

HEADLINES & ANALYSIS

- The yields on Japan's benchmark bond are still too low to lead to any change in investment strategies for regional lenders, even after the central bank permitted a higher trading range, according to managers and traders at the companies. Regional lenders want to see 0.5 percent on the 10-year bond before considering a pivot back from overseas markets, according to bankers who asked not to be identified in discussing strategies. (Bloomberg)
- South Korean corporate bonds posted their biggest monthly gains this year in July, and the bullishness may continue as the central bank is expected to go slow in increasing rates while new demand is emerging from big local brokerages. Yield premiums on benchmark AA- rated company notes fell 3 basis points last month, according to data compiled by Bloomberg. (Bloomberg)
- While foreigners are returning to India's bond market amid optimism it may have turned a corner, local investors still see yields rising. The 10-year sovereign yield, currently at 7.78 percent, will climb to 7.90 percent by year-end, according to the median estimate of 15 local traders and strategists surveyed by Bloomberg. It will rise to 8 percent by end-March, which would match the three-year high reached in June, they forecast. (Bloomberg)

YIELD CURVE (%)

	TTM	8-Aug-18	-1 Day	Change	TTM	8-Aug-18	-1 Day	Change
3 months	5.167	5.147		0.020	15 years	8.170	8.233	-0.063
6 months	5.680	5.654		0.026	16 years	8.203	8.264	-0.061
1 year	6.463	6.443		0.019	17 years	8.233	8.293	-0.060
2 years	7.129	7.148		-0.019	18 years	8.259	8.318	-0.059
3 years	7.396	7.445		-0.049	19 years	8.283	8.341	-0.058
4 years	7.531	7.598		-0.067	20 years	8.304	8.362	-0.057
5 years	7.621	7.697		-0.076	21 years	8.324	8.380	-0.057
6 years	7.696	7.775		-0.079	22 years	8.341	8.397	-0.056
7 years	7.764	7.843		-0.079	23 years	8.356	8.412	-0.056
8 years	7.828	7.906		-0.078	24 years	8.370	8.425	-0.055
9 years	7.889	7.965		-0.076	25 years	8.382	8.437	-0.055
10 years	7.946	8.019		-0.073	26 years	8.393	8.447	-0.054
11 years	7.999	8.070		-0.071	27 years	8.403	8.457	-0.054
12 years	8.048	8.116		-0.068	28 years	8.412	8.466	-0.054
13 years	8.093	8.159		-0.066	29 years	8.420	8.474	-0.054
14 years	8.133	8.198		-0.064	30 years	8.427	8.481	-0.053

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0064	6.125	15-May-28	89.70	7.672	1,851.48
FR0074	7.500	15-Aug-32	95.40	8.088	1,259.49
FR0069	7.875	15-Apr-19	101.20	6.292	1,113.30
FR0063	5.625	15-May-23	92.41	7.541	783.35
FR0070	8.375	15-Mar-24	103.25	7.744	763.50

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
SM5MII01ACN1	idAAA(sy)	7.550	6-Jul-21	99.44	7.77	248.00
TAXI01	idA	12.500	24-Jun-19	12.50	100.00	120.00
DILD02A	idA-	10.750	29-Jun-19	100.00	10.75	90.00
STTP01BCN2	idA	10.750	12-Apr-21	100.00	10.75	80.00
GNSMII01ACN1	idAAA	7.550	6-Jul-21	99.84	7.61	66.00

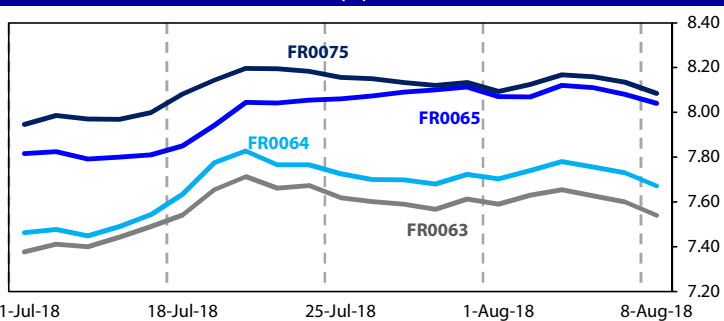
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	8-Aug-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	8-Aug-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						8-Aug-18	-1 Mo	-3 Mo							8-Aug-18	-1 Mo	-3 Mo
United States USD	2yr		2.68	2.58	2.40				Philippines PHP	2yr	6.00	5.03	4.31	4.22	235	187	197
	5yr		2.83	2.77	2.65					5yr	7.88	5.84	5.46	-	301	269	-
	10yr		2.96	2.92	2.88					10yr	11.38	6.47	6.29	-	351	337	-
German EUR	2yr	0.25	-0.59	-	-	-327	-	-	Thailand THB	2yr	3.13	1.76	1.45	1.45	-92	-99	-80
	5yr	1.00	-0.18	-	-	-301	-	-		5yr	3.45	2.21	1.82	1.84	-62	-95	-81
	10yr	1.75	0.40	-	-	-256	-	-		10yr	3.63	2.74	-	-	-22	-	-
Indonesia USD	2yr	11.63	2.72	2.81	2.54	4	37	29	India INR	2yr	7.59	7.49	7.06	-	481	462	-
	5yr	3.75	3.87	3.74	3.52	104	97	87		5yr	7.28	7.85	7.53	-	502	476	-
	10yr	3.50	4.34	4.14	4.04	138	122	116		10yr	8.83	7.78	7.63	7.67	482	471	479
Brazil BRL	2yr	0.00	8.33	7.20	7.91	565	476	566	Malaysia MYR	3yr	3.17	3.53	3.57	3.50	76	99	110
	5yr	10.00	9.91	8.60	9.10	723	616	685		5yr	3.26	3.75	-	-	92	-	-
	10yr	10.00	11.43	9.76	10.00	875	732	775		10yr	4.18	4.05	4.02	4.10	109	110	122

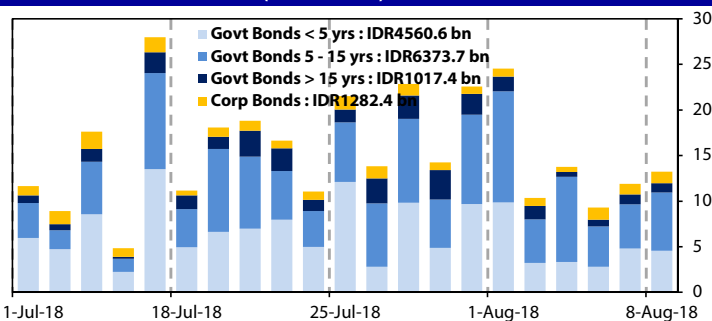
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↓	4.48	2.02

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	8-Aug-18	-1 Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,095 ↑	6,091	0.06	1.02	4.95	4.89	-4.10
Dow Jones (DJIA)	25,584 ↓	25,629	-0.18	0.99	3.26	15.84	3.50
London (FTSE 100)	7,777 ↑	7,718	0.75	1.62	1.15	3.10	1.16
Nikkei 225	22,644 ↓	22,663	-0.08	-0.45	2.69	13.24	-0.53
Hang Seng (HIS)	28,359 ↑	28,249	0.39	0.06	-1.15	1.81	-5.21
Malaysia (KLCI)	1,805 ↑	1,791	0.76	0.92	7.90	1.30	0.44
Philippines (PSEI)	7,851 ↑	7,726	1.63	0.17	9.25	-1.69	-8.26
Thailand (SET)	1,722 ↑	1,707	0.84	-0.02	6.08	9.14	-1.83
Singapore (STI)	3,327 ↓	3,340	-0.40	-0.07	3.03	0.26	-2.24
Brazil (BOVESPA)	79,152 ↓	80,347	-1.49	-0.19	5.52	16.57	3.60

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	8-Aug-18	-1 Day	-1 Week	-1 Month	EoP 2017
USD/IDR	14,439 ↓	14,442	14,440	14,330	13,555
Brent	71.29 ↓	73.49	71.8	77.49	66.82
WTI Crude Oil	66.94 ↓	69.17	67.66	73.85	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
8-Aug-18	7.21		0.32	0.36	-0.30	2.66	-3.43
-1 Day	7.26	↓ -5.0	0.16	0.18	0.54	2.46	-3.74
-1 Week	7.27	↓ -6.5	0.14	0.46	1.24	2.86	-3.78
-1 Month	7.12	↑ 8.8	1.17	1.91	0.37	4.78	-3.14
-1 Year	6.76	↑ 45.0	0.13	0.56	1.76	6.87	10.38

Sources: Danareksa

