

### HEADLINES & ANALYSIS

- The yield spread between 10-year U.S. Treasuries and similar-maturity Treasury Inflation Protected Securities, or TIPS, fell Tuesday to as low as 1.67% points. The breakeven rate soared after Donald Trump's election win in November on bets that his fiscal policies would boost the economy. Instead, consumer price index data missed forecasts in recent months, oil prices slipped and the administration faced roadblocks in passing legislation. (Bloomberg)
- China used a new tool to boost liquidity in its government-bond market for the first time Tuesday, purchasing one-year notes that had seen limited demand among investors. The operation is part of a broader initiative to generate a reliable yield curve for risk-free government debt that can serve as a benchmark for borrowing costs across the economy. (Bloomberg)
- The U.K. has started sounding out investors as it prepares to sell 6 billion pounds of (\$7.6 billion) mortgages from a lender that collapsed during the financial crisis, according to a person familiar with the matter. (Bloomberg)

### YIELD CURVE (%)

TTM	20-Jun-17	-1 Day	Change	TTM	20-Jun-17	-1 Day	Change
3 months	4.577	4.587	-0.010	15 years	7.424	7.435	-0.011
6 months	5.030	5.046	-0.016	16 years	7.485	7.497	-0.012
1 year	5.724	5.746	-0.022	17 years	7.540	7.554	-0.013
2 years	6.320	6.341	-0.021	18 years	7.591	7.605	-0.015
3 years	6.534	6.549	-0.015	19 years	7.637	7.652	-0.016
4 years	6.625	6.635	-0.009	20 years	7.678	7.695	-0.017
5 years	6.685	6.691	-0.006	21 years	7.715	7.733	-0.017
6 years	6.745	6.748	-0.003	22 years	7.749	7.767	-0.018
7 years	6.812	6.814	-0.002	23 years	7.779	7.798	-0.019
8 years	6.887	6.889	-0.002	24 years	7.806	7.825	-0.019
9 years	6.968	6.970	-0.003	25 years	7.830	7.850	-0.020
10 years	7.050	7.054	-0.004	26 years	7.852	7.873	-0.020
11 years	7.132	7.137	-0.005	27 years	7.872	7.893	-0.021
12 years	7.211	7.218	-0.006	28 years	7.889	7.911	-0.021
13 years	7.287	7.295	-0.008	29 years	7.905	7.927	-0.021
14 years	7.358	7.368	-0.009	30 years	7.920	7.941	-0.022

Source : Danareksa Sekuritas

### MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0074	7.500	15-Aug-32	101.46	7.335	5,996.54
FR0072	8.250	15-May-36	106.30	7.515	5,398.66
FR0061	7.000	15-May-22	101.64	6.632	4,329.04
FR0059	7.000	15-May-27	101.85	6.748	2,326.35
SPN12180201	-	1-Feb-18	96.73	-	1,900.00

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

### MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
TUFI02ACN1	idAA	10.200	18-Dec-18	3.00	478.50	131.30
WSKT02CN2	idA-	8.500	28-Sep-21	98.29	8.99	120.00
PTL01ACN1	AA-(idn)	7.900	23-Nov-19	100.40	7.72	100.00
SMADMFO2BCN3	idAAA(sy)	8.600	22-Mar-20	100.00	8.60	100.00
ADMF03BCN5	idAAA	8.600	22-Mar-20	101.00	8.19	85.00

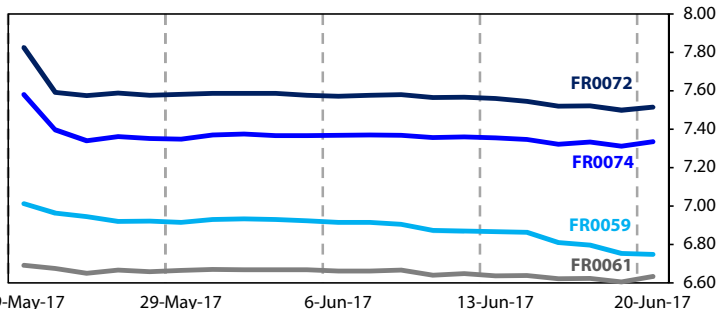
\*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

### SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	20-Jun-17	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	20-Jun-17	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						20-Jun-17	-1 Mo	-3 Mo							20-Jun-17	-1 Mo	-3 Mo
United States USD	2yr		1.360	1.450	1.520				Philippines PHP	2yr	6.000	3.850	3.900	3.988	249	262	272
	5yr		1.770	1.790	1.950					5yr	7.875	4.102	4.243	4.209	233	245	226
	10yr		2.160	2.230	2.400					10yr	11.375	4.673	-	-	251	-	-
German EUR	2yr	0.250	-0.650	-	-	-201	-	-	Thailand THB	2yr	3.125	1.483	1.513	1.554	12	23	28
	5yr	1.000	-0.401	-0.348	-0.328	-217	-214	-228		5yr	3.450	1.964	2.148	2.224	19	36	27
	10yr	1.750	0.262	0.368	0.408	-190	-186	-199		10yr	3.625	2.486	2.716	2.77	33	49	37
Indonesia USD	2yr	6.875	17.792	17.792	17.792	1,643	1,651	1,652	India INR	2yr	7.590	6.391	6.584	6.488	503	530	522
	5yr	5.875	2.309	2.496	2.639	54	71	69		5yr	7.280	6.561	6.849	6.794	479	506	484
	10yr	4.125	3.543	3.666	3.779	138	144	138		10yr	8.830	6.447	6.71	-	429	448	-
Brazil BRL	2yr	0.000	9.230	10.21	9.61	787	893	834	Malaysia MYR	3yr	3.172	3.307	3.362	3.468	181	191	195
	5yr	10.000	9.942	11.03	9.96	858	975	869		5yr	3.260	3.572	3.568	3.798	180	178	185
	10yr	10.000	10.550	11.53	10.28	919	1,025	901		10yr	4.181	3.891	3.886	-	173	166	-

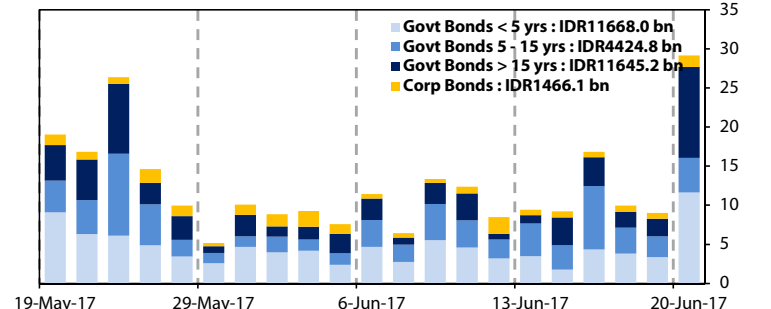
Sources: Bloomberg (Current Yield Curve), US Treasury

### 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	20-Jun-17	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,792 ↑	5,742	0.87	1.48	0.00	19.09	9.35
Dow Jones (DJIA)	21,467 ↓	21,529	-0.29	0.65	3.18	20.57	8.63
London (FTSE 100)	7,473 ↓	7,524	-0.68	-0.37	0.03	20.45	4.62
Nikkei 225	20,230 ↑	20,068	0.81	1.67	3.27	26.71	5.84
Hang Seng (HIS)	25,843 ↓	25,925	-0.31	-0.04	2.65	26.00	17.47
Malaysia (KLIC)	1,781 ↓	1,789	-0.46	-0.21	0.70	8.96	8.47
Philippines (PSEi)	7,918 ↓	7,944	-0.33	0.00	1.93	3.29	15.75
Thailand (SET)	1,579 ↓	1,581	-0.16	0.40	1.87	11.01	2.31
Singapore (STI)	3,230 ↓	3,247	-0.52	-0.83	0.42	15.34	12.14
Brazil (BOVESPA)	60,766 ↓	62,014	-2.01	-1.72	-2.99	20.74	0.89

Sources: Bloomberg & Danareksa

### CURRENCY & COMMODITY

Price	20-Jun-17	-1 Day	-1 Week	-1 Month	EoP 2015
USD/IDR	13,292 ↑	13,282	13,291	13,325	13,473
Brent	45.22 ↓	46.3	47.38	53.36	55.41
WTI Crude Oil	43.23 ↓	44.2	46.46	50.33	53.72

Sources: Bloomberg

### PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
20-Jun-17	6.89		-0.03	0.53	1.93	11.68	9.67
-1 Day	6.88	1.0 ↑	0.18	0.62	2.02	11.77	9.70
-1 Week	6.94	-5.5 ↓	0.06	0.29	1.78	11.09	9.09
-1 Month	7.08	-18.7 ↓	0.11	0.57	0.69	11.13	7.56
-1 Year	7.61	-72.2 ↓	0.06	0.01	1.46	14.68	12.02

Sources: Danareksa

