

HEADLINES & ANALYSIS

- Federal Reserve policy makers lowered their main interest rate for a second time this year and Chairman Jerome Powell said that "moderate" policy moves should be sufficient to sustain the U.S. expansion. He left the door open to "a more extensive sequence of cuts" if needed, but stressed this was not what officials expect. "We took this step to help keep the U.S. economy strong in the face of some notable developments and to provide insurance against ongoing risks," Powell told reporters Wednesday after the Fed cut its benchmark rate by a quarter percentage point to a range of 1.75% to 2%. "Weakness in global growth and trade policy have weighed on the economy." (Bloomberg)
- Asian equity futures are higher and U.S. stocks erased losses after the Federal Reserve policy makers cast doubt on the need for further easing. The dollar rallied and Treasuries pared gains. While a rate cut was widely expected, investors were more focused on the outlook for further cuts this year. The S&P 500 Index wiped out a drop that at one point reached the biggest in four weeks, as financial companies that benefit from higher rates rallied. Oil ticked lower after tumbling Tuesday and gold retreated. The focus in Asia will shift to the Bank of Japan Thursday. Though most expect rates and asset purchases to remain unchanged, investors will be on high alert after Governor Haruhiko Kuroda said the central bank was "more positive" about adding stimulus. (Bloomberg)

YIELD CURVE (%)

TTM	18-Sep-19	-1 Day	Change	TTM	18-Sep-19	-1 Day	Change
3 months	5.148	5.192	-0.045	15 years	7.752	7.737	0.015
6 months	5.453	5.512	-0.058	16 years	7.799	7.776	0.023
1 year	5.947	5.989	-0.042	17 years	7.840	7.811	0.030
2 years	6.354	6.340	0.013	18 years	7.877	7.841	0.036
3 years	6.548	6.518	0.030	19 years	7.909	7.867	0.042
4 years	6.688	6.670	0.018	20 years	7.937	7.890	0.047
5 years	6.819	6.820	-0.001	21 years	7.962	7.910	0.052
6 years	6.948	6.966	-0.018	22 years	7.985	7.928	0.056
7 years	7.074	7.102	-0.028	23 years	8.004	7.944	0.060
8 years	7.192	7.224	-0.032	24 years	8.022	7.959	0.063
9 years	7.301	7.332	-0.031	25 years	8.038	7.972	0.066
10 years	7.400	7.427	-0.026	26 years	8.052	7.983	0.069
11 years	7.489	7.508	-0.019	27 years	8.064	7.993	0.071
12 years	7.568	7.579	-0.011	28 years	8.075	8.002	0.073
13 years	7.637	7.639	-0.002	29 years	8.085	8.011	0.075
14 years	7.698	7.692	0.006	30 years	8.095	8.018	0.076

Source: Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0078	8.250	15-May-29	107.15	7.217	2,743.03
FR0082	7.000	15-Sep-30	99.75	7.250	1,640.53
FR0072	8.250	15-May-36	104.00	7.768	1,596.12
FR0079	8.380	15-Apr-39	106.00	7.776	1,075.84
FR0077	8.125	15-May-24	106.05	6.595	1,053.60

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
APOL02B	idD	12.500	30-Jun-21	0.54	-	300.00
BBTN03BCN2	idAA+	8.750	28-Jun-22	100.01	8.74	120.00
SMLPPI01B	idA-(sy)	11.000	10-Oct-23	100.00	11.00	104.00
ADMFO4ACN5	idAAA	7.750	26-Apr-20	100.51	7.71	60.00
BFIN03BCN1	A+(idn)	8.800	25-Oct-19	100.06	8.79	40.00

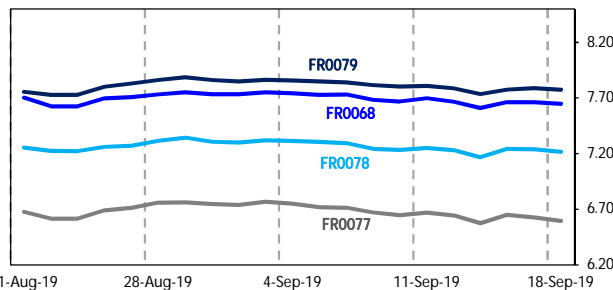
*Current yield: Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	18-Sep-19			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	18-Sep-19			Spread over UST YC (bps)		
			-1 Mo	-3 Mo	18-Sep-19	-1 Mo	-3 Mo	-1 Mo				-3 Mo					
United States	2yr		1.77	2.58	2.40				Philippines	2yr	6.00	4.11	-	-	234	-	-
USD	5yr		1.68	2.77	2.65			PHP	5yr	7.88	4.45	-	-	277	-	-	
	10yr		1.80	2.92	2.88				10yr	11.38	4.71	-	-	291	-	-	
German	2yr	0.25	-0.73	-	-	-250	-	-	Thailand	2yr	3.13	1.36	1.65	1.67	-41	-79	-58
EUR	5yr	1.00	-0.72	-	-	-240	-	-	THB	5yr	3.45	1.38	-	-	-31	-	-
	10yr	1.75	-0.51	-	-	-231	-	-		10yr	3.63	1.53	-	-	-27	-	-
Indonesia	2yr	11.63	4.52	2.81	2.54	275	37	29	India	2yr	7.59	5.75	-	-	398	-	-
USD	5yr	3.75	2.50	3.74	3.52	82	97	87	INR	5yr	7.28	6.30	-	-	462	-	-
	10yr	3.50	2.89	4.14	4.04	109	122	116		10yr	8.83	6.62	-	-	482	-	-
Brazil	2yr	0.00	5.53	8.26	8.86	376	582	661	Malaysia	3yr	3.17	3.12	3.71	3.60	140	113	120
BRL	5yr	10.00	6.21	8.87	9.28	444	643	703	MYR	5yr	3.26	3.28	-	-	160	-	-
	10yr	10.00	7.18	9.76	10.00	541	732	775		10yr	4.18	3.37	-	-	157	-	-

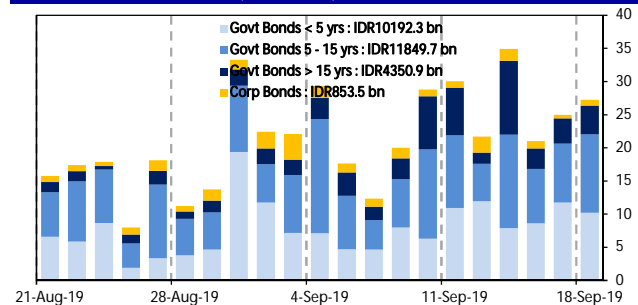
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	5.50	22-Aug-19	-25bps	3.49	2.01
US (Fed Fund Rate)	2.00	18-Sep-19	-25bps	1.70	0.30
Euro Region	0.00	16-Mar-16	-5bps	1.40	-1.40
Japan	0.10	19-Dec-08	-20bps	0.50	-0.40
India (Repo Rate)	5.40	0-Jan-00	0bps	5.98	-0.58
Malaysia	3.00	7-May-19	-25bps	1.40	1.60
Philippines	4.25	8-Aug-19	-25bps	1.70	2.55
Thailand	3.00	25-Jan-12	-25bps	0.52	2.48
Singapore	0.08	31-Dec-13	5bps	0.40	-0.32
Brazil	5.50	18-Sep-19	-50bps	3.43	2.07

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	18-Sep-19	-1Day	Return (%)					
			Daily	WoW	MoM	YoY	YtD	
Indonesia (ICI)	6,277	↑	6,237	0.64	-1.65	-0.32	8.00	1.33
Dow Jones (DJIA)	27,147	↑	27,111	0.13	0.04	3.87	3.43	17.71
London (FTSE 100)	7,314	↓	7,320	-0.09	-0.33	1.73	0.19	8.61
Nikkei 225	21,961	↓	22,001	-0.18	1.68	6.80	-6.23	9.72
Hang Seng (HIS)	26,754	↓	26,790	-0.13	-1.49	1.76	-1.22	4.90
Malaysia (KLCI)	1,599	↓	1,604	-0.30	-0.18	0.19	-10.79	-5.47
Philippines (PSEI)	7,915	↓	7,932	-0.21	-0.66	-0.29	8.63	6.02
Thailand (SET)	1,654	↓	1,664	-0.59	-1.19	1.03	-5.18	5.77
Singapore (STI)	3,167	↓	3,183	-0.51	-1.18	1.23	0.88	3.71
Brazil (BOVESPA)	104,532	↓	104,617	-0.08	1.05	5.09	33.48	18.94

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	18-Sep-19	-1 Day	-1 Week	-1 Month	EoP 2018
USD/IDR	14,067	↓	14,100	14,060	14,568
Brent	64.05	↓	64.46	61.56	51.89
WTI Crude Oil	58.11	↓	59.34	55.75	45.33

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
18-Sep-19	7.15		0.10	0.47	1.12	16.40	11.06
-1 Day	7.16	↓ -1.4	0.07	0.31	1.32	16.72	10.95
-1 Week	7.21	↓ -6.3	-0.06	0.48	1.07	16.88	10.54
-1 Month	7.25	↓ -10.7	0.30	0.41	-0.84	13.13	9.82
-1 Year	8.40	↓ -125.8	0.37	0.89	-1.72	-3.29	-6.02

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				
FR0031	16-Jun-05	15-Nov-20	11.00	1.2	1.05	6.00	↑ 3.2bps	105.47	5.859	5.913	105.59	105.66	18-Sep-19	105.36	40.92	1
FR0034	26-Jan-06	15-Jun-21	12.80	1.7	1.53	6.27	↑ 0.1bps	110.56	6.208	6.263	110.60	110.69	18-Sep-19	110.67	6.06	3
FR0053	8-Jul-10	15-Jul-21	8.25	1.8	1.66	6.24	↑ 2.7bps	103.38	6.212	6.267	103.35	103.45	18-Sep-19	103.38	669.96	9
FR0061	6-Oct-11	15-May-22	7.00	2.7	2.34	6.43	↓ -1.8bps	101.36	6.457	6.511	101.16	101.30	18-Sep-19	101.40	337.19	14
FR0035	16-Feb-06	15-Jun-22	12.90	2.7	2.28	6.49	↓ -0.3bps	115.82	6.496	6.550	115.67	115.82	12-Sep-19	115.52	95.00	5
FR0043	22-Feb-07	15-Jul-22	10.25	2.8	2.42	6.53	↑ 1.0bps	109.41	6.527	6.582	109.29	109.44	18-Sep-19	109.55	650.00	8
FR0063	13-Aug-12	15-May-23	5.63	3.7	3.18	6.55	↓ -0.0bps	97.04	6.609	6.663	96.67	96.84	18-Sep-19	97.18	722.57	11
FR0077	27-Sep-18	15-May-24	8.13	4.7	3.77	6.60	↓ -3.4bps	106.03	6.597	6.651	105.81	106.03	18-Sep-19	106.05	1,053.60	33
FR0046	19-Jul-07	15-Jul-23	9.50	3.8	3.17	6.73	↑ 1.0bps	109.16	6.657	6.711	109.25	109.44	17-Sep-19	109.00	2.00	1
FR0039	24-Aug-06	15-Aug-23	11.75	3.9	3.17	6.70	↓ -3.3bps	117.09	6.665	6.719	117.03	117.23	8-Jul-19	117.25	0.46	1
FR0070	29-Aug-13	15-Mar-24	8.38	4.5	3.73	6.67	↓ -0.8bps	106.52	6.664	6.718	106.33	106.55	18-Sep-19	106.50	146.90	12
FR0044	19-Apr-07	15-Sep-24	10.00	5.0	3.98	6.80	↓ -0.3bps	113.33	6.799	6.853	113.11	113.36	17-Sep-19	112.50	0.83	2
FR0081	1-Aug-19	15-Jun-25	6.50	5.7	4.64	6.68	↓ -5.4bps	99.15					18-Sep-19	99.25	324.12	8
FR0040	21-Sep-06	15-Sep-25	11.00	6.0	4.52	6.96	↓ -4.0bps	119.52	6.928	6.983	119.40	119.69	18-Sep-19	119.75	401.92	12
FR0037	18-May-06	15-Sep-26	12.00	7.0	4.99	7.09	↓ -0.9bps	126.67	7.039	7.093	126.68	127.03	13-Sep-19	126.65	118.00	4
FR0056	23-Sep-10	15-Sep-26	8.38	7.0	5.31	7.00	↓ -5.3bps	107.48	7.027	7.081	107.04	107.35	18-Sep-19	107.60	416.54	28
FR0059	15-Sep-11	15-May-27	7.00	7.7	5.71	7.10	↓ -3.1bps	99.44	7.083	7.137	99.19	99.51	18-Sep-19	97.00	458.73	19
FR0042	25-Jan-07	15-Jul-27	10.25	7.8	5.48	7.26	↓ -0.5bps	117.60	7.222	7.277	117.48	117.84	18-Sep-19	117.62	5.00	2
FR0047	30-Aug-07	15-Feb-28	10.00	8.4	5.82	7.34	↓ -1.6bps	116.43	7.387	7.441	115.77	116.14	18-Sep-19	116.31	5.00	2
FR0064	13-Aug-12	15-May-28	6.13	8.7	6.39	7.23	↓ -5.0bps	92.95	7.201	7.256	92.81	93.14	18-Sep-19	92.90	362.18	23
FR0078	27-Sep-18	15-May-29	8.25	9.7	6.53	7.22	↓ -2.4bps	107.08	7.142	7.196	107.23	107.62	18-Sep-19	107.15	2,743.03	83
FR0071	12-Sep-13	15-Mar-29	9.00	9.5	6.50	7.38	↓ -1.3bps	110.94	7.344	7.398	110.78	111.18	18-Sep-19	111.22	116.86	10
FR0052	20-Aug-09	15-Aug-30	10.50	10.9	6.85	7.47	↓ -0.1bps	122.34	7.396	7.450	122.49	122.95	18-Sep-19	122.35	237.40	15
FR0082	1-Aug-19	15-Sep-30	7.00	11.0	7.53	7.25	↓ -2.6bps	98.13					18-Sep-19	99.75	1,640.53	57
FR0073	6-Aug-15	15-May-31	8.75	11.7	7.25	7.52	↓ -1.8bps	109.42	7.487	7.542	109.25	109.69	18-Sep-19	109.30	5.48	3
FR0074	10-Nov-16	15-Aug-32	7.50	12.9	8.10	7.60	↑ 1.3bps	99.18	7.600	7.655	98.74	99.17	18-Sep-19	99.75	92.70	9
FR0054	22-Jul-10	15-Jul-31	9.50	11.8	7.28	7.59	→ 0.0bps	114.76	7.526	7.580	114.80	115.26	18-Sep-19	114.86	101.68	10
FR0058	21-Jul-11	15-Jun-32	8.25	12.7	7.78	7.62	↓ -0.6bps	105.08	7.584	7.638	104.91	105.36	18-Sep-19	103.50	8.87	3
FR0065	30-Aug-12	15-May-33	6.63	13.7	8.43	7.63	↓ -1.4bps	91.58	7.624	7.678	91.17	91.60	18-Sep-19	91.80	656.68	29
FR0068	1-Aug-13	15-Mar-34	8.38	14.5	8.50	7.65	↓ -1.3bps	106.28	7.638	7.693	105.90	106.39	18-Sep-19	106.40	920.79	18
FR0080	4-Jul-19	15-Jun-35	7.50	15.7	8.95	7.60	↓ -0.5bps	99.11					18-Sep-19	100.00	113.98	64
FR0072	9-Jul-15	15-May-36	8.25	16.7	8.91	7.77	↓ -0.4bps	104.44	7.771	7.825	103.90	104.42	18-Sep-19	104.00	1,596.12	69
FR0045	24-May-07	15-May-37	9.75	17.7	8.82	7.87	↓ -0.4bps	117.73	7.962	8.017	116.20	116.77	6-Sep-19	116.50	9.80	1
FR0075	10-Aug-17	15-May-38	7.50	18.7	9.62	7.70	↓ -1.0bps	98.03	7.740	7.794	97.12	97.64	18-Sep-19	100.00	170.51	162
FR0050	24-Jan-08	15-Jul-38	10.50	18.8	9.07	7.91	↓ -0.1bps	125.17	7.940	7.994	124.15	124.77	26-Aug-19	121.75	0.48	1
FR0079	7-Jan-19	15-Apr-39	8.38	19.6	9.51	7.78	↑ -1.4bps	105.97	7.814	7.869	105.00	105.56	18-Sep-19	106.00	1,075.84	79
FR0057	21-Apr-11	15-May-41	9.50	21.7	9.62	8.01	↑ 0.5bps	115.14	8.025	8.079	114.40	115.02	18-Sep-19	115.50	34.80	3
FR0062	9-Feb-12	15-Apr-42	6.38	22.6	10.48	8.04	↑ 2.6bps	82.82	8.038	8.093	82.31	82.79	18-Sep-19	85.50	53.45	5
FR0067	18-Jul-13	15-Feb-44	8.75	24.4	10.40	8.03	↑ 2.5bps	107.65	8.045	8.100	106.86	107.47	18-Sep-19	107.50	121.72	9
FR0076	22-Sep-17	15-May-48	7.38	28.7	11.01	8.03	↑ 1.6bps	92.72	8.048	8.103	91.93	92.49	18-Sep-19	96.00	535.41	93
ORI014	25-Oct-17	15-Oct-20	5.85	1.1	-	6.29	↑ 1.5bps	99.54	6.051	6.106	99.73	99.79	18-Sep-19	98.90	12.14	13
IFR0007	21-Jan-10	15-Jan-25	10.25	5.3	4.10	7.01	↓ -0.5bps	114.17	6.910	6.965	114.39	114.65	28-Dec-18	92.37	354.61	2
IFR0006	1-Apr-10	15-Mar-30	10.25	10.5	6.74	7.62	↑ 1.7bps	118.78	7.482	7.537	119.43	119.87	6-Aug-19	118.12	10.00	3
IFR0010	3-Mar-11	15-Feb-36	10.00	16.4	8.57	8.06	↑ 0.1bps	117.48	8.032	8.087	117.20	117.75	23-Aug-17	120.00	1.01	1
PBS006	19-Sep-13	15-Sep-20	8.25	1.0	0.94	6.06	↓ -0.6bps	102.06	5.815	5.869	102.26	102.31	18-Sep-19	101.85	149.50	8
PBS014	6-Oct-16	15-May-21	6.50	1.7	1.52	6.51	↓ -5.6bps	99.97	6.409	6.463	100.05	100.13	18-Sep-19	100.05	292.27	12
PBS002	2-Feb-12	15-Jan-22	5.45	2.3	2.12	6.54	↓ -6.1bps	97.68	6.581	6.635	97.48	97.59	12-Sep-19	97.25	10.00	2
PBS011	14-Jan-16	15-Aug-23	8.75	3.9	3.28	6.64	↓ -5.2bps	107.16	6.680	6.735	106.81	107.01	11-Sep-19	106.65	100.00	2
PBS019	4-Oct-18	15-Sep-23	8.25	4.0	3.38	6.90	↓ -0.4bps	104.64	6.844	6.899	104.64	104.84	18-Sep-19	104.80	566.69	3
PBS017	11-Jan-18	15-Oct-25	6.13	6.1	4.83	7.14	↑ 0.4bps	95.09	7.010	7.064	95.42	95.68	17-Sep-19	94.25	16.00	2
PBS021	5-Dec-18	15-Nov-26	8.50	7.2	5.26	6.93	↑ 1.5bps	108.70	6.773	6.827	109.33	109.65	17-Sep-19	106.01	49.50	8
PBS003	2-Feb-12	15-Jan-27	6.00	7.3	5.67	7.66	↑ 1.4bps	90.80	7.519	7.574	91.27	91.55	24-Jul-19	92.24	600.00	2
PBS020	22-Oct-18	15-Oct-27	9.00	8.1	5.61	7.40	↑ 1.8bps	109.59	7.242	7.296	110.25	110.60	24-Jul-19	107.12	1,200.00	2
PBS018	4-Jun-18	15-May-28	7.63	8.7	6.10	7.63	↑ 2.0bps	99.95	7.478	7.533	100.56	100.91				
PBS012	28-Jan-16	15-Nov-31	8.88	12.2	7.39	7.68	↑ 0.9bps	109.36	7.581	7.635	109.69	110.15	13-Sep-19	108.50	40.00	8
PBS022	24-Jan-19	15-Apr-34	8.63	14.6	8.24	7.55	↑ 0.4bps	109.40	7.486	7.540	109.48	109.99	18-Sep-19	105.85	322.94	23
PBS004	16-Feb-12	15-Feb-37	6.10	17.4	9.69	8.26	↓ -0.1bps	80.25	8.241	8.295	79.96	80.38	18-Sep-19	80.75	19.00	2
PBS007	29-Sep-14	15-Sep-40	9.00	21.0	9.71	8.30	↓ -0.1bps	106.91	8.281	8.335	106.54	107.10	9-Aug-18	104.10	75.00	1
PBS005	2-May-13	15-Apr-43	6.75	23.6	10.14	8.59	→ 0.0bps	81.56	8.593	8.647	81.04	81.50	18-Sep-19	84.65	456.05	22
PBS015	21-Jul-17	15-Jul-47	8.00	27.8	10.49	8.58	↑ 1.4bps	93.93	8.58	8.633	93.35	93.89	18-Sep-19	97.86	50.00	7
SR010	21-Mar-18	10-Mar-21	5.90	1.5	-	6.41	↑ 0.4bps	99.29	6.219	6.273	99.47	99.55	18-Sep-19	98.50	6.72	11