

HEADLINES & ANALYSIS

- One of the world's least volatile currencies, the yuan was already a challenging trade before China's central bank started stepping up control. Swings in the yuan have only become more muted since May 26, when the PBOC flagged including an extra factor in the formula used to calculate the daily reference rate, one of its chief tools for managing the currency. (Bloomberg)
- Open-interest data from the eurodollar options market in the wake of the Fed's rate hike last week show traders are piling into a bet already popular in futures: that the central bank will skip a September rate increase and wait until the final policy meeting of the year to tighten again. That's reflected in the buying and selling of call spreads on futures contracts. (Bloomberg)
- Argentina sold 100-year bonds barely a year after settling a protracted legal dispute tied to a \$95 billion default. With the \$2.75 billion sale, the government of South America's second-largest economy joins Mexico, Ireland and the U.K. in issuing debt that matures over a century, which is often particularly attractive to insurers and pension funds seeking to lock in long-term returns. (Bloomberg)

YIELD CURVE (%)

TTM	19-Jun-17	-1 Day	Change	TTM	19-Jun-17	-1 Day	Change
3 months	4.587	4.572	0.014	15 years	7.435	7.458	-0.023
6 months	5.046	5.020	0.026	16 years	7.497	7.515	-0.018
1 year	5.746	5.705	0.041	17 years	7.554	7.566	-0.012
2 years	6.341	6.296	0.045	18 years	7.605	7.613	-0.007
3 years	6.549	6.518	0.031	19 years	7.652	7.655	-0.002
4 years	6.635	6.622	0.012	20 years	7.695	7.693	0.002
5 years	6.691	6.696	-0.006	21 years	7.733	7.726	0.006
6 years	6.748	6.768	-0.020	22 years	7.767	7.757	0.010
7 years	6.814	6.845	-0.031	23 years	7.798	7.784	0.013
8 years	6.889	6.927	-0.038	24 years	7.825	7.809	0.017
9 years	6.970	7.011	-0.041	25 years	7.850	7.831	0.019
10 years	7.054	7.095	-0.042	26 years	7.873	7.851	0.022
11 years	7.137	7.177	-0.040	27 years	7.893	7.868	0.024
12 years	7.218	7.255	-0.037	28 years	7.911	7.884	0.026
13 years	7.295	7.328	-0.033	29 years	7.927	7.899	0.028
14 years	7.368	7.396	-0.028	30 years	7.941	7.911	0.030

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
SPN12180201	-	1-Feb-18	96.57	-	1,400.00
FR0072	8.250	15-May-36	107.50	7.499	1,118.29
FR0074	7.500	15-Aug-32	103.65	7.312	986.10
FR0059	7.000	15-May-27	102.00	6.753	924.63
FR0071	9.000	15-Mar-29	113.35	7.190	628.50

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
PNBN02SBCN2	idA+	10.250	17-Mar-24	100.00	10.25	115.40
BIIF02B	AA+ (idn)	8.250	19-Jun-18	100.90	8.18	96.00
BBRI01CCN2	idAAA	9.600	4-Feb-21	110.20	6.42	58.20
APAI01A	idAAA	8.100	22-Nov-21	100.48	7.97	40.00
PPLN01BCN2	idAAA	9.600	10-Dec-23	106.45	8.30	40.00

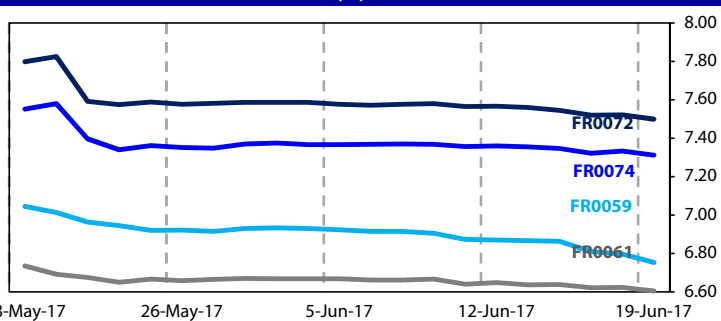
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	19-Jun-17	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	19-Jun-17	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						19-Jun-17	-1 Mo	-3 Mo							19-Jun-17	-1 Mo	-3 Mo
United States USD	2yr		1.360	1.450	1.540				Philippines PHP	2yr	6.000	3.809	3.900	3.925	245	262	266
	5yr		1.800	1.790	1.960					5yr	7.875	4.072	4.243	4.182	227	245	222
	10yr		2.190	2.230	2.430					10yr	11.375	4.668	-	-	248	-	-
German EUR	2yr	0.250	-0.653	-	-	-201	-	-	Thailand THB	2yr	3.125	1.488	1.513	1.556	13	23	29
	5yr	1.000	-0.393	-0.348	-0.295	-219	-214	-226		5yr	3.450	1.969	2.148	2.24	17	36	28
	10yr	1.750	0.281	0.368	0.459	-191	-186	-197		10yr	3.625	2.456	2.716	2.783	27	49	35
Indonesia USD	2yr	6.875	17.792	17.792	17.792	1,643	1,651	1,652	India INR	2yr	7.590	-	6.584	6.505	-	530	524
	5yr	5.875	2.304	2.496	2.655	50	71	70		5yr	7.280	6.587	6.849	6.85	479	506	489
	10yr	4.125	3.540	3.666	3.792	135	144	136		10yr	8.830	6.467	6.71	-	428	448	-
Brazil BRL	2yr	0.000	9.133	10.21	9.57	777	893	830	Malaysia MYR	3yr	3.172	3.296	3.356	3.442	178	191	190
	5yr	10.000	9.808	11.03	9.90	845	975	863		5yr	3.260	3.568	3.572	3.808	177	178	185
	10yr	10.000	10.392	11.53	10.20	903	1,025	893		10yr	4.181	3.881	3.887	-	169	166	-

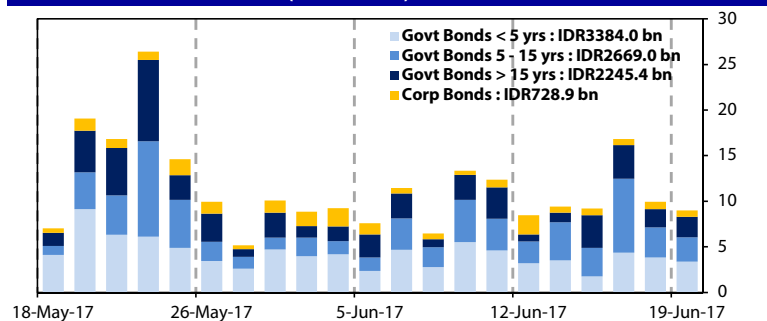
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↓	4.33	0.42
US (Fed Fund Rate)	1.25	14-Jun-17	25bps ↑	1.90	-0.65
Euro Region	0.00	16-Mar-16	-5bps ↓	1.60	-1.60
Japan	0.10	19-Dec-08	-20bps ↓	0.40	-0.30
India (Repo Rate)	6.25	4-Oct-16	-25bps ↓	2.21	4.04
Malaysia	3.00	13-Jul-16	-25bps ↓	4.40	-1.40
Philippines	3.00	16-May-16	-100bps ↓	3.10	-0.10
Thailand	3.00	25-Jan-12	-25bps ↓	-0.04	3.04
Singapore	0.08	31-Dec-13	5bps ↑	0.40	-0.32
Brazil	10.25	31-May-17	-100bps ↓	3.60	6.65

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	19-Jun-17	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,742 ↑	5,724	0.32	0.89	-0.86	18.75	8.41
Dow Jones (DJIA)	21,529 ↑	21,384	0.68	1.38	3.48	21.80	8.94
London (FTSE 100)	7,524 ↑	7,464	0.81	0.16	0.71	24.96	5.33
Nikkei 225	20,068 ↑	19,943	0.62	0.80	2.43	28.64	4.99
Hang Seng (HIS)	25,925 ↑	25,626	1.16	0.84	2.98	28.53	17.84
Malaysia (KLIC)	1,789 ↓	1,791	-0.13	0.00	1.17	10.14	8.96
Philippines (PSEI)	7,944 ↑	7,882	0.78	-0.58	2.27	4.22	16.13
Thailand (SET)	1,581 ↑	1,577	0.29	1.11	2.03	11.24	2.48
Singapore (STI)	3,247 ↑	3,231	0.49	-0.04	0.94	17.51	12.72
Brazil (BOVESPA)	62,014 ↑	61,626	0.63	0.51	-1.00	25.20	2.97

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	19-Jun-17	-1 Day	-1 Week	-1 Month	EoP 2015
USD/IDR	13,294 ↓	13,298	13,304	13,340	13,492
Brent	46.3 ↓	46.65	47.49	53.36	55.41
WTI Crude Oil	44.2 ↓	44.74	46.08	50.33	53.72

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
19-Jun-17	6.88		0.18	0.62	2.02	11.77	9.70
-1 Day	6.90	↓ -1.8	0.10	0.49	1.99	11.53	9.50
-1 Week	6.95	↓ -7.4	0.06	0.26	1.58	11.02	9.02
-1 Month	7.08	↓ -19.8	0.11	0.57	0.69	11.12	7.55
-1 Year	7.61	↓ -73.4	-0.04	-0.06	0.85	15.52	11.95

Sources: Danareksa

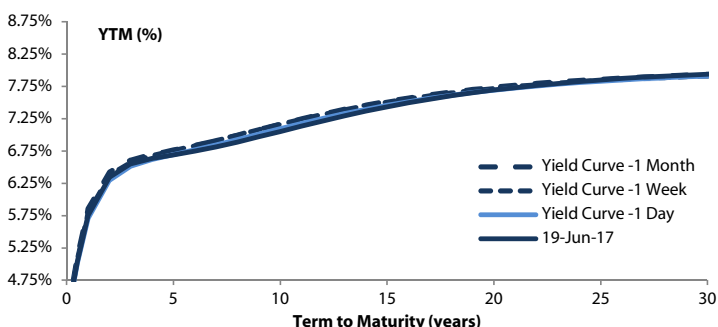
VALUATIONS OF GOVERNMENT BONDS

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	0.07	3.60	↑ 10.8bps	100.41	3.544 4.084	100.41 100.45	16-Jun-17	100.31	5.00	1
FR0066	25-Oct-12	15-May-18	5.25	0.9	0.87	5.85	↓ -6.8bps	99.48	5.776 5.942	99.39 99.54	16-Jun-17	99.50	428.07	5
FR0032	1-Sep-05	15-Jul-18	15.00	1.1	0.95	5.42	↓ -7.6bps	109.79	5.462 5.844	109.37 109.79	3-May-17	110.54	30.00	3
FR0038	24-Aug-06	15-Aug-18	11.60	1.2	1.05	5.61	↑ 0.5bps	106.58	5.618 5.895	106.28 106.60	16-Jun-17	106.05	4.60	2
FR0048	27-Sep-07	15-Sep-18	9.00	1.2	1.14	5.94	↑ 3.8bps	103.57	5.839 6.014	103.50 103.71	15-Jun-17	103.69	145.00	3
FR0069	29-Aug-13	15-Apr-19	7.88	1.8	1.66	6.33	↑ 0.9bps	102.61	6.261 6.406	102.48 102.73	19-Jun-17	102.65	50.00	1
FR0036	20-Apr-06	15-Sep-19	11.50	2.2	1.94	6.32	↓ -2.1bps	110.61	6.303 6.420	110.42 110.67	16-Jun-17	110.44	17.00	2
FR0031	16-Jun-05	15-Nov-20	11.00	3.4	2.84	6.59	↓ -0.2bps	113.23	6.558 6.604	113.20 113.35	15-Jun-17	113.30	100.00	2
FR0034	26-Jan-06	15-Jun-21	12.80	4.0	3.21	6.58	↓ -0.7bps	121.50	6.568 6.617	121.37 121.56	16-Jun-17	121.27	100.00	4
FR0053	8-Jul-10	15-Jul-21	8.25	4.1	3.33	6.63	↓ -0.9bps	105.67	6.582 6.644	105.64 105.86	19-Jun-17	105.75	98.19	8
FR0061	6-Oct-11	15-May-22	7.00	4.9	4.08	6.61	↓ -1.8bps	101.62	6.554 6.613	101.59 101.84	19-Jun-17	103.00	394.27	17
FR0035	16-Feb-06	15-Jun-22	12.90	5.0	3.84	6.66	↓ -0.8bps	126.09	6.643 6.706	125.90 126.20	16-Jun-17	125.91	60.00	2
FR0043	22-Feb-07	15-Jul-22	10.25	5.1	3.87	6.69	↓ -1.6bps	115.06	6.688 6.725	114.93 115.10	19-Jun-17	114.99	0.53	2
FR0063	13-Aug-12	15-May-23	5.63	5.9	4.89	6.77	↑ 0.2bps	94.52	6.736 6.775	94.47 94.65	19-Jun-17	94.30	0.88	1
FR0046	19-Jul-07	15-Jul-23	9.50	6.1	4.52	6.77	↓ -3.3bps	113.38	6.757 6.805	113.21 113.47	16-Jun-17	113.40	40.00	4
FR0039	24-Aug-06	15-Aug-23	11.75	6.2	4.44	6.78	↓ -0.4bps	124.66	6.765 6.812	124.48 124.75	15-Jun-17	124.59	20.00	2
FR0070	29-Aug-13	15-Mar-24	8.38	6.7	5.08	6.77	↓ -0.4bps	108.54	6.747 6.840	108.16 108.68	19-Jun-17	108.75	433.81	10
FR0044	19-Apr-07	15-Sep-24	10.00	7.2	5.19	6.88	↓ -3.0bps	117.52	6.864 6.941	117.16 117.64	19-Jun-17	117.15	5.00	1
FR0040	21-Sep-06	15-Sep-25	11.00	8.2	5.59	7.04	↑ 1.7bps	124.41	6.894 7.006	124.66 125.46	19-Jun-17	126.00	5.00	1
FR0037	18-May-06	15-Sep-26	12.00	9.2	5.97	6.95	↓ -4.3bps	133.97	6.878 6.959	133.91 134.58	16-Jun-17	133.46	20.00	2
FR0056	23-Sep-10	15-Sep-26	8.38	9.2	6.41	6.79	↓ -2.9bps	110.75	6.769 6.855	110.26 110.88	19-Jun-17	110.85	179.82	13
FR0059	15-Sep-11	15-May-27	7.00	9.9	7.05	6.75	↓ -4.3bps	101.75	6.731 6.809	101.35 101.91	19-Jun-17	102.00	924.63	78
FR0042	25-Jan-07	15-Jul-27	10.25	10.1	6.42	7.02	↓ -3.6bps	123.04	7.002 7.039	122.88 123.18	19-Jun-17	122.05	20.00	2
FR0047	30-Aug-07	15-Feb-28	10.00	10.7	6.74	7.11	↓ -0.6bps	121.32	7.038 7.100	121.41 121.93	16-Jun-17	121.15	10.00	1
FR0064	13-Aug-12	15-May-28	6.13	10.9	7.66	7.12	↓ -3.0bps	92.54	7.094 7.146	92.35 92.72	19-Jun-17	93.50	75.30	3
FR0071	12-Sep-13	15-Mar-29	9.00	11.7	7.36	7.19	↓ -3.7bps	114.16	7.179 7.247	113.68 114.26	19-Jun-17	113.35	628.50	15
FR0052	20-Aug-09	15-Aug-30	10.50	13.2	7.55	7.37	↑ 0.9bps	126.01	7.295 7.370	126.06 126.80	13-Jun-17	125.75	1.00	1
FR0073	6-Aug-15	15-May-31	8.75	13.9	8.29	7.25	↓ -4.2bps	113.01	7.204 7.317	112.36 113.43	19-Jun-17	111.50	237.94	18
FR0074	10-Nov-16	15-Aug-32	7.50	15.2	8.80	7.31	↓ -2.1bps	101.69	7.197 7.363	101.22 102.75	19-Jun-17	103.65	986.10	103
FR0054	22-Jul-10	15-Jul-31	9.50	14.1	7.96	7.39	↓ -0.6bps	118.29	7.338 7.421	117.95 118.76	16-Jun-17	117.97	35.64	5
FR0058	21-Jul-11	15-Jun-32	8.25	15.0	8.75	7.43	↓ -1.9bps	107.39	7.391 7.451	107.14 107.70	19-Jun-17	108.50	157.56	8
FR0065	30-Aug-12	15-May-33	6.63	15.9	9.38	7.50	↓ -1.5bps	91.99	7.420 7.518	91.78 92.64	19-Jun-17	91.25	14.44	12
FR0068	1-Aug-13	15-Mar-34	8.38	16.7	9.04	7.54	↓ -1.6bps	107.84	7.461 7.576	107.49 108.63	19-Jun-17	108.00	113.55	11
FR0072	9-Jul-15	15-May-36	8.25	18.9	9.76	7.50	↓ -2.2bps	107.51	7.433 7.605	106.40 108.22	19-Jun-17	107.50	1,118.29	85
FR0045	24-May-07	15-May-37	9.75	19.9	9.53	7.82	→ 0.0bps	119.33	7.743 7.842	119.05 120.19	14-Jun-17	118.93	47.50	5
FR0050	24-Jan-08	15-Jul-38	10.50	21.1	9.39	7.81	↑ 0.1bps	127.64	7.750 7.868	126.86 128.32	2-Jun-17	127.00	30.00	1
FR0057	21-Apr-11	15-May-41	9.50	23.9	10.31	7.82	↓ -5.5bps	118.05	7.808 7.936	116.63 118.18	19-Jun-17	118.00	10.00	1
FR0062	9-Feb-12	15-Apr-42	6.38	24.8	11.13	7.87	↓ -0.2bps	83.84	7.834 7.926	83.26 84.13	19-Jun-17	84.30	3.00	3
FR0067	18-Jul-13	15-Feb-44	8.75	26.7	10.62	7.85	↑ 1.5bps	109.98	7.813 7.904	109.33 110.42	16-Jun-17	106.00	118.00	4
ORI011	22-Oct-14	15-Oct-17	8.50	0.3	-	5.07	↑ 8.7bps	101.08	4.935 5.249	101.04 101.14	19-Jun-17	100.00	41.61	8
ORI012	21-Oct-15	15-Oct-18	9.00	1.3	-	6.39	↑ 7.1bps	103.29	6.308 6.484	103.18 103.41	19-Jun-17	102.55	326.43	31
ORI013	26-Oct-16	15-Oct-19	6.60	2.3	-	6.64	↓ -1.4bps	99.92	6.606 6.696	99.79 99.99	19-Jun-17	99.00	162.04	57
IFR0002	26-Aug-08	15-Aug-18	11.95	1.2	1.05	5.04	↓ -1.5bps	107.63	5.008 5.268	107.39 107.70	12-May-17	106.37	2.00	2
IFR0008	15-Apr-10	15-Mar-20	8.80	2.7	2.36	7.41	↓ -0.2bps	103.38	7.313 7.438	103.30 103.61	5-May-14	103.65	5.00	3
IFR0007	1-Apr-10	15-Jan-25	10.25	7.6	5.19	7.71	↓ -0.1bps	114.38	7.515 7.682	114.53 115.57	17-Jun-16	115.12	25.00	1
IFR0006	21-Jan-10	15-Mar-30	10.25	12.7	7.33	8.11	→ 0.0bps	116.75	7.907 8.110	116.78 118.57	2-May-17	122.00	24.00	2
IFR0010	3-Mar-11	15-Feb-36	10.00	18.7	8.77	8.42	↓ -0.1bps	114.75	8.261 8.454	114.36 116.38	3-May-17	116.95	2.02	2
PBS001	16-Feb-12	15-Feb-18	4.50	0.7	0.63	6.43	↑ 0.9bps	98.75	5.923 6.463	98.75 99.09	15-Mar-17	97.65	19.14	6
PBS002	2-Feb-12	15-Jan-22	5.45	4.6	3.86	6.97	↑ 2.8bps	94.13	6.764 7.305	92.89 94.90	13-Jun-17	93.60	50.00	1
PBS003	2-Feb-12	15-Jan-27	6.00	9.6	6.85	7.31	↑ 0.8bps	91.08	6.935 7.475	90.03 93.53	13-Jun-17	90.50	21.11	1
PBS004	16-Feb-12	15-Feb-37	6.10	19.7	10.23	7.83	→ 0.0bps	82.80	7.651 8.183	79.80 84.35	14-Jun-17	81.45	28.00	4
PBS005	2-May-13	15-Apr-43	6.75	25.8	11.06	7.97	↓ -0.5bps	86.70	7.881 8.421	82.50 87.59	13-Jun-17	83.00	2.50	1
PBS006	19-Sep-13	15-Sep-20	8.25	3.2	2.77	6.74	↑ 2.3bps	104.30	6.722 6.790	104.17 104.37	19-Jun-17	103.68	30.00	2
PBS009	30-Jul-15	25-Jan-18	7.75	0.6	0.57	5.61	↑ 12.2bps	101.23	5.367 5.603	101.24 101.38	15-Jun-17	101.22	22.00	2
PBS010	26-Oct-15	25-Jan-19	8.63	1.6	1.44	5.79	↓ -0.4bps	104.25	5.720 5.839	104.19 104.37				
PBS011	14-Jan-16	15-Aug-23	8.75	6.2	4.63	7.40	↑ 24.4bps	106.55	6.950 7.375	106.69 108.88	16-Jun-17	107.42	970.00	6
PBS012	28-Jan-16	15-Nov-31	8.88	14.4	8.31	7.68	↓ -0.5bps	110.28	7.603 7.797	109.22 111.01	14-Jun-17	109.10	20.00	6
PBS013	6-Oct-16	15-May-19	6.25	1.9	1.76	6.79	↓ -2.3bps	99.04	6.699 6.937	98.79 99.20	19-Jun-17	99.00	276.37	5
SR007	11-Mar-15	11-Mar-18	8.25	0.7	-	5.78	↑ 5.5bps	101.75	5.517 5.746	101.78 101.94	19-Jun-17	101.20	25.68	8
SR008	10-Mar-16	10-Mar-19	8.30	1.7	-	6.52	↑ 0.8bps	102.89	6.456 6.571	102.81 103.00	19-Jun-17	102.25	172.15	31
SR009	22-Mar-17	10-Mar-20	6.90	2.7	2.38	6.69	↑ 0.6bps	100.53	6.646 6.713	100.41 100.57	19-Jun-17	100.00	39.41	52

*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

Analysts: Rifki Rizal (ext. 3404) & Amir A. Dalimunthe (ext. 3405)