

HEADLINES & ANALYSIS

- Confidence among small British firms and employers has fallen to the lowest level since the aftermath of the Brexit vote, according to two separate surveys published Wednesday. Rising labor costs, taxation and rent are all bolstering operating costs, the Federation of Small Businesses said. There are also concerns about a weaker domestic economy and flagging demand, and confidence at consumer-facing companies is among the lowest in the sectors surveyed. (Bloomberg)
- An unexpected rally in the Malaysian ringgit to a 10-month high is spurring investors to bet that one of Asia's most-improved currencies may be headed for better times. An undervalued currency, stronger-than-expected exports and a recovery in global oil prices have fueled a 3% gain in the ringgit last quarter, Asia's best-performer. That's a far cry from January when it plunged to an almost two-decade low after a crackdown on currency speculators contributed to \$11 billion in outflows from the bond market. (Bloomberg)
- China's riskiest borrowers are ramping up sales of short-term dollar debt again, reigniting speculation the authorities will clamp down on what has become a way to raise cash under the radar. Beijing's deleveraging drive has inadvertently fueled a boom in short-end notes this year. As the National Development and Reform Commission started withholding approvals for offshore debt issuance by property developers and local government financing vehicles, companies got resourceful, selling debt due in one year or less as that doesn't require permission from the authorities. (Bloomberg)

YIELD CURVE (%)

TTM	19-Sep-17	-1 Day	Change	TTM	19-Sep-17	-1 Day	Change
3 months	4.439	4.463	-0.024	15 years	7.161	7.164	-0.004
6 months	4.908	4.938	-0.031	16 years	7.212	7.213	-0.001
1 year	5.498	5.521	-0.023	17 years	7.256	7.255	0.001
2 years	5.847	5.848	-0.001	18 years	7.295	7.293	0.003
3 years	5.955	5.952	0.004	19 years	7.330	7.326	0.004
4 years	6.050	6.051	-0.001	20 years	7.361	7.355	0.006
5 years	6.164	6.172	-0.008	21 years	7.388	7.380	0.007
6 years	6.292	6.305	-0.013	22 years	7.412	7.403	0.009
7 years	6.424	6.440	-0.016	23 years	7.433	7.423	0.010
8 years	6.552	6.569	-0.018	24 years	7.452	7.442	0.011
9 years	6.671	6.688	-0.017	25 years	7.469	7.458	0.011
10 years	6.779	6.795	-0.016	26 years	7.485	7.472	0.012
11 years	6.876	6.889	-0.014	27 years	7.498	7.485	0.013
12 years	6.961	6.973	-0.011	28 years	7.511	7.497	0.014
13 years	7.037	7.045	-0.009	29 years	7.522	7.508	0.014
14 years	7.103	7.109	-0.006	30 years	7.532	7.517	0.015

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0059	7.000	15-May-27	103.89	6.431	2,766.45
FR0075	7.500	15-May-38	103.51	7.147	2,083.41
FR0061	7.000	15-May-22	103.95	5.992	1,851.60
FR0072	8.250	15-May-36	110.55	7.233	1,752.39
SPN12180607	-	#N/A	96.52	7.165	1,740.37

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
TBIG02CN3	AA-(idn)	8.400	19-Sep-20	100.00	8.40	290.00
PNMP02ACN1	idA	8.750	12-Jul-20	100.25	8.65	168.20
BMTR01CN2	idA+	11.000	19-Sep-20	98.50	11.60	50.00
NISP01CCN2	idAAA	9.800	10-Feb-18	101.48	9.66	50.00
AISA01	idA-	10.250	5-Apr-18	100.95	10.15	42.00

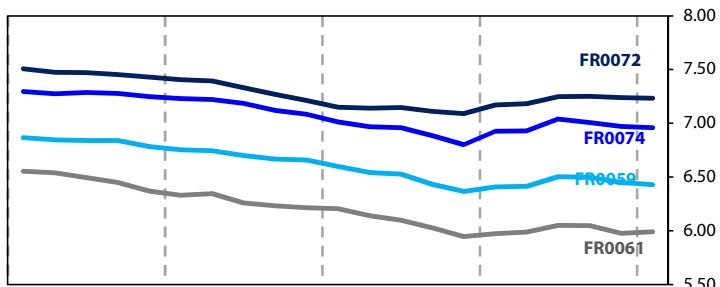
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Finfindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	19-Sep-17	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	19-Sep-17	-1 Mo	-3 Mo	Spread over UST YC (bps)			
						19-Sep-17	-1 Mo	-3 Mo							19-Sep-17	-1 Mo	-3 Mo	
United States	2yr		1.400	1.470	1.500				Philippines	2yr	6.000	3.717	3.765	3.795	232	244	244	
	5yr		1.840	1.770	1.780			PHP		5yr	7.875	4.279	4.444	4.448	244	267	267	
	10yr		2.240	2.190	2.160					10yr	11.375	4.642	4.700	4.671	240	251	251	
German	2yr	0.250	-0.687	-	-	-209	-		-	Thailand	2yr	3.125	1.502	1.576	1.61	10	25	25
	5yr	1.000	-0.271	-0.264	-	-211	-203	-	THB		5yr	3.450	1.771	1.837	-	-7	7	-
	10yr	1.750	0.452	0.415	-	-179	-178	-			10yr	3.625	2.324	2.372	2.43	8	18	27
Indonesia	2yr	6.875	17.792	17.792	17.792	1,639	1,646	1,643		India	2yr	7.590	6.303	6.291	-	490	496	-
	5yr	5.875	2.098	2.170	2.297	26	40	52	INR		5yr	7.280	6.549	6.493	6.543	471	472	476
	10yr	4.125	3.215	3.428	3.546	98	124	139			10yr	8.830	6.593	6.509	6.436	435	432	428
Brazil	2yr	0.000	7.597	8.28	9.22	620	695	786		Malaysia	3yr	3.172	3.354	3.399	-	180	193	-
	5yr	10.000	8.617	9.19	9.95	722	786	859	MYR		5yr	3.260	3.528	3.595	3.591	169	183	181
	10yr	10.000	9.745	10.13	10.64	835	880	928			10yr	4.181	3.874	3.985	3.915	163	180	176

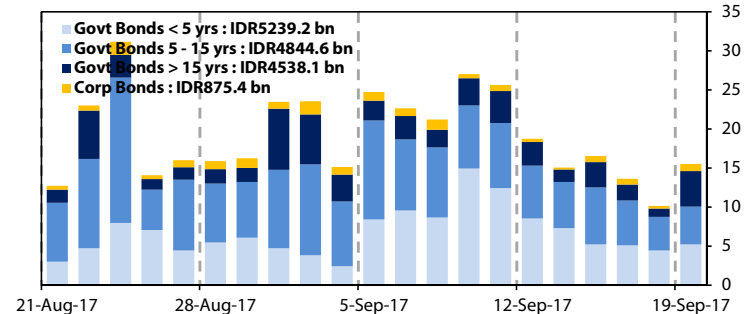
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	4.50	22-Aug-17	-25bps ↓	3.82	0.68
US (Fed Fund Rate)	1.25	14-Jun-17	25bps ↑	1.90	-0.65
Euro Region	0.00	16-Mar-16	-5bps ↓	1.70	-1.70
Japan	0.10	19-Dec-08	-20bps ↓	0.40	-0.30
India (Repo Rate)	6.00	2-Aug-17	-25bps ↓	1.79	4.21
Malaysia	3.00	13-Jul-16	-25bps ↓	3.20	-0.20
Philippines	3.00	16-May-16	-100bps ↓	3.10	-0.10
Thailand	3.00	25-Jan-12	-25bps ↓	0.32	2.68
Singapore	0.08	31-Dec-13	5bps ↑	0.60	-0.52
Brazil	8.25	6-Sep-17	-100bps ↓	2.46	5.79

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	19-Sep-17	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,901 ↑	5,885	0.28	0.49	0.13	10.89	11.41
Dow Jones (DJIA)	22,371 ↑	22,331	0.18	1.14	3.21	23.46	13.20
London (FTSE 100)	7,275 ↑	7,253	0.30	-1.69	-0.67	6.78	1.85
Nikkei 225	20,299 ↑	19,910	1.96	2.64	4.26	22.88	6.20
Hang Seng (HIS)	28,051 ↑	28,160	-0.38	0.28	3.71	19.11	27.50
Malaysia (KLCI)	1,777 ↓	1,784	-0.39	-0.74	0.02	7.56	8.22
Philippines (PSEI)	8,163 ↓	8,294	-1.58	1.41	1.82	7.75	19.33
Thailand (SET)	1,673 ↑	1,670	0.14	1.77	6.77	12.05	8.40
Singapore (STI)	3,226 ↓	3,242	-0.49	-0.30	-0.80	13.11	11.98
Brazil (BOVESPA)	75,974 ↓	75,990	-0.02	1.93	10.56	32.47	26.15

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	19-Sep-17	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	13,279 ↑	13,255	13,200	13,362	13,473
Brent	54.9 ↓	55.08	54.1	52.47	55.41
WTI Crude Oil	49.48 ↓	49.91	48.23	48.51	53.72

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
19-Sep-17	6.33		0.09	-0.16	3.20	10.09	14.14
-1 Day	6.33	↓ -1.0	0.14	-0.46	3.14	10.23	14.04
-1 Week	6.30	↑ 2.9	-0.22	0.97	3.47	10.00	14.32
-1 Month	6.73	↓ -40.9	0.11	0.23	1.47	6.64	10.72
-1 Year	7.05	↓ -72.6	0.21	-0.24	-0.01	22.99	18.26

Sources: Danareksa

