Jan-15	97.00	250.00	1
FR0035	16-Feb-06	15-Jun-22	12.90	7.4	5.08	7.32	↓ -23.2bps	131.42	7.244	7.362	131.15	131.95	19-Jan-15	130.25	65.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	7.5	5.36	7.52	↓ -4.2bps	115.39	7.236	7.414	116.07	117.19	19-Jan-15	115.50	100.00	1
FR0063	13-Aug-12	15-May-23	5.63	8.3	6.34	7.38	↓ -19.2bps	89.25	7.172	7.350	89.39	90.42	20-Jan-15	87.60	250.00	1
FR0046	19-Jul-07	15-Jul-23	9.50	8.5	5.95	7.37	↓ -25.0bps	113.23	7.299	7.411	112.99	113.74	16-Jan-15	111.75	0.35	1
FR0039	24-Aug-06	15-Aug-23	11.75	8.6	5.53	7.62	↓ -1.9bps	125.66	7.296	7.474	126.69	128.00	16-Jan-15	125.75	0.60	1
FR0070	29-Aug-13	15-Mar-24	8.38	9.2	6.26	7.33	↓ -27.7bp	106.86	7.166	7.345	106.76	107.99	20-Jan-15	105.84	6,557.27	172
FR0044	19-Apr-07	15-Sep-24	10.00	9.7	6.26	7.38	↓ -33.4bps	117.80	7.364	7.451	117.30	117.96	20-Jan-15	115.00	0.20	1
FR0040	21-Sep-06	15-Sep-25	11.00	10.7	6.55	7.40	↓ -35.1bps	126.18	7.401	7.481	125.50	126.18	20-Jan-15	126.50	0.80	1
FR0037	18-May-06	15-Sep-26	12.00	11.7	6.81	7.41	↓ -37.2bps	135.35	7.410	7.523	134.31	135.38	6-Jan-15	100.25	40.00	6
FR0056	23-Sep-10	15-Sep-26	8.38	11.7	7.31	7.51	↓ -29.5bps	106.65	7.460	7.529	106.47	107.02	20-Jan-15	103.50	0.35	1
FR0059	15-Sep-11	15-May-27	7.00	12.3	7.95	7.54	↓ -27.3bps	95.71	7.440	7.618	95.10	96.48	20-Jan-15	94.00	43.00	5
FR0042	25-Jan-07	15-Jul-27	10.25	12.5	7.51	7.58	↓ -27.7bps	121.26	7.520	7.609	121.05	121.85	20-Jan-15	118.65	6.00	1
FR0047	30-Aug-07	15-Feb-28	10.00	13.1	7.49	7.59	↓ -29.4bps	119.72	7.540	7.637	119.32	120.22	20-Jan-15	117.25	10.00	1
FR0064	13-Aug-12	15-May-28	6.13	13.3	8.55	7.59	↓ -29.7bps	87.85	7.535	7.597	87.79	88.26	20-Jan-15	86.50	382.10	16
FR0071	12-Sep-13	15-Mar-29	9.00	14.2	8.06	7.61	↓ -29.0bp	111.89	7.520	7.613	111.87	112.74	20-Jan-15	110.50	1,125.78	87
FR0052	20-Aug-09	15-Aug-30	10.50	15.6	8.17	7.66	↓ -32.4bps	125.56	7.641	7.702	125.11	125.76	20-Jan-15	122.60	10.00	2
FR0054	22-Jul-10	15-Jul-31	9.50	16.5	8.87	7.68	↓ -34.6bps	116.90	7.668	7.723	116.41	116.98	20-Jan-15	112.50	0.10	1
FR0058	21-Jul-11	15-Jun-32	8.25	17.4	9.30	7.69	↓ -35.8bps	105.36	7.686	7.783	104.40	105.35	20-Jan-15	100.10	171.60	38
FR0065	30-Aug-12	15-May-33	6.63	18.3	9.91	7.71	↓ -33.5bps	89.41	7.654	7.833	88.34	89.94	20-Jan-15	87.90	118.88	24
FR0068	1-Aug-13	15-May-34	8.38	19.3	9.67	7.70	↓ -34.8bp	106.64	7.644	7.755	106.13	107.30	20-Jan-15	105.99	9,045.42	219
FR0045	24-May-07	15-May-37	9.75	22.3	9.73	8.18	↓ -8.0bps	116.01	7.852	8.030	117.70	119.82	16-Jan-15	115.90	1.20	1
FR0050	24-Jan-08	15-Jul-38	10.50	23.5	9.99	8.07	↓ -22.3bps	125.38	7.894	8.041	125.78	127.65	20-Jan-15	123.75	1.40	1
FR0057	21-Apr-11	15-May-41	9.50	26.3	10.41	8.09	↓ -23.1bps	115.28	7.923	8.056	115.66	117.30	19-Jan-15	112.49	1.50	1
FR0062	9-Feb-12	15-Apr-42	6.38	27.2	11.21	8.04	↓ -30.7bps	81.74	7.925	8.103	81.11	82.79	20-Jan-15	77.40	2.11	4
FR0067	18-Jul-13	15-Feb-44	8.75	29.1	10.66	8.05	↓ -32.0bps	107.77	8.003	8.091	107.32	108.37	19-Jan-15	105.00	271.35	40
ORI009	10-Oct-12	15-Oct-15	6.25	0.7	0.69	6.93	↑ 14.0bps	99.52	6.692	6.870	99.49	99.61	20-Jan-15	98.70	4.50	8
ORI010	9-Oct-13	15-Oct-16	8.50	1.7	-	7.11	↓ -10.4bps	102.26	6.941	7.119	102.25	102.54	20-Jan-15	102.27	2,158.70	27
ORI011	22-Oct-14	15-Oct-17	8.50	2.7	2.34	7.40	↓ -13.7bps	102.72	7.198	7.377	102.63	103.07	20-Jan-15	101.65	540.66	40
IFR0003	29-Oct-09	15-Sep-15	9.25	0.7	0.61	6.33	↓ -12.2bps	101.80	5.936	6.114	101.95	102.07	16-Jan-15	101.55	2.20	1
IFR0005	21-Jan-10	15-Jan-17	9.00	2.0	1.79	7.73	↓ -13.3bps	102.29	7.473	7.652	102.44	102.77	21-Nov-14	102.06	8.00	2
IFR0002	26-Aug-08	15-Aug-18	11.95	3.6	2.81	7.62	↓ -7.5bps	113.29	7.287	7.466	113.82	114.42	21-Nov-14	111.58	2.00	2
IFR0008	15-Apr-10	15-Mar-20	8.80	5.2	3.99	7.82	↓ -8.5bps	104.05	7.486	7.665	104.74	105.51	5-May-14	103.65	5.00	3
IFR0007	1-Apr-10	15-Jan-25	10.25	10.0	6.36	8.74	↑ 1.0bps	109.94	8.097	8.276	113.24	114.55	19-Jan-15	115.27	5.00	1
IFR0006	21-Jan-10	15-Mar-30	10.25	15.2	7.77	8.84	↓ -0.7bps	111.64	8.476	8.655	113.30	114.95	6-Nov-14	106.02	2.00	1
IFR0010	3-Mar-11	15-Feb-36	10.00	21.1	8.91	8.90	↑ 0.1bps	110.39	8.521	8.700	112.45	114.35	16-Jan-15	102.73	20.00	1
PBS001	16-Feb-12	15-Feb-18	4.50	3.1	2.71	8.82	↓ -8.6bps	88.49	8.675	8.854	88.51	88.95	16-Jan-15	87.70	12.28	3
PBS002	2-Feb-12	15-Jan-22	5.45	7.0	5.56	8.30	↓ -1.8bps	85.11	8.079	8.257	85.32	86.17	12-Dec-14	85.75	60.00	4
PBS003	2-Feb-12	15-Jan-27	6.00	12.0	7.84	9.11	↑ 1.2bps	77.63	8.598	8.777	79.66	80.80	19-Dec-14	76.35	21.00	7
PBS004	16-Feb-12	15-Feb-37	6.10	22.1	9.90	9.01	↓ -0.2bps	72.33	8.560	8.739	74.37	75.77	19-Jan-15	74.00	5.24	4
PBS005	2-May-13	15-Apr-43	6.75	28.2	12.50	6.56	↑ 0.4bps	102.46	8.391	8.570	80.73	82.34	14-Jan-15	79.30	5.00	1
PBS006	19-Sep-13	15-Sep-20	8.25	5.7	4.35	7.70	↑ 0.2bps	102.45	7.497	7.675	102.58	103.40	20-Jan-15	103.23	260.00	3
SR004	21-Mar-12	21-Sep-15	6.25	0.7	-	6.74	↓ -26.8bps	99.68	6.581	6.759	99.67	99.78	20-Jan-15	99.60	1.88	1
SR005	27-Feb-13	27-Feb-16	6.00	1.1	-	7.21	↓ -10.7bps	98.73	6.809	6.987	98.96	99.14	20-Jan-15	98.10	554.15	9
SR006	5-Mar-14	5-Mar-17	6.00	2.1	-	7.41	↓ -21.8bps	102.63	7.257	7.435	97.18	97.53	20-Jan-15	101.50	358.22	14

*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

