

HEADLINES & ANALYSIS

- The yield curve, close to the flattest since 2007, steepened Wednesday after the release of the minutes from this month's Federal Reserve policy meeting. Officials signaled that they're in no hurry to hike rates more aggressively and are monitoring the shape of the curve. (Bloomberg)
- Treasury's \$36 billion five-year note sale drew a yield of 2.864 percent, with a bid-to-cover ratio of 2.52, the highest since September. The strong signal of demand came even as indirect bidders, a class of investors that includes foreign central banks and mutual funds, bought just 56.2 percent, the least since July 2016. (Bloomberg)
- Turkey's central bank raised interest rates at an emergency meeting on Wednesday and President Recep Tayyip Erdogan pledged allegiance to global principles on monetary policy, bowing to pressure from financial markets after plunging the nation into a currency crisis. The central bank raised its late liquidity window rate by 300 basis points to 16.5 percent, after an extraordinary meeting of its monetary policy committee on Wednesday. (Bloomberg)

YIELD CURVE (%)

TTM	23-May-18	-1 Day	Change	TTM	23-May-18	-1 Day	Change
3 months	5.384	5.471	-0.087	15 years	8.020	7.915	0.104
6 months	6.051	6.105	-0.054	16 years	8.039	7.933	0.106
1 year	6.569	6.558	0.011	17 years	8.055	7.949	0.107
2 years	6.806	6.756	0.050	18 years	8.070	7.962	0.107
3 years	7.019	6.960	0.059	19 years	8.082	7.974	0.108
4 years	7.225	7.160	0.065	20 years	8.093	7.985	0.109
5 years	7.401	7.329	0.071	21 years	8.103	7.994	0.109
6 years	7.541	7.463	0.078	22 years	8.112	8.002	0.110
7 years	7.651	7.567	0.083	23 years	8.119	8.009	0.110
8 years	7.737	7.649	0.088	24 years	8.126	8.016	0.110
9 years	7.805	7.713	0.092	25 years	8.132	8.022	0.111
10 years	7.860	7.765	0.095	26 years	8.138	8.027	0.111
11 years	7.904	7.807	0.098	27 years	8.143	8.032	0.111
12 years	7.941	7.841	0.100	28 years	8.147	8.036	0.112
13 years	7.972	7.870	0.102	29 years	8.151	8.040	0.112
14 years	7.998	7.895	0.103	30 years	8.155	8.043	0.112

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0064	6.125	15-May-28	92.25	7.580	4,705.33
FR0065	6.625	15-May-33	87.25	8.037	1,479.89
FR0072	8.250	15-May-36	99.50	8.268	926.74
FR0075	7.500	15-May-38	94.87	8.024	786.53
SPN12181004	-	4-Oct-18	97.88	-	530.00

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BBIA01ACN2	AAA(idn)	6.150	3-Jun-19	100.00	6.15	305.00
PJAA01ACN2	idAA-	6.300	23-May-19	100.00	6.30	305.00
BAFI02A	idAA	6.200	20-May-19	100.07	6.20	169.00
BIIF01ACN4	AA+(idn)	7.650	15-Nov-20	100.43	7.46	100.00
BEXI02BCN7	idAAA	9.250	19-Feb-19	101.65	9.10	80.00

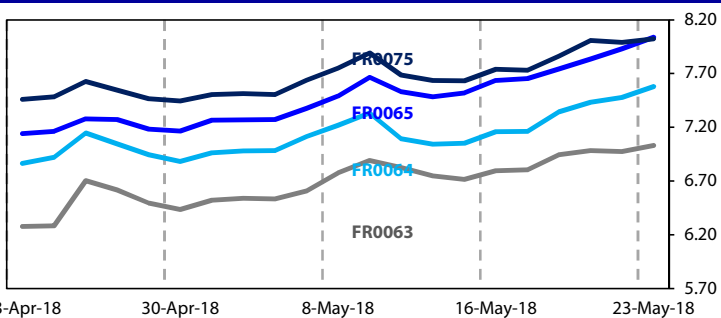
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	23-May-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	23-May-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						23-May-18	-1 Mo	-3 Mo							23-May-18	-1 Mo	-3 Mo
United States USD	2yr		2.530	2.580	2.400				Philippines PHP	2yr	6.000	4.432	4.314	4.221	190	187	197
	5yr		2.830	2.770	2.650					5yr	7.875	5.728	5.461	-	290	269	-
	10yr		3.010	2.920	2.880					10yr	11.375	6.358	6.289	-	335	337	-
German EUR	2yr	0.250	-0.578	-	-	-311	-	-	Thailand THB	2yr	3.125	1.762	1.453	1.449	-77	-99	-80
	5yr	1.000	-0.132	-0.015	0.084	-296	-279	-257		5yr	3.450	2.083	1.821	1.838	-75	-95	-81
	10yr	1.750	0.507	0.600	0.735	-250	-232	-215		10yr	3.625	2.712	2.402	2.436	-30	-52	-44
Indonesia USD	2yr	11.625	3.003	2.813	2.544	47	37	29	India INR	2yr	7.590	7.612	7.176	7.051	508	474	480
	5yr	3.750	4.079	3.735	3.515	125	97	87		5yr	7.280	7.911	7.586	7.543	508	482	489
	10yr	3.500	4.517	4.137	4.040	151	122	116		10yr	8.830	7.852	7.631	7.671	484	471	479
Brazil BRL	2yr	0.000	7.694	7.20	7.91	516	476	566	Malaysia MYR	3yr	3.172	3.745	3.566	3.496	108	99	110
	5yr	10.000	9.406	8.60	9.10	688	616	685		5yr	3.260	3.886	-	-	106	-	-
	10yr	10.000	10.713	9.76	10.00	818	732	775		10yr	4.181	4.232	4.058	4.035	122	114	116

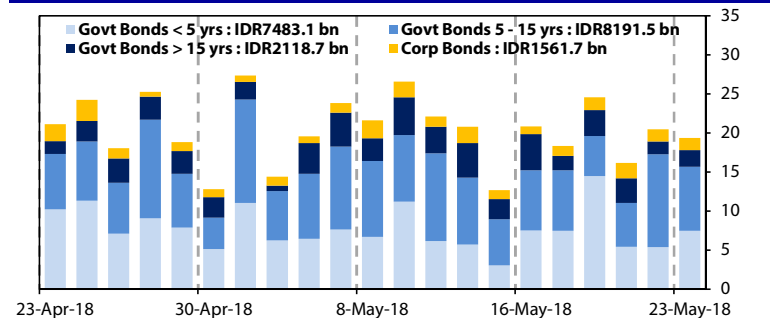
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	4.50	17-May-18	25bps ↑	3.41	1.09
US (Fed Fund Rate)	1.75	21-Mar-18	25bps ↑	2.50	-0.75
Euro Region	0.00	16-Mar-18	-5bps ↓	1.40	-1.40
Japan	0.10	19-Dec-08	-20bps ↓	0.60	-0.50
India (Repo Rate)	6.00	2-Aug-17	-25bps ↓	4.36	1.64
Malaysia	3.25	25-Jan-18	25bps ↑	1.40	1.85
Philippines	3.25	10-May-18	25bps ↑	4.50	-1.25
Thailand	3.00	25-Jan-12	-25bps ↓	1.07	1.93
Singapore	0.08	31-Dec-13	5bps ↑	0.10	-0.02
Brazil	6.50	21-Mar-18	-25bps ↓	2.76	3.74

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	23-May-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,792 ↑	5,751	0.71	-0.85	-8.18	1.07	-8.87
Dow Jones (DJIA)	24,887 ↑	24,834	0.21	0.48	1.79	18.86	0.68
London (FTSE 100)	7,788 ↓	7,877	-1.13	0.70	5.27	4.05	1.31
Nikkei 225	22,690 ↓	22,960	-1.18	-0.12	2.72	15.69	-0.33
Hang Seng (HIS)	30,666 ↓	31,234	-1.82	-1.43	1.36	20.72	2.50
Malaysia (KLCI)	1,804 ↓	1,845	-2.21	-2.91	-4.05	2.10	0.41
Philippines (PSEI)	7,560 ↓	7,646	-1.12	-3.93	-2.06	-3.22	-11.66
Thailand (SET)	1,754 ↓	1,761	-0.40	0.17	-2.04	12.07	-0.01
Singapore (STI)	3,496 ↓	3,543	-1.32	-1.04	-2.33	8.49	2.74
Brazil (BOVESPA)	80,867 ↓	82,739	-2.26	-6.55	-5.53	29.05	5.84

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	23-May-18	-1 Day	-1 Week	-1 Month	EoP 2016
USD/IDR	14,209 ↑	14,142	14,097	13,975	13,555
Brent	79.18 ↑	78.87	78.51	74.58	66.82
WTI Crude Oil	71.83 ↓	72.13	71.49	68.59	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
23-May-18	7.12		-0.35	-2.04	-5.06	3.62	-4.34
-1 Day	7.07	↑ 5.1	-0.22	-2.26	-4.87	4.18	-4.01
-1 Week	6.82	↑ 30.0	-0.58	-0.38	-3.40	6.56	-2.35
-1 Month	6.40	↑ 71.9	-0.46	-1.18	0.08	9.56	-0.14
-1 Year	6.98	↑ 14.2	0.19	0.74	1.18	12.47	8.32

Sources: Danareksa

