

HEADLINES & ANALYSIS

- Central bank is intervening in rupiah spot and DNDF markets to smooth out volatility, according to Nanang Hendarsah, executive director for monetary management. Bank Indonesia is not intervening in sovereign bond market, but is open to the possibility if fund outflows persist. Hendarsah says, Bank Indonesia has purchased 106t rupiah of sovereign bonds this year. Sovereign bonds owned at 220t rupiah currently. Central bank needs additional 100t rupiah for monetary operations. Rupiah down 1.1% to 14,563 against USD as of 11:52 am local time, heading for its biggest decline since June 28. (Bloomberg)
- Traders of U.S. interest-rate futures are rapidly losing confidence that the Federal Reserve will continue to raise rates, with a near-certain hike in December now coming into doubt and almost no tightening expected for next year. The central bank has raised the federal funds target range eight times since December 2015, and is still expected to increase it again on Dec. 19. But the market-implied expectation for next year edged below a quarter point last week after Fed Chair Jerome Powell said the policy rate is approaching neutral, and has crumbled this week amid a slide in global equities. (Bloomberg)

YIELD CURVE (%)

TTM	6-Dec-18	-1 Day	Change	TTM	6-Dec-18	-1 Day	Change
3 months	5.642	5.651	-0.009	15 years	8.323	8.269	0.054
6 months	5.986	6.008	-0.022	16 years	8.360	8.314	0.046
1 year	6.643	6.677	-0.035	17 years	8.397	8.360	0.037
2 years	7.373	7.399	-0.026	18 years	8.435	8.405	0.030
3 years	7.765	7.765	0.000	19 years	8.473	8.450	0.022
4 years	7.969	7.940	0.029	20 years	8.509	8.493	0.016
5 years	8.071	8.018	0.053	21 years	8.545	8.535	0.010
6 years	8.120	8.049	0.071	22 years	8.579	8.574	0.004
7 years	8.144	8.061	0.083	23 years	8.611	8.611	0.000
8 years	8.158	8.069	0.089	24 years	8.641	8.645	-0.004
9 years	8.170	8.080	0.091	25 years	8.669	8.677	-0.008
10 years	8.186	8.097	0.089	26 years	8.696	8.707	-0.011
11 years	8.205	8.120	0.084	27 years	8.720	8.734	-0.013
12 years	8.229	8.151	0.078	28 years	8.743	8.758	-0.016
13 years	8.257	8.186	0.071	29 years	8.763	8.781	-0.017
14 years	8.289	8.226	0.062	30 years	8.782	8.801	-0.019

Source: Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0070	8.375	15-Mar-24	101.00	8.096	4,005.18
FR0063	5.625	15-May-23	91.45	7.922	2,308.36
FR0068	8.375	15-Mar-34	100.35	8.341	1,077.45
FR0061	7.000	15-May-22	97.00	7.848	930.39
FR0065	6.625	15-May-33	87.00	8.153	789.98

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BLIF02ACN1	AA+(idn)	7.750	17-May-21	100.27	7.63	152.00
WOMF02CCN4	AA-(idn)	8.150	6-Apr-21	99.94	8.18	54.00
ADMFO3CCN3	idAAA	10.250	2-Mar-21	102.48	9.01	49.00
ADMFO4ACN2	idAAA	6.100	1-Apr-19	99.32	6.14	40.00
AKRA01ACN1	idAA-	8.500	7-Jul-20	100.02	8.48	40.00

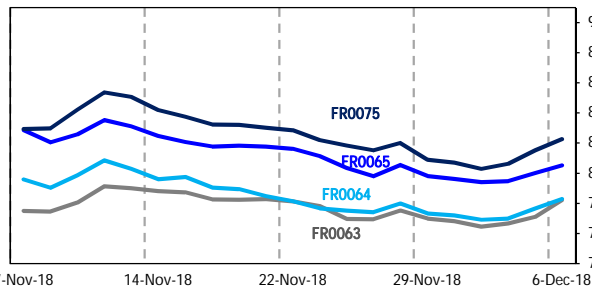
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	6-Dec-18	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	6-Dec-18	-1 Mo	-3 Mo	Spread over UST YC (bps)		
						6-Dec-18	-1 Mo	-3 Mo							6-Dec-18	-1 Mo	-3 Mo
United States	2yr		2.75	2.58	2.40				Philippines	2yr	6.00	6.76	4.31	4.22	401	187	197
USD	5yr		2.75	2.77	2.65				PHP	5yr	7.88	6.93	5.46	-	418	269	-
	10yr		2.87	2.92	2.88					10yr	11.38	7.06	6.29	-	419	337	-
German	2yr	0.25	-0.62	-	-	-337	-	-	Thailand	2yr	3.13	1.76	1.45	1.45	-99	-99	-80
EUR	5yr	1.00	-0.32	-	-	-307	-	-	THB	5yr	3.45	2.27	-	-	-48	-	-
	10yr	1.75	0.24	-	-	-263	-	-		10yr	3.63	2.62	-	-	-25	-	-
Indonesia	2yr	11.63	2.32	2.81	2.54	-43	37	29	India	2yr	7.59	7.08	7.06	-	433	462	-
USD	5yr	3.75	4.24	3.74	3.52	149	97	87	INR	5yr	7.28	7.32	7.53	-	457	476	-
	10yr	3.50	4.73	4.14	4.04	186	122	116		10yr	8.83	7.43	7.63	7.67	456	471	479
Brazil	2yr	0.00	7.17	7.20	7.91	442	476	566	Malaysia	3yr	3.17	3.68	3.57	3.50	92	99	110
BRL	5yr	10.00	8.71	8.60	9.10	596	616	685	MYR	5yr	3.26	3.83	-	-	108	-	-
	10yr	10.00	10.04	9.76	10.00	729	732	775		10yr	4.18	4.07	4.02	4.10	120	110	122

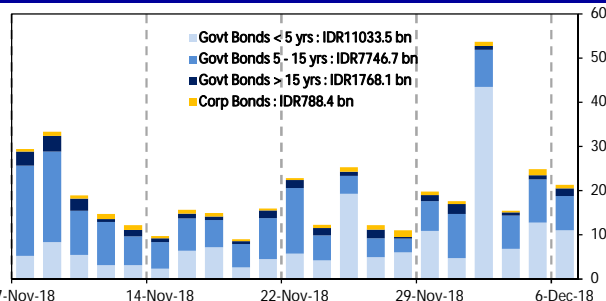
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	6.00	15-Nov-18	25bps ↑	3.23	2.77
US (Fed Fund Rate)	2.25	26-Sep-18	25bps ↑	2.50	-0.25
Euro Region	0.00	16-Mar-16	-5bps ↓	2.20	-2.20
Japan	0.10	19-Dec-08	-20bps ↓	1.40	-1.30
India (Repo Rate)	6.50	0-Jan-00	0bps →	5.23	1.27
Malaysia	3.25	25-Jan-18	25bps ↑	0.60	2.65
Philippines	4.75	15-Nov-18	25bps ↑	6.00	-1.25
Thailand	3.00	25-Jan-12	-25bps ↓	0.94	2.06
Singapore	0.08	31-Dec-13	5bps ↑	0.70	-0.62
Brazil	6.50	21-Mar-18	-25bps ↓	4.56	1.94

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	6-Dec-18	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,115 ↓	6,133	-0.29	0.14	3.23	1.33	-3.78
Dow Jones (DJIA)	24,948 ↓	25,027	-0.32	-1.54	-2.68	3.34	0.92
London (FTSE 100)	6,704 ↓	6,922	-3.15	-4.76	-4.78	-8.76	-12.80
Nikkei 225	21,502 ↓	21,919	-1.91	-3.42	-2.92	-3.05	-5.55
Hang Seng (HIS)	26,156 ↓	26,820	-2.47	-1.11	0.14	-7.33	-12.58
Malaysia (KLCI)	1,683 ↓	1,688	-0.29	-0.77	-1.49	-2.04	-6.32
Philippines (PSEI)	7,535 ↓	7,631	-1.25	2.27	4.95	-7.31	-11.95
Thailand (SET)	1,654 ↓	1,672	-1.11	1.05	-0.93	-2.40	-5.70
Singapore (STI)	3,116 ↓	3,156	-1.28	0.20	1.79	-8.29	-8.45
Brazil (BOVESPA)	88,846 ↓	89,040	-0.22	-0.96	0.20	21.26	16.29

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	6-Dec-18	-1 Day	-1 Week	-1 Month	EoP 2017
USD/IDR	14,520 ↑	14,403	14,383	14,804	13,555
Brent	59.22 ↓	60.58	58.94	71.13	66.82
WTI Crude Oil	51.49 ↓	52.89	51.45	62.21	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
6-Dec-18	8.09		-0.29	-0.28	2.86	-0.75	-2.04
-1 Day	8.04	↑ 4.9	-0.30	0.41	3.45	-0.37	-1.75
-1 Week	8.02	↑ 7.5	0.40	0.88	4.73	-0.21	-1.76
-1 Month	8.33	↓ -23.4	0.54	1.98	1.02	-1.46	-4.25
-1 Year	6.59	↑ 149.9	0.09	0.51	1.64	16.83	15.89

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					
FR0069	29-Aug-13	15-Apr-19	7.88	0.4	0.35	6.23 ↑ 7.2bps	100.53	6.032	6.124	100.59	100.62	6-Dec-18	100.50	607.00	12	
FR0036	20-Apr-06	15-Sep-19	11.50	0.8	0.72	6.18 → 0.0bps	103.94	6.189	6.281	103.86	103.93	5-Dec-18	103.35	57.80	1	
FR0031	16-Jun-05	15-Nov-20	11.00	1.9	1.73	7.26 ↑ 6.7bps	106.61	7.180	7.271	106.63	106.80	6-Dec-18	106.50	2.23	1	
FR0034	26-Jan-06	15-Jun-21	12.80	2.5	2.06	7.58 ↓ -0.6bps	111.74	7.528	7.612	111.71	111.91	5-Dec-18	111.85	18.69	1	
FR0053	8-Jul-10	15-Jul-21	8.25	2.6	2.24	7.64 → 0.0bps	101.41	7.595	7.687	101.30	101.51	6-Dec-18	101.75	672.20	6	
FR0061	6-Oct-11	15-May-22	7.00	3.4	2.98	7.85 ↑ 1.4bps	97.48	7.811	7.903	97.32	97.59	6-Dec-18	97.00	930.39	11	
FR0035	16-Feb-06	15-Jun-22	12.90	3.5	2.73	7.88 ↓ -3.8bps	115.16	7.899	7.991	114.82	115.12	6-Dec-18	115.00	40.00	4	
FR0043	22-Feb-07	15-Jul-22	10.25	3.6	2.90	7.93 ↑ 3.5bps	107.13	7.897	7.988	106.95	107.25	6-Dec-18	106.88	4.00	2	
FR0063	13-Aug-12	15-May-23	5.63	4.4	3.80	7.92	↑ 11.2bps	91.55	7.874	7.965	91.38	91.70	6-Dec-18	91.45	2,308.36	25
FR0077	27-Sep-18	15-May-24	8.13	5.4	4.32	7.84 ↑ 3.3bps	101.22	7.909	8.001	100.53	100.93	6-Dec-18	101.20	438.12	17	
FR0046	19-Jul-07	15-Jul-23	9.50	4.6	3.59	8.00 ↑ 0.4bps	105.67	8.001	8.092	105.31	105.67	6-Dec-18	105.25	126.00	10	
FR0039	24-Aug-06	15-Aug-23	11.75	4.7	3.55	8.05 ↑ 4.9bps	114.16	8.025	8.116	113.92	114.30	6-Dec-18	114.50	24.00	1	
FR0070	29-Aug-13	15-Mar-24	8.38	5.3	4.13	8.10 ↑ 9.3bps	101.16	8.065	8.156	100.90	101.29	6-Dec-18	101.00	4,005.18	46	
FR0044	19-Apr-07	15-Sep-24	10.00	5.8	4.32	7.99 ↓ -0.8bps	109.13	8.036	8.127	108.47	108.91	6-Dec-18	108.49	3.00	1	
FR0040	21-Sep-06	15-Sep-25	11.00	6.8	4.78	8.14 ↑ 8.5bps	114.61	8.125	8.217	114.21	114.72	6-Dec-18	114.75	100.00	1	
FR0037	18-May-06	15-Sep-26	12.00	7.8	5.19	8.17 ↑ 6.7bps	121.67	8.202	8.294	120.90	121.48	5-Nov-18	120.50	14.40	1	
FR0056	23-Sep-10	15-Sep-26	8.38	7.8	5.55	8.12 ↑ 3.8bps	101.43	8.081	8.173	101.13	101.65	6-Dec-18	100.65	230.55	11	
FR0059	15-Sep-11	15-May-27	7.00	8.4	6.16	8.10 ↑ 7.4bps	93.39	8.059	8.150	93.07	93.59	6-Dec-18	92.50	125.66	6	
FR0042	25-Jan-07	15-Jul-27	10.25	8.6	5.65	8.17 ↑ 4.1bps	112.68	8.160	8.251	112.13	112.73	6-Dec-18	112.49	2.00	1	
FR0047	30-Aug-07	15-Feb-28	10.00	9.2	5.98	8.17 ↑ 3.3bps	111.68	8.231	8.323	110.61	111.23	6-Dec-18	111.30	35.00	2	
FR0064	13-Aug-12	15-May-28	6.13	9.4	6.85	7.93	↑ 6.2bps	88.17	7.909	8.001	87.73	88.28	6-Dec-18	87.55	774.20	21
FR0078	27-Sep-18	15-May-29	8.25	10.4	6.93	7.94 ↑ 3.9bps	102.17	7.931	8.023	101.58	102.23	6-Dec-18	102.00	366.00	15	
FR0071	12-Sep-13	15-Mar-29	9.00	10.3	6.61	8.19 ↑ 4.4bps	105.56	8.147	8.222	105.31	105.84	6-Dec-18	106.80	140.12	13	
FR0052	20-Aug-09	15-Aug-30	10.50	11.7	6.88	8.25 ↓ -2.3bps	116.61	8.217	8.309	116.17	116.92	6-Dec-18	116.75	3.00	1	
FR0073	6-Aug-15	15-May-31	8.75	12.4	7.59	8.13 → 0.0bps	104.78	8.203	8.294	103.49	104.21	6-Dec-18	104.75	272.64	5	
FR0074	10-Nov-16	15-Aug-32	7.50	13.7	8.07	8.28 ↑ 2.8bps	93.66	8.256	8.326	93.31	93.85	6-Dec-18	94.50	131.16	9	
FR0054	22-Jul-10	15-Jul-31	9.50	12.6	7.28	8.28 ↑ 2.1bps	109.43	8.241	8.333	108.98	109.74	6-Dec-18	109.25	65.08	1	
FR0058	21-Jul-11	15-Jun-32	8.25	13.5	7.75	8.28 ↑ 0.6bps	99.80	8.285	8.377	98.98	99.71	6-Dec-18	100.75	27.00	2	
FR0065	30-Aug-12	15-May-33	6.33	14.4	8.73	8.15	↑ 5.2bps	87.16	8.116	8.208	86.74	87.44	6-Dec-18	87.00	789.98	23
FR0068	1-Aug-13	15-Mar-34	8.38	15.3	8.39	8.34 ↑ 6.1bps	100.27	8.292	8.366	100.06	100.69	6-Dec-18	100.35	1,077.45	20	
FR0072	9-Jul-15	15-May-36	8.25	17.4	9.05	8.43 ↑ 12.1bps	98.41	8.298	8.390	98.72	99.55	6-Dec-18	99.00	234.85	42	
FR0045	24-May-07	15-May-37	9.75	18.4	8.98	8.42 ↑ 0.7bps	112.29	8.462	8.554	110.99	111.91	4-Dec-18	112.10	48.08	5	
FR0075	10-Aug-17	15-May-38	7.50	19.4	9.71	8.33	↑ 7.5bps	92.10	8.233	8.325	92.11	92.94	6-Dec-18	92.20	443.55	48
FR0050	24-Jan-08	15-Jul-38	10.50	19.6	8.77	8.57 ↑ 8.6bps	118.18	8.633	8.724	116.52	117.49	5-Dec-18	119.50	23.05	4	
FR0057	21-Apr-11	15-May-41	9.50	22.4	9.66	8.59 ↑ 4.0bps	108.99	8.734	8.826	106.53	107.47	6-Dec-18	109.24	3.00	1	
FR0062	9-Feb-12	15-Apr-42	6.38	23.4	10.44	8.63 ↓ -0.4bps	77.47	8.625	8.717	76.78	77.53	6-Dec-18	77.99	1.60	1	
FR0067	18-Jul-13	15-Feb-44	8.75	25.2	9.91	8.66 ↓ -0.2bps	100.94	8.665	8.757	99.91	100.84	6-Dec-18	100.25	7.60	2	
FR0076	22-Sep-17	15-May-48	7.38	29.4	10.66	8.82 ↑ 1.2bps	84.90	8.911	9.003	83.26	84.08	6-Dec-18	88.00	0.10	1	
ORIO13	26-Oct-16	15-Oct-19	6.60	0.9	-	6.92 ↑ 1.4bps	99.74	6.892	6.984	99.68	99.76	6-Dec-18	100.10	0.69	4	
ORIO14	25-Oct-17	15-Oct-20	5.85	1.9	-	7.56 ↑ 3.4bps	97.05	7.500	7.592	96.99	97.15	6-Dec-18	97.15	9.13	7	
IFR0008	15-Apr-10	15-Mar-20	8.80	1.3	1.17	6.93 ↑ 14.6bps	102.21	6.795	6.886	102.28	102.39	5-May-14	103.65	5.00	3	
IFR0007	21-Jan-10	15-Jan-25	10.25	6.1	4.40	8.40 ↑ 0.4bps	108.65	8.442	8.533	108.02	108.48	22-Jun-18	120.96	3.00	2	
IFR0006	1-Apr-10	15-Mar-30	10.25	11.3	6.72	8.73 ↓ -0.5bps	110.77	8.721	8.812	110.12	110.81	30-Oct-18	116.97	80.00	2	
IFR0010	3-Mar-11	15-Feb-36	10.00	17.2	8.22	9.12 ↑ 0.4bps	107.54	9.026	9.118	107.56	108.40	23-Aug-17	120.00	1.01	1	
PBS013	6-Oct-16	15-May-19	6.25	0.4	0.43	6.46 ↑ 0.1bps	99.90	6.343	6.435	99.91	99.95	5-Dec-18	99.75	50.00	1	
PBS016	6-Sep-17	15-Mar-20	6.25	1.3	1.19	7.06 ↑ 0.6bps	99.02	7.008	7.100	98.97	99.08	6-Dec-18	97.19	21.00	2	
PBS006	19-Sep-13	15-Sep-20	8.25	1.8	1.60	7.18 ↑ 5.0bps	101.72	7.099	7.191	101.72	101.87	5-Dec-18	101.65	46.00	5	
PBS014	6-Oct-16	15-May-21	6.50	2.4	2.20	7.54 ↑ 0.5bps	97.72	7.393	7.485	97.83	98.03	6-Dec-18	97.15	76.00	7	
PBS002	2-Feb-12	15-Jan-22	5.45	3.1	2.72	7.76 ↑ 0.6bps	93.75	7.711	7.802	93.61	93.85	5-Dec-18	93.45	21.00	3	
PBS011	14-Jan-16	15-Aug-23	8.75	4.7	3.71	8.19 ↑ 1.7bps	102.13	8.235	8.327	101.60	101.95	3-Dec-18	102.77	4.00	2	
PBS017	11-Jan-18	15-Oct-25	6.13	6.9	5.33	8.49 ↑ 0.5bps	87.88	8.414	8.505	87.81	88.24	6-Dec-18	88.50	165.00	14	
PBS019	4-Oct-18	15-Sep-23	8.25	4.8	3.82	8.06 ↑ 0.1bps	100.72	8.035	8.126	100.46	100.82	6-Dec-18	100.60	60.00	4	
PBS003	2-Feb-12	15-Jan-27	6.00	8.1	5.97	8.46 ↓ -1.2bps	85.75	8.505	8.597	85.05	85.53	16-Oct-18	81.50	2.00	2	
PBS012	28-Jan-16	15-Nov-31	8.88	12.9	7.56	8.89 ↑ 0.1bps	99.85	8.766	8.858	100.12	100.82	6-Dec-18	109.85	73.00	11	
PBS004	16-Feb-12	15-Feb-37	6.10	18.2	9.36	9.05 → 0.0bps	73.93	8.725	8.817	75.58	76.26	28-Nov-18	76.00	0.50	1	
PBS018	4-Jun-18	15-May-28	7.63	9.4	6.50	8.56 ↑ 0.2bps	94.00	8.520	8.612	93.70	94.26					
PBS005	2-May-13	15-Apr-43	6.75	24.4	10.02	9.26 ↑ 0.1bps	75.86	8.925	9.016	77.78	78.52	4-Dec-18	77.49	30.00	3	
PBS015	21-Jul-17	15-Jul-47	8.00	28.6	9.74	9.39 → 0.0bps	86.25	9.18	9.268	87.33	88.15	4-Dec-18	84.72	140.00	3	
SR008	10-Mar-16	10-Mar-19	8.30	0.3	-	6.02 ↓ -7.2bps	100.56	6.143	6.235	100.53	100.56	6-Dec-18	99.90	1.42	6	
SR009	22-Mar-17	10-Mar-20	6.90	1.3	-	7.30 ↓ -1.6bps	99.53	7.25	7.343	99.47	99.58	6-Dec-18	99.20	17.58	12	
SR010	21-Mar-18	10-Mar-21	5.90	2.3	-	7.76										