

HEADLINES & ANALYSIS

- Option-adjusted spreads on Asia-Pacific corporate bonds widened 1.0bps to 49bps over prevailing government benchmark securities in the past week. The spread rose 1.0bps since the start of the quarter and advanced 1.0bps this year. The Bloomberg Barclays Asia-Pacific Corporate Total Return Index Unhedged had a total return of 0.35% in the week. (Bloomberg)
- Emerging-market assets extended last year's winning streak to the first week of 2018 as a weak dollar, low yields and optimism over global growth boosted demand for developing-nation stocks and bonds. The MSCI Emerging Markets Index of equities climbed 3.7% last week, its best performance since July, while the MSCI Emerging Markets Currency Index gained 0.9%. (Bloomberg)
- The Federal Reserve won't need to pick up the pace of its planned interest-rate increases in response to the recently-passed tax overhaul package, White House chief economist Kevin Hassett said. The administration's computer modeling of the economic effects of the tax plan result in interest rates that "aren't inconsistent with the Fed's current guidance," he said during a Jan. 6 session at the annual meeting of the American Economic Association in Philadelphia. (Bloomberg)

YIELD CURVE (%)

TTM	5-Jan-18	-1 Day	Change	TTM	5-Jan-18	-1 Day	Change
3 months	4.058	4.054	0.004	15 years	6.877	6.937	-0.059
6 months	4.464	4.458	0.006	16 years	6.926	6.986	-0.059
1 year	5.023	5.018	0.006	17 years	6.969	7.028	-0.059
2 years	5.450	5.452	-0.002	18 years	7.007	7.066	-0.059
3 years	5.627	5.640	-0.013	19 years	7.040	7.099	-0.059
4 years	5.761	5.785	-0.024	20 years	7.070	7.128	-0.059
5 years	5.895	5.928	-0.034	21 years	7.096	7.154	-0.058
6 years	6.031	6.072	-0.041	22 years	7.119	7.178	-0.058
7 years	6.164	6.211	-0.047	23 years	7.140	7.198	-0.058
8 years	6.290	6.342	-0.051	24 years	7.159	7.217	-0.058
9 years	6.406	6.461	-0.055	25 years	7.175	7.233	-0.058
10 years	6.511	6.567	-0.057	26 years	7.190	7.248	-0.058
11 years	6.604	6.662	-0.058	27 years	7.204	7.261	-0.057
12 years	6.686	6.745	-0.059	28 years	7.216	7.273	-0.057
13 years	6.758	6.818	-0.059	29 years	7.227	7.284	-0.057
14 years	6.822	6.881	-0.059	30 years	7.237	7.294	-0.057

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0075	7.500	15-May-38	105.50	6.859	5,048.90
FR0064	6.125	15-May-28	100.05	6.059	3,128.09
FR0072	8.250	15-May-36	112.25	6.922	2,784.44
FR0061	7.000	15-May-22	105.15	5.702	2,305.41
FR0069	7.875	15-Apr-19	103.40	5.101	2,205.50

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
FIFA03ACN1	idAAA	7.350	6-May-18	100.56	7.31	130.00
TINS01BCN1	idA+	8.750	28-Sep-22	102.76	8.04	75.00
BBRI02CCN3	idAAA	8.250	24-Aug-24	103.90	7.50	60.90
BBRI01BCN2	idAAA	9.250	4-Feb-19	103.20	6.16	60.00
WOMF02BCN3	#	#N/A	#N/A	100.88	#N/A	55.10

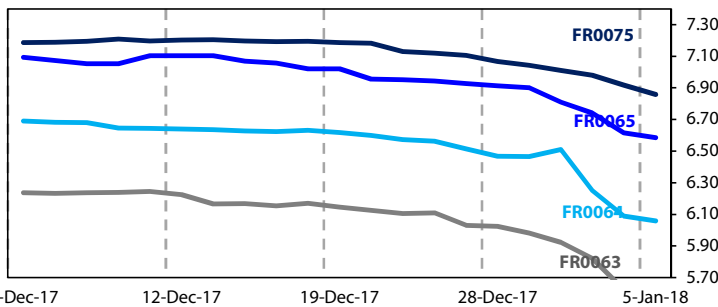
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	5-Jan-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	5-Jan-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						5-Jan-18	-1 Mo	-3 Mo							5-Jan-18	-1 Mo	-3 Mo
United States USD	2yr		1.960	1.920	1.660				Philippines PHP	2yr	6.000	3.994	4.049	3.650	203	227	211
	5yr		2.290	2.110	1.970					5yr	7.875	4.832	4.806	4.332	254	270	236
	10yr		2.470	2.330	2.370					10yr	11.375	5.115	5.123	4.687	265	279	232
German EUR	2yr	0.250	-0.605	-0.747	-	-257	-253	-	Thailand THB	2yr	3.125	1.451	1.529	1.537	-51	-25	0
	5yr	1.000	-0.207	-0.381	-0.264	-250	-249	-223		5yr	3.450	1.83	1.9	1.783	-46	-21	-19
	10yr	1.750	0.439	0.295	0.459	-203	-204	-191		10yr	3.625	2.348	2.369	2.301	-12	4	-7
Indonesia USD	2yr	11.625	2.267	2.136	1.796	31	36	26	India INR	2yr	7.590	-	-	6.352	-	-	481
	5yr	3.750	3.028	3.010	2.856	74	90	89		5yr	7.280	7.16	6.873	6.714	487	476	474
	10yr	4.750	3.495	3.524	3.479	103	119	111		10yr	8.830	7.293	7.033	6.76	482	470	439
Brazil BRL	2yr	0.000	7.705	8.00	8.07	575	622	653	Malaysia MYR	3yr	3.172	3.35	3.45	3.418	129	153	176
	5yr	10.000	9.185	9.46	9.20	723	768	766		5yr	3.260	3.523	3.633	3.608	123	152	164
	10yr	10.000	10.087	10.15	9.75	813	837	821		10yr	4.181	3.884	3.969	3.919	141	164	155

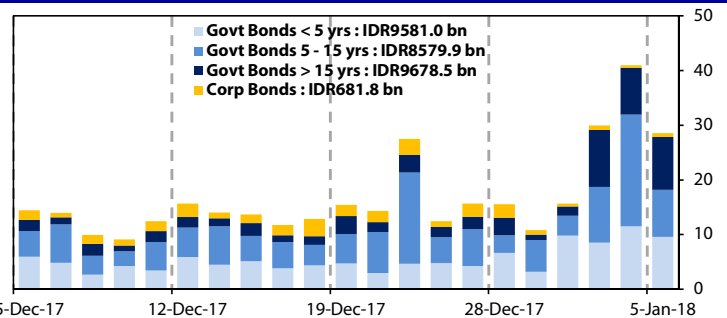
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	4.25	22-Sep-17	-25bps ↓	3.61	0.64
US (Fed Fund Rate)	1.50	13-Dec-17	25bps ↑	2.20	-0.70
Euro Region	0.00	16-Mar-16	-5bps ↓	1.80	-1.80
Japan	0.10	19-Dec-08	-20bps ↓	0.60	-0.50
India (Repo Rate)	6.00	2-Aug-17	-25bps ↓	3.97	2.03
Malaysia	3.00	13-Jul-16	-25bps ↓	3.40	-0.40
Philippines	3.00	16-May-16	-100bps ↓	3.30	-0.30
Thailand	3.00	25-Jan-12	-25bps ↓	0.78	2.22
Singapore	0.08	31-Dec-13	5bps ↑	0.60	-0.52
Brazil	7.00	6-Dec-17	-50bps ↓	2.80	4.20

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	5-Jan-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,354 ↑	6,292	0.98	-0.03	5.27	19.31	-0.03
Dow Jones (DJIA)	25,296 ↑	25,075	0.88	2.33	4.78	27.12	2.33
London (FTSE 100)	7,724 ↑	7,696	0.37	0.47	5.12	7.35	0.47
Nikkei 225	23,715 ↑	23,506	0.89	4.17	6.93	21.48	4.17
Hang Seng (HIS)	30,815 ↑	30,736	0.25	2.99	9.18	37.22	2.99
Malaysia (KLCI)	1,818 ↑	1,803	0.81	1.18	5.80	9.53	1.18
Philippines (PSEi)	8,770 ↑	8,740	0.35	2.47	7.88	21.65	2.47
Thailand (SET)	1,795 ↑	1,791	0.25	2.38	5.96	14.28	2.38
Singapore (STI)	3,489 ↓	3,501	-0.33	2.54	2.72	18.12	2.54
Brazil (BOVESPA)	79,071 ↑	78,647	0.54	3.49	7.92	27.39	3.49

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	5-Jan-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	13,416 ↓	13,422	13,555	13,546	13,555
Brent	68.08 ↓	68.35	66.82	61.31	66.82
WTI Crude Oil	61.44 ↓	62.01	60.42	55.96	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
5-Jan-18	6.04		0.22	1.48	2.88	17.80	1.31
-1 Day	6.07	↓ -3.0	0.50	1.36	2.73	18.05	1.09
-1 Week	6.22	↓ -18.3	0.17	0.82	1.90	17.30	17.32
-1 Month	6.35	↓ -31.6	0.08	0.54	1.63	16.56	15.81
-1 Year	7.76	↓ -171.9	0.44	0.81	2.31	15.30	0.90

Sources: Danareksa

