

HEADLINES & ANALYSIS

- Wednesday's release of minutes from the FOMC's January meeting has the potential to send one of the most widely-followed parts of the Treasury yield curve hurtling toward inversion within a matter of weeks. That's the view of BMO strategist Jon Hill, who says that the gap between 2-and 10-year notes -- which bottomed out at 9.1bps in December and currently stands at about 14.3bps-- could resume its narrowing trend should the minutes tilt either of two ways: The Federal Reserve signals that another interest-rate increase may be on the horizon even without clear signs of longer-run U.S. economic improvement, or if policy makers saw the risks of a recession as greater than they've let on while reaffirming a preference for keeping the fed funds target rate unchanged. (Bloomberg)
- Govt to change basis of calculation for deemed dividend tax on non-listed foreign companies, according to Tax Director General Robert Pakpahan. New calculation to be based on certain revenues after tax, such as income in form of dividend, interest, rent, royalty, income from sale or asset transfer. (Bloomberg)

YIELD CURVE (%)

TTM	19-Feb-19	-1 Day	Change	TTM	19-Feb-19	-1 Day	Change
3 months	5.622	5.622	0.000	15 years	8.339	8.340	-0.001
6 months	5.942	5.941	0.000	16 years	8.371	8.371	-0.001
1 year	6.541	6.541	0.000	17 years	8.399	8.400	-0.001
2 years	7.177	7.177	0.000	18 years	8.426	8.427	-0.001
3 years	7.521	7.521	0.000	19 years	8.451	8.452	-0.001
4 years	7.719	7.719	-0.001	20 years	8.473	8.474	-0.001
5 years	7.843	7.843	-0.001	21 years	8.494	8.495	-0.001
6 years	7.929	7.930	-0.001	22 years	8.513	8.514	-0.001
7 years	7.996	7.997	-0.001	23 years	8.530	8.531	-0.001
8 years	8.052	8.053	-0.001	24 years	8.546	8.547	-0.001
9 years	8.102	8.103	-0.001	25 years	8.560	8.561	-0.001
10 years	8.148	8.149	-0.001	26 years	8.573	8.574	-0.001
11 years	8.191	8.192	-0.001	27 years	8.585	8.586	-0.001
12 years	8.232	8.233	-0.001	28 years	8.596	8.596	-0.001
13 years	8.270	8.271	-0.001	29 years	8.605	8.606	-0.001
14 years	8.306	8.307	-0.001	30 years	8.614	8.615	-0.001

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0077	8.125	15-May-24	101.60	7.760	1,365.40
PBS014	6.500	15-May-21	97.53	7.612	1,120.32
FR0059	7.000	15-May-27	93.55	8.069	753.54
FR0078	8.250	15-May-29	102.10	7.965	642.10
FR0079	8.375	15-Apr-39	100.40	8.353	498.31

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
SMLPPI01B	idA-(sy)	11.000	10-Oct-23	100.00	11.00	200.00
EXCL01ACN2	idAAA+	7.900	18-Feb-20	99.99	7.90	190.00
SIEXCL02ACN2	idAA+(sy)	7.900	18-Feb-20	100.04	7.90	159.00
BEXI04CCN1	idAAA	8.300	6-Jun-25	96.05	9.13	140.00
BBKP02SBCN2	idA-	11.000	28-Feb-24	96.00	12.07	76.00

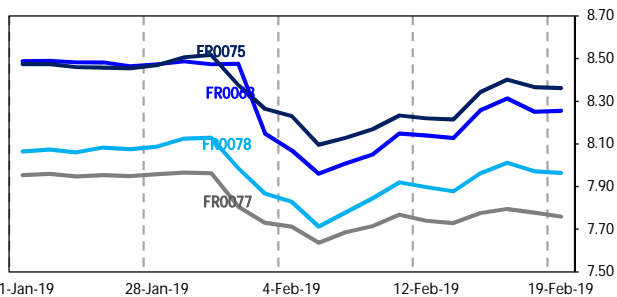
*Current yield: Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	19-Feb-19	-1 Mo	-3 Mo	Spread over UST YC (bps)	Country	Tenor	Coupon (%)	19-Feb-19	-1 Mo	-3 Mo	Spread over UST YC (bps)				
						19-Feb-19							19-Feb-19	-1 Mo	-3 Mo		
United States	2yr		2.50	2.58	2.40		Philippines	2yr	6.00	6.11	4.31	4.22	361	187	197		
USD	5yr		2.47	2.77	2.65		PHP	5yr	7.88	6.15	5.41	-	368	264	-		
	10yr		2.65	2.92	2.88			10yr	11.38	6.40	-	-	375	-	-		
German	2yr	0.25	-0.57	-	-	-307	-	Thailand	2yr	3.13	1.84	1.65	1.67	-66	-79	-58	
EUR	5yr	1.00	-0.35	-	-	-282	-	THB	5yr	3.45	2.18	-	-	-29	-	-	
	10yr	1.75	0.11	-	-	-255	-		10yr	3.63	2.46	-	-	-19	-	-	
Indonesia	2yr	11.63	2.77	2.81	2.54	27	37	29	India	2yr	7.59	6.70	-	-	420	-	-
USD	5yr	3.75	3.63	3.74	3.52	116	97	87	INR	5yr	7.28	7.05	-	-	458	-	-
	10yr	3.50	4.12	4.14	4.04	147	122	116		10yr	8.83	7.37	-	-	472	-	-
Brazil	2yr	0.00	7.40	8.26	8.86	490	582	661	Malaysia	3yr	3.17	3.57	3.57	3.50	110	99	110
BRL	5yr	10.00	8.07	8.87	9.28	557	643	703	MYR	5yr	3.26	3.74	-	-	127	-	-
	10yr	10.00	8.89	9.76	10.00	639	732	775		10yr	4.18	3.90	-	-	125	-	-

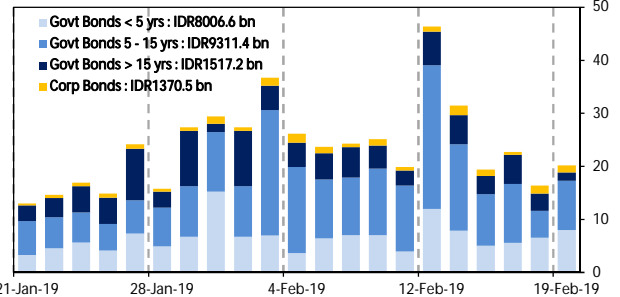
Sources: Bloomberg (Current Yield Curve), US Treasury

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	19-Feb-19	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,495 ↓	6,498	-0.05	1.06	0.72	-2.91	4.85
Dow Jones (DJIA)	25,891 ↑	25,883	0.03	1.83	4.80	2.66	12.27
London (FTSE 100)	7,179 ↓	7,219	-0.56	0.65	3.03	-0.94	6.61
Nikkei 225	21,303 ↑	21,282	0.10	2.10	3.08	-3.82	6.43
Hang Seng (HIS)	28,228 ↓	28,347	-0.42	0.20	4.20	-9.28	10.68
Malaysia (KLCI)	1,707 ↑	1,693	0.82	1.13	0.85	-8.12	0.86
Philippines (PSEI)	7,834 ↓	7,911	-0.97	-2.20	-2.65	-10.06	4.93
Thailand (SET)	1,636 →	1,636	0.00	-0.41	3.28	-9.61	4.59
Singapore (STI)	3,260 ↓	3,266	-0.19	1.83	1.10	-6.54	6.76
Brazil (BOVESPA)	97,659 ↑	96,510	1.19	1.55	1.63	15.17	11.12

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	19-Feb-19	-1 Day	-1 Week	-1 Month	EoP 2018
USD/IDR	14,103 ↓	14,107	14,068	14,178	14,568
Brent	65.97 ↓	65.99	62.34	62.07	51.89
WTI Crude Oil	56.09 ↑	55.59	53.1	53.8	45.33

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
19-Feb-19	7.98		0.05	-0.18	1.82	-0.59	1.43
-1 Day	7.98	↓ -0.3	0.14	-0.23	1.69	-0.68	1.38
-1 Week	7.93	↑ 5.0	0.01	0.04	1.50	-0.72	1.62
-1 Month	8.17	↓ -19.3	0.03	-0.35	0.75	-3.78	-0.35
-1 Year	6.47	↑ 150.5	-0.04	-0.35	-1.48	14.92	0.53

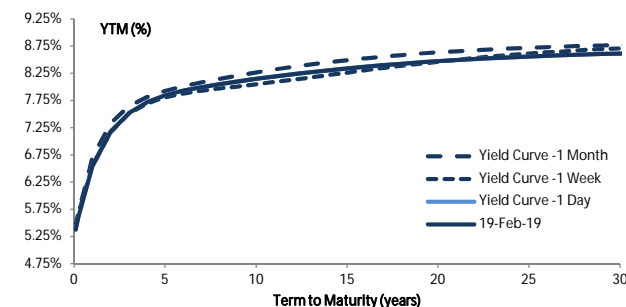
Sources: Danareksa

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	0.6	0.52	6.10 ↑ 5.0bps	102.93	6.140 6.199	102.90 102.93	19-Feb-19	103.10	271.80	10
FR0031	16-Jun-05	15-Nov-20	11.00	1.7	1.54	7.06 ↑ 1.5bps	106.29	6.978 7.037	106.34 106.44	18-Feb-19	106.25	3.00	1
FR0034	26-Jan-06	15-Jun-21	12.80	2.3	1.98	7.31 ↑ 2.4bps	111.47	7.289 7.348	111.40 111.54	18-Feb-19	111.30	12.00	2
FR0053	8-Jul-10	15-Jul-21	8.25	2.4	2.14	7.37 ↑ 1.4bps	101.90	7.321 7.380	101.87 102.00	19-Feb-19	101.85	262.00	6
FR0061	6-Oct-11	15-May-22	7.00	3.2	2.79	7.39 ↓ -1.9bps	98.87	7.414 7.473	98.65 98.81	19-Feb-19	99.00	80.00	4
FR0035	16-Feb-06	15-Jun-22	12.90	3.3	2.69	7.61 ↑ 6.6bps	115.22	7.564 7.624	115.19 115.38	12-Feb-19	116.00	10.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	3.4	2.84	7.54 ↑ 0.6bps	107.98	7.550 7.609	107.77 107.96	8-Feb-19	107.75	50.00	1
FR0063	13-Aug-12	15-May-23	5.63	4.2	3.61	7.62 ↓ -1.0bps	92.91	7.608 7.668	92.72 92.92	19-Feb-19	93.10	33.60	4
FR0077	27-Sep-18	15-May-24	8.13	5.2	4.13	7.76	101.53	7.742 7.801	101.35 101.60	19-Feb-19	101.60	1,365.40	23
FR0046	19-Jul-07	15-Jul-23	9.50	4.4	3.56	7.71 ↑ 0.2bps	106.58	7.669 7.728	106.49 106.72	18-Feb-19	106.24	1.50	2
FR0039	24-Aug-06	15-Aug-23	11.75	4.5	3.54	7.82 ↑ 3.4bps	114.63	7.764 7.823	114.62 114.87	18-Feb-19	114.66	3.90	1
FR0070	29-Aug-13	15-Mar-24	8.38	5.1	3.94	7.89 ↑ 0.1bps	101.97	7.829 7.889	101.99 102.24	19-Feb-19	102.00	437.10	8
FR0044	19-Apr-07	15-Sep-24	10.00	5.6	4.13	7.87 ↓ -0.3bps	109.44	7.839 7.899	109.31 109.59	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	115.37	8.006 8.065	114.72 115.05	18-Feb-19	115.00	1.11	2
FR0037	18-May-06	15-Sep-26	12.00	7.6	5.00	8.08 ↓ -0.7bps	121.87	8.086 8.146	121.44 121.82	18-Feb-19	126.50	40.00	2
FR0056	23-Sep-10	15-Sep-26	8.38	7.6	5.36	8.03 ↓ -0.2bps	101.92	8.039 8.099	101.53 101.87	19-Feb-19	102.20	333.27	12
FR0059	15-Sep-11	15-May-27	7.00	8.2	5.96	8.07 ↓ -1.6bps	93.65	8.040 8.100	93.47 93.80	19-Feb-19	93.55	753.54	35
FR0042	25-Jan-07	15-Jul-27	10.25	8.4	5.71	8.12 ↓ -1.0bps	112.79	8.101 8.160	112.52 112.90	15-Feb-19	112.10	310.00	6
FR0047	30-Aug-07	15-Feb-28	10.00	9.0	6.05	8.13 ↓ -0.8bps	111.79	8.251 8.310	110.55 110.95	15-Feb-19	110.75	23.90	2
FR0064	13-Aug-12	15-May-28	6.13	9.2	6.64	8.00 ↑ -2.3bps	87.91	7.988 8.047	87.63 87.98	19-Feb-19	87.90	59.51	4
FR0078	27-Sep-18	15-May-29	8.25	10.2	6.72	7.97	101.95	7.930 7.990	101.78 102.19	19-Feb-19	102.10	642.10	30
FR0071	12-Sep-13	15-Mar-29	9.00	10.1	6.42	8.11 ↑ 2.3bps	106.03	8.068 8.127	105.91 106.33	19-Feb-19	106.29	35.94	6
FR0052	20-Aug-09	15-Aug-30	10.50	11.5	7.00	8.17 ↓ -1.4bps	117.17	8.171 8.230	116.66 117.14	18-Feb-19	118.00	3.00	1
FR0073	6-Aug-15	15-May-31	8.75	12.2	7.37	8.23 ↑ 0.3bps	103.92	8.238 8.298	103.41 103.88	18-Feb-19	102.25	131.62	6
FR0074	10-Nov-16	15-Aug-32	7.50	13.5	8.19	8.30 ↑ 0.1bps	93.59	8.295 8.354	93.16 93.62	19-Feb-19	96.50	0.35	2
FR0054	22-Jul-10	15-Jul-31	9.50	12.4	7.40	8.25 ↑ 0.6bps	109.56	8.268 8.327	108.95 109.43	19-Feb-19	109.35	25.00	1
FR0058	21-Jul-11	15-Jun-32	8.25	13.3	7.87	8.29 ↓ -0.3bps	99.66	8.288 8.348	99.20 99.67	19-Feb-19	99.00	1.38	2
FR0065	30-Aug-12	15-May-33	6.63	14.2	8.49	8.31 ↓ -0.3bps	86.06	8.275 8.334	85.89 86.33	19-Feb-19	83.50	8.07	15
FR0068	1-Aug-13	15-Mar-34	8.38	15.1	8.21	8.26	101.01	8.225 8.284	100.77 101.28	19-Feb-19	100.90	288.74	35
FR0072	9-Jul-15	15-May-36	8.25	17.2	8.91	8.27 ↓ -1.5bps	99.79	8.247 8.306	99.47 100.01	19-Feb-19	100.00	450.81	34
FR0045	24-May-07	15-May-37	9.75	18.2	8.73	8.54 ↓ -0.2bps	111.06	8.390 8.450	111.96 112.56	13-Feb-19	114.50	1.00	1
FR0075	10-Aug-17	15-May-38	7.50	19.2	9.49	8.36 ↑ 0.5bps	91.81	8.254 8.313	92.24 92.77	19-Feb-19	92.01	261.16	65
FR0050	24-Jan-08	15-Jul-38	10.50	19.4	9.00	8.49 ↑ 1.1bps	118.96	8.455 8.515	118.67 119.31	18-Feb-19	119.00	0.51	1
FR0079	7-Jan-19	15-Apr-39	8.38	20.2	9.40	8.35	100.20			19-Feb-19	100.40	498.31	71
FR0057	21-Apr-11	15-May-41	9.50	22.2	9.45	8.61 ↓ -9.6bps	108.71	8.593 8.652	108.29 108.91	19-Feb-19	108.90	6.10	2
FR0062	9-Feb-12	15-Apr-42	6.38	23.2	10.28	8.57 ↓ -0.1bps	78.06	8.528 8.587	77.90 78.39	19-Feb-19	78.20	2.80	1
FR0067	18-Jul-13	15-Feb-44	8.75	25.0	10.15	8.63 ↑ 0.4bps	101.26	8.536 8.596	101.57 102.19	18-Feb-19	101.47	80.00	2
FR0076	22-Sep-17	15-May-48	7.38	29.2	10.61	8.64 ↑ 1.8bps	86.57	8.668 8.727	85.76 86.31	19-Feb-19	86.40	2.45	2
ORIO13	26-Oct-16	15-Oct-19	6.60	0.7	-	6.70 ↓ -12.6bps	99.94	6.659 6.718	99.92 99.96	19-Feb-19	99.40	1.90	5
ORIO14	25-Oct-17	15-Oct-20	5.85	1.7	-	7.40 ↓ -1.8bps	97.60	7.378 7.437	97.54 97.63	19-Feb-19	98.50	85.76	7
IFR0008	15-Apr-10	15-Mar-20	8.80	1.1	0.97	6.76 ↓ -0.9bps	102.05	6.691 6.750	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	8.28 ↓ -1.5bps	109.03	8.268 8.328	108.81 109.09	28-Dec-18	92.37	354.61	2
IFR0006	1-Apr-10	15-Mar-30	10.25	11.1	6.52	8.74 → 0.0bps	110.53	8.696 8.755	110.45 110.89	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	8.905 8.965	108.94 109.49	23-Aug-17	120.00	1.01	1
PBS013	6-Oct-16	15-May-19	6.25	0.2	0.23	6.55 ↑ 5.5bps	99.91	6.532 6.591	99.90 99.91	19-Feb-19	99.92	143.00	11
PBS016	6-Sep-17	15-Mar-20	6.25	1.1	0.99	7.29 ↑ 4.8bps	98.95	7.035 7.094	99.14 99.20	19-Feb-19	98.85	175.00	2
PBS006	19-Sep-13	15-Sep-20	8.25	1.6	1.41	6.69 ↓ -3.9bps	102.27	6.731 6.790	102.13 102.21	15-Feb-19	101.25	10.00	1
PBS014	6-Oct-16	15-May-21	6.50	2.2	2.00	7.61 ↑ 20.0bps	97.74	7.324 7.384	98.20 98.31	19-Feb-19	97.53	1,120.32	22
PBS002	2-Feb-12	15-Jan-22	5.45	2.9	2.60	7.86 ↑ 0.1bps	93.85	7.741 7.800	93.99 94.14	17-Jan-19	93.40	18.60	2
PBS011	14-Jan-16	15-Aug-23	8.75	4.5	3.68	7.75 ↓ -3.1bps	103.72	7.845 7.905	103.14 103.37	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	88.58	8.350 8.409	88.53 88.81	17-Jan-19	88.04	14.00	2
PBS019	4-Oct-18	15-Sep-23	8.25	4.6	3.62	8.00 ↓ -1.3bps	100.95	7.982 8.042	100.77 101.00	19-Feb-19	101.06	333.00	16
PBS003	2-Feb-12	15-Jan-27	6.00	7.9	5.98	8.46 ↓ -0.9bps	86.03	8.405 8.465	85.99 86.30	28-Dec-18	77.08	10.00	1
PBS012	28-Jan-16	15-Nov-31	8.88	12.7	7.36	8.91 ↑ 0.7bps	99.72	8.836 8.896	99.82 100.27	18-Feb-19	101.00	0.20	1
PBS004	16-Feb-12	15-Feb-37	6.10	18.0	9.56	9.02 ↑ 0.1bps	74.24	8.930 8.990	74.46 74.89	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	76.18	9.133 9.193	76.44 76.91	16-Jan-19	77.72	17.00	2
PBS015	21-Jul-17	15-Jul-47	8.00	28.4	9.99	9.40 ↑ 0.8bps	86.18						
SR008	10-Mar-16	10-Mar-19	8.30	0.1	-	6.52 ↓ -11.8bps	100.09	6.416 6.475	100.10 100.11	19-Feb-19	99.40	0.60	2
SR009	22-Mar-17	10-Mar-20	6.90	1.1	-	7.03 ↑ 0.2bps	99.87	6.95 7.011	99.89 99.95	19-Feb-19	99.40	2.30	8
SR010	21-Mar-18	10-Mar-21	5.90	2.1	-	7.51 ↓ -0.9bps	96.95	7.490 7.549	96.87 96.98	19-Feb-19	95.50	5.12	9

*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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