

HEADLINES & ANALYSIS

- China has more room for monetary policy adjustment this year due to changes in the internal and external environment, according to the Economic Information Daily, citing unidentified experts. The central bank will continue to work on guiding interest rates lower and reducing corporate financing costs. (Bloomberg)
- The euro gained for a third day, headed for the longest run of gains this month, amid optimism about a possible breakthrough in U.S.-China trade talks. The Bloomberg Dollar Spot Index swung between gains and losses. The yen trades lower versus all Group-of-10 peers after U.S. President Donald Trump says on the weekend that "big progress" is being made toward a trade deal. (Bloomberg)
- China's State Council unveiled a sweeping plan to link Hong Kong and Macau with cities in southern China to create a so-called Greater Bay Area, aiming to make it a high-tech megalopolis to rival California's Silicon Valley. The plan, issued by Xinhua News Agency late Monday, said the government will seek to turn the area into a leading global innovation hub, boost infrastructure connectivity between cities, strengthen Hong Kong's role as an international center of finance, shipping and trade as well as the center for the offshore yuan business. (Bloomberg)

YIELD CURVE (%)

TTM	18-Feb-19	-1 Day	Change	TTM	18-Feb-19	-1 Day	Change
3 months	5.622	5.596	0.026	15 years	8.340	8.306	0.034
6 months	5.941	5.903	0.038	16 years	8.371	8.342	0.029
1 year	6.541	6.498	0.043	17 years	8.400	8.376	0.024
2 years	7.177	7.160	0.017	18 years	8.427	8.410	0.017
3 years	7.521	7.533	-0.011	19 years	8.452	8.441	0.010
4 years	7.719	7.745	-0.026	20 years	8.474	8.472	0.003
5 years	7.843	7.871	-0.027	21 years	8.495	8.500	-0.005
6 years	7.930	7.950	-0.020	22 years	8.514	8.527	-0.013
7 years	7.997	8.005	-0.009	23 years	8.531	8.551	-0.020
8 years	8.053	8.049	0.004	24 years	8.547	8.574	-0.028
9 years	8.103	8.088	0.015	25 years	8.561	8.596	-0.035
10 years	8.149	8.124	0.025	26 years	8.574	8.615	-0.041
11 years	8.192	8.160	0.032	27 years	8.586	8.633	-0.048
12 years	8.233	8.197	0.036	28 years	8.596	8.650	-0.054
13 years	8.271	8.233	0.037	29 years	8.606	8.665	-0.059
14 years	8.307	8.270	0.037	30 years	8.615	8.679	-0.064

Source: Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0077	8.125	15-May-24	101.50	7.779	1,842.68
FR0078	8.250	15-May-29	102.00	7.973	1,588.79
FR0075	7.500	15-May-38	92.50	8.367	1,298.12
FR0069	7.875	15-Apr-19	100.19	6.266	881.00
FR0068	8.375	15-Mar-34	101.10	8.251	658.33

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
BEXI03ACN5	idAAA	7.600	15-Aug-20	98.50	8.68	310.00
SIEXCLO2ACN2	idAA+(sy)	7.900	18-Feb-20	100.00	7.90	216.00
ADMFO4ACN3	idAAA	7.500	26-Aug-19	99.93	7.51	214.00
SMLPPI01B	idA-(sy)	11.000	10-Oct-23	100.00	11.00	200.00
BEXI04CCN1	idAAA	8.300	6-Jun-25	96.00	9.14	60.00

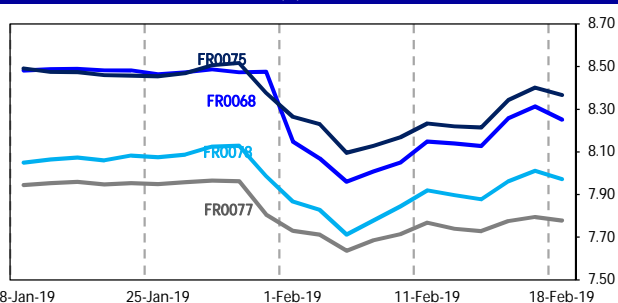
*Current yield: Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	18-Feb-19			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	18-Feb-19			Spread over UST YC (bps)		
			18-Feb-19	-1 Mo	-3 Mo	18-Feb-19	-1 Mo	-3 Mo				18-Feb-19	-1 Mo	-3 Mo			
United States	2yr		2.52	2.58	2.40				Philippines	2yr	6.00	6.04	4.31	4.22	352	187	197
USD	5yr		2.49	2.77	2.65				PHP	5yr	7.88	6.07	5.41	-	358	264	-
	10yr		2.66	2.92	2.88					10yr	11.38	6.41	-	-	375	-	-
German	2yr	0.25	-0.57	-	-	-309	-	-	Thailand	2yr	3.13	1.84	1.65	1.67	-68	-79	-58
EUR	5yr	1.00	-0.35	-	-	-284	-	-	THB	5yr	3.45	2.18	-	-	-31	-	-
	10yr	1.75	0.11	-	-	-255	-	-		10yr	3.63	2.46	-	-	-20	-	-
Indonesia	2yr	11.63	2.00	2.81	2.54	-52	37	29	India	2yr	7.59	6.70	-	-	418	-	-
USD	5yr	3.75	3.65	3.74	3.52	116	97	87	INR	5yr	7.28	7.05	-	-	456	-	-
	10yr	3.50	4.15	4.14	4.04	149	122	116		10yr	8.83	7.37	-	-	471	-	-
Brazil	2yr	0.00	7.40	8.26	8.86	488	582	661	Malaysia	3yr	3.17	3.58	3.57	3.50	108	99	110
BRL	5yr	10.00	8.10	8.87	9.28	558	643	703	MYR	5yr	3.26	3.74	-	-	125	-	-
	10yr	10.00	8.93	9.76	10.00	641	732	775		10yr	4.18	-	-	-	-	-	-

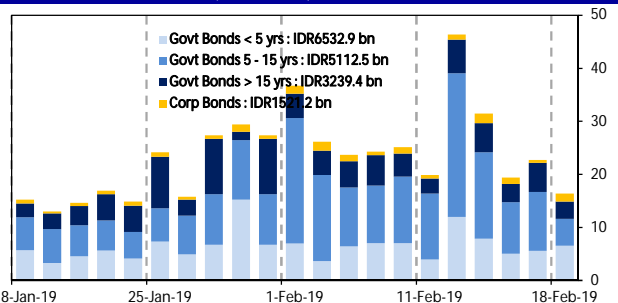
Sources: Bloomberg (Current Yield Curve), US Treasury

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 ↑	2.82	3.18
US (Fed Fund Rate)	2.50	19-Dec-18	25bps ↑	1.60	0.90
Euro Region	0.00	16-Mar-16	-5bps ↓	1.70	-1.70
Japan	0.10	19-Dec-08	-20bps ↓	0.30	-0.20
India (Repo Rate)	6.25	7-Feb-19	-25bps ↓	5.24	1.01
Malaysia	3.25	25-Jan-18	25bps ↑	0.20	3.05
Philippines	4.75	15-Nov-18	25bps ↑	4.40	0.35
Thailand	3.00	25-Jan-12	-25bps ↓	0.27	2.73
Singapore	0.08	31-Dec-13	5bps ↑	0.50	-0.42
Brazil	6.50	21-Mar-18	-25bps ↓	3.78	2.72

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	18-Feb-19	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YtD
Indonesia (JCI)	6,498 ↑	6,389	1.70	0.04	0.77	-1.42	4.90
Dow Jones (DJIA)	25,883 →	25,883	0.00	3.31	4.76	2.63	12.23
London (FTSE 100)	7,219 ↓	7,237	-0.24	1.27	3.60	-1.03	7.21
Nikkei 225	21,282 ↑	20,901	1.82	4.67	2.98	-2.02	6.33
Hang Seng (HIS)	28,347 ↑	27,901	1.60	0.72	4.64	-8.90	11.15
Malaysia (KLCI)	1,693 ↑	1,689	0.23	0.25	0.03	-7.92	0.04
Philippines (PSEI)	7,911 ↑	7,909	0.02	-1.87	-1.70	-8.15	5.95
Thailand (SET)	1,636 ↓	1,637	-0.08	-0.14	3.28	-9.42	4.59
Singapore (STI)	3,266 ↑	3,240	0.81	1.86	1.29	-5.16	6.96
Brazil (BOVESPA)	96,510 ↓	97,526	-1.04	2.22	0.43	14.18	9.81

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	18-Feb-19	-1 Day	-1 Week	-1 Month	EoP 2018
USD/IDR	14,107 ↓	14,154	14,034	14,178	14,568
Brent	65.99 ↓	66.01	61.46	62.07	51.89
WTI Crude Oil	55.59 →	55.59	52.41	53.8	45.33

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
18-Feb-19	7.98		0.14	-0.23	1.71	-0.68	1.40
-1 Day	8.00	↓ -1.4	-0.17	-0.63	1.51	-0.82	1.26
-1 Week	7.93	↑ 5.7	-0.25	0.50	1.54	-0.75	1.63
-1 Month	8.17	↓ -19.1	0.03	-0.35	0.74	-3.78	-0.35
-1 Year	6.46	↑ 152.0	-0.11	-0.36	-1.42	15.10	0.57

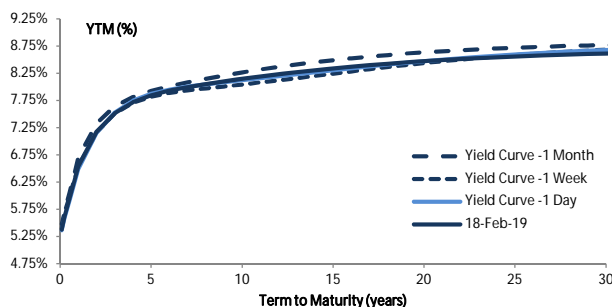
Sources: Danareksa

VALUATIONS OF GOVERNMENT BONDS

Bond	Issue Date	Mature Date	Coupon	TTM	Modified Duration	YTM (Change)	Prev Closing Price	Fair Yield Range	Fair Price Range	Date	Last Trade Price	Vol (IDR bn)	Freq
FR0036	20-Apr-06	15-Sep-19	11.50	0.6	0.53	6.05 → 0.0bps	102.98	6.144 6.197	102.91 102.94	18-Feb-19	103.50	0.15	1
FR0031	16-Jun-05	15-Nov-20	11.00	1.7	1.54	7.04 ↑ 2.7bps	106.33	6.982 7.034	106.36 106.45	18-Feb-19	106.25	3.00	1
FR0034	26-Jan-06	15-Jun-21	12.80	2.3	1.98	7.29 ↓ -1.3bps	111.53	7.297 7.349	111.41 111.53	18-Feb-19	111.30	12.00	2
FR0053	8-Jul-10	15-Jul-21	8.25	2.4	2.14	7.35 ↑ 0.7bps	101.93	7.330 7.383	101.87 101.98	18-Feb-19	102.00	594.89	14
FR0061	6-Oct-11	15-May-22	7.00	3.2	2.80	7.41 ↓ -3.7bps	98.82	7.427 7.480	98.63 98.77	18-Feb-19	99.00	216.90	10
FR0035	16-Feb-06	15-Jun-22	12.90	3.3	2.69	7.54 ↓ -6.0bps	115.44	7.566 7.619	115.22 115.38	12-Feb-19	116.00	10.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	3.4	2.85	7.53 ↓ -0.2bps	108.01	7.557 7.610	107.78 107.94	8-Feb-19	107.75	50.00	1
FR0063	13-Aug-12	15-May-23	5.63	4.2	3.62	7.63 ↓ -2.8bps	92.87	7.618 7.670	92.71 92.88	18-Feb-19	93.00	259.51	14
FR0077	27-Sep-18	15-May-24	8.13	5.2	4.13	7.78	101.45	7.746 7.799	101.36 101.59	18-Feb-19	101.50	1,842.68	40
FR0046	19-Jul-07	15-Jul-23	9.50	4.4	3.56	7.69 ↓ -2.1bps	106.64	7.677 7.729	106.49 106.70	18-Feb-19	106.24	1.57	2
FR0039	24-Aug-06	15-Aug-23	11.75	4.5	3.54	7.79 ↓ -2.3bps	114.77	7.766 7.818	114.65 114.87	18-Feb-19	114.66	3.90	1
FR0070	29-Aug-13	15-Mar-24	8.38	5.1	3.94	7.89 ↓ -1.3bps	101.98	7.829 7.882	102.02 102.24	18-Feb-19	102.75	181.71	12
FR0044	19-Apr-07	15-Sep-24	10.00	5.6	4.13	7.87 ↑ 2.5bps	109.43	7.838 7.891	109.35 109.59	13-Feb-19	109.25	30.00	2
FR0040	21-Sep-06	15-Sep-25	11.00	6.6	4.60	7.95 ↓ -0.3bps	115.36	8.011 8.063	114.74 115.03	18-Feb-19	115.00	1.11	2
FR0037	18-May-06	15-Sep-26	12.00	7.6	5.00	8.08 ↑ 5.1bps	121.83	8.088 8.140	121.48 121.82	18-Feb-19	126.50	40.00	2
FR0056	23-Sep-10	15-Sep-26	8.38	7.6	5.36	8.03 ↓ -1.5bps	101.91	8.044 8.096	101.55 101.84	18-Feb-19	102.00	41.90	6
FR0059	15-Sep-11	15-May-27	7.00	8.2	5.96	8.09 ↓ -3.4bps	93.55	8.043 8.095	93.49 93.79	18-Feb-19	93.65	349.49	22
FR0042	25-Jan-07	15-Jul-27	10.25	8.4	5.71	8.13 ↓ -0.9bps	112.73	8.103 8.156	112.55 112.89	15-Feb-19	112.10	310.00	6
FR0047	30-Aug-07	15-Feb-28	10.00	9.0	6.05	8.13 ↓ -18.0bps	111.74	8.255 8.308	110.57 110.92	15-Feb-19	110.75	23.90	2
FR0064	13-Aug-12	15-May-28	6.13	9.2	6.64	8.02 → 0.0bps	87.76	7.993 8.046	87.63 87.94	18-Feb-19	88.13	420.60	13
FR0078	27-Sep-18	15-May-29	8.25	10.2	6.72	7.97	101.90	7.931 7.983	101.82 102.19	18-Feb-19	102.00	1,588.79	84
FR0071	12-Sep-13	15-Mar-29	9.00	10.1	6.43	8.09 ↑ 1.1bps	106.20	8.069 8.121	105.95 106.33	18-Feb-19	106.20	4.81	2
FR0052	20-Aug-09	15-Aug-30	10.50	11.5	7.00	8.19 ↑ 4.0bps	117.02	8.174 8.227	116.69 117.12	18-Feb-19	118.00	3.00	1
FR0073	6-Aug-15	15-May-31	8.75	12.2	7.37	8.23 ↑ 0.9bps	103.94	8.246 8.299	103.41 103.82	18-Feb-19	102.25	131.62	6
FR0074	10-Nov-16	15-Aug-32	7.50	13.5	8.19	8.30 ↓ -3.4bps	93.59	8.302 8.355	93.16 93.56	18-Feb-19	92.50	18.31	6
FR0054	22-Jul-10	15-Jul-31	9.50	12.4	7.40	8.26 ↓ -3.2bps	109.50	8.276 8.328	108.94 109.37	18-Feb-19	109.50	10.00	2
FR0058	21-Jul-11	15-Jun-32	8.25	13.3	7.87	8.29 ↓ -5.9bps	99.64	8.295 8.348	99.20 99.62	18-Feb-19	100.50	85.70	11
FR0065	30-Aug-12	15-May-33	6.63	14.2	8.49	8.32 ↑ 11.6bps	86.04	8.280 8.333	85.90 86.29	18-Feb-19	87.00	127.58	28
FR0068	1-Aug-13	15-Mar-34	8.38	15.1	8.22	8.25	101.05	8.231 8.284	100.77 101.22	18-Feb-19	101.10	658.33	44
FR0072	9-Jul-15	15-May-36	8.25	17.2	8.91	8.29 ↓ -0.3bps	99.66	8.248 8.301	99.52 100.00	18-Feb-19	100.25	479.82	55
FR0045	24-May-07	15-May-37	9.75	18.2	8.73	8.54 ↓ -0.8bps	111.04	8.379 8.432	112.14 112.67	13-Feb-19	114.50	1.00	1
FR0075	10-Aug-17	15-May-38	7.50	19.2	9.49	8.37 ↓ -3.5bps	91.76	8.254 8.307	92.30 92.77	18-Feb-19	92.50	1,298.12	109
FR0050	24-Jan-08	15-Jul-38	10.50	19.4	9.01	8.46 ↓ -15.8bps	119.26	8.457 8.510	118.73 119.30	18-Feb-19	119.00	0.51	1
FR0079	7-Jan-19	15-Apr-39	8.38	20.2	9.39	8.37	100.00			18-Feb-19	100.25	223.04	64
FR0057	21-Apr-11	15-May-41	9.50	22.2	9.47	8.57 ↓ -2.6bps	109.13	8.485 8.537	109.50 110.06	14-Feb-19	108.00	0.50	1
FR0062	9-Feb-12	15-Apr-42	6.38	23.2	10.28	8.57 ↑ 0.2bps	78.06	8.529 8.582	77.95 78.38	18-Feb-19	77.50	0.15	1
FR0067	18-Jul-13	15-Feb-44	8.75	25.0	10.16	8.62 ↑ 0.2bps	101.31	8.536 8.588	101.65 102.20	18-Feb-19	101.47	80.00	2
FR0076	22-Sep-17	15-May-48	7.38	29.2	10.63	8.62 ↑ 0.6bps	86.73	8.674 8.727	85.77 86.26	18-Feb-19	88.90	89.30	10
ORIO13	26-Oct-16	15-Oct-19	6.60	0.7	-	6.83 ↑ 4.2bps	99.86	6.664 6.717	99.92 99.96	18-Feb-19	99.90	134.69	21
ORIO14	25-Oct-17	15-Oct-20	5.85	1.7	-	7.42 ↑ 0.3bps	97.57	7.383 7.436	97.53 97.61	18-Feb-19	97.72	273.57	21
IFR0008	15-Apr-10	15-Mar-20	8.80	1.1	0.97	6.77 ↓ -3.4bps	102.04	6.696 6.749	102.07 102.13	28-Dec-18	85.98	85.00	1
IFR0007	21-Jan-10	15-Jan-25	10.25	5.9	4.41	8.31 ↓ -6.5bps	108.90	8.264 8.317	108.86 109.12	28-Dec-18	92.37	354.61	2
IFR0006	1-Apr-10	15-Mar-30	10.25	11.1	6.52	8.75 ↓ -1.1bps	110.51	8.691 8.744	110.53 110.93	28-Dec-18	96.62	299.90	1
IFR0010	3-Mar-11	15-Feb-36	10.00	17.0	8.50	8.83 → 0.0bps	110.17	8.917 8.970	108.90 109.38	23-Aug-17	120.00	1.01	1
PBS013	6-Oct-16	15-May-19	6.25	0.2	0.23	6.50 ↓ -5.6bps	99.92	6.528 6.581	99.90 99.91	18-Feb-19	99.86	140.00	4
PBS016	6-Sep-17	15-Mar-20	6.25	1.1	0.99	7.24 ↑ 5.7bps	99.00	7.018 7.071	99.16 99.22	18-Feb-19	99.03	182.00	5
PBS006	19-Sep-13	15-Sep-20	8.25	1.6	1.41	6.70 ↓ -5.3bps	102.26	6.746 6.798	102.12 102.20	15-Feb-19	101.25	10.00	1
PBS014	6-Oct-16	15-May-21	6.50	2.2	2.01	7.61 ↓ -1.5bps	97.76	7.267 7.319	98.32 98.43	18-Feb-19	97.70	250.00	3
PBS002	2-Feb-12	15-Jan-22	5.45	2.9	2.60	7.86 ↑ 0.1bps	93.85	7.735 7.788	94.01 94.14	17-Jan-19	93.40	18.60	2
PBS011	14-Jan-16	15-Aug-23	8.75	4.5	3.68	7.81 ↓ -4.2bps	103.50	7.862 7.915	103.11 103.30	7-Feb-19	103.03	12.00	2
PBS017	11-Jan-18	15-Oct-25	6.13	6.7	5.14	8.40 → 0.0bps	88.57	8.345 8.398	88.58 88.82	17-Jan-19	88.04	14.00	2
PBS019	4-Oct-18	15-Sep-23	8.25	4.6	3.63	8.01 ↓ -16.9bps	100.90	7.972 8.025	100.84 101.04	8-Feb-19	101.51	0.72	1
PBS003	2-Feb-12	15-Jan-27	6.00	7.9	5.98	8.48 ↓ -4.9bps	85.94	8.397 8.450	86.07 86.34	28-Dec-18	77.08	10.00	1
PBS012	28-Jan-16	15-Nov-31	8.88	12.7	7.37	8.90 ↑ 0.8bps	99.78	8.824 8.877	99.96 100.36	18-Feb-19	101.00	0.20	1
PBS004	16-Feb-12	15-Feb-37	6.10	18.0	9.56	9.02 ↑ 2.0bps	74.25	8.927 8.979	74.54 74.91	16-Jan-19	75.53	9.03	3
PBS018	4-Jun-18	15-May-28	7.63	9.2	6.30	8.55 → 0.0bps	94.14						
PBS005	2-May-13	15-Apr-43	6.75	24.2	9.85	9.23 ↓ -0.1bps	76.17	9.129 9.182	76.53 76.94	16-Jan-19	77.72	17.00	2
PBS015	21-Jul-17	15-Jul-47	8.00	28.4	10.00	9.39 ↑ 0.2bps	86.27						
SR008	10-Mar-16	10-Mar-19	8.30	0.1	-	6.64 ↓ -1.7bps	100.09	6.443 6.496	100.11 100.11	18-Feb-19	100.10	26.34	13
SR009	22-Mar-17	10-Mar-20	6.90	1.1	-	7.03 ↑ 3.5bps	99.87	6.96 7.016	99.88 99.93	18-Feb-19	99.25	51.21	17
SR010	21-Mar-18	10-Mar-21	5.90	2.1	-	7.52 ↑ 4.0bps	96.93	7.496 7.549	96.86 96.96	18-Feb-19	96.00	7.84	12

*Val: Valuation based on ENVS Yield Curve; MDur (Modified Duration) is in year; Coupon, Price, & Yield are in % Source: Bloomberg, Danareksa Sekuritas, IDX (Last Trade)

YIELD CURVE MOVEMENT

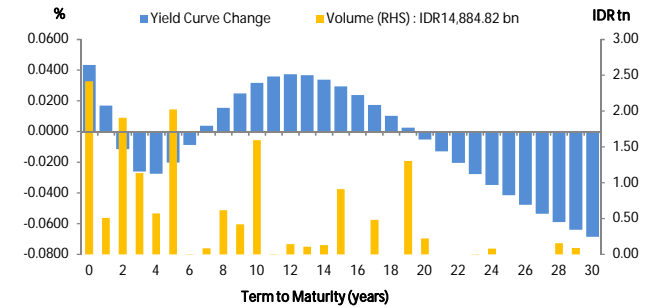


Source: Danareksa Sekuritas

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