

HEADLINES & ANALYSIS

- The Treasury yield curve from 5 to 30 years flattened Thursday to the lowest level since August 2007, as a combination of weaker-than-expected U.S. inflation and solid demand for a record bond auction bolstered investor confidence in owning long-dated securities. The spread narrowed by more than 4 basis points, the most since February, dropping through a previous intraday low from April to 27.7 basis points. (Bloomberg)
- The yen headed for a seventh straight weekly loss, the longest stretch of weekly declines since 2014. Japanese bond traders will draw cues from the Bank of Japan's regular operation Friday, where it is expected to keep bond buying amounts unchanged. USD/JPY steady at 109.39 Friday after rising to as high as 110.02 Thursday, near a 3-month month high of 110.04 hit last week; pair up 0.3% for week. (Bloomberg)
- The dollar headed to its biggest drop in almost two months and Treasury yields fell after U.S. inflation data signaled the Federal Reserve won't need to step up the pace of interest-rate increases. The S&P 500 Index climbed as emerging-market stocks rallied on the more favorable outlook for global borrowing costs. Ten-year Treasury yields fell back below the 3 percent threshold, helping send the dollar to its biggest loss since March 21. (Bloomberg)

YIELD CURVE (%)

	TTM	9-May-18	-1 Day	Change	TTM	9-May-18	-1 Day	Change
3 months	5.031	5.031	-0.001		15 years	7.715	7.578	0.137
6 months	5.805	5.792	0.014		16 years	7.738	7.606	0.132
1 year	6.514	6.461	0.054		17 years	7.758	7.631	0.127
2 years	6.797	6.673	0.123		18 years	7.776	7.652	0.123
3 years	6.905	6.735	0.170		19 years	7.791	7.671	0.120
4 years	7.011	6.816	0.195		20 years	7.805	7.688	0.117
5 years	7.121	6.915	0.206		21 years	7.817	7.703	0.114
6 years	7.225	7.018	0.207		22 years	7.827	7.716	0.111
7 years	7.318	7.116	0.202		23 years	7.837	7.728	0.109
8 years	7.400	7.206	0.194		24 years	7.845	7.738	0.107
9 years	7.469	7.285	0.184		25 years	7.853	7.748	0.105
10 years	7.529	7.354	0.175		26 years	7.860	7.756	0.104
11 years	7.579	7.413	0.166		27 years	7.866	7.764	0.102
12 years	7.621	7.464	0.158		28 years	7.871	7.770	0.101
13 years	7.658	7.508	0.150		29 years	7.876	7.777	0.100
14 years	7.689	7.545	0.143		30 years	7.881	7.782	0.099

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0059	7.000	15-May-27	97.00	7.455	2,923.96
FR0061	7.000	15-May-22	100.10	6.935	2,786.90
FR0069	7.875	15-Apr-19	101.00	6.464	2,727.11
FR0075	7.500	15-May-38	96.25	7.892	1,940.46
FR0053	8.250	15-Jul-21	103.50	6.918	1,687.46

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
SMFP04ACN3	idAAA	6.000	2-Mar-19	99.30	6.04	220.00
IMFI02BCN3	idA	10.500	16-Mar-19	100.00	10.50	200.00
JPFA02CN2	AA-(idn)	9.600	21-Apr-22	100.00	9.60	200.00
BTPN03BCN2	AAA(Idn)	7.500	17-Oct-20	100.20	7.41	150.00
PBNB02CN3	idAA	7.500	27-Feb-23	100.50	7.37	120.00

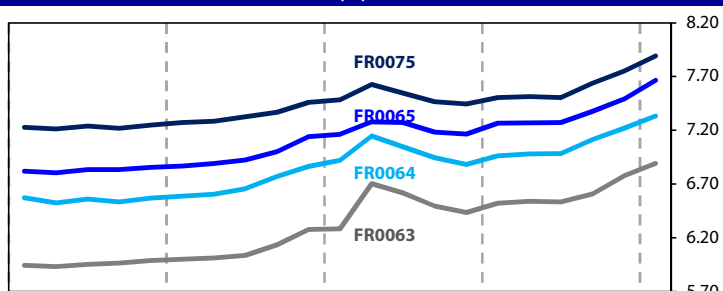
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	9-May-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	9-May-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						9-May-18	-1 Mo	-3 Mo							9-May-18	-1 Mo	-3 Mo
United States USD	2yr		2.540	2.430	2.320				Philippines PHP	2yr	6.000	4.441	4.331	4.181	190	204	205
	5yr		2.840	2.600	2.570					5yr	7.875	5.522	5.240	-	268	264	-
	10yr		3.000	2.780	2.850					10yr	11.375	6.150	6.200	-	315	342	-
German EUR	2yr	0.250	-0.579	-0.582	-	-312	-287	-	Thailand THB	2yr	3.125	1.648	1.405	1.45	-89	-89	-68
	5yr	1.000	-0.063	-0.089	0.110	-290	-269	-246		5yr	3.450	1.958	1.794	1.839	-88	-81	-73
	10yr	1.750	0.559	0.504	0.762	-244	-228	-209		10yr	3.625	2.585	2.39	2.424	-42	-39	-43
Indonesia USD	2yr	11.625	3.194	2.648	2.484	65	36	35	India INR	2yr	7.590	7.539	6.937	6.985	500	465	486
	5yr	3.750	4.184	3.642	3.340	134	104	77		5yr	7.280	7.806	7.239	7.435	497	464	487
	10yr	3.500	4.663	3.978	3.891	166	120	104		10yr	8.830	7.709	7.227	7.471	471	445	462
Brazil BRL	2yr	0.000	7.633	7.41	8.26	509	512	613	Malaysia MYR	3yr	3.172	3.698	3.482	3.511	102	105	119
	5yr	10.000	9.160	8.79	9.27	662	650	714		5yr	3.260	3.841	-	-	100	-	-
	10yr	10.000	10.236	9.91	9.98	770	762	785		10yr	4.181	4.141	3.97	3.969	114	119	112

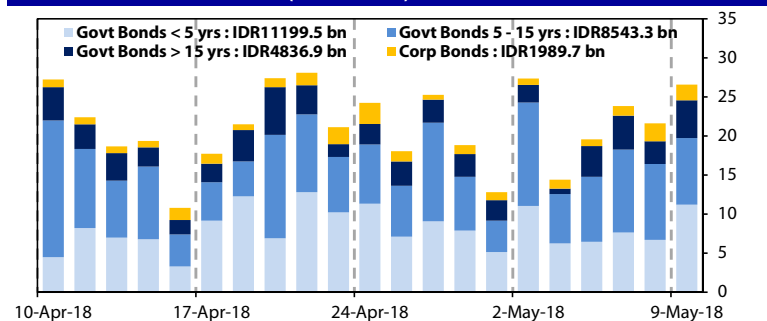
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↑	2.50	-0.75
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 ↓	2.76	3.74

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	9-May-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,908 ↑	5,775	2.31	-1.73	-5.41	3.70	-7.04
Dow Jones (DJIA)	24,543 ↑	24,360	0.75	2.58	2.35	17.00	-0.71
London (FTSE 100)	7,663 ↑	7,566	1.28	1.58	6.50	4.36	-0.33
Nikkei 225	22,409 ↓	22,509	-0.44	-0.28	3.37	12.93	-1.56
Hang Seng (HIS)	30,536 ↑	30,403	0.44	-0.61	1.01	22.69	2.06
Malaysia (KLCI)	1,847 →	1,847	0.00	-0.30	-0.17	4.53	2.77
Philippines (PSEI)	7,555 ↓	7,578	-0.29	-2.34	-4.91	-4.65	-11.72
Thailand (SET)	1,757 ↓	1,760	-0.19	-1.91	0.32	12.60	0.18
Singapore (STI)	3,549 ↑	3,543	0.15	-1.85	2.86	9.19	4.28
Brazil (BOVESPA)	84,265 ↑	82,956	1.58	-0.33	1.15	27.14	10.29

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	9-May-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	14,084 ↑	14,052	13,948	13,761	13,555
Brent	77.01 ↑	75.86	73.07	68.53	66.82
WTI Crude Oil	71.14 ↑	69.06	67.93	63.42	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
9-May-18	6.85		-0.67	-1.94	-3.49	6.59	-2.63
-1 Day	6.74	↑ 10.5	-0.75	-1.48	-2.90	7.17	-1.97
-1 Week	6.54	↑ 31.2	-0.21	-0.33	-0.98	8.40	-0.70
-1 Month	6.18	↑ 67.2	0.03	0.34	1.60	11.26	0.93
-1 Year	7.08	↓ -23.1	-0.14	-0.28	0.43	10.64	7.18

Sources: Danareksa

