

HEADLINES & ANALYSIS

- Federal Reserve policy makers see 2019 marking the end of their balance sheet run-off, but not necessarily their interest-rate increases. Minutes of the central bank's Jan. 29-30 policy meeting released on Wednesday showed "almost all participants" agreeing it best to halt roll-offs this year, a move that should be welcomed by investors worried the balance sheet draw-down is hurting the economy. (Bloomberg)
- Bank Indonesia may leave its seven-day reverse repo rate unchanged at 6%, said Bloomberg Economics' Tamara Henderson. The Federal Reserve has signaled greater flexibility on policy in 2019, taking pressure off of Indonesia's interest rate differential. The rupiah continues to regain lost ground against the U.S. dollar and trading partners. It has risen 2.4% against the greenback so far this year, outpacing most regional currencies. This adds to gains of 3.6% in 4Q 2018. (Bloomberg)
- Indonesia 10-year bond yields will nudge lower if the central bank holds the official rate steady at 6.0% as expected on Thursday. Since Bank Indonesia paused its hiking cycle in November, 10-year yields have been steadily falling. The margin over inflation, which is running at 2.8%, is also helping support bonds. (Bloomberg)

YIELD CURVE (%)

TTM	20-Feb-19	-1 Day	Change	TTM	20-Feb-19	-1 Day	Change
3 months	5.620	5.622	-0.002	15 years	8.286	8.339	-0.053
6 months	5.937	5.942	-0.004	16 years	8.323	8.371	-0.048
1 year	6.533	6.541	-0.008	17 years	8.357	8.399	-0.042
2 years	7.159	7.177	-0.018	18 years	8.390	8.426	-0.037
3 years	7.491	7.521	-0.030	19 years	8.419	8.451	-0.031
4 years	7.676	7.719	-0.043	20 years	8.447	8.473	-0.026
5 years	7.788	7.843	-0.054	21 years	8.473	8.494	-0.022
6 years	7.866	7.929	-0.063	22 years	8.496	8.513	-0.017
7 years	7.926	7.996	-0.070	23 years	8.517	8.530	-0.013
8 years	7.979	8.052	-0.073	24 years	8.537	8.546	-0.009
9 years	8.028	8.102	-0.075	25 years	8.554	8.560	-0.006
10 years	8.074	8.148	-0.074	26 years	8.571	8.573	-0.003
11 years	8.120	8.191	-0.072	27 years	8.585	8.585	0.000
12 years	8.164	8.232	-0.068	28 years	8.598	8.596	0.003
13 years	8.206	8.270	-0.064	29 years	8.611	8.605	0.005
14 years	8.247	8.306	-0.059	30 years	8.621	8.614	0.007

Source: Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0069	FR0069	15-Apr-19	2,202.00	6.340	2,202.00
FR0077	FR0077	15-May-24	2,112.14	7.696	2,112.14
FR0078	FR0078	15-May-29	1,968.69	7.878	1,968.69
FR0070	FR0070	15-Mar-24	1,108.76	7.792	1,108.76
FR0079	FR0079	15-Apr-39	928.06	8.272	928.06

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
TINS01BCN1	TINS01BCN1	8.750	28-Sep-22	98.15	98.15	176.00
TPIA02CN1	TPIA02CN1	10.000	19-Dec-21	100.10	100.10	175.00
BNGA02ACN4	BNGA02ACN4	7.500	30-Sep-19	99.90	99.90	140.00
SMFP04ACN7	SMFP04ACN7	8.000	22-Feb-20	100.03	100.03	75.00
BBTN14	BBTN14	10.250	11-Jun-20	102.30	102.30	50.00

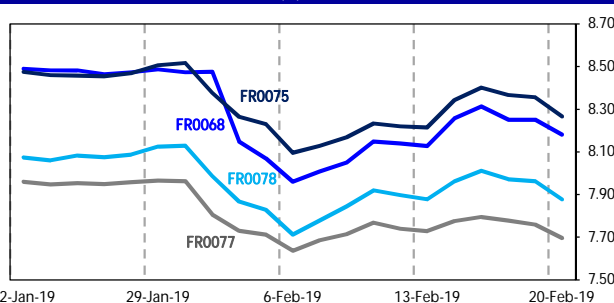
Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	20-Feb-19	-1 Mo	-3 Mo	Spread over UST YC (bps)			Country	Tenor	Coupon (%)	20-Feb-19	-1 Mo	-3 Mo	Spread over UST YC (bps)		
			20-Feb-19	-1 Mo	-3 Mo	20-Feb-19	-1 Mo	-3 Mo				20-Feb-19	-1 Mo	-3 Mo	20-Feb-19	-1 Mo	-3 Mo
United States	2yr		2.50	2.58	2.40				Philippines	2yr	6.00	6.19	4.31	4.22	369	187	197
USD	5yr		2.47	2.77	2.65				PHP	5yr	7.88	6.14	5.41	-	367	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	1.82	1.65	1.67	-68	-79	-58
EUR	5yr	1.00	-0.35	-	-	-282	-	-	THB	5yr	3.45	2.18	-	-	-29	-	-
	10yr	1.75	0.10	-	-	-255	-	-		10yr	3.63	2.46	-	-	-20	-	-
Indonesia	2yr	11.63	3.68	2.81	2.54	118	37	29	India	2yr	7.59	-	-	-	-	-	-
USD	5yr	3.75	3.64	3.74	3.52	117	97	87	INR	5yr	7.28	7.02	-	-	455	-	-
	10yr	3.50	4.12	4.14	4.04	147	122	116		10yr	8.83	7.34	-	-	469	-	-
Brazil	2yr	0.00	7.47	8.26	8.86	497	582	661	Malaysia	3yr	3.17	3.57	3.57	3.50	110	99	110
BRL	5yr	10.00	8.16	8.87	9.28	566	643	703	MYR	5yr	3.26	3.72	-	-	125	-	-
	10yr	10.00	8.98	9.76	10.00	648	732	775		10yr	4.18	3.90	-	-	125	-	-

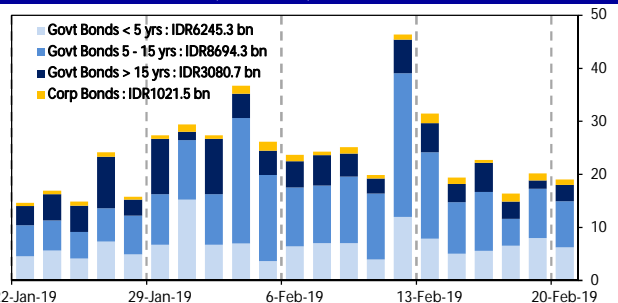
Sources: Bloomberg (Current Yield Curve), US Treasury

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	20-Feb-19	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (JCI)	6,513 ↑	6,495	0.28	1.46	0.96	-2.25	5.14
Dow Jones (DJIA)	25,954 ↑	25,891	0.24	1.61	5.05	3.96	12.54
London (FTSE 100)	7,229 ↑	7,179	0.69	0.53	3.70	-0.25	7.35
Nikkei 225	21,431 ↑	21,303	0.60	1.36	3.44	-2.25	7.08
Hang Seng (HIS)	28,514 ↑	28,228	1.01	0.06	4.84	-7.64	11.80
Malaysia (KLCI)	1,726 ↑	1,707	1.15	2.43	2.01	-6.99	2.02
Philippines (PSEI)	7,939 ↑	7,834	1.35	0.24	-0.85	-8.98	6.34
Thailand (SET)	1,645 ↑	1,636	0.59	-0.63	3.59	-8.64	5.21
Singapore (STI)	3,278 ↑	3,260	0.57	1.04	1.80	-5.70	7.37
Brazil (BOVESPA)	96,545 ↓	97,659	-1.14	0.73	0.56	12.52	9.85

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	20-Feb-19	-1 Day	-1 Week	-1 Month	EoP 2018
USD/IDR	14,044 ↓	14,103	14,059	14,227	14,568
Brent	66.66 ↑	65.97	63.4	62.37	51.89
WTI Crude Oil	56.92 ↑	56.09	53.9	53.8	45.33

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
20-Feb-19	7.92		0.38	0.10	2.17	-0.17	1.81
-1 Day	7.98	↓ -5.7	0.05	-0.18	1.82	-0.59	1.43
-1 Week	7.92	↑ 0.1	0.09	-0.53	1.71	-0.47	1.71
-1 Month	8.18	↓ -25.2	0.07	-0.17	0.85	-3.72	-0.28
-1 Year	6.49	↑ 143.8	-0.05	-0.36	-1.52	14.89	0.48

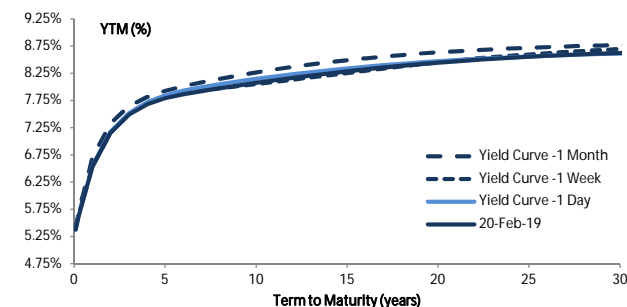
Sources: Danareksa

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	0.52	6.08 ▼ -1.8bps	102.92	6.125 6.201	102.88 102.92	19-Feb-19	103.10	271.80	10
FR0031	16-Jun-05	15-Nov-20	11.00	1.7	1.53	7.01 ▼ -4.7bps	106.36	6.948 7.024	106.36 106.48	20-Feb-19	106.26	173.50	2
FR0034	26-Jan-06	15-Jun-21	12.80	2.3	1.98	7.26 ▼ -4.7bps	111.56	7.253 7.329	111.44 111.61	18-Feb-19	111.30	12.00	2
FR0053	8-Jul-10	15-Jul-21	8.25	2.4	2.13	7.34 ▼ -2.2bps	101.95	7.286 7.362	101.91 102.08	20-Feb-19	102.10	202.08	3
FR0061	6-Oct-11	15-May-22	7.00	3.2	2.79	7.40 ▲ 0.4bps	98.84	7.366 7.442	98.74 98.95	20-Feb-19	98.95	406.15	11
FR0035	16-Feb-06	15-Jun-22	12.90	3.3	2.68	7.63 ▲ 2.1bps	115.14	7.527 7.603	115.24 115.48	12-Feb-19	116.00	10.00	1
FR0043	22-Feb-07	15-Jul-22	10.25	3.4	2.84	7.50 ▼ -3.6bps	108.09	7.504 7.580	107.86 108.09	8-Feb-19	107.75	50.00	1
FR0063	13-Aug-12	15-May-23	5.63	4.2	3.61	7.54 ▼ -7.5bps	93.15	7.550 7.626	92.86 93.12	20-Feb-19	93.25	335.00	6
FR0077	27-Sep-18	15-May-24	8.13	5.2	4.13	7.70 ▼ -6.3bps	101.80	7.679 7.755	101.55 101.87	20-Feb-19	100.75	2,112.14	38
FR0046	19-Jul-07	15-Jul-23	9.50	4.4	3.56	7.66 ▼ -7.2bps	106.75	7.618 7.694	106.62 106.91	18-Feb-19	106.24	1.50	2
FR0039	24-Aug-06	15-Aug-23	11.75	4.5	3.54	7.77 ▼ -5.3bps	114.83	7.710 7.786	114.77 115.08	20-Feb-19	114.35	1.00	1
FR0070	29-Aug-13	15-Mar-24	8.38	5.1	3.94	7.79 ▼ -10.0bps	102.39	7.771 7.847	102.16 102.48	20-Feb-19	102.50	1,108.76	28
FR0044	19-Apr-07	15-Sep-24	10.00	5.6	4.13	7.83 ▼ -3.7bps	109.61	7.780 7.856	109.50 109.86	13-Feb-19	109.25	30.00	2
FR0040	21-Sep-06	15-Sep-25	11.00	6.6	4.60	7.92 ▼ -2.6bps	115.51	7.931 8.007	115.04 115.46	18-Feb-19	115.00	1.11	2
FR0037	18-May-06	15-Sep-26	12.00	7.6	5.00	8.08 ▼ -0.1bps	121.87	8.011 8.087	121.81 122.29	18-Feb-19	126.50	40.00	2
FR0056	23-Sep-10	15-Sep-26	8.38	7.6	5.36	7.95 ▼ -7.6bps	102.36	7.958 8.034	101.90 102.33	20-Feb-19	102.55	849.10	10
FR0059	15-Sep-11	15-May-27	7.00	8.2	5.97	7.96 ▼ -10.8bps	94.27	7.962 8.038	93.82 94.26	20-Feb-19	94.50	804.41	29
FR0042	25-Jan-07	15-Jul-27	10.25	8.4	5.72	8.04 ▼ -7.8bps	113.30	8.023 8.099	112.91 113.40	15-Feb-19	112.10	310.00	6
FR0047	30-Aug-07	15-Feb-28	10.00	9.0	6.05	8.12 ▼ -0.4bps	111.82	8.175 8.251	110.94 111.45	15-Feb-19	110.75	23.90	2
FR0064	13-Aug-12	15-May-28	6.13	9.2	6.64	7.92 ▼ -8.1bps	88.39	7.904 7.980	88.03 88.48	20-Feb-19	88.70	461.60	15
FR0078	27-Sep-18	15-May-29	8.25	10.2	6.73	7.88 ▼ -8.6bps	102.56	7.845 7.921	102.25 102.79	20-Feb-19	102.80	1,968.69	105
FR0071	12-Sep-13	15-Mar-29	9.00	10.1	6.43	8.07 ▼ -4.4bps	106.35	7.983 8.059	106.39 106.93	20-Feb-19	106.49	256.00	20
FR0052	20-Aug-09	15-Aug-30	10.50	11.5	7.01	8.10 ▼ -9.9bps	117.76	8.095 8.171	117.14 117.77	18-Feb-19	118.00	3.00	1
FR0073	6-Aug-15	15-May-31	8.75	12.2	7.37	8.20 ▼ -2.9bps	104.15	8.160 8.236	103.89 104.49	20-Feb-19	104.95	3.80	3
FR0074	10-Nov-16	15-Aug-32	7.50	13.5	8.19	8.29 ▼ -1.0bps	93.68	8.226 8.302	93.56 94.15	20-Feb-19	96.25	92.41	13
FR0054	22-Jul-10	15-Jul-31	9.50	12.4	7.40	8.24 ▼ -1.0bps	109.64	8.193 8.269	109.42 110.04	19-Feb-19	109.35	25.00	1
FR0058	21-Jul-11	15-Jun-32	8.25	13.3	7.89	8.19 ▼ -10.1bps	100.47	8.215 8.291	99.65 100.26	20-Feb-19	99.75	7.09	6
FR0065	30-Aug-12	15-May-33	6.63	14.2	8.51	8.24 ▼ -7.5bps	86.62	8.205 8.282	86.28 86.85	20-Feb-19	86.90	584.89	40
FR0068	1-Aug-13	15-Mar-34	8.38	15.1	8.24	8.18 ▼ -7.0bps	101.66	8.162 8.238	101.16 101.82	20-Feb-19	101.55	857.16	27
FR0072	9-Jul-15	15-May-36	8.25	17.2	8.93	8.23 ▼ -4.0bps	100.16	8.198 8.274	99.76 100.46	20-Feb-19	99.25	81.32	27
FR0045	24-May-07	15-May-37	9.75	18.2	8.75	8.50 ▼ -4.0bps	111.48	8.358 8.434	112.12 112.89	13-Feb-19	114.50	1.00	1
FR0075	10-Aug-17	15-Jul-38	7.50	19.2	9.53	8.27 ▼ -9.0bps	92.65	8.219 8.295	92.40 93.09	20-Feb-19	95.00	592.17	68
FR0050	24-Jan-08	15-Jul-38	10.50	19.4	9.00	8.48 ▼ -0.2bps	119.02	8.424 8.500	118.83 119.65	20-Feb-19	120.00	100.00	5
FR0079	7-Jan-19	15-Apr-39	8.38	20.2	9.43	8.27 ▼ -7.9bps	100.99			20-Feb-19	103.50	928.06	58
FR0057	21-Apr-11	15-May-41	9.50	22.2	9.45	8.60 ▼ -0.9bps	108.80	8.581 8.657	108.23 109.03	19-Feb-19	108.90	6.10	2
FR0062	9-Feb-12	15-Apr-42	6.38	23.2	10.29	8.56 ▼ -1.2bps	78.16	8.510 8.586	77.91 78.54	19-Feb-19	78.20	2.80	1
FR0067	18-Jul-13	15-Feb-44	8.75	25.0	10.17	8.61 ▼ -2.1bps	101.47	8.522 8.598	101.55 102.34	18-Feb-19	101.47	80.00	2
FR0076	22-Sep-17	15-May-48	7.38	29.2	10.61	8.63 ▼ -0.8bps	86.65	8.658 8.734	85.70 86.41	20-Feb-19	87.95	488.00	9
ORI013	26-Oct-16	15-Oct-19	6.60	0.7	-	6.57 ▼ -13.3bps	100.02	6.641 6.717	99.93 99.97	20-Feb-19	100.30	9.25	16
ORI014	25-Oct-17	15-Oct-20	5.85	1.7	-	7.39 ▼ -1.2bps	97.62	7.349 7.425	97.56 97.68	20-Feb-19	96.25	197.43	15
IFR0008	15-Apr-10	15-Mar-20	8.80	1.1	0.97	6.78 ▲ 0.8bps	102.02	6.675 6.751	102.06 102.14	28-Dec-18	85.98	85.00	1
IFR0007	21-Jan-10	15-Jan-25	10.25	5.9	4.41	8.24 ▼ -3.5bps	109.23	8.211 8.287	109.00 109.37	28-Dec-18	92.37	354.61	1
IFR0006	1-Apr-10	15-Mar-30	10.25	11.1	6.52	8.73 ▼ -1.7bps	110.66	8.629 8.705	110.82 111.39	28-Dec-18	96.62	299.90	1
IFR0010	3-Mar-11	15-Feb-36	10.00	17.0	8.49	8.83 ▼ 0.0bps	110.16	8.851 8.927	109.29 110.00	23-Aug-17	120.00	1.01	1
PBS013	6-Oct-16	15-May-19	6.25	0.2	0.22	6.52 ▼ -2.7bps	99.92	6.530 6.606	99.89 99.91	20-Feb-19	99.95	170.00	3
PBS016	6-Sep-17	15-Mar-20	6.25	1.1	0.98	7.27 ▼ -1.5bps	98.97	7.037 7.113	99.12 99.20	20-Feb-19	100.72	301.50	4
PBS006	19-Sep-13	15-Sep-20	8.25	1.6	1.40	7.32 ▲ 63.9bps	101.34	6.726 6.802	102.11 102.22	20-Feb-19	101.70	48.00	8
PBS014	6-Oct-16	15-May-21	6.50	2.2	2.00	7.61 ▼ 0.0bps	97.74	7.311 7.388	98.19 98.34	20-Feb-19	97.65	53.19	3
PBS002	2-Feb-12	15-Jan-22	5.45	2.9	2.60	7.87 ▲ 0.2bps	93.84	7.716 7.792	94.01 94.20	17-Jan-19	93.40	18.60	2
PBS011	14-Jan-16	15-Aug-23	8.75	4.5	3.68	7.62 ▼ -10.5bps	104.20	7.774 7.850	103.34 103.63	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	8.286 8.362	88.75 89.11	20-Feb-19	89.60	42.00	11
PBS019	4-Oct-18	15-Sep-23	8.25	4.6	3.62	7.94 ▼ -5.0bps	101.14	7.941 8.017	100.87 101.15	20-Feb-19	101.72	15.00	3
PBS003	2-Feb-12	15-Jan-27	6.00	7.9	5.98	8.41 ▼ -3.9bps	86.27	8.340 8.417	86.25 86.64	28-Dec-18	77.08	10.00	1
PBS012	28-Jan-16	15-Nov-31	8.88	12.7	7.36	8.92 ▲ 0.7bps	99.63	8.782 8.858	100.10 100.68	20-Feb-19	100.28	98.40	6
PBS004	16-Feb-12	15-Feb-37	6.10	18.0	9.56	9.02 ▲ 0.1bps	74.23	8.895 8.971	74.60 75.14	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	76.19	9.122 9.198	76.40 77.00	16-Jan-19	77.72	17.00	2
PBS015	21-Jul-17	15-Jul-47	8.00	28.4	9.98	9.41 ▲ 0.5bps	86.11						
SR008	10-Mar-16	10-Mar-19	8.30	0.1	-	6.70 ▲ 18.3bps	100.08	6.400 6.476	100.10 100.10	20-Feb-19	100.10	755.50	10
SR009	22-Mar-17	10-Mar-20	6.90	1.1	-	7.02 ▼ -1.6bps	99.88	6.93 7.005	99.89 99.97	20-Feb-19	99.25	35.16	10
SR010	21-Mar-18	10-Mar-21	5.90	2.1	-	7.55 ▲ 3.5bps	96.89	7.466 7.542	96.88 97.03	20-Feb-19	97.00	3.86	10

*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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