

HEADLINES & ANALYSIS

- Argentina's economy slowed in the first quarter as high inflation and borrowing costs sapped investment and demand, sparking a crisis in confidence that pushed the government to negotiate a record IMF credit line. Gross domestic product rose 3.6% in the first quarter from a year earlier, higher than the median 3.5% estimate from 10 economists surveyed by Bloomberg. South America's second-biggest economy expanded 1.1% from the previous quarter, the national statistics agency said Tuesday. (Bloomberg)
- Bangko Sentral ng Pilipinas may raise its overnight borrowing rate by 25 bps to 3.5%, in a back-to-back tightening following the previous meeting. Inflation data for May gave the BSP some wiggle room to leave policy unchanged, especially with the retreat in oil prices. Even so, the peso has come under significant downward pressure- which may ultimately force the central bank's hand. (Bloomberg)
- Taiwan's central bank will keep its benchmark interest rate unchanged Thursday as a brewing trade war adds to risks facing the export-oriented economy. Holding rates for now even while the U.S. Federal Reserve sees a faster pace of increases this year may help soften the knock-on effects that the tension between the U.S. and China could have on a supply-chain link like Taiwan. With investment sluggish and inflation muted, economists see little urgent need for the central bank to mirror its U.S. counterpart. (Bloomberg)

YIELD CURVE (%)

TTM	8-Jun-18	-1 Day	Change	TTM	8-Jun-18	-1 Day	Change
3 months	5.006	4.938	0.068	15 years	7.769	7.728	0.041
6 months	5.628	5.548	0.080	16 years	7.802	7.764	0.038
1 year	6.337	6.285	0.052	17 years	7.830	7.795	0.035
2 years	6.705	6.704	0.001	18 years	7.855	7.822	0.032
3 years	6.825	6.829	-0.004	19 years	7.877	7.847	0.030
4 years	6.927	6.917	0.011	20 years	7.896	7.868	0.028
5 years	7.037	7.009	0.027	21 years	7.913	7.887	0.026
6 years	7.148	7.107	0.041	22 years	7.928	7.904	0.024
7 years	7.254	7.204	0.050	23 years	7.941	7.919	0.022
8 years	7.352	7.297	0.055	24 years	7.953	7.932	0.021
9 years	7.439	7.382	0.057	25 years	7.964	7.944	0.020
10 years	7.515	7.459	0.056	26 years	7.973	7.955	0.018
11 years	7.582	7.528	0.054	27 years	7.982	7.965	0.017
12 years	7.639	7.588	0.051	28 years	7.990	7.973	0.017
13 years	7.689	7.641	0.048	29 years	7.997	7.981	0.016
14 years	7.732	7.687	0.044	30 years	8.003	7.988	0.015

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0064	6.125	15-May-28	92.00	7.253	1,330.05
FR0074	7.500	15-Aug-32	97.70	7.723	758.66
VR0031	-	25-Jul-20	96.75	-	600.00
FR0070	8.375	15-Mar-24	105.15	7.167	594.78
SPN12181004	-	4-Oct-18	98.44	-	500.00

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
PNMP02ACN2	idA	8.000	13-Apr-21	100.11	7.95	173.00
AMRT02CN2	AA-(idn)	7.500	12-Apr-21	100.17	7.43	151.50
FIFA03ACN3	idAAA	6.100	21-Apr-19	100.20	6.09	60.00
PNMP02BCN2	idA	8.500	13-Apr-23	100.72	8.32	45.00
WOMF02ACN4	AA-(idn)	6.850	16-Apr-19	99.96	6.85	40.00

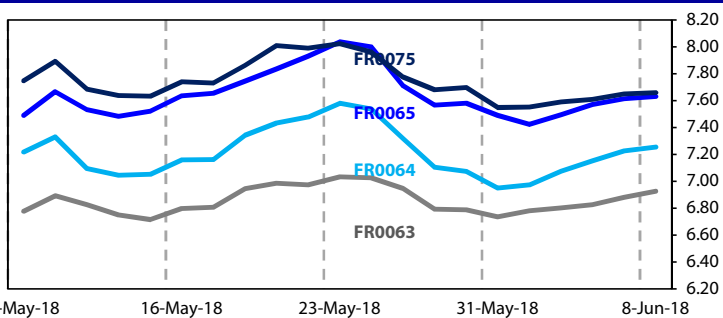
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	8-Jun-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	8-Jun-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						8-Jun-18	-1 Mo	-3 Mo							8-Jun-18	-1 Mo	-3 Mo
United States USD	2yr		2.500	2.580	2.400				Philippines PHP	2yr	6.000	4.498	4.314	4.221	200	187	197
	5yr		2.770	2.770	2.650					5yr	7.875	5.509	5.461	-	274	269	-
	10yr		2.930	2.920	2.880					10yr	11.375	6.087	6.289	-	316	337	-
German EUR	2yr	0.250	-0.651	-	-	-315	-	-	Thailand THB	2yr	3.125	1.682	1.453	1.449	-82	-99	-80
	5yr	1.000	-0.196	-0.015	0.084	-297	-279	-257		5yr	3.450	2	1.821	1.838	-77	-95	-81
	10yr	1.750	0.449	0.600	0.735	-248	-232	-215		10yr	3.625	2.535	2.402	2.436	-40	-52	-44
Indonesia USD	2yr	11.625	2.869	2.813	2.544	37	37	29	India INR	2yr	7.590	7.652	7.074	6.916	515	463	467
	5yr	3.750	4.096	3.735	3.515	133	97	87		5yr	7.280	8.093	7.586	7.543	532	482	489
	10yr	3.500	4.466	4.137	4.040	154	122	116		10yr	8.830	7.951	7.631	7.671	502	471	479
Brazil BRL	2yr	0.000	8.884	7.20	7.91	638	476	566	Malaysia MYR	3yr	3.172	3.737	3.566	3.496	111	99	110
	5yr	10.000	10.182	8.60	9.10	768	616	685		5yr	3.260	3.868	-	-	110	-	-
	10yr	10.000	11.665	9.76	10.00	917	732	775		10yr	4.181	4.242	4.024	4.098	131	110	122

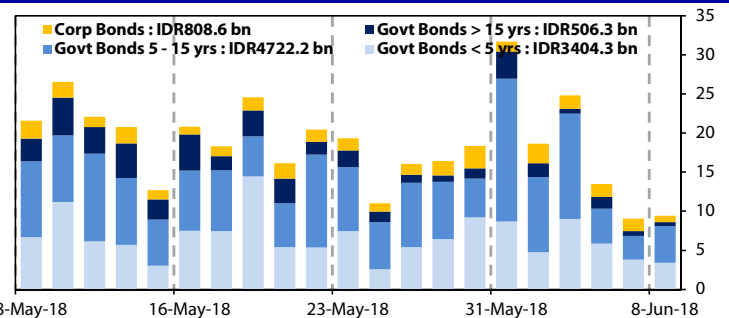
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	4.75	30-May-18	25bps ↑	3.23	1.52
US (Fed Fund Rate)	1.75	21-Mar-18	25bps ↑	2.80	-1.05
Euro Region	0.00	16-Mar-16	-5bps ↓	2.00	-2.00
Japan	0.10	19-Dec-08	-20bps ↓	0.60	-0.50
India (Repo Rate)	6.25	6-Jun-18	25bps ↑	3.97	2.28
Malaysia	3.25	25-Jan-18	25bps ↑	1.40	1.85
Philippines	3.25	10-May-18	25bps ↑	4.60	-1.35
Thailand	3.00	25-Jan-12	-25bps ↓	1.49	1.51
Singapore	0.08	31-Dec-13	5bps ↑	0.10	-0.02
Brazil	6.50	21-Mar-18	-25bps ↓	2.86	3.64

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	8-Jun-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	5,994 ↓	6,107	-1.85	0.17	1.45	5.10	-5.70
Dow Jones (DJIA)	25,317 ↑	25,241	0.30	2.77	3.15	19.52	2.42
London (FTSE 100)	7,681 ↓	7,704	-0.30	-0.27	0.24	3.10	-0.09
Nikkei 225	22,695 ↓	22,823	-0.56	2.36	1.27	13.99	-0.31
Hang Seng (HIS)	30,958 ↓	31,513	-1.76	1.53	1.38	18.78	3.47
Malaysia (KLCI)	1,778 ↓	1,786	-0.42	1.25	-3.69	-0.41	-1.03
Philippines (PSEi)	7,741 ↓	7,803	-0.80	1.45	2.45	-2.74	-9.55
Thailand (SET)	1,722 ↓	1,733	-0.64	0.13	-1.98	9.66	-1.81
Singapore (STI)	3,436 ↓	3,473	-1.06	0.26	-3.16	6.16	0.98
Brazil (BOVESPA)	72,942 ↓	73,851	-1.23	-5.56	-13.44	16.23	-4.53

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	8-Jun-18	-1 Day	-1 Week	-1 Month	EoP 2017
USD/IDR	13,932 ↑	13,875	13,896	14,084	13,555
Brent	75.77 ↓	76.74	76.21	77.01	66.82
WTI Crude Oil	65.74 ↓	65.95	65.81	71.14	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
8-Jun-18	6.85		-0.18	-0.73	-1.46	5.53	-2.12
-1 Day	6.82	↑ 3.1	-0.21	0.25	-1.24	5.76	-1.95
-1 Week	6.71	↑ 14.3	0.81	3.06	-0.21	6.53	-1.40
-1 Month	6.85	↑ 0.5	-0.67	-1.93	-3.48	6.60	-2.62
-1 Year	6.95	↓ -9.8	0.04	0.21	1.24	10.99	8.82

Sources: Danareksa

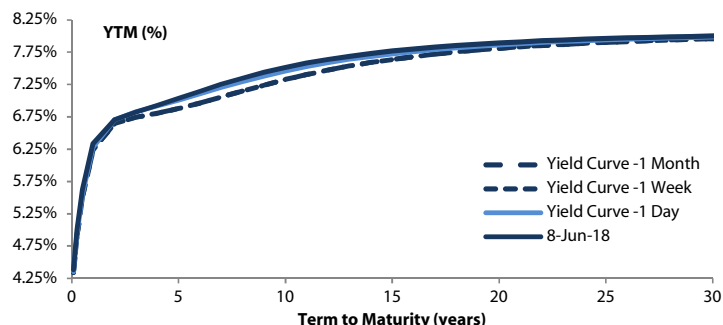
VALUATIONS OF GOVERNMENT BONDS

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			
FR0032	1-Sep-05	15-Jul-18	15.00	0.1	-	-2.02 ↓ -73.0bps	101.19	2.505	2.591	101.25	101.26	15-May-18	101.58	25.00	2	
FR0038	24-Aug-06	15-Aug-18	11.60	0.2	0.18	3.24 → 0.0bps	101.29	3.216	3.302	101.53	101.54	14-May-18	101.50	21.70	2	
FR0048	27-Sep-07	15-Sep-18	9.00	0.3	0.26	4.81 ↑ 13.5bps	100.95	4.743	4.830	101.08	101.10	28-May-18	101.00	0.63	1	
FR0069	29-Aug-13	15-Apr-19	7.88	0.9	0.81	6.25 ↑ 0.9bps	101.27	6.229	6.316	101.26	101.33	8-Jun-18	101.50	3.90	3	
FR0036	20-Apr-06	15-Sep-19	11.50	1.3	1.15	6.48 ↑ 3.2bps	105.85	6.439	6.526	105.94	106.05	7-Jun-18	106.10	1.00	1	
FR0031	16-Jun-05	15-Nov-20	11.00	2.4	2.13	6.73 ↑ 4.6bps	109.31	6.670	6.756	109.37	109.58	8-Jun-18	109.25	16.91	2	
FR0034	26-Jan-06	15-Jun-21	12.80	3.0	2.42	6.80 ↑ 1.0bps	115.98	6.754	6.841	116.01	116.26	8-Jun-18	116.00	17.00	2	
FR0053	8-Jul-10	15-Jul-21	8.25	3.1	2.63	6.90 ↑ 4.8bps	103.66	6.754	6.840	103.87	104.11	7-Jun-18	103.74	225.50	3	
FR0061	6-Oct-11	15-May-22	7.00	3.9	3.38	6.92 ↑ 1.8bps	100.26	6.788	6.875	100.42	100.71	8-Jun-18	100.15	232.60	8	
FR0035	16-Feb-06	15-Jun-22	12.90	4.0	3.07	6.87 ↑ 12.5bps	120.71	6.880	6.967	120.49	120.82	8-Jun-18	120.00	35.00	2	
FR0043	22-Feb-07	15-Jul-22	10.25	4.1	3.26	6.91 ↑ 7.2bps	111.67	6.908	6.994	111.42	111.75	31-May-18	111.50	12.50	1	
FR0063	13-Aug-12	15-May-23	5.63	4.9	4.20	6.93	↑ 4.6bps	94.66	6.770	6.857	94.91	95.26	8-Jun-18	94.30	195.59	14
FR0046	19-Jul-07	15-Jul-23	9.50	5.1	3.93	7.15 ↑ 6.2bps	109.85	7.022	7.109	110.07	110.46	8-Jun-18	109.90	2.00	1	
FR0039	24-Aug-06	15-Aug-23	11.75	5.2	3.88	7.18 ↑ 6.1bps	119.40	7.056	7.143	119.66	120.08	4-Jun-18	121.45	6.90	1	
FR0070	29-Aug-13	15-Mar-24	8.38	5.8	4.48	7.17 ↑ 3.1bps	105.58	7.117	7.203	105.43	105.85	8-Jun-18	105.15	594.78	7	
FR0044	19-Apr-07	15-Sep-24	10.00	6.3	4.65	7.20 ↑ 3.5bps	113.84	7.177	7.263	113.57	114.03	8-Jun-18	113.75	12.00	2	
FR0040	21-Sep-06	15-Sep-25	11.00	7.3	5.10	7.24 ↑ 3.6bps	120.86	7.241	7.328	120.39	120.93	8-Jun-18	120.00	2.00	1	
FR0037	18-May-06	15-Sep-26	12.00	8.3	5.50	7.30 ↑ 5.1bps	128.70	7.330	7.416	127.93	128.56	25-May-18	126.00	14.00	1	
FR0056	23-Sep-10	15-Sep-26	8.38	8.3	5.88	7.28 ↑ 3.6bps	106.68	7.286	7.372	106.11	106.66	8-Jun-18	106.15	138.27	3	
FR0059	15-Sep-11	15-May-27	7.00	8.9	6.50	7.27 ↑ 2.2bps	98.23	7.274	7.360	97.66	98.22	8-Jun-18	98.45	491.04	5	
FR0042	25-Jan-07	15-Jul-27	10.25	9.1	5.96	7.43 ↑ 7.2bps	118.40	7.363	7.449	118.26	118.90	8-Jun-18	118.75	12.00	2	
FR0047	30-Aug-07	15-Feb-28	10.00	9.7	6.29	7.46 ↑ 2.4bps	117.22	7.422	7.509	116.91	117.57	5-Jun-18	118.45	39.00	2	
FR0064	13-Aug-12	15-May-28	6.13	9.9	7.18	7.25	↑ 2.8bps	92.12	7.159	7.246	92.15	92.73	8-Jun-18	92.00	1,330.05	50
FR0071	12-Sep-13	15-Mar-29	9.00	10.8	6.91	7.55 ↑ 7.5bps	110.54	7.447	7.534	110.66	111.34	8-Jun-18	110.25	115.80	5	
FR0052	20-Aug-09	15-Aug-30	10.50	12.2	7.16	7.72 → 0.0bps	121.70	7.664	7.750	121.41	122.19	7-Jun-18	121.15	196.82	3	
FR0073	6-Aug-15	15-May-31	8.75	12.9	7.84	7.74 ↑ 2.5bps	108.12	7.708	7.794	107.69	108.43	8-Jun-18	108.50	215.00	2	
FR0074	10-Nov-16	15-Aug-32	7.50	14.2	8.38	7.72 ↑ 2.6bps	98.09	7.726	7.813	97.33	98.05	8-Jun-18	97.70	758.66	41	
FR0054	22-Jul-10	15-Jul-31	9.50	13.1	7.56	7.78 ↑ 1.8bps	113.97	7.765	7.852	113.33	114.09	8-Jun-18	114.35	2.00	1	
FR0058	21-Jul-11	15-Jun-32	8.25	14.0	8.03	7.79 ↑ 3.8bps	103.86	7.774	7.861	103.27	104.01	8-Jun-18	102.90	401.31	4	
FR0065	30-Aug-12	15-May-33	6.63	14.9	9.04	7.63	↑ 1.8bps	91.13	7.612	7.699	90.56	91.27	8-Jun-18	91.00	444.96	40
FR0068	1-Aug-13	15-Mar-34	8.38	15.8	8.69	7.83 ↑ 6.3bps	104.86	7.836	7.922	104.02	104.82	8-Jun-18	104.25	48.64	6	
FR0072	9-Jul-15	15-May-36	8.25	17.9	9.38	7.89 ↑ 2.4bps	103.37	7.887	7.974	102.60	103.44	8-Jun-18	103.28	335.59	17	
FR0045	24-May-07	15-May-37	9.75	18.9	9.40	7.68 ↑ 2.1bps	120.42	7.458	7.544	122.03	123.04	4-Jun-18	119.50	7.20	1	
FR0075	10-Aug-17	15-May-38	7.50	19.9	10.13	7.66	↑ 0.8bps	98.39	7.717	7.803	96.95	97.81	8-Jun-18	98.75	54.83	40
FR0050	24-Jan-08	15-Jul-38	10.50	20.1	9.19	7.86 ↑ 0.4bps	126.40	7.899	7.986	124.94	125.97	4-Jun-18	126.60	13.00	1	
FR0057	21-Apr-11	15-May-41	9.50	22.9	10.09	7.96 ↑ 0.6bps	116.10	7.929	8.015	115.46	116.48	8-Jun-18	115.50	64.39	6	
FR0062	9-Feb-12	15-Apr-42	6.38	23.9	10.95	7.96 ↓ -0.1bps	83.20	7.748	7.835	84.33	85.15	7-Jun-18	83.50	0.65	2	
FR0067	18-Jul-13	15-Feb-44	8.75	25.7	10.50	7.88 ↑ 0.6bps	109.50	7.889	7.975	108.39	109.40	7-Jun-18	109.00	40.00	1	
FR0076	22-Sep-17	15-May-48	7.38	29.9	11.31	8.10 ↑ 9.9bps	91.92	7.956	8.043	92.47	93.39	8-Jun-18	98.25	1.60	5	
ORI012	21-Oct-15	15-Oct-18	9.00	0.4	-	5.14 ↓ -3.6bps	101.22	5.296	5.383	101.26	101.29	8-Jun-18	101.25	48.03	3	
ORI013	26-Oct-16	15-Oct-19	6.60	1.4	-	6.38 ↓ -0.9bps	100.27	6.282	6.369	100.30	100.41	8-Jun-18	99.50	191.33	5	
ORI014	25-Oct-17	15-Oct-20	5.85	2.4	-	#N/A	#N/A	6.129	6.215	99.20	99.39	8-Jun-18	98.50	3.90	3	
IFR0008	15-Apr-10	15-Mar-20	8.80	1.8	1.60	6.29 ↑ 3.6bps	104.05	6.140	6.227	104.23	104.38	5-May-14	103.65	5.00	3	
IFR0007	21-Jan-10	15-Jan-25	10.25	6.6	4.76	7.00 ↓ -1.3bps	116.88	6.826	6.913	117.44	117.94	10-Oct-17	120.36	10.00	2	
IFR0006	1-Apr-10	15-Mar-30	10.25	11.8	7.16	7.35 → 0.0bps	122.55	7.313	7.400	122.12	122.89	3-May-18	122.20	2.00	2	
IFR0010	3-Mar-11	15-Feb-36	10.00	17.7	8.60	8.38 ↓ -0.1bps	114.75	8.125	8.211	116.51	117.41	23-Aug-17	120.00	1.01	1	
PBS002	2-Feb-12	15-Jan-22	5.45	3.6	3.13	6.87 ↓ -0.3bps	95.57	6.550	6.636	96.25	96.51	6-Jun-18	95.30	312.00	4	
PBS003	2-Feb-12	15-Jan-27	6.00	8.6	6.37	7.13 ↓ -0.1bps	92.83	7.036	7.122	92.86	93.39	7-Jun-18	95.39	152.00	4	
PBS004	16-Feb-12	15-Feb-37	6.10	18.7	10.13	7.62 → 0.0bps	84.96	7.602	7.689	84.37	85.13	7-Jun-18	97.00	200.00	4	
PBS005	2-May-13	15-Apr-43	6.75	24.9	11.01	7.90 ↓ -0.6bps	87.58	7.819	7.905	87.50	88.35	16-May-18	93.03	176.00	2	
PBS006	19-Sep-13	15-Sep-20	8.25	2.3	2.02	6.14 ↑ 21.8bps	104.33	5.900	5.986	104.72	104.91	7-Jun-18	104.00	140.00	1	
PBS011	14-Jan-16	15-Aug-23	8.75	5.2	4.10	6.29 ↓ -3.8bps	110.70	6.279	6.365	110.38	110.78	6-Jun-18	110.00	24.00	2	
PBS012	28-Jan-16	15-Nov-31	8.88	13.4	7.98	7.81 ↓ -0.1bps	108.78	7.818	7.905	107.93	108.68	7-Jun-18	108.60	27.00	8	
PBS013	6-Oct-16	15-May-19	6.25	0.9	0.89	6.66 ↑ 4.5bps	99.64	6.475	6.562	99.72	99.79	7-Jun-18	99.47	160.00	5	
PBS014	6-Oct-16	15-May-21	6.50	2.9	2.62	6.90 ↓ -1.6bps	98.94	6.585	6.672	99.54	99.77	8-Jun-18	98.85	10.00	2	
PBS015	21-Jul-17	15-Jul-47	8.00	29.1	10.87	8.01 ↓ -0.6bps	99.85	7.938	8.025	99.71	100.68	18-Apr-18	104.30	314.00	2	
PBS016	6-Sep-17	15-Mar-20	6.25	1.8	1.63	6.59 ↑ 0.7bps	99.44	6.44	6.528	99.53	99.67	6-Jun-18	99.15	107.64	4	
PBS017	11-Jan-18	15-Oct-25	6.13	7.4	5.73	7.05 ↑ 0.2bps	94.76	6.808	6.894	95.61	96.09	16-May-18	93.35	15.00	5	
SR008	10-Mar-16	10-Mar-19	8.30	0.8	-	6.42 ↓ -1.3bps	101.32	6.433	6.520	101.31	101.37	8-Jun-18	100.75	0.50	3	
SR009	22-Mar-17	10-Mar-20	6.90	1.8	-	6.50 ↓ -1.1bps	100.66	6.378	6.465	100.72	100.86	8-Jun-18	101.50	2.67	3	

*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)