

HEADLINES & ANALYSIS

- China added to bond investors' jitters on Wednesday as traders braced for what they feared could be the end of a three-decade bull market. Senior government officials in Beijing reviewing the nation's foreign-exchange holdings have recommended slowing or halting purchases of U.S. Treasuries. China holds the world's largest foreign-exchange reserves, at \$3.1 trillion, and regularly assesses its strategy for investing them. (Bloomberg)
- Hand-wringing over Chinese demand helped propelled U.S. Treasury yields to within a hair of the highest level since 2014. The 3bps rise in 10-year yields pales in comparison to what was seen just the session before, when West Texas Intermediate surged to a 3-year high and took bonds along for the ride. (Bloomberg)
- Canadian government officials said there's an increasing likelihood U.S. President Donald Trump will give 6-months' notice to withdraw from NAFTA yields on government bonds and Mexico's peso. The officials declined to say whether they think the odds of Trump following through on repeated threats to quit the pact now exceed 50%. (Bloomberg)

YIELD CURVE (%)

TTM	10-Jan-18	-1 Day	Change	TTM	10-Jan-18	-1 Day	Change
3 months	4.002	4.005	-0.003	15 years	6.803	6.803	0.001
6 months	4.381	4.385	-0.004	16 years	6.850	6.849	0.001
1 year	4.931	4.936	-0.005	17 years	6.891	6.890	0.001
2 years	5.395	5.400	-0.005	18 years	6.927	6.926	0.001
3 years	5.602	5.606	-0.004	19 years	6.959	6.958	0.002
4 years	5.747	5.751	-0.003	20 years	6.988	6.986	0.002
5 years	5.880	5.883	-0.003	21 years	7.013	7.011	0.002
6 years	6.010	6.012	-0.002	22 years	7.036	7.034	0.002
7 years	6.135	6.137	-0.002	23 years	7.056	7.054	0.002
8 years	6.252	6.254	-0.002	24 years	7.074	7.072	0.002
9 years	6.360	6.361	-0.001	25 years	7.090	7.088	0.002
10 years	6.458	6.458	-0.001	26 years	7.105	7.102	0.002
11 years	6.545	6.545	-0.001	27 years	7.118	7.115	0.002
12 years	6.622	6.622	0.000	28 years	7.130	7.127	0.002
13 years	6.690	6.690	0.000	29 years	7.140	7.138	0.002
14 years	6.751	6.750	0.000	30 years	7.150	7.148	0.002

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0075	7.500	15-May-38	106.05	6.842	3,908.58
FR0059	7.000	15-May-27	103.00	6.151	2,083.07
FR0072	8.250	15-May-36	113.50	6.866	1,788.20
FR0064	6.125	15-May-28	100.00	6.069	1,708.42
FR0056	8.375	15-Sep-26	114.00	6.214	1,194.08

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BTPN03BCN2	AAA(idn)	7.500	17-Oct-20	101.00	7.10	75.00
PPGD03BCN1	idAAA	7.400	3-Oct-20	101.10	6.95	50.00
PPLN02DCN2	idAAA	8.700	3-Nov-32	102.54	8.40	43.00
BBRI02BCN3	idAAA	8.000	24-Aug-22	103.75	7.04	41.80
SIAISA01	idA-(sy)	10.250	5-Apr-18	100.00	10.25	36.00

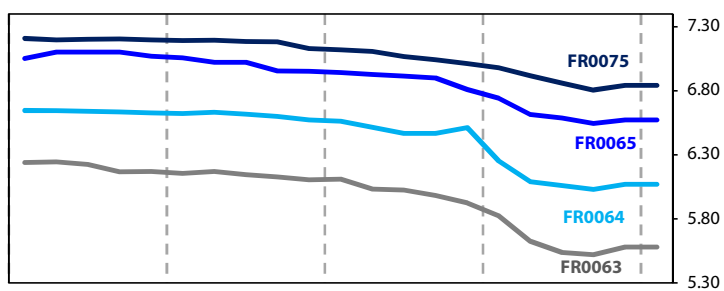
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	10-Jan-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	10-Jan-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						10-Jan-18	-1 Mo	-3 Mo							10-Jan-18	-1 Mo	-3 Mo
United States USD	2yr		1.980	1.950	1.660				Philippines PHP	2yr	6.000	4.048	4.049	3.650	207	223	214
	5yr		2.320	2.160	1.950					5yr	7.875	4.855	4.840	4.330	254	268	238
	10yr		2.550	2.390	2.330					10yr	11.375	5.130	5.114	4.705	258	272	238
German EUR	2yr	0.250	-0.614	-0.734	-	-259	-255	-	Thailand THB	2yr	3.125	1.438	1.543	1.494	-54	-28	-2
	5yr	1.000	-0.198	-0.362	-0.280	-252	-252	-223		5yr	3.450	1.855	1.906	1.733	-47	-25	-22
	10yr	1.750	-	-	-	-	-	-		10yr	3.625	2.364	2.395	2.227	-19	0	-10
Indonesia USD	2yr	11.625	2.321	2.141	1.843	34	32	33	India INR	2yr	7.590	6.788	6.638	6.422	481	482	491
	5yr	3.750	3.040	3.015	2.805	72	86	86		5yr	7.280	7.223	7.069	6.818	490	491	487
	10yr	4.750	3.506	3.538	3.425	96	115	110		10yr	8.830	7.161	-	-	461	-	-
Brazil BRL	2yr	0.000	7.712	8.02	8.05	573	620	654	Malaysia MYR	3yr	3.172	3.368	3.436	3.409	129	149	175
	5yr	10.000	9.180	9.58	9.21	720	776	770		5yr	3.260	3.539	3.65	3.603	122	149	165
	10yr	10.000	10.030	10.29	9.81	805	847	830		10yr	4.181	3.904	3.99	3.912	135	160	158

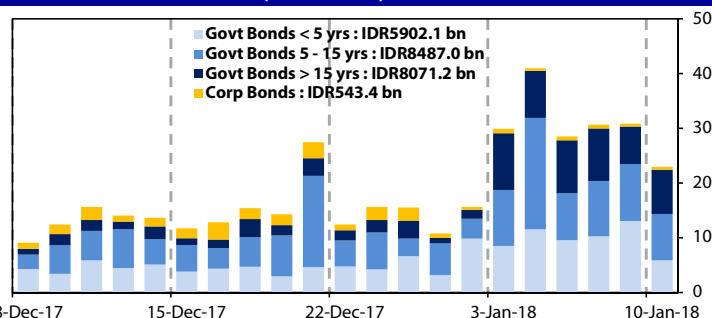
Sources: Bloomberg (Current Yield Curve), US Treasury

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	10-Jan-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,373 →	6,373	0.00	1.95	5.75	20.02	0.28
Dow Jones (DJIA)	25,386 →	25,386	0.00	1.86	4.10	27.85	2.70
London (FTSE 100)	7,731 →	7,731	0.00	0.78	3.72	6.26	0.56
Nikkei 225	23,799 ↓	23,850	-0.22	4.54	3.75	23.30	4.54
Hang Seng (HIS)	31,011 →	31,011	0.00	1.47	7.06	36.34	3.65
Malaysia (KLCI)	1,829 ↑	1,827	0.11	2.01	6.36	9.38	1.79
Philippines (PSEi)	8,924 →	8,924	0.00	2.29	6.76	21.17	4.27
Thailand (SET)	1,795 →	1,795	0.00	0.94	5.20	14.19	2.37
Singapore (STI)	3,520 ↓	3,525	-0.14	1.60	1.72	17.09	3.44
Brazil (BOVESPA)	78,864 →	78,864	0.00	1.11	8.33	26.93	3.22

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	10-Jan-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	13,442 ↑	13,438	13,475	13,552	13,555
Brent	69.43 ↓	69.45	68.26	65.21	66.82
WTI Crude Oil	62.96 →	62.96	61.63	57.99	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
10-Jan-18	6.01		0.02	1.06	2.98	18.01	1.65
-1 Day	6.01	↓ -0.1	-0.06	1.37	3.04	18.07	1.63
-1 Week	6.14	↓ -13.3	0.32	1.03	2.45	17.94	0.58
-1 Month	6.35	↓ -34.4	0.10	0.27	1.45	15.17	15.91
-1 Year	7.74	↓ -173.1	0.07	1.00	1.69	15.17	1.04

Sources: Danareksa

