

### HEADLINES & ANALYSIS

- Indonesia plans to almost double the sale of sovereign bonds to retail investors this year as Southeast Asia's largest economy seeks to lower its reliance on foreign funds to bridge a budget gap. The government is targeting 80 trillion rupiah (\$5.7 billion) from the sale of 10 retail securities this year, compared with 46 trillion rupiah raised last year. Loto Srinaita Ginting. The target includes private placements and will be at least 9 percent of the gross sovereign bond issuance for this year, she said. (Bloomberg)
- While China's yuan bond market grew strongly in 2018 as foreign investors anticipated inclusion of the debt in global indexes, the rest of emerging Asia languished. Yet some regional markets like India now offer higher yields than a year ago. A new Bloomberg League Table shows that Asian bond issuance shrank last year when excluding China and Japan, while another shows yuan debt sales lifted regional performance. (Bloomberg)
- Stocks were higher after swinging between gains and losses early in the session on a day that saw several members of the Fed speak. Equities dipped after Fed Chairman Jerome Powell's comments on shrinking the central bank's balance sheet. Powell also said the Fed can be patient with rate hikes. The Fed's Bullard said he was concerned about being on what he called the "precipice of a policy mistake." (Bloomberg)

### YIELD CURVE (%)

TTM	10-Jan-19	-1 Day	Change	TTM	10-Jan-19	-1 Day	Change
3 months	5.679	5.680	0.000	15 years	8.394	8.393	0.001
6 months	6.045	6.046	-0.001	16 years	8.430	8.429	0.000
1 year	6.714	6.715	-0.001	17 years	8.464	8.464	0.000
2 years	7.403	7.406	-0.003	18 years	8.497	8.497	-0.001
3 years	7.746	7.749	-0.003	19 years	8.528	8.529	-0.001
4 years	7.920	7.923	-0.003	20 years	8.557	8.559	-0.001
5 years	8.013	8.015	-0.002	21 years	8.585	8.586	-0.002
6 years	8.069	8.070	-0.001	22 years	8.610	8.612	-0.002
7 years	8.109	8.109	0.000	23 years	8.633	8.636	-0.003
8 years	8.143	8.143	0.000	24 years	8.655	8.658	-0.003
9 years	8.177	8.176	0.001	25 years	8.675	8.678	-0.003
10 years	8.211	8.210	0.001	26 years	8.693	8.697	-0.004
11 years	8.246	8.245	0.001	27 years	8.710	8.714	-0.004
12 years	8.283	8.282	0.001	28 years	8.725	8.729	-0.004
13 years	8.320	8.319	0.001	29 years	8.739	8.743	-0.004
14 years	8.357	8.356	0.001	30 years	8.751	8.756	-0.005

Source : Danareksa Sekuritas

### MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0070	8.375	15-Mar-24	101.50	8.005	3,992.75
FR0071	9.000	15-Mar-29	105.90	8.175	2,681.63
FR0059	7.000	15-May-27	93.45	8.087	2,641.08
FR0068	8.375	15-Mar-34	100.85	8.270	2,391.43
FR0078	8.250	15-May-29	102.35	7.894	1,213.18

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

### MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
SMLPPI01A	idA-(sy)	10.000	10-Oct-21	100.00	10.00	500.00
SMBEXI01BCN2	idAAA(sy)	8.750	18-Nov-19	100.00	8.75	100.00
ISATO2BCN2	idAAA	7.450	9-Nov-20	97.68	8.83	60.00
BBRI02ACN4	idAAA	6.650	21-Feb-23	93.15	8.65	60.00
WOMF02ACN4	AA-(idn)	6.850	16-Apr-19	99.37	6.89	40.00

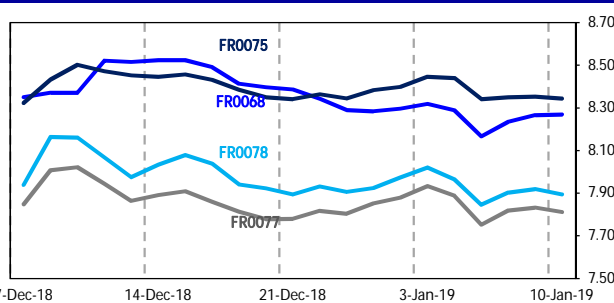
\*Current yield: Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

### SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	10-Jan-19			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	10-Jan-19			Spread over UST YC (bps)		
			-1 Mo	-3 Mo	10-Jan-19	-1 Mo	-3 Mo	-1 Mo				-3 Mo	-1 Mo	-3 Mo			
United States	2yr		2.56	2.58	2.40				Philippines	2yr	6.00	6.69	4.31	4.22	413	187	197
USD	5yr		2.56	2.77	2.65				PHP	5yr	7.88	6.84	5.46	-	428	269	-
	10yr		2.74	2.92	2.88					10yr	11.38	-	-	-	-	-	-
German	2yr	0.25	-0.59	-	-	-315	-	-	Thailand	2yr	3.13	1.74	1.45	1.45	-82	-99	-80
EUR	5yr	1.00	-0.35	-	-	-291	-	-	THB	5yr	3.45	2.16	-	-	-40	-	-
	10yr	1.75	0.26	-	-	-249	-	-		10yr	3.63	2.54	-	-	-21	-	-
Indonesia	2yr	11.63	3.34	2.81	2.54	78	37	29	India	2yr	7.59	7.03	7.31	7.19	447	487	494
USD	5yr	3.75	3.96	3.74	3.52	140	97	87	INR	5yr	7.28	-	7.73	7.81	-	496	516
	10yr	3.50	4.27	4.14	4.04	153	122	116		10yr	8.83	7.60	7.87	-	486	495	-
Brazil	2yr	0.00	7.85	8.26	8.86	529	582	661	Malaysia	3yr	3.17	3.58	3.57	3.50	104	99	110
BRL	5yr	10.00	8.45	8.87	9.28	589	643	703	MYR	5yr	3.26	3.75	-	-	119	-	-
	10yr	10.00	9.26	9.76	10.00	670	732	775		10yr	4.18	4.08	4.02	4.10	134	110	122

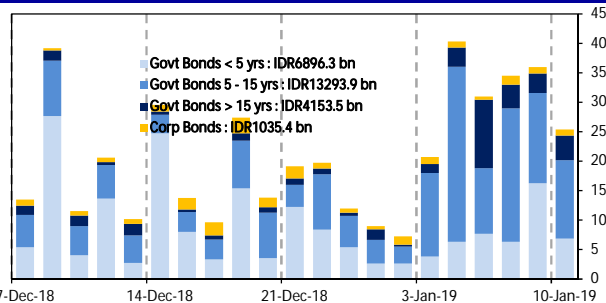
Sources: Bloomberg (Current Yield Curve), US Treasury

### 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 ↑	3.13	2.87
US (Fed Fund Rate)	2.50	19-Dec-18	25bps ↑	2.20	0.30
Euro Region	0.00	16-Mar-16	-5bps ↓	2.00	-2.00
Japan	0.10	19-Dec-08	-20bps ↓	0.80	-0.70
India (Repo Rate)	6.50	1-Aug-18	25bps ↑	4.86	1.64
Malaysia	3.25	25-Jan-18	25bps ↑	0.20	3.05
Philippines	4.75	15-Nov-18	25bps ↑	5.10	-0.35
Thailand	3.00	25-Jan-12	-25bps ↓	0.36	2.64
Singapore	0.08	31-Dec-13	5bps ↑	0.30	-0.22
Brazil	6.50	21-Mar-18	-25bps ↓	4.05	2.45

Sources: Bloomberg

### GLOBAL STOCK MARKETS

Stock Index	10-Jan-19	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (ICI)	6,329	6,272	0.90	1.73	4.15	-0.67	2.17
Dow Jones (DJIA)	24,002	23,879	0.51	5.80	-1.51	-5.39	4.07
London (FTSE 100)	6,943	6,907	0.52	3.74	2.00	-10.40	3.10
Nikkei 225	20,164	20,427	-1.29	0.74	-4.65	-15.24	0.74
Hang Seng (HIS)	26,521	26,462	0.22	5.81	2.91	-14.65	3.99
Malaysia (KLCI)	1,679	1,668	0.66	0.18	1.59	-7.90	-0.78
Philippines (PSEI)	7,985	7,920	0.83	3.97	7.17	-10.48	6.95
Thailand (SET)	1,588	1,591	-0.18	1.77	-2.82	-11.55	1.52
Singapore (STI)	3,184	3,158	0.81	5.66	4.06	-9.57	4.26
Brazil (BOVESPA)	93,806	93,613	0.21	2.45	8.55	19.96	6.73

Sources: Bloomberg & Danareksa

### CURRENCY & COMMODITY

Price	10-Jan-19	-1 Day	-1 Week	-1 Month	EoP 2018
USD/IDR	14,053	14,125	14,417	14,608	14,568
Brent	60.45	60.54	54.61	59.54	51.89
WTI Crude Oil	52.59	52.36	47.09	51.65	45.33

Sources: Bloomberg

### PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
10-Jan-19	8.09		0.04	0.34	0.40	-2.66	0.12
-1 Day	8.09	-0.5	-0.04	0.13	0.06	-2.98	0.09
-1 Week	8.13	-4.5	-0.17	-0.03	0.45	-2.28	-0.22
-1 Month	8.27	-17.9	-0.38	-1.55	0.28	-1.83	-3.01
-1 Year	6.29	180.0	-0.29	0.73	2.65	17.73	1.31

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
FR0036	20-Apr-06	15-Sep-19	11.50	0.7	0.63	6.51 <span style="color: green;">▼</span> -3.2bps	103.18	6.212 6.312	103.37 103.43	10-Jan-19	103.11	12.51	3
FR0031	16-Jun-05	15-Nov-20	11.00	1.8	1.64	7.26 <span style="color: red;">▲</span> 0.4bps	106.30	7.139 7.239	106.37 106.55	10-Jan-19	106.35	39.52	3
FR0034	26-Jan-06	15-Jun-21	12.80	2.4	2.08	7.58 <span style="color: green;">▼</span> -0.7bps	111.31	7.504 7.604	111.31 111.55	9-Jan-19	111.75	2.00	1
FR0053	8-Jul-10	15-Jul-21	8.25	2.5	2.15	7.65 <span style="color: green;">▼</span> -1.1bps	101.35	7.592 7.692	101.25 101.48	10-Jan-19	101.31	1,044.32	8
FR0061	6-Oct-11	15-May-22	7.00	3.3	2.89	7.67 <span style="color: green;">▼</span> -4.1bps	98.04	7.750 7.850	97.53 97.81	10-Jan-19	97.90	1,022.09	13
FR0035	16-Feb-06	15-Jun-22	12.90	3.4	2.79	7.95 <span style="color: red;">▲</span> 0.2bps	114.55	7.865 7.965	114.54 114.86	10-Jan-19	114.99	3.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	3.5	2.81	7.83 <span style="color: green;">▼</span> -1.3bps	107.30	7.832 7.931	106.99 107.30	9-Jan-19	107.24	400.00	1
FR0063	13-Aug-12	15-May-23	5.63	4.3	3.71	7.83 <span style="color: red;">▲</span> 0.1bps	92.03	7.786 7.885	91.81 92.15	10-Jan-19	91.85	627.81	11
<b>FR0077</b>	<b>27-Sep-18</b>	<b>15-May-24</b>	<b>8.13</b>	<b>5.3</b>	<b>4.23</b>	<b>7.81</b> <span style="color: green;">▼</span> -2.1bps	<b>101.33</b>	<b>7.751 7.850</b>	<b>101.17 101.60</b>	<b>10-Jan-19</b>	<b>101.20</b>	<b>519.92</b>	<b>18</b>
FR0046	19-Jul-07	15-Jul-23	9.50	4.5	3.50	7.98 <span style="color: green;">▼</span> -0.4bps	105.67	7.918 8.018	105.52 105.90	7-Jan-19	106.35	281.00	5
FR0039	24-Aug-06	15-Aug-23	11.75	4.6	3.46	7.99 <span style="color: green;">▼</span> 0.0bps	114.21	7.936 8.035	114.03 114.44	10-Jan-19	114.77	617.50	6
FR0070	29-Aug-13	15-Mar-24	8.38	5.2	4.04	8.01 <span style="color: green;">▼</span> -0.6bps	101.52	7.957 8.056	101.31 101.73	10-Jan-19	101.50	3,992.75	54
FR0044	19-Apr-07	15-Sep-24	10.00	5.7	4.23	7.96 <span style="color: green;">▼</span> -6.7bps	109.14	7.932 8.031	108.81 109.28	10-Jan-19	108.80	25.00	5
FR0040	21-Sep-06	15-Sep-25	11.00	6.7	4.69	8.09 <span style="color: green;">▼</span> -1.5bps	114.72	8.049 8.148	114.44 114.99	10-Jan-19	114.25	71.66	4
FR0037	18-May-06	15-Sep-26	12.00	7.7	5.10	8.13 <span style="color: green;">▼</span> -3.3bps	121.77	8.137 8.236	121.08 121.71	27-Dec-18	122.49	81.00	7
FR0056	23-Sep-10	15-Sep-26	8.38	7.7	5.46	8.13 <span style="color: green;">▼</span> 0.0bps	101.36	8.078 8.161	101.18 101.66	10-Jan-19	101.19	349.60	12
FR0059	15-Sep-11	15-May-27	7.00	8.3	6.07	8.09 <span style="color: green;">▼</span> -2.5bps	93.49	8.069 8.168	93.02 93.58	10-Jan-19	93.45	2,641.08	49
FR0042	25-Jan-07	15-Jul-27	10.25	8.5	5.56	8.17 <span style="color: green;">▼</span> -2.3bps	112.55	8.144 8.243	112.11 112.75	27-Dec-18	113.00	250.00	1
FR0047	30-Aug-07	15-Feb-28	10.00	9.1	5.89	8.18 <span style="color: red;">▲</span> -2.5bps	111.53	8.193 8.292	110.75 111.42	9-Jan-19	111.50	10.00	1
FR0064	13-Aug-12	15-May-28	6.13	9.3	6.74	8.03 <span style="color: red;">▲</span> 0.8bps	87.62	7.977 8.076	87.36 87.95	10-Jan-19	87.25	571.06	17
<b>FR0078</b>	<b>27-Sep-18</b>	<b>15-May-29</b>	<b>8.25</b>	<b>10.3</b>	<b>6.84</b>	<b>7.89</b> <span style="color: green;">▼</span> -2.6bps	<b>102.46</b>	<b>7.927 8.026</b>	<b>101.54 102.24</b>	<b>10-Jan-19</b>	<b>102.35</b>	<b>1,213.18</b>	<b>32</b>
FR0071	12-Sep-13	15-Mar-29	9.00	10.2	6.52	8.18 <span style="color: red;">▲</span> 1.7bps	105.60	8.187 8.287	104.82 105.52	10-Jan-19	105.90	2,681.63	28
FR0052	20-Aug-09	15-Aug-30	10.50	11.6	6.78	8.29 <span style="color: green;">▼</span> 0.0bps	116.23	8.231 8.330	115.92 116.73	10-Jan-19	116.22	17.24	3
FR0073	6-Aug-15	15-May-31	8.75	12.3	7.46	8.31 <span style="color: green;">▼</span> -0.4bps	103.35	8.280 8.379	102.80 103.57	10-Jan-19	103.49	5.27	4
FR0074	10-Nov-16	15-Aug-32	7.50	13.6	7.96	8.35 <span style="color: red;">▲</span> 0.2bps	93.16	8.322 8.421	92.61 93.37	10-Jan-19	96.10	47.29	8
FR0054	22-Jul-10	15-Jul-31	9.50	12.5	7.17	8.34 <span style="color: red;">▲</span> 7.2bps	108.92	8.288 8.387	108.52 109.33	9-Jan-19	108.65	222.50	4
FR0058	21-Jul-11	15-Jun-32	8.25	13.4	7.96	8.36 <span style="color: red;">▲</span> 0.1bps	99.11	8.337 8.436	98.51 99.30	10-Jan-19	96.50	14.67	7
FR0065	30-Aug-12	15-May-33	6.63	14.3	8.59	8.32 <span style="color: red;">▲</span> 2.3bps	85.95	8.198 8.297	86.11 86.86	10-Jan-19	86.60	237.05	14
<b>FR0068</b>	<b>1-Aug-13</b>	<b>15-Mar-34</b>	<b>8.38</b>	<b>15.2</b>	<b>8.32</b>	<b>8.27</b> <span style="color: red;">▲</span> 0.3bps	<b>100.88</b>	<b>8.318 8.417</b>	<b>99.62 100.47</b>	<b>10-Jan-19</b>	<b>100.85</b>	<b>2,391.43</b>	<b>27</b>
FR0072	9-Jul-15	15-May-36	8.25	17.3	8.98	8.37 <span style="color: green;">▼</span> -0.7bps	98.91	8.371 8.470	98.00 98.88	10-Jan-19	99.00	209.93	46
FR0045	24-May-07	15-May-37	9.75	18.3	8.85	8.50 <span style="color: green;">▼</span> 0.0bps	111.50	8.505 8.604	110.46 111.44	9-Jan-19	111.98	40.25	4
FR0075	10-Aug-17	15-May-38	7.50	19.3	9.61	8.34 <span style="color: green;">▼</span> -1.0bps	91.95	8.337 8.436	91.13 92.02	10-Jan-19	94.35	514.00	71
FR0050	24-Jan-08	15-Jul-38	10.50	19.5	8.68	8.58 <span style="color: green;">▼</span> -5.3bps	118.04	8.543 8.642	117.37 118.43	9-Jan-19	117.25	0.21	1
<b>FR0079</b>	<b>7-Jan-19</b>	<b>15-Apr-39</b>	<b>8.38</b>	<b>20.3</b>	<b>9.52</b>	<b>8.32</b> <span style="color: red;">▲</span> 0.5bps	<b>100.50</b>			<b>10-Jan-19</b>	<b>102.50</b>	<b>720.57</b>	<b>55</b>
FR0057	21-Apr-11	15-May-41	9.50	22.3	9.54	8.64 <span style="color: green;">▼</span> -0.5bps	108.46	8.589 8.689	107.92 108.96	9-Jan-19	108.24	12.00	2
FR0062	9-Feb-12	15-Apr-42	6.38	23.3	10.32	8.68 <span style="color: red;">▲</span> 0.1bps	77.12	8.603 8.703	76.92 77.73	10-Jan-19	77.00	0.40	1
FR0067	18-Jul-13	15-Feb-44	8.75	25.1	9.81	8.67 <span style="color: green;">▼</span> 0.0bps	100.85	8.578 8.677	100.73 101.75	10-Jan-19	97.00	0.93	2
FR0076	22-Sep-17	15-May-48	7.38	29.3	10.48	8.93 <span style="color: green;">▼</span> 0.0bps	83.90	8.838 8.937	83.85 84.74	10-Jan-19	84.50	5.10	3
ORIO13	26-Oct-16	15-Oct-19	6.60	0.8	-	6.95 <span style="color: green;">▼</span> -3.7bps	99.74	6.878 6.977	99.72 99.79	10-Jan-19	100.10	1.40	4
ORIO14	25-Oct-17	15-Oct-20	5.85	1.8	-	7.61 <span style="color: red;">▲</span> 0.8bps	97.11	7.505 7.604	97.11 97.27	10-Jan-19	98.00	101.41	5
IFR0008	15-Apr-10	15-Mar-20	8.80	1.2	1.08	6.97 <span style="color: green;">▼</span> -0.1bps	102.00	6.882 6.982	102.00 102.12	28-Dec-18	85.98	85.00	1
IFR0007	21-Jan-10	15-Jan-25	10.25	6.0	4.31	8.38 <span style="color: green;">▼</span> -0.5bps	108.69	8.306 8.405	108.57 109.06	28-Dec-18	92.37	354.61	2
IFR0006	1-Apr-10	15-Mar-30	10.25	11.2	6.63	8.73 <span style="color: red;">▲</span> 0.3bps	110.67	8.687 8.786	110.26 111.01	28-Dec-18	96.62	299.90	1
IFR0010	3-Mar-11	15-Feb-36	10.00	17.1	8.12	9.13 <span style="color: red;">▲</span> 0.3bps	107.46	9.075 9.175	107.04 107.94	23-Aug-17	120.00	1.01	1
PBS013	6-Oct-16	15-May-19	6.25	0.3	0.34	5.94 <span style="color: green;">▼</span> -1.5bps	100.08	6.304 6.403	99.93 99.96	10-Jan-19	99.75	137.00	3
PBS016	6-Sep-17	15-Mar-20	6.25	1.2	1.09	7.03 <span style="color: green;">▼</span> 0.0bps	99.13	7.164 7.263	98.86 98.97	10-Jan-19	99.40	344.00	12
PBS006	19-Sep-13	15-Sep-20	8.25	1.7	1.51	7.03 <span style="color: green;">▼</span> -14.8bps	101.87	7.226 7.325	101.42 101.57	10-Jan-19	101.30	165.24	7
PBS014	6-Oct-16	15-May-21	6.50	2.3	2.11	7.51 <span style="color: green;">▼</span> 0.0bps	97.86	7.115 7.214	98.47 98.68	10-Jan-19	97.17	82.00	2
PBS002	2-Feb-12	15-Jan-22	5.45	2.0	2.63	7.97 <span style="color: red;">▲</span> 0.7bps	93.38	7.840 7.939	93.44 93.69	10-Jan-19	93.15	40.00	4
PBS011	14-Jan-16	15-Aug-23	8.75	4.6	3.62	8.09 <span style="color: green;">▼</span> -2.7bps	102.50	8.083 8.182	102.13 102.51	10-Jan-19	102.55	32.33	5
PBS017	11-Jan-18	15-Oct-25	6.13	6.8	5.24	8.42 <span style="color: red;">▲</span> 0.2bps	88.37	8.341 8.440	88.24 88.71	7-Jan-19	88.45	21.00	7
PBS019	4-Oct-18	15-Sep-23	8.25	4.7	3.72	8.13 <span style="color: green;">▼</span> 0.0bps	100.45	8.019 8.118	100.49 100.87	10-Jan-19	101.03	332.00	10
PBS003	2-Feb-12	15-Jan-27	6.00	8.0	5.88	8.45 <span style="color: green;">▼</span> -0.2bps	85.96	8.389 8.488	85.74 86.26	28-Dec-18	77.08	10.00	1
PBS012	28-Jan-16	15-Nov-31	8.88	12.8	7.50	8.78 <span style="color: red;">▲</span> 0.1bps	100.72	8.763 8.863	100.07 100.83	10-Jan-19	101.00	90.32	9
PBS004	16-Feb-12	15-Feb-37	6.10	18.1	9.28	9.03 <span style="color: red;">▲</span> 0.1bps	74.14	8.969 9.069	73.83 74.54	9-Jan-19	76.19	34.00	2
PBS018	4-Jun-18	15-May-28	7.63	9.3	6.41	8.56 <span style="color: red;">▲</span> 0.1bps	94.03						
PBS005	2-May-13	15-Apr-43	6.75	24.3	9.92	9.27 <span style="color: green;">▼</span> 0.0bps	75.80	9.161 9.261	75.89 76.66	9-Jan-19	77.94	74.00	2
PBS015	21-Jul-17	15-Jul-47	8.00	28.5	9.66	9.38 <span style="color: red;">▲</span> 0.1bps	86.33			10-Jan-19	86.31	144.00	2
SR008	10-Mar-16	10-Mar-19	8.30	0.2	-	5.63 <span style="color: green;">▼</span> -29.6bps	100.41	5.651 5.750	100.42 100.44	10-Jan-19	99.70	191.05	8
SR009	22-Mar-17	10-Mar-20	6.90	1.2	-	7.24 <span style="color: red;">▲</span> 0.3bps	99.63	7.24 7.343	99.51 99.62	10-Jan-19	98.60	38.94	25
SR010	21-Mar-18	10-Mar-21	5.90	2.2	-	7.76 <span style="color: red;">▲</span> 0.7bps	96.32	7.693 7.792	96.24 96.43	10-Jan-19	95.00	14.62	16

\*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

