

HEADLINES & ANALYSIS

- The spread of dollar bonds from Indonesia over those from China has fallen into negative territory for the first time since June, 2015. Lakshmanan R, senior research analyst at CreditSights, says the gap's likely to be sustained because of the positive outlook for Indonesia, political stability and a 'relatively strong' local currency. Chinese investors diversifying into Indonesian bonds as well as an outlook upgrade from Moody's Investors Service have helped sentiment. (Bloomberg)
- US Treasuries rose after a five-day selloff that pushed two- and five-year yields to the highest levels this year. The rally accelerated as U.S. stocks fell after CNBC reported that a fund no longer held a bearish equities-related position in options. The 10-year yield was lower by about 5 bps at 2.45%. It climbed by nearly 16 bps over the previous five sessions as comments by Fed Chair Janet Yellen and a bigger-than-forecast increase in consumer prices stoked expectations for faster rate increases this year. (Bloomberg)
- Spain's bonds rose with Italy's after the account of the European Central Bank's January meeting showed policy makers said that "limited and temporary deviations" from the capital key in the asset-purchase program "were possible and inevitable." French bonds also initially gained after the release, as the potential deviation from the key that governs how buying is allocated is more likely to result in greater purchases of bonds from nations with larger overall outstanding debt loads. Shorter-dated core securities, which yield less than the ECB's deposit rate, dropped on speculation that further purchases below that level may be limited by the "trade-off." (Bloomberg)

YIELD CURVE (%)

TTM	16-Feb-17	-1 Day	Change	TTM	16-Feb-17	-1 Day	Change
3 months	4.724	4.681	0.043	15 years	8.075	8.078	-0.003
6 months	5.276	5.211	0.065	16 years	8.117	8.119	-0.002
1 year	6.092	6.017	0.075	17 years	8.154	8.156	-0.002
2 years	6.789	6.744	0.045	18 years	8.187	8.189	-0.002
3 years	7.068	7.053	0.015	19 years	8.216	8.218	-0.002
4 years	7.220	7.222	-0.002	20 years	8.243	8.244	-0.002
5 years	7.332	7.342	-0.010	21 years	8.266	8.267	-0.002
6 years	7.431	7.445	-0.013	22 years	8.286	8.288	-0.002
7 years	7.526	7.539	-0.013	23 years	8.305	8.306	-0.001
8 years	7.616	7.628	-0.012	24 years	8.321	8.323	-0.001
9 years	7.700	7.711	-0.011	25 years	8.336	8.337	-0.001
10 years	7.779	7.788	-0.009	26 years	8.349	8.350	-0.001
11 years	7.851	7.858	-0.007	27 years	8.361	8.362	-0.001
12 years	7.916	7.922	-0.006	28 years	8.371	8.373	-0.001
13 years	7.975	7.980	-0.005	29 years	8.381	8.382	-0.001
14 years	8.028	8.032	-0.004	30 years	8.389	8.391	-0.002

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0059	7.000	15-May-27	96.18	7.519	690.28
FR0070	8.375	15-Mar-24	104.55	7.552	520.00
FR0061	7.000	15-May-22	99.20	7.162	515.00
FR0056	8.375	15-Sep-26	105.75	7.513	344.50
FR0053	8.250	15-Jul-21	103.80	7.215	300.00

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
WOMF01BCN3	AA(idn)	9.500	14-Dec-21	101.88	9.01	106.00
APLN01CN1	idA	9.250	27-Jun-18	100.60	8.77	72.00
PBNB01CN1	idAA	8.150	20-Dec-17	100.65	8.10	68.00
ADMFO2DCN1	idAA+	8.900	1-Mar-18	101.05	7.84	40.00
SSMM01B	idA	9.600	30-Nov-17	100.35	9.57	40.00

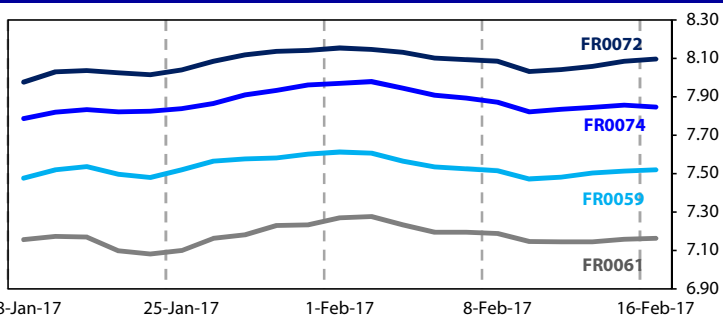
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Finfindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	16-Feb-17	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	16-Feb-17	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						16-Feb-17	-1 Mo	-3 Mo							16-Feb-17	-1 Mo	-3 Mo
United States USD	2yr		1.220	1.420	1.360				Philippines PHP	2yr	6.000	2.978	2.815	3.229	176	165	216
	5yr		1.950	1.840	1.800					5yr	7.875	3.960	-	-	201	-	-
	10yr		2.450	2.330	2.340					10yr	11.375	4.328	4.240	4.510	188	191	217
German EUR	2yr	0.250	-0.773	-0.731	-0.668	-199	-190	-174	Thailand THB	2yr	3.125	1.533	1.556	1.56	31	39	49
	5yr	1.000	-0.421	-	-	-237	-	-		5yr	3.450	2.215	2.268	2.108	27	43	31
	10yr	1.750	0.349	0.322	-	-210	-201	-		10yr	3.625	2.692	2.649	2.627	24	32	29
Indonesia USD	2yr	6.875	3.417	2.078	2.132	220	91	106	India INR	2yr	7.590	6.478	6.325	6.244	526	516	517
	5yr	5.875	2.543	2.669	3.043	59	83	124		5yr	7.280	6.789	6.451	6.396	484	461	460
	10yr	0	3.859	3.945	4.138	141	162	180		10yr	8.830	6.845	6.422	6.429	440	409	409
Brazil BRL	2yr	0.000	10.190	10.56	12.05	897	939	1,098	Malaysia MYR	3yr	3.172	3.395	3.348	3.928	190	193	257
	5yr	10.000	10.330	10.74	12.16	911	957	1,109		5yr	3.260	3.704	3.772	4.093	175	193	229
	10yr	10.000	10.460	11.02	12.21	924	985	1,114		10yr	4.181	4.11	4.284	4.42	166	195	208

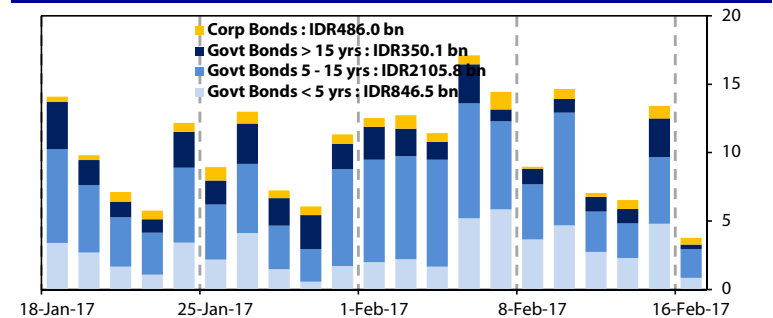
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	4.75	20-Oct-16	-25bps ↓	3.49	1.26
US (Fed Fund Rate)	0.75	14-Dec-16	25bps ↑	2.50	-1.75
Euro Region	0.00	10-Mar-16	-5bps ↓	1.20	-1.20
Japan	0.10	19-Dec-08	-20bps ↓	0.30	-0.20
India (Repo Rate)	6.25	4-Oct-16	-25bps ↓	2.23	4.02
Malaysia	3.00	13-Jul-16	-25bps ↓	1.80	1.20
Philippines	3.00	16-May-16	-100bps ↓	2.70	0.30
Thailand	3.00	25-Jan-12	-25bps ↓	1.55	1.45
Singapore	0.08	31-Dec-13	5bps ↑	0.20	-0.12
Brazil	13.00	11-Jan-17	-75bps ↓	5.35	7.65

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	16-Feb-17	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,378 ↓	5,381	-0.05	0.11	2.11	12.85	1.53
Dow Jones (DJIA)	20,620 ↑	20,504	0.56	2.22	4.00	25.32	4.34
London (FTSE 100)	7,278 ↑	7,269	0.13	0.67	0.80	20.69	1.89
Nikkei 225	19,348 ↑	19,239	0.56	2.33	2.84	22.17	1.22
Hang Seng (HIS)	24,108 ↑	23,703	1.71	2.48	5.55	27.39	9.58
Malaysia (KLIC)	1,708 ↓	1,709	-0.08	1.13	2.68	2.60	4.01
Philippines (PSEI)	7,283 ↑	7,207	1.06	0.42	2.25	7.79	6.47
Thailand (SET)	1,576 ↑	1,572	0.24	-0.45	0.59	22.32	2.15
Singapore (STI)	3,097 ↑	3,072	0.79	0.54	2.79	18.48	7.50
Brazil (BOVESPA)	67,814 ↑	66,713	1.65	4.39	5.38	62.89	12.60

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	16-Feb-17	-1 Day	-1 Week	-1 Month	EoP 2015
USD/IDR	13,322 ↓	13,330	13,295	13,333	13,473
Brent	55.08 ↓	55.14	55.23	54.94	55.41
WTI Crude Oil	53.36 ↑	53.2	53	52.48	53.72

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
16-Feb-17	7.57		0.05	0.31	0.86	10.91	2.64
-1 Day	7.57	0.1 ↑	-0.02	0.43	0.86	11.05	2.59
-1 Week	7.57	0.6 ↑	0.24	0.77	1.51	11.49	2.56
-1 Month	7.61	-3.6 ↓	0.15	0.88	1.67	14.37	1.92
-1 Year	8.17	-59.7 ↓	-0.41	0.04	3.41	1.85	5.13

Sources: Danareksa

