

HEADLINES & ANALYSIS

- Governor Haruhiko Kuroda's remarks on Friday that the central bank will start thinking about how to complete its unprecedented easing around the fiscal year starting April 2019 was the clearest signal yet that a conclusion might be in sight to emergency support for the Japanese economy. (Bloomberg)
- Bond traders seemed to have everything figured out, until Trump invited a trade war. In a week that would ordinarily be dominated by the latest gauge of U.S. hiring and wage growth, traders will instead grapple with a complex mix of forces that's keeping 10-year Treasury yields locked in a range below 3 percent. On the one hand, Powell and William Dudley appear open to raising rates four times this year. But Trump's move to slap tariffs on steel and aluminum imports has stoked fears of trade retaliation and roiled global markets, spurring haven demand for Treasuries. (Bloomberg)
- Egypt's foreign reserves surged to a record in February, helped by a recent international bond sale, providing a cash cushion for the country as policy makers begin to cut interest rates. Reserves jumped by \$4.3 billion to \$42.5 billion, the central bank said on Sunday. Bank officials said last month's \$4 billion Eurobond sale was only one contributor to the increase. (Bloomberg)

YIELD CURVE (%)

TTM	2-Mar-18	-1 Day	Change	TTM	2-Mar-18	-1 Day	Change
3 months	4.255	4.262	-0.007	15 years	7.266	7.222	0.044
6 months	4.751	4.736	0.015	16 years	7.305	7.253	0.052
1 year	5.354	5.286	0.068	17 years	7.338	7.280	0.058
2 years	5.748	5.659	0.089	18 years	7.367	7.303	0.064
3 years	5.940	5.894	0.046	19 years	7.393	7.324	0.069
4 years	6.117	6.117	0.000	20 years	7.415	7.342	0.073
5 years	6.293	6.322	-0.029	21 years	7.435	7.358	0.077
6 years	6.460	6.501	-0.041	22 years	7.453	7.372	0.080
7 years	6.612	6.652	-0.040	23 years	7.469	7.385	0.083
8 years	6.744	6.777	-0.033	24 years	7.483	7.397	0.086
9 years	6.859	6.880	-0.022	25 years	7.495	7.407	0.088
10 years	6.956	6.965	-0.009	26 years	7.507	7.416	0.091
11 years	7.039	7.036	0.004	27 years	7.517	7.424	0.092
12 years	7.110	7.094	0.015	28 years	7.526	7.432	0.094
13 years	7.170	7.144	0.026	29 years	7.534	7.439	0.096
14 years	7.222	7.186	0.036	30 years	7.542	7.445	0.097

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0059	7.000	15-May-27	102.10	6.695	2,222.86
FR0074	7.500	15-Aug-32	103.30	7.168	1,924.99
FR0056	8.375	15-Sep-26	110.50	6.729	1,768.30
FR0070	8.375	15-Mar-24	109.65	6.446	1,428.33
FR0053	8.250	15-Jul-21	106.81	5.997	1,301.11

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BEXI03BCN6	idAAA	6.700	14-Feb-23	100.00	6.70	140.00
SMFPO4ACN3	idAAA	6.000	2-Mar-19	100.12	5.99	109.00
BBRI02BCN2	idAAA	8.100	11-Apr-20	102.13	7.00	41.00
TUFI03ACN2	idAA+	8.500	6-Jun-20	102.55	7.27	40.00
WSKT03BCN2	A-(idn)	8.250	23-Feb-23	100.03	8.24	26.00

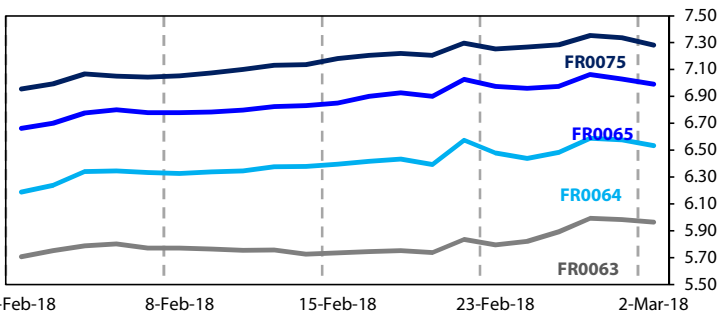
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	2-Mar-18			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	2-Mar-18			Spread over UST YC (bps)		
			-1 Mo	-3 Mo	2-Mar-18	-1 Mo	-3 Mo	-1 Mo				-3 Mo	-1 Mo	-3 Mo			
United States USD	2yr		2.250	2.290	1.900				Philippines PHP	2yr	6.000	4.389	3.996	4.029	214	186	225
	5yr		2.630	2.520	2.140					5yr	7.875	5.303	4.749	-	267	223	-
	10yr		2.860	2.720	2.420					10yr	11.375	6.033	5.167	5.015	317	245	260
German EUR	2yr	0.250	-0.552	-	-	-280	-	-	Thailand THB	2yr	3.125	1.361	1.38	1.556	-89	-76	-22
	5yr	1.000	0.016	0.104	-	-261	-242	-		5yr	3.450	1.829	1.807	1.931	-80	-71	-21
	10yr	1.750	0.651	0.697	-	-221	-202	-		10yr	3.625	2.371	2.356	2.372	-49	-36	-5
Indonesia USD	2yr	11.625	2.668	2.559	2.126	42	42	35	India INR	2yr	7.590	7.007	6.926	6.676	476	479	490
	5yr	3.750	3.617	3.180	3.020	99	66	88		5yr	7.280	7.579	7.397	-	495	488	-
	10yr	3.500	4.078	3.690	-	122	97	-		10yr	8.830	7.744	7.431	-	488	471	-
Brazil BRL	2yr	0.000	7.201	7.70	8.14	495	556	636	Malaysia MYR	3yr	3.172	3.408	3.399	3.425	101	111	153
	5yr	10.000	8.665	9.03	9.66	642	689	788		5yr	3.260	3.61	3.65	3.64	98	113	150
	10yr	10.000	9.584	9.73	10.40	733	759	862		10yr	4.181	4.01	3.966	3.926	115	125	151

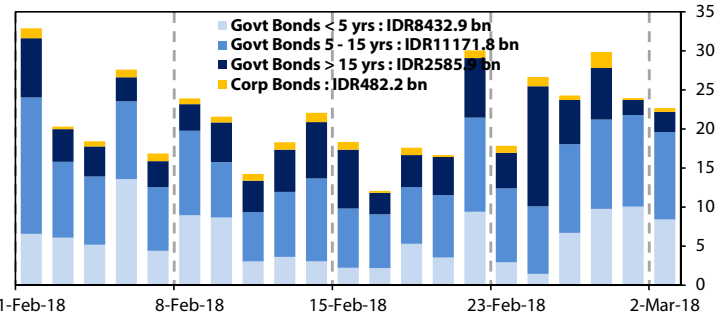
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↓	3.18	1.07
US (Fed Fund Rate)	1.50	13-Dec-17	25bps ↑	2.10	-0.60
Euro Region	0.00	16-Mar-16	-5bps ↓	1.60	-1.60
Japan	0.10	19-Dec-08	-20bps ↓	1.40	-1.30
India (Repo Rate)	6.00	2-Aug-17	-25bps ↓	5.11	0.89
Malaysia	3.25	25-Jan-18	25bps ↑	2.70	0.55
Philippines	3.00	16-May-16	-100bps ↓	4.00	-1.00
Thailand	3.00	25-Jan-12	-25bps ↓	0.42	2.58
Singapore	0.08	31-Dec-13	5bps ↑	0.00	0.08
Brazil	6.75	7-Feb-18	-25bps ↓	2.86	3.89

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	2-Mar-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,582 ↓	6,606	-0.36	-0.57	-0.35	21.71	3.57
Dow Jones (DJIA)	24,538 ↓	24,609	-0.29	-3.05	-6.16	16.83	-0.73
London (FTSE 100)	7,070 ↓	7,176	-1.47	-2.41	-6.15	-4.23	-8.04
Nikkei 225	21,182 ↓	21,724	-2.50	-3.25	-8.30	8.26	-6.95
Hang Seng (HIS)	30,583 ↓	31,044	-1.48	-2.19	-7.01	28.89	2.22
Malaysia (KLIC)	1,856 ↓	1,861	-0.26	-0.29	-0.67	8.18	3.30
Philippines (PSEI)	8,459 ↓	8,466	-0.09	-0.11	-3.49	16.91	-1.17
Thailand (SET)	1,812 ↓	1,830	-0.99	0.22	-0.81	15.42	3.32
Singapore (STI)	3,479 ↓	3,514	-0.99	-1.53	-1.55	10.93	2.24
Brazil (BOVESPA)	85,761 ↑	85,378	0.45	-1.75	1.00	30.23	12.25

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	2-Mar-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	13,757 ↑	13,748	13,668	13,386	13,555
Brent	64.42 ↑	64.02	67.1	68.83	66.82
WTI Crude Oil	61.25 ↑	60.99	63.48	64.73	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
2-Mar-18	6.34		0.15	-0.43	-1.06	13.41	-0.20
-1 Day	6.36	↓ -1.9	0.04	-0.36	-1.46	13.39	-0.35
-1 Week	6.22	↑ 11.2	0.22	-0.35	-1.55	14.44	0.23
-1 Month	6.10	↑ 23.8	0.41	-0.46	1.28	16.64	1.28
-1 Year	7.54	↓ -120.7	0.13	0.47	1.30	12.42	3.22

Sources: Danareksa

