

HEADLINES & ANALYSIS

- Emerging-market assets are increasingly under pressure. A year ago, the Bloomberg Barclays Emerging-Market Local Currency Sovereign Index offered a yield of more than 300 basis points over 5-year Treasuries. Fast forward to now, and that premium has fallen to just 215 basis points. With oil prices rising and many currencies weakening against the dollar, emerging-market bondholders may soon have to confront the problem of rising inflation. (Bloomberg)
- Foreign investors are piling billions of dollars into South Korean bonds as the local currency stabilizes and tensions with North Korea appear to wind down. South Korea has turned out to be "the only bright spot" in the emerging debt market of Asia this year as more than \$16 billion of foreign money has flown into it, according to Rohit Garg, a strategist at Bank of America Merrill Lynch in Singapore. (Bloomberg)
- The Bank of England will probably keep interest rates unchanged this week after an economic roller coaster that saw market bets on an increase flip from near-guaranteed to almost no chance. A majority of the nine Monetary Policy Committee members will vote to maintain a 0.5 percent benchmark on Thursday, according to a Bloomberg survey of economists. (Bloomberg)

YIELD CURVE (%)

TTM	7-May-18	-1 Day	Change	TTM	7-May-18	-1 Day	Change
3 months	4.890	4.922	-0.032	15 years	7.505	7.416	0.089
6 months	5.568	5.588	-0.020	16 years	7.532	7.443	0.089
1 year	6.153	6.134	0.019	17 years	7.555	7.467	0.088
2 years	6.359	6.295	0.064	18 years	7.575	7.487	0.088
3 years	6.478	6.394	0.084	19 years	7.592	7.505	0.087
4 years	6.621	6.528	0.093	20 years	7.608	7.521	0.087
5 years	6.770	6.673	0.097	21 years	7.622	7.535	0.086
6 years	6.908	6.810	0.098	22 years	7.634	7.548	0.086
7 years	7.028	6.930	0.098	23 years	7.645	7.559	0.086
8 years	7.130	7.033	0.097	24 years	7.655	7.569	0.085
9 years	7.215	7.120	0.096	25 years	7.663	7.578	0.085
10 years	7.287	7.192	0.094	26 years	7.671	7.586	0.085
11 years	7.346	7.253	0.093	27 years	7.678	7.594	0.085
12 years	7.396	7.304	0.092	28 years	7.685	7.600	0.085
13 years	7.438	7.347	0.091	29 years	7.691	7.606	0.084
14 years	7.474	7.384	0.090	30 years	7.696	7.612	0.084

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0064	6.125	15-May-28	92.75	7.114	3,276.09
FR0069	7.875	15-Apr-19	101.20	6.188	3,147.28
FR0070	8.375	15-Mar-24	106.50	6.890	1,997.36
FR0065	6.625	15-May-33	98.00	7.376	1,863.15
PBS013	6.250	15-May-19	99.90	6.342	1,337.57

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BBRI01BCN3	idAAA	8.200	25-May-19	101.73	6.48	280.00
FIFA03ACN3	idAAA	6.100	21-Apr-19	100.00	6.10	178.00
AMRT02CN2	AA-(idn)	7.500	12-Apr-21	100.08	7.47	100.00
OTMA02B	idAA+	7.800	19-Apr-21	100.09	7.76	100.00
TRAC01ACN1	AA-(idn)	6.100	7-May-19	100.08	6.10	75.00

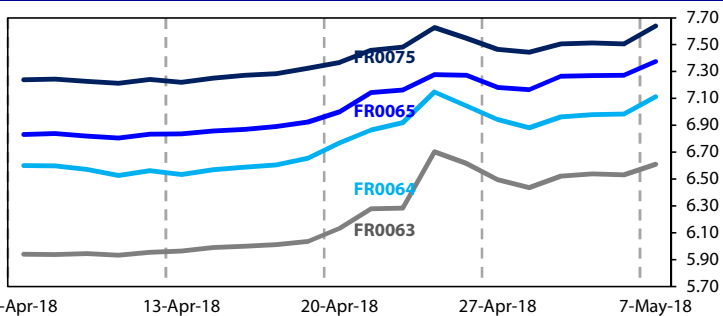
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	7-May-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	7-May-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						7-May-18	-1 Mo	-3 Mo							7-May-18	-1 Mo	-3 Mo
United States USD	2yr		2.490	2.400	2.300				Philippines PHP	2yr	6.000	4.374	4.331	4.117	188	206	202
	5yr		2.780	2.580	2.520					5yr	7.875	5.546	5.240	-	277	266	-
	10yr		2.950	2.770	2.790					10yr	11.375	6.155	6.200	-	321	343	-
German EUR	2yr	0.250	-0.576	-0.588	-	-307	-286	-	Thailand THB	2yr	3.125	1.596	1.402	1.441	-89	-87	-66
	5yr	1.000	-0.077	-0.099	0.057	-286	-268	-246		5yr	3.450	1.912	1.796	1.811	-87	-78	-71
	10yr	1.750	0.532	0.497	0.692	-242	-227	-210		10yr	3.625	2.487	2.398	2.383	-46	-37	-41
Indonesia USD	2yr	11.625	3.092	2.645	2.501	60	38	40	India INR	2yr	7.590	7.493	6.877	7.111	500	461	501
	5yr	3.750	4.085	3.705	3.283	131	113	76		5yr	7.280	7.739	7.183	7.529	496	460	501
	10yr	3.500	4.541	4.022	3.767	159	125	98		10yr	8.830	7.624	7.175	7.571	467	441	478
Brazil BRL	2yr	0.000	7.405	7.34	8.36	492	507	626	Malaysia MYR	3yr	3.172	3.689	3.483	3.504	105	108	120
	5yr	10.000	8.845	8.70	9.28	636	643	718		5yr	3.260	3.833	-	-	105	-	-
	10yr	10.000	9.936	9.79	9.90	745	752	780		10yr	4.181	4.133	3.965	3.962	118	120	117

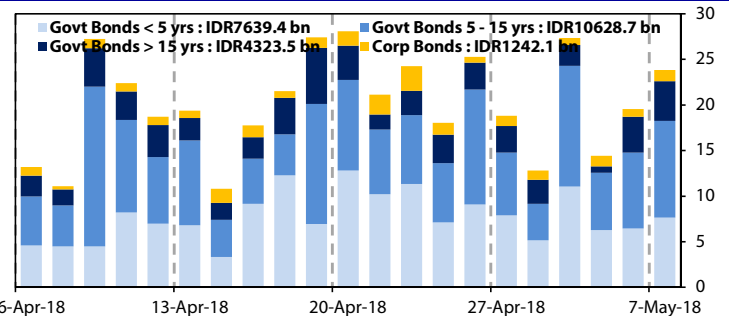
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↓	3.41	0.84
US (Fed Fund Rate)	1.75	21-Mar-18	25bps ↑	2.40	-0.65
Euro Region	0.00	16-Mar-16	-5bps ↓	1.50	-1.50
Japan	0.10	19-Dec-08	-20bps ↓	1.10	-1.00
India (Repo Rate)	6.00	2-Aug-17	-25bps ↓	4.36	1.64
Malaysia	3.25	25-Jan-18	25bps ↑	1.30	1.95
Philippines	3.00	16-May-16	-100bps ↓	4.50	-1.50
Thailand	3.00	25-Jan-12	-25bps ↓	1.07	1.93
Singapore	0.08	31-Dec-13	5bps ↑	0.20	-0.12
Brazil	6.50	21-Mar-18	-25bps ↓	2.68	3.82

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	7-May-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,885 ↑	5,792	1.60	-1.83	-4.70	3.55	-7.40
Dow Jones (DJIA)	24,357 ↑	24,263	0.39	0.80	1.77	15.95	-1.46
London (FTSE 100)	7,567 →	7,567	0.00	0.77	5.34	3.70	-1.57
Nikkei 225	22,467 ↓	22,473	-0.03	0.00	4.17	15.54	-1.31
Hang Seng (HIS)	29,994 ↑	29,927	0.23	-2.64	0.50	22.54	0.25
Malaysia (KLCI)	1,828 ↓	1,842	-0.74	-2.25	-0.48	3.71	1.75
Philippines (PSEi)	7,533 ↓	7,546	-0.17	-3.66	-5.19	-3.94	-11.98
Thailand (SET)	1,780 ↓	1,780	0.00	-0.02	2.29	13.43	1.49
Singapore (STI)	3,533 ↓	3,545	-0.35	-2.24	2.62	9.39	3.82
Brazil (BOVESPA)	82,714 ↓	83,118	-0.49	-3.95	-2.48	25.88	8.26

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	7-May-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	14,001 ↑	13,945	13,913	13,778	13,555
Brent	75.47 ↑	74.9	74.87	66.78	66.82
WTI Crude Oil	70.73 ↑	69.72	68.57	62.06	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
7-May-18	6.62		-0.54	-0.43	-2.12	8.04	-1.21
-1 Day	6.52	↑ 9.4	0.05	0.53	-1.41	8.41	-0.67
-1 Week	6.49	↑ 12.4	0.31	-0.35	-0.36	8.73	-0.48
-1 Month	6.18	↑ 44.0	-0.07	0.61	1.47	10.86	0.91
-1 Year	7.07	↓ -45.8	-0.20	-0.09	0.76	10.66	7.28

Sources: Danareksa

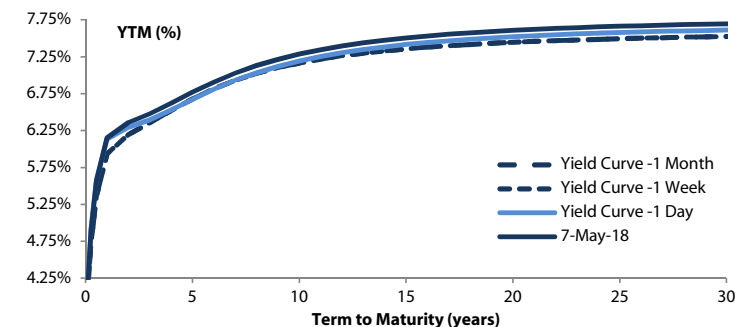
VALUATIONS OF GOVERNMENT BONDS

Bond	Issue Date	Mature Date	Coupon	TTM	Modified Duration	YTM	(Change)	Prev Closing Price	Fair Yield Range	Fair Price Range	Last Trade			
											Date	Price	Vol (IDR bn)	Freq
FR0066	25-Oct-12	15-May-18	5.25	0.0	0.02	4.00	↑ 9.3bps	100.02	3.351 3.417	100.04 100.04	7-May-18	99.95	4.08	1
FR0032	1-Sep-05	15-Jul-18	15.00	0.2	0.19	3.00	↑ 15.7bps	102.18	3.819 3.886	102.07 102.08	3-Apr-18	102.70	60.00	5
FR0038	24-Aug-06	15-Aug-18	11.60	0.3	0.27	0.98	↓ -272.9bps	102.86	3.963 4.029	102.04 102.06	24-Apr-18	102.16	7.20	4
FR0048	27-Sep-07	15-Sep-18	9.00	0.4	0.35	4.50	↑ 6.4bps	101.53	4.904 4.970	101.39 101.41	2-May-18	101.25	285.00	3
FR0069	29-Aug-13	15-Apr-19	7.88	0.9	0.89	6.19	↑ 15.5bps	101.50	6.060 6.126	101.57 101.63	7-May-18	101.20	3,147.28	66
FR0036	20-Apr-06	15-Sep-19	11.50	1.4	1.24	6.24	↑ 1.9bps	106.70	6.184 6.250	106.71 106.80	7-May-18	106.65	35.00	1
FR0031	16-Jun-05	15-Nov-20	11.00	2.5	2.11	6.41	↑ 8.5bps	110.52	6.305 6.371	110.63 110.79	7-May-18	112.90	5.87	2
FR0034	26-Jan-06	15-Jun-21	12.80	3.1	2.51	6.46	↑ 7.0bps	117.54	6.429 6.496	117.47 117.67	7-May-18	116.85	27.00	3
FR0053	8-Jul-10	15-Jul-21	8.25	3.2	2.72	6.57	↑ 16.9bps	104.74	6.446 6.512	104.92 105.11	7-May-18	104.52	904.10	27
FR0061	6-Oct-11	15-May-22	7.00	4.0	3.35	6.62	↑ 9.3bps	101.31	6.598 6.664	101.17 101.40	7-May-18	101.25	308.37	16
FR0035	16-Feb-06	15-Jun-22	12.90	4.1	3.16	6.71	↑ 9.1bps	121.86	6.668 6.734	121.79 122.06	4-May-18	122.15	385.00	4
FR0043	22-Feb-07	15-Jul-22	10.25	4.2	3.35	6.67	↑ 5.0bps	112.86	6.663 6.729	112.65 112.91	4-May-18	112.75	76.86	2
FR0063	13-Aug-12	15-May-23	5.63	5.0	4.17	6.61	↑ 7.7bps	95.85	6.501 6.567	96.02 96.30	7-May-18	95.60	536.00	10
FR0046	19-Jul-07	15-Jul-23	9.50	5.2	4.03	6.74	↑ 7.3bps	111.88	6.747 6.814	111.56 111.87	30-Apr-18	112.75	200.00	1
FR0039	24-Aug-06	15-Aug-23	11.75	5.3	3.98	6.81	↑ 5.4bps	121.55	6.819 6.886	121.19 121.52	24-Apr-18	123.70	20.00	2
FR0070	29-Aug-13	15-Mar-24	8.38	5.9	4.58	6.89	↑ 15.9bps	107.04	6.816 6.882	107.08 107.41	7-May-18	106.50	1,997.36	20
FR0044	19-Apr-07	15-Sep-24	10.00	6.4	4.75	6.89	↓ -1.3bps	115.76	6.940 7.007	115.13 115.50	4-May-18	116.00	90.00	2
FR0040	21-Sep-06	15-Sep-25	11.00	7.4	5.21	7.00	↑ 3.6bps	122.65	7.001 7.067	122.24 122.67	4-May-18	123.00	20.00	2
FR0037	18-May-06	15-Sep-26	12.00	8.4	5.60	7.12	↑ 8.2bps	130.33	7.061 7.127	130.27 130.76	30-Apr-18	131.25	50.00	1
FR0056	23-Sep-10	15-Sep-26	8.38	8.4	5.98	7.16	↑ 11.4bps	107.52	7.020 7.086	108.01 108.44	7-May-18	107.25	1,135.34	17
FR0059	15-Sep-11	15-May-27	7.00	9.0	6.38	7.15	↑ 15.5bps	99.04	7.029 7.095	99.37 99.81	7-May-18	99.40	904.88	45
FR0042	25-Jan-07	15-Jul-27	10.25	9.2	6.08	7.11	↓ -0.8bps	120.93	7.177 7.244	119.90 120.40	26-Apr-18	119.50	50.00	2
FR0047	30-Aug-07	15-Feb-28	10.00	9.8	6.40	7.26	↑ 10.4bps	118.94	7.139 7.205	119.35 119.87	2-May-18	120.40	4.50	1
FR0064	13-Aug-12	15-May-28	6.13	10.0	7.05	7.11	↑ 12.9bps	93.00	7.022 7.088	93.17 93.62	7-May-18	92.75	3,276.09	73
FR0071	12-Sep-13	15-Mar-29	9.00	10.9	7.05	7.22	↑ 6.3bps	113.21	7.226 7.292	112.64 113.17	7-May-18	111.40	29.18	4
FR0052	20-Aug-09	15-Aug-30	10.50	12.3	7.33	7.32	↑ 1.6bps	125.41	7.365 7.432	124.41 125.02	7-May-18	125.85	941.00	3
FR0073	6-Aug-15	15-May-31	8.75	13.0	7.70	7.44	↑ 13.6bps	110.82	7.364 7.430	110.89 111.48	7-May-18	110.35	175.28	12
FR0074	10-Nov-16	15-Aug-32	7.50	14.3	8.54	7.48	↑ 10.7bps	100.14	7.409 7.475	100.20 100.78	7-May-18	99.80	752.84	28
FR0054	22-Jul-10	15-Jul-31	9.50	13.2	7.71	7.52	↑ 18.0bps	116.38	7.414 7.480	116.73 117.34	7-May-18	118.50	50.00	1
FR0058	21-Jul-11	15-Jun-32	8.25	14.1	8.18	7.59	↑ 24.2bps	105.66	7.417 7.483	106.60 107.20	7-May-18	106.25	168.76	6
FR0065	30-Aug-12	15-May-33	6.63	15.0	8.89	7.38	↑ 10.4bps	93.24	7.219 7.285	94.03 94.60	7-May-18	98.00	1,863.15	76
FR0068	1-Aug-13	15-Mar-34	8.38	15.9	8.89	7.47	↑ 4.6bps	108.30	7.493 7.559	107.45 108.09	7-May-18	108.70	782.21	12
FR0072	9-Jul-15	15-May-36	8.25	18.0	9.23	7.59	↑ 5.3bps	106.45	7.557 7.623	106.08 106.76	7-May-18	105.50	629.31	29
FR0045	24-May-07	15-May-37	9.75	19.0	9.24	7.41	→ 0.0bps	123.70	7.556 7.623	121.18 121.95	7-May-18	123.42	44.00	6
FR0075	10-Aug-17	15-May-38	7.50	20.0	9.85	7.64	↑ 13.5bps	98.57	7.515 7.581	99.17 99.85	7-May-18	98.27	854.98	174
FR0050	24-Jan-08	15-Jul-38	10.50	20.2	9.40	7.62	→ 0.0bps	129.45	7.659 7.725	128.12 128.94	7-May-18	128.50	0.33	1
FR0057	21-Apr-11	15-May-41	9.50	23.0	9.95	7.68	→ 0.0bps	119.58	7.667 7.733	118.86 119.67	30-Apr-18	120.75	100.00	1
FR0062	9-Feb-12	15-Apr-42	6.38	23.9	11.21	7.71	↑ 1.7bps	85.51	7.656 7.722	85.39 86.03	7-May-18	86.73	141.00	9
FR0067	18-Jul-13	15-Feb-44	8.75	25.8	10.76	7.64	↑ 0.7bps	112.42	7.669 7.735	111.25 112.05	4-May-18	112.25	70.00	7
FR0076	22-Sep-17	15-May-48	7.38	30.0	11.55	7.44	→ 0.0bps	99.25	7.463 7.529	98.17 98.95	7-May-18	101.75	0.10	1
ORIO12	21-Oct-15	15-Oct-18	9.00	0.4	-	5.60	↓ -4.6bps	101.45	5.402 5.469	101.53 101.56	7-May-18	100.70	11.47	10
ORIO13	26-Oct-16	15-Oct-19	6.60	1.4	-	6.17	↓ -0.7bps	100.59	6.283 6.349	100.34 100.44	7-May-18	100.52	238.48	24
ORIO14	25-Oct-17	15-Oct-20	5.85	2.4	-	5.86	↓ -1.3bps	99.98	6.104 6.170	99.28 99.43	7-May-18	98.64	59.02	16
IFR0008	15-Apr-10	15-Mar-20	8.80	1.9	1.69	5.98	↑ 3.4bps	104.86	6.035 6.101	104.66 104.77	5-May-14	103.65	5.00	3
IFR0007	21-Jan-10	15-Jan-25	10.25	6.7	4.86	6.83	↓ -0.9bps	118.11	7.014 7.080	116.64 117.03	10-Oct-17	120.36	10.00	2
IFR0006	1-Apr-10	15-Mar-30	10.25	11.9	7.23	7.44	↓ -0.1bps	121.87	7.648 7.715	119.45 120.03	3-May-18	122.20	2.00	2
IFR0010	3-Mar-11	15-Feb-36	10.00	17.8	8.95	7.71	↑ 1.3bps	121.93	7.770 7.836	120.55 121.28	23-Aug-17	120.00	1.01	1
PBS002	2-Feb-12	15-Jan-22	5.45	3.7	3.23	6.45	↑ 0.3bps	96.75	6.606 6.672	96.05 96.26	3-May-18	98.02	10.00	2
PBS003	2-Feb-12	15-Jan-27	6.00	8.7	6.46	7.07	↓ -0.3bps	93.11	7.283 7.349	91.43 91.83	9-Jan-18	98.10	70.10	4
PBS004	16-Feb-12	15-Feb-37	6.10	18.8	10.21	7.63	↑ 1.7bps	84.82	7.730 7.797	83.40 83.97	3-May-18	83.76	70.67	2
PBS005	2-May-13	15-Apr-43	6.75	24.9	11.20	7.75	→ 0.0bps	88.99	7.892 7.958	86.98 87.63	2-May-18	88.87	2.00	2
PBS006	19-Sep-13	15-Sep-20	8.25	2.4	2.11	5.92	↓ -17.8bps	105.02	6.179 6.245	104.32 104.46	24-Apr-18	104.52	10.00	2
PBS011	14-Jan-16	15-Aug-23	8.75	5.3	4.18	6.37	↓ -2.8bps	110.48	6.723 6.789	108.56 108.86	2-May-18	108.00	49.00	1
PBS012	28-Jan-16	15-Nov-31	8.88	13.5	7.81	7.56	↑ 0.1bps	110.99	7.584 7.650	110.20 110.80	4-May-18	111.50	12.00	2
PBS013	6-Oct-16	15-May-19	6.25	1.0	0.95	6.34	↑ 6.0bps	99.91	6.161 6.227	100.02 100.08	7-May-18	99.90	1,337.57	18
PBS014	6-Oct-16	15-May-21	6.50	3.0	2.62	6.45	→ 0.0bps	100.14	6.563 6.630	99.65 99.83	4-May-18	99.75	40.00	2
PBS015	21-Jul-17	15-Jul-47	8.00	29.2	10.95	8.02	→ 0.0bps	99.81	8.102 8.168	98.12 98.85	18-Apr-18	104.30	314.00	2
PBS016	6-Sep-17	15-Mar-20	6.25	1.9	1.71	6.16	→ 0.0bps	100.15	6.39 6.458	99.63 99.74	7-May-18	99.40	480.00	5
PBS017	11-Jan-18	15-Oct-25	6.13	7.4	5.83	6.80	↑ 0.9bps	96.12	6.961 7.027	94.84 95.20	3-May-18	93.95	76.54	4
SR008	10-Mar-16	10-Mar-19	8.30	0.8	-	6.27	↑ 13.6bps	101.68	5.838 5.905	101.96 102.02	7-May-18	100.30	397.56	25
SR009	22-Mar-17	10-Mar-20	6.90	1.8	-	6.33	↑ 12.7bps	100.92	6.208 6.275	101.09 101.20	7-May-18	100.20	18.76	18

*Val: Valuation based on ENSS Yield Curve; MDur (Modified Duration) is in year; Coupon, Price, & Yield are in %

Source: Bloomberg, Danareksa Sekuritas, IDX (Last Trade)

YIELD CURVE MOVEMENT



Source: Danareksa Sekuritas

Analysts : Rifki Rizal (ext. 3404) & Amir A. Dalimunthe (ext. 3405)

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