

HEADLINES & ANALYSIS

- The Bank of Japan may tolerate an even higher yield on long-term bonds than the 0.2 percent given by Governor Haruhiko Kuroda. The summary of the July 30-31 meeting released Wednesday showed one member had wanted freedom for yields to move up and down by around 0.25 percent on either side of the zero percent target. (Bloomberg)
- Treasuries drifted lower over U.S. afternoon following soft 3-year auction; curve steepened late in the session as market braces for 10-year and 30-year sales ahead. Yields ended cheaper by 2.5bp-3.5bp across the curve, and late long-end led weakness caused a temporary move in 5s30s back above 28bp, while 2s10s and 2s5s ended wider by 0.7bp and 1.1bp. (Bloomberg)
- Indonesia at times felt uncomfortably close to the center of this year's emerging-market selloff as bond yields rose for five straight months and the rupiah slid more than 6 percent. Some funds are now saying it's time to get back in. Loomis Sayles & Co. is looking to boost holdings of Indonesian bonds, citing sound domestic fundamentals and inflation that is close to target. (Bloomberg)

YIELD CURVE (%)

TTM	7-Aug-18	-1 Day	Change	TTM	7-Aug-18	-1 Day	Change
3 months	5.147	5.156	-0.009	15 years	8.233	8.241	-0.008
6 months	5.654	5.666	-0.012	16 years	8.264	8.272	-0.007
1 year	6.443	6.454	-0.010	17 years	8.293	8.300	-0.007
2 years	7.148	7.147	0.001	18 years	8.318	8.324	-0.006
3 years	7.445	7.438	0.007	19 years	8.341	8.347	-0.006
4 years	7.598	7.590	0.008	20 years	8.362	8.367	-0.005
5 years	7.697	7.691	0.006	21 years	8.380	8.384	-0.004
6 years	7.775	7.772	0.003	22 years	8.397	8.400	-0.004
7 years	7.843	7.844	0.000	23 years	8.412	8.415	-0.003
8 years	7.906	7.909	-0.003	24 years	8.425	8.427	-0.003
9 years	7.965	7.970	-0.005	25 years	8.437	8.439	-0.002
10 years	8.019	8.026	-0.007	26 years	8.447	8.449	-0.002
11 years	8.070	8.078	-0.008	27 years	8.457	8.458	-0.001
12 years	8.116	8.125	-0.008	28 years	8.466	8.467	-0.001
13 years	8.159	8.167	-0.008	29 years	8.474	8.474	0.000
14 years	8.198	8.206	-0.008	30 years	8.481	8.481	0.000

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0074	7.500	15-Aug-32	94.80	8.169	1,653.02
PBS016	6.250	15-Mar-20	98.11	7.306	1,272.27
FR0063	5.625	15-May-23	92.30	7.601	1,263.00
FR0065	6.625	15-May-33	87.60	8.080	824.19
FR0064	6.125	15-May-28	89.40	7.731	752.90

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BFIN04BCN1	AA-(idn)	7.750	26-Jun-21	100.00	7.75	480.00
BEXI04ACN1	idAAA	7.500	6-Jun-21	99.00	7.90	90.00
BNI02ACN1	idAAA	8.000	11-Jul-22	98.75	8.38	90.00
MYOR01CN3	idAA	8.150	24-Apr-23	95.95	9.22	49.00
BPF02CN1	idBBB	11.000	25-Jun-21	100.00	11.00	40.00

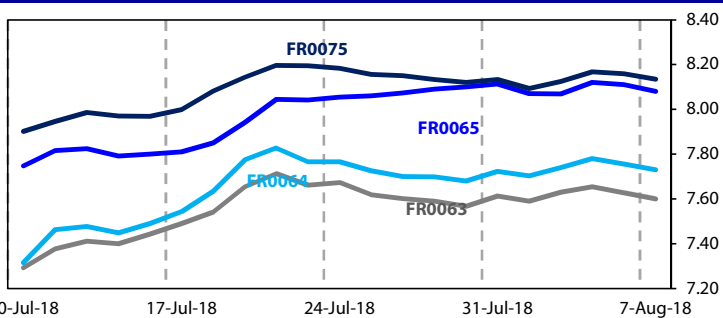
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	7-Aug-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	7-Aug-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						7-Aug-18	-1 Mo	-3 Mo							7-Aug-18	-1 Mo	-3 Mo
United States	2yr		2.68	2.58	2.40				Philippines	2yr	6.00	5.01	4.31	4.22	233	187	197
USD	5yr		2.84	2.77	2.65				PHP	5yr	7.88	5.83	5.46	-	299	269	-
	10yr		2.98	2.92	2.88					10yr	11.38	6.50	6.29	-	352	337	-
German	2yr	0.25	-0.58	-	-	-326	-	-	Thailand	2yr	3.13	1.76	1.45	1.45	-92	-99	-80
EUR	5yr	1.00	-0.16	-	-	-300	-	-	THB	5yr	3.45	2.21	1.82	1.84	-63	-95	-81
	10yr	1.75	0.41	-	-	-257	-	-		10yr	3.63	2.76	-	-	-22	-	-
Indonesia	2yr	11.63	2.75	2.81	2.54	7	37	29	India	2yr	7.59	7.52	7.06	-	484	462	-
USD	5yr	3.75	3.87	3.74	3.52	103	97	87	INR	5yr	7.28	7.87	7.53	-	503	476	-
	10yr	3.50	4.33	4.14	4.04	135	122	116		10yr	8.83	7.79	7.63	7.67	481	471	479
Brazil	2yr	0.00	8.23	7.20	7.91	555	476	566	Malaysia	3yr	3.17	3.54	3.57	3.50	78	99	110
BRL	5yr	10.00	9.73	8.60	9.10	705	616	685	MYR	5yr	3.26	3.76	-	-	92	-	-
	10yr	10.00	11.26	9.76	10.00	858	732	775		10yr	4.18	4.03	4.02	4.10	105	110	122

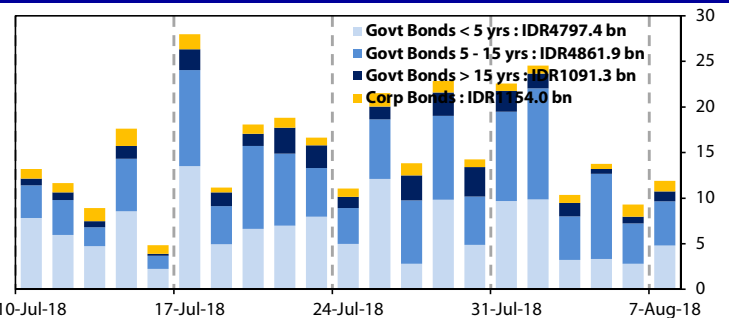
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	5.25	29-Jun-18	50bps ↑	3.18	2.07
US (Fed Fund Rate)	2.00	13-Jun-18	25bps ↑	2.90	-0.90
Euro Region	0.00	16-Mar-16	-5bps ↓	2.00	-2.00
Japan	0.10	19-Dec-08	-20bps ↓	0.70	-0.60
India (Repo Rate)	6.50	1-Aug-18	25bps ↑	3.93	2.57
Malaysia	3.25	25-Jan-18	25bps ↑	0.80	2.45
Philippines	3.50	20-Jun-18	25bps ↑	5.70	-2.20
Thailand	3.00	25-Jan-12	-25bps ↓	1.46	1.54
Singapore	0.08	31-Dec-13	5bps ↑	0.60	-0.52
Brazil	6.50	21-Mar-18	-25bps ↓	4.39	2.11

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	7-Aug-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,091 ↓	6,101	-0.16	2.61	6.96	5.95	-4.16
Dow Jones (DJIA)	25,629 ↑	25,502	0.50	0.84	4.79	15.87	3.68
London (FTSE 100)	7,718 ↑	7,664	0.71	-0.39	1.32	2.48	0.40
Nikkei 225	22,663 ↑	22,507	0.69	0.48	4.01	13.00	-0.45
Hang Seng (HIS)	28,249 ↑	27,820	1.54	-1.17	-0.24	2.02	-5.58
Malaysia (KLCI)	1,791 ↑	1,780	0.64	0.38	7.65	0.74	-0.32
Philippines (PSEi)	7,726 ↓	7,817	-1.17	0.70	7.50	-3.33	-9.73
Thailand (SET)	1,707 ↑	1,696	0.65	0.32	5.73	8.49	-2.65
Singapore (STI)	3,340 ↑	3,285	1.66	0.61	4.64	0.58	-1.85
Brazil (BOVESPA)	80,347 ↓	81,051	-0.87	1.42	7.11	18.26	5.16

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	7-Aug-18	-1 Day	-1 Week	-1 Month	EoP 2017
USD/IDR	14,442 ↓	14,478	14,414	14,375	13,555
Brent	73.49 ↑	72.82	73.07	76.52	66.82
WTI Crude Oil	69.17 ↑	69.01	68.76	73.8	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
7-Aug-18	7.28		0.03	0.01	0.28	2.25	-3.94
-1 Day	7.28	↓ -0.1	0.09	0.03	0.73	2.32	-3.96
-1 Week	7.29	↓ -1.0	0.05	0.47	1.03	2.77	-3.95
-1 Month	7.27	↑ 0.5	0.47	0.76	0.01	2.87	-4.21
-1 Year	6.78	↑ 50.2	0.10	0.52	0.89	6.77	10.24

Sources: Danareksa

