

HEADLINES & ANALYSIS

- The one-month U.S. dollar London interbank offered rate increased to the highest since December 2008 as traders see the Fed remaining on course to raise interest rates next month. (Bloomberg)
- S&P Global Ratings said it may cut Brazil's sovereign credit rating as the nation's fiscal adjustment is at risk of stalling amid surging political uncertainty following allegations against President Michel Temer. The ratings company placed the grade on the country's debt on credit watch with negative implications, which means it may be downgraded in the next three months. S&P rates Brazil at BB, two steps below investment grade. (Bloomberg)
- The dollar slipped against the yen on a report that U.S. President Donald Trump sought to push back against an FBI investigation into possible collusion between his campaign and the Russian government. An explosion at a concert in Manchester in the U.K. also drove demand for haven assets, with the pound slipping in early Asian trading. (Bloomberg)

YIELD CURVE (%)

TTM	22-May-17	-1 Day	Change	TTM	22-May-17	-1 Day	Change
3 months	4.637	4.687	-0.050	15 years	7.616	7.648	-0.032
6 months	5.121	5.196	-0.074	16 years	7.669	7.701	-0.032
1 year	5.831	5.916	-0.085	17 years	7.717	7.749	-0.031
2 years	6.401	6.454	-0.053	18 years	7.760	7.791	-0.031
3 years	6.605	6.630	-0.025	19 years	7.799	7.829	-0.030
4 years	6.709	6.721	-0.012	20 years	7.833	7.862	-0.030
5 years	6.794	6.803	-0.009	21 years	7.863	7.892	-0.029
6 years	6.881	6.892	-0.011	22 years	7.890	7.919	-0.029
7 years	6.973	6.988	-0.015	23 years	7.915	7.943	-0.028
8 years	7.068	7.087	-0.019	24 years	7.936	7.964	-0.028
9 years	7.162	7.185	-0.023	25 years	7.956	7.983	-0.027
10 years	7.253	7.278	-0.026	26 years	7.973	8.000	-0.027
11 years	7.338	7.366	-0.028	27 years	7.988	8.015	-0.026
12 years	7.417	7.447	-0.030	28 years	8.002	8.028	-0.026
13 years	7.490	7.521	-0.031	29 years	8.015	8.041	-0.026
14 years	7.556	7.588	-0.032	30 years	8.026	8.052	-0.025

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0072	8.250	15-May-36	105.75	7.592	3,747.36
FR0056	8.375	15-Sep-26	109.30	7.003	2,410.47
SPN12180201	-	1-Feb-18	96.20	-	2,074.00
FR0059	7.000	15-May-27	99.50	6.962	958.44
FR0074	7.500	15-Aug-32	100.25	7.397	943.69

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
FIFA03BCN1	idAAA	8.450	26-Apr-20	100.10	8.41	243.00
WSKT02ACN3	idA-	8.500	21-Feb-20	100.10	8.46	100.00
ASDF03BCN2	AAA(idn)	7.950	18-Oct-19	100.50	7.72	80.00
ISAT01BCN1	idAAA	10.300	12-Dec-19	105.95	7.71	80.00
IIF01A	idAAA/AAA(idn)	8.250	19-Jul-19	100.60	7.94	46.00

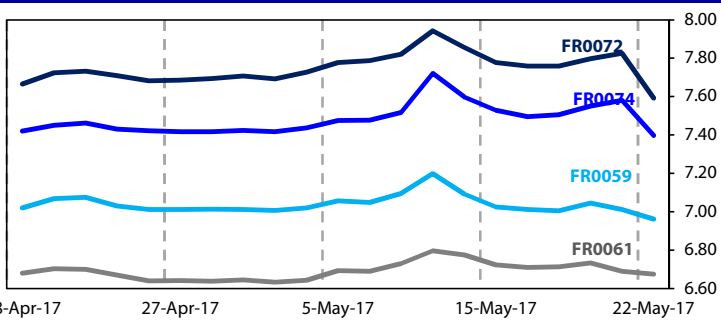
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	22-May-17			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	22-May-17			Spread over UST YC (bps)		
			-1 Mo	-3 Mo	-3 Mo	22-May-17	-1 Mo	-3 Mo				22-May-17	-1 Mo	-3 Mo			
United States USD	2yr		1.290	1.400	1.500				Philippines PHP	2yr	6.000	2.991	3.217	3.175	170	202	196
	5yr		1.800	1.770	1.930					5yr	7.875	4.191	4.345	4.036	239	258	211
	10yr		2.250	2.240	2.430					10yr	11.375	4.765	-	-	252	-	-
German EUR	2yr	0.250	-	-	-	-	-	-	Thailand THB	2yr	3.125	1.51	1.517	1.529	22	32	31
	5yr	1.000	-0.334	-0.441	-0.491	-213	-221	-242		5yr	3.450	2.158	2.161	2.21	36	39	28
	10yr	1.750	0.397	0.253	0.301	-185	-199	-213		10yr	3.625	2.723	2.654	2.699	47	41	27
Indonesia USD	2yr	6.875	17.792	17.792	3.706	1,650	1,659	249	India INR	2yr	7.590	6.742	6.599	6.5	545	540	528
	5yr	5.875	2.457	2.492	2.550	66	72	62		5yr	7.280	6.819	6.887	6.816	502	512	489
	10yr	4.125	3.645	3.661	3.846	140	142	142		10yr	8.830	6.662	-	-	441	-	-
Brazil BRL	2yr	0.000	10.414	9.51	10.06	912	831	884	Malaysia MYR	3yr	3.172	3.343	3.36	3.355	189	196	186
	5yr	10.000	11.336	9.91	10.23	1,005	871	901		5yr	3.260	3.564	3.787	-	176	202	-
	10yr	10.000	11.788	10.18	10.32	1,050	898	910		10yr	4.181	3.882	-	-	163	-	-

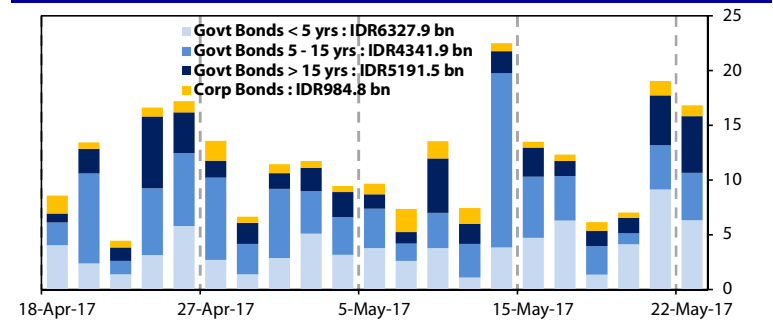
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↓	4.17	0.58
US (Fed Fund Rate)	1.00	15-Mar-17	25bps ↑	2.20	-1.20
Euro Region	0.00	16-Mar-16	-5bps ↓	2.00	-2.00
Japan	0.10	19-Dec-08	-20bps ↓	0.20	-0.10
India (Repo Rate)	6.25	4-Oct-16	-25bps ↓	2.61	3.64
Malaysia	3.00	13-Jul-16	-25bps ↓	4.40	-1.40
Philippines	3.00	16-May-16	-100bps ↓	3.40	-0.40
Thailand	3.00	25-Jan-12	-25bps ↓	0.38	2.62
Singapore	0.08	31-Dec-13	5bps ↑	0.70	-0.62
Brazil	11.25	12-Apr-17	-100bps ↓	4.08	7.17

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	22-May-17	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,749 ↓	5,792	-0.73	1.06	1.50	22.02	8.55
Dow Jones (DJIA)	20,895 ↑	20,805	0.43	-0.42	1.69	19.39	5.73
London (FTSE 100)	7,496 ↑	7,471	0.34	0.56	5.37	21.77	4.95
Nikkei 225	19,678 ↑	19,591	0.45	-0.96	5.68	17.58	2.95
Hang Seng (HIS)	25,391 ↑	25,175	0.86	0.08	5.61	27.90	15.41
Malaysia (KLIC)	1,775 ↑	1,768	0.38	-0.21	1.08	8.97	8.11
Philippines (PSEI)	7,807 ↑	7,768	0.50	0.43	3.01	6.95	14.12
Thailand (SET)	1,558 ↑	1,550	0.52	1.32	-0.78	12.40	0.96
Singapore (STI)	3,214 ↓	3,217	-0.10	-1.55	2.35	16.27	11.55
Brazil (BOVESPA)	61,673 ↓	62,639	-1.54	-9.93	-3.27	24.03	2.40

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	22-May-17	-1 Day	-1 Week	-1 Month	EoP 2015
USD/IDR	13,302 ↓	13,325	13,303	13,322	13,473
Brent	53.31 ↓	53.36	51.31	51.15	55.41
WTI Crude Oil	50.73 ↑	50.33	48.85	49.27	53.72

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
22-May-17	7.02		0.51	0.70	1.03	12.09	8.10
-1 Day	7.08	↓ -5.4	0.11	0.58	0.70	11.12	7.56
-1 Week	7.10	↓ -7.5	0.39	0.07	0.54	10.68	7.35
-1 Month	7.08	↓ -6.1	-0.02	0.12	2.01	9.05	6.95
-1 Year	7.79	↓ -76.8	-0.35	-0.57	-1.56	10.48	10.02

Sources: Danareksa

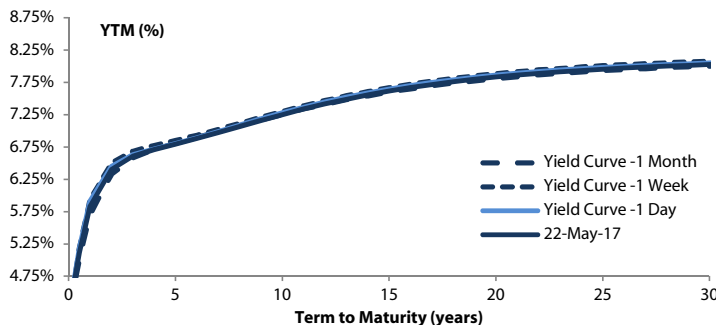
VALUATIONS OF GOVERNMENT BONDS

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
FR0028	24-Feb-05	15-Jul-17	10.00	0.1	0.15	3.98	↓ -2.8bps	100.84	4.267 4.683	100.76 100.83	19-May-17	100.70	139.00	1
FR0066	25-Oct-12	15-May-18	5.25	1.0	0.94	6.11	↑ 0.5bps	99.20	5.838 6.135	99.17 99.45	19-May-17	99.35	40.00	2
FR0032	1-Sep-05	15-Jul-18	15.00	1.1	1.02	5.85	↑ 6.3bps	109.96	5.521 5.937	109.90 110.39	3-May-17	110.54	30.00	3
FR0038	24-Aug-06	15-Aug-18	11.60	1.2	1.12	6.01	↑ 2.6bps	106.51	5.840 6.032	106.51 106.75	3-May-17	108.27	69.00	3
FR0048	27-Sep-07	15-Sep-18	9.00	1.3	1.22	5.99	↑ 0.8bps	103.72	5.835 6.054	103.66 103.94	12-May-17	103.55	298.31	4
FR0069	29-Aug-13	15-Apr-19	7.88	1.9	1.73	6.48	↓ -9.0bps	102.44	6.385 6.539	102.34 102.62	22-May-17	102.50	385.00	4
FR0036	20-Apr-06	15-Sep-19	11.50	2.3	2.01	6.48	↓ -3.0bps	110.60	6.448 6.499	110.57 110.69	15-May-17	110.35	10.00	1
FR0031	16-Jun-05	15-Nov-20	11.00	3.5	2.92	6.64	↓ -2.5bps	113.32	6.628 6.679	113.22 113.39	22-May-17	113.50	200.00	2
FR0034	26-Jan-06	15-Jun-21	12.80	4.1	3.12	6.68	↓ -0.3bps	121.45	6.639 6.690	121.43 121.63	18-May-17	121.21	4.00	1
FR0053	8-Jul-10	15-Jul-21	8.25	4.1	3.41	6.68	↓ -3.9bps	105.58	6.672 6.734	105.39 105.62	22-May-17	105.90	378.80	19
FR0061	6-Oct-11	15-May-22	7.00	5.0	4.15	6.68	↓ -1.6bps	101.36	6.602 6.684	101.32 101.66	22-May-17	100.75	752.40	18
FR0035	16-Feb-06	15-Jun-22	12.90	5.1	3.72	6.79	↓ -2.5bps	125.78	6.728 6.797	125.78 126.12	18-May-17	125.52	4.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	5.1	3.94	6.82	↓ -0.4bps	114.67	6.780 6.816	114.69 114.85	22-May-17	114.37	50.00	2
FR0063	13-Aug-12	15-May-23	5.63	6.0	4.95	6.88	↓ -0.3bps	93.93	6.866 6.905	93.81 94.00	22-May-17	94.00	56.00	3
FR0046	19-Jul-07	15-Jul-23	9.50	6.1	4.59	6.92	↑ 0.8bps	112.73	6.857 6.922	112.72 113.06	17-May-17	112.78	12.30	4
FR0039	24-Aug-06	15-Aug-23	11.75	6.2	4.51	6.94	↑ 0.2bps	123.96	6.898 6.957	123.89 124.23	25-Apr-17	124.75	4.50	1
FR0070	29-Aug-13	15-Mar-24	8.38	6.8	5.14	6.95	↑ 1.1bps	107.62	6.904 6.969	107.51 107.87	22-May-17	107.65	179.36	4
FR0044	19-Apr-07	15-Sep-24	10.00	7.3	5.25	7.07	↑ 0.4bps	116.52	7.035 7.088	116.38 116.71	18-May-17	115.25	30.50	2
FR0040	21-Sep-06	15-Sep-25	11.00	8.3	5.66	7.11	↓ -0.2bps	124.10	7.073 7.132	123.93 124.35	19-May-17	124.50	2.00	2
FR0037	18-May-06	15-Sep-26	12.00	9.3	6.02	7.11	↓ -0.5bps	132.84	7.011 7.181	132.30 133.69	15-May-17	132.77	65.00	1
FR0056	23-Sep-10	15-Sep-26	8.38	9.3	6.46	7.00	↓ -7.7bps	109.25	6.980 7.090	108.64 109.42	22-May-17	109.30	2,410.47	48
FR0059	15-Sep-11	15-May-27	7.00	10.0	7.09	6.96	↓ -5.0bps	100.26	6.943 7.053	99.62 100.40	22-May-17	99.50	958.44	88
FR0042	25-Jan-07	15-Jul-27	10.25	10.1	6.47	7.23	↓ -1.4bps	121.43	7.207 7.250	121.27 121.62	9-May-17	120.75	10.00	1
FR0047	30-Aug-07	15-Feb-28	10.00	10.7	6.78	7.29	↓ -2.1bps	119.94	7.273 7.303	119.81 120.06	19-May-17	119.00	132.62	2
FR0064	13-Aug-12	15-May-28	6.13	11.0	7.70	7.34	↓ -3.1bps	90.95	7.318 7.359	90.81 91.10	22-May-17	91.55	80.00	6
FR0071	12-Sep-13	15-Mar-29	9.00	11.8	7.38	7.43	↓ -4.0bps	112.19	7.387 7.473	111.82 112.55	22-May-17	114.40	295.80	9
FR0052	20-Aug-09	15-Aug-30	10.50	13.2	7.59	7.52	↓ -4.8bps	124.70	7.508 7.569	124.21 124.80	22-May-17	124.70	7.00	1
FR0073	6-Aug-15	15-May-31	8.75	14.0	8.32	7.41	↓ -10.7bps	111.54	7.395 7.571	110.06 111.68	22-May-17	111.25	301.52	19
FR0074	10-Nov-16	15-Aug-32	7.50	15.2	8.85	7.40	↓ -18.3bps	100.91	7.358 7.572	99.34 101.27	22-May-17	100.25	943.69	79
FR0054	22-Jul-10	15-Jul-31	9.50	14.1	7.98	7.60	→ 0.0bps	116.31	7.536 7.629	116.00 116.90	22-May-17	117.50	0.30	1
FR0058	21-Jul-11	15-Jun-32	8.25	15.1	8.46	7.57	↓ -9.1bps	106.02	7.564 7.636	105.43 106.10	22-May-17	108.40	10.54	4
FR0065	30-Aug-12	15-May-33	6.63	16.0	9.42	7.58	↓ -11.1bps	91.20	7.616 7.696	90.24 90.92	22-May-17	92.10	28.40	18
FR0068	1-Aug-13	15-Mar-34	8.38	16.8	9.08	7.63	↓ -14.1bps	106.94	7.654 7.784	105.47 106.73	22-May-17	107.00	286.51	25
FR0072	9-Jul-15	15-May-36	8.25	19.0	9.79	7.59	↓ -23.3bps	106.55	7.628 7.840	104.01 106.18	22-May-17	105.75	3,747.36	167
FR0045	24-May-07	15-May-37	9.75	20.0	9.57	7.89	↓ -0.3bps	118.55	7.819 7.896	118.48 119.36	21-Apr-17	121.00	1.00	1
FR0050	24-Jan-08	15-Jul-38	10.50	21.1	9.42	7.90	↑ 0.6bps	126.52	7.826 7.905	126.43 127.41	19-May-17	126.00	30.00	1
FR0057	21-Apr-11	15-May-41	9.50	24.0	10.30	7.96	↑ 0.3bps	116.42	7.890 7.939	116.62 117.21	8-May-17	116.10	2.00	1
FR0062	9-Feb-12	15-Apr-42	6.38	24.9	11.14	7.95	↓ -0.1bps	83.06	7.883 7.948	83.04 83.65	19-May-17	82.85	1.44	1
FR0067	18-Jul-13	15-Feb-44	8.75	26.7	10.61	7.97	↓ -1.3bps	108.58	7.941 8.004	108.16 108.90	22-May-17	110.05	160.00	15
ORI011	22-Oct-14	15-Oct-17	8.50	0.4	-	5.49	↓ -0.3bps	101.16	4.907 5.323	101.25 101.41	22-May-17	100.50	0.50	3
ORI012	21-Oct-15	15-Oct-18	9.00	1.4	-	6.61	↓ -1.4bps	103.17	6.314 6.604	103.19 103.58	22-May-17	103.20	171.67	23
ORI013	26-Oct-16	15-Oct-19	6.60	2.4	-	6.75	↓ -2.9bps	99.67	6.691 6.801	99.56 99.80	22-May-17	99.00	625.78	56
IFR0002	26-Aug-08	15-Aug-18	11.95	1.2	1.12	5.54	↓ -1.3bps	107.50	5.504 5.920	107.06 107.57	12-May-17	106.37	2.00	2
IFR0008	15-Apr-10	15-Mar-20	8.80	2.8	2.43	7.49	↓ -0.1bps	103.25	7.246 7.662	102.81 103.88	5-May-14	103.65	5.00	3
IFR0007	1-Apr-10	15-Jan-25	10.25	7.6	5.26	7.74	→ 0.0bps	114.25	7.495 7.911	113.21 115.80	17-Jun-16	115.12	25.00	1
IFR0006	21-Jan-10	15-Mar-30	10.25	12.8	7.39	8.15	→ 0.0bps	116.50	8.020 8.436	114.02 117.63	2-May-17	122.00	24.00	2
IFR0010	3-Mar-11	15-Feb-36	10.00	18.7	8.83	8.44	→ 0.0bps	114.50	8.322 8.510	113.81 115.76	3-May-17	116.95	2.02	2
PBS001	16-Feb-12	15-Feb-18	4.50	0.7	0.70	6.23	↓ -33.7bps	98.74	8.726 9.142	96.76 97.04	15-Mar-17	97.65	19.14	6
PBS002	2-Feb-12	15-Jan-22	5.45	4.6	3.93	7.19	↓ -60.2bps	93.22	7.364 7.780	91.04 92.57	5-May-17	93.60	60.40	8
PBS003	2-Feb-12	15-Jan-27	6.00	9.6	6.90	7.47	↑ 0.1bps	90.00	7.103 7.519	89.69 92.38	28-Apr-17	92.51	16.00	2
PBS004	16-Feb-12	15-Feb-37	6.10	19.7	10.07	8.28	→ 0.0bps	79.00	8.023 8.439	77.69 81.09	22-May-17	81.20	15.00	5
PBS005	2-May-13	15-Apr-43	6.75	25.9	10.80	8.42	→ 0.0bps	82.50	8.315 8.731	79.78 83.45	9-May-17	84.00	44.00	4
PBS006	19-Sep-13	15-Sep-20	8.25	3.3	2.84	6.86	↓ -0.8bps	104.03	6.767 6.999	103.63 104.32	27-Apr-17	103.95	20.00	2
PBS009	30-Jul-15	25-Jan-18	7.75	0.7	0.64	5.74	↑ 4.6bps	101.30	5.555 5.813	101.25 101.43	22-May-17	101.15	570.00	7
PBS010	26-Oct-15	25-Jan-19	8.63	1.7	1.51	6.21	↑ 14.5bps	103.76	5.886 6.302	103.63 104.30				
PBS011	14-Jan-16	15-Aug-23	8.75	6.2	4.70	7.47	→ 0.0bps	106.25	7.243 7.659	105.31 107.44	17-May-17	106.86	3.50	2
PBS012	28-Jan-16	15-Nov-31	8.88	14.5	8.32	7.93	→ 0.0bps	108.06	7.845 7.921	108.13 108.81	22-May-17	107.80	3.00	3
PBS013	6-Oct-16	15-May-19	6.25	2.0	1.83	7.14	↑ 4.5bps	98.38	6.900 7.300	98.09 98.81	19-May-17	99.00	0.20	1
SR007	11-Mar-15	11-Mar-18	8.25	0.8	-	5.83	↓ -4.1bps	101.88	5.722 5.953	101.80 101.98	22-May-17	101.15	1.30	7
SR008	10-Mar-16	10-Mar-19	8.30	1.8	-	6.62	↓ -4.2bps	102.84	6.516 6.709	102.69 103.02	22-May-17	102.35	110.62	30
SR009	22-Mar-17	10-Mar-20	6.90	2.8	2.45	6.76	↓ -0.1bps	100.36			22-May-17	99.90	158.01	58

*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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