

HEADLINES & ANALYSIS

- Senior trade negotiators for the U.S. and China were expected to sit down in Washington Thursday and Friday, but their talks may be cut down to one day and they are not expected to make much headway. The hope was that the talks would at least result in a postponement of new tariffs, set to take effect next week. (Bloomberg)
- Turkey launched a military ground incursion into northeastern Syria to force U.S.-backed Kurdish militants controlling the border area away from the region, the Defense Ministry said. The move comes after President Donald Trump ordered U.S. forces to stand aside, in a dramatic reversal of policy. The Turkish military carried out the incursion together with allied Syrian rebels in an effort to seize areas to the south of the frontier towns: armored vehicles and tanks crossed into Syria after F-16s and artillery units targeted positions of Kurdish YPG militants earlier Wednesday. Turkey has been fighting versions of the Kurdish People's Protection Units, or YPG, for 35 years. The renewed conflict has sparked concerns that chaos in Syria could lead to a jihadist resurgence. (Bloomberg)

YIELD CURVE (%)

TTM	9-Oct-19	-1 Day	Change	TTM	9-Oct-19	-1 Day	Change
3 months	4.913	4.933	-0.020	15 years	7.756	7.751	0.004
6 months	5.241	5.272	-0.031	16 years	7.804	7.801	0.003
1 year	5.778	5.814	-0.036	17 years	7.847	7.845	0.003
2 years	6.267	6.288	-0.020	18 years	7.885	7.883	0.002
3 years	6.509	6.512	-0.003	19 years	7.919	7.917	0.002
4 years	6.673	6.665	0.008	20 years	7.948	7.947	0.001
5 years	6.813	6.800	0.014	21 years	7.975	7.974	0.001
6 years	6.945	6.930	0.015	22 years	7.998	7.998	0.000
7 years	7.071	7.055	0.015	23 years	8.019	8.019	0.000
8 years	7.189	7.175	0.014	24 years	8.037	8.037	0.000
9 years	7.298	7.285	0.012	25 years	8.054	8.054	0.000
10 years	7.397	7.386	0.011	26 years	8.068	8.069	-0.001
11 years	7.487	7.478	0.009	27 years	8.081	8.082	-0.001
12 years	7.567	7.559	0.008	28 years	8.093	8.094	-0.001
13 years	7.638	7.631	0.006	29 years	8.104	8.105	-0.001
14 years	7.700	7.695	0.005	30 years	8.113	8.114	-0.001

Source: Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0082	7.000	15-Sep-30	97.75	7.318	5,570.62
FR0078	8.250	15-May-29	106.60	7.252	2,561.77
FR0081	6.500	15-Jun-25	98.60	6.796	2,017.29
FR0077	8.125	15-May-24	105.60	6.654	1,885.87
FR0079	8.380	15-Apr-39	105.26	7.846	1,628.09

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
SIAISA02	idA(sy)	10.500	19-Jul-21	25.02	111.95	200.00
WSKT02CN2	idA-	8.500	28-Sep-21	98.70	9.23	160.00
PNMP03ACN1	idA	9.500	28-May-22	100.98	9.07	100.00
PPLN03BCN5	idAAA	8.400	1-Oct-26	102.25	7.98	90.60
SMII01BCN2	idAAA	7.400	15-Nov-20	100.45	6.97	84.00

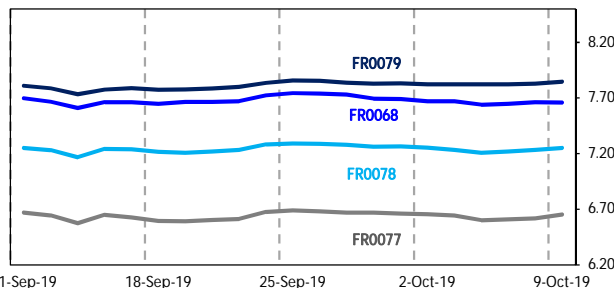
*Current yield: Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	9-Oct-19			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	9-Oct-19					
			-1 Mo	-3 Mo	9-Oct-19	-1 Mo	-3 Mo	-1 Mo				-3 Mo					
United States	2yr		1.47	2.58	2.40				Philippines	2yr	6.00	4.06	-	-	259	-	-
USD	5yr		1.40	2.77	2.65				PHP	5yr	7.88	4.32	-	-	292	-	-
	10yr		1.59	2.92	2.88					10yr	11.38	4.73	-	-	314	-	-
German	2yr	0.25	-0.76	-	-	-223	-	-	Thailand	2yr	3.13	1.37	1.65	1.67	-10	-79	-58
EUR	5yr	1.00	-0.76	-	-	-216	-	-	THB	5yr	3.45	1.38	-	-	-2	-	-
	10yr	1.75	-0.55	-	-	-214	-	-		10yr	3.63	1.48	-	-	-11	-	-
Indonesia	2yr	11.63	4.52	2.81	2.54	305	37	29	India	2yr	7.59	5.65	-	-	418	-	-
USD	5yr	3.75	2.47	3.74	3.52	107	97	87	INR	5yr	7.28	6.24	-	-	484	-	-
	10yr	3.50	2.89	4.14	4.04	130	122	116		10yr	8.83	6.45	-	-	486	-	-
Brazil	2yr	0.00	5.01	8.26	8.86	354	582	661	Malaysia	3yr	3.17	3.14	3.71	3.60	171	113	120
BRL	5yr	10.00	5.79	8.87	9.28	432	643	703	MYR	5yr	3.26	3.25	-	-	185	-	-
	10yr	10.00	6.94	9.76	10.00	547	732	775		10yr	4.18	3.40	-	-	181	-	-

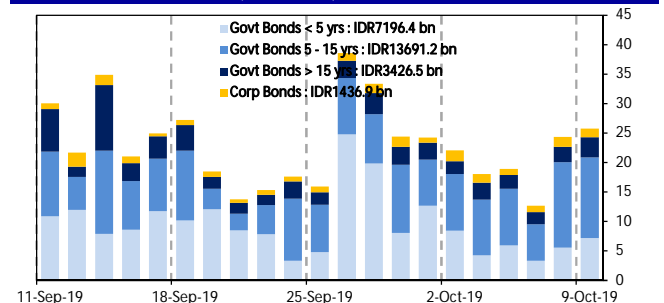
Sources: Bloomberg (Current Yield Curve), US Treasury

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)	5.25	19-Sep-19	-25bps	3.39	1.86
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	0.30	-0.20
India (Repo Rate)	5.15	0-Jan-00	0bps	6.31	-1.16
Malaysia	3.00	7-May-19	-25bps	1.50	1.50
Philippines	4.00	26-Sep-19	-25bps	0.90	3.10
Thailand	3.00	25-Jan-12	-25bps	0.32	2.68
Singapore	0.08	31-Dec-13	5bps	0.50	-0.42
Brazil	5.50	18-Sep-19	-50bps	2.89	2.61

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	9-Oct-19	-1Day	Return (%)					
			Daily	WoW	MoM	YoY	YtD	
Indonesia (ICI)	6,029	↓	6,040	-0.17	-0.43	-4.70	4.01	-2.67
Dow Jones (DJIA)	26,346	↑	26,164	0.70	1.03	-1.82	-0.32	14.24
London (FTSE 100)	7,167	↑	7,143	0.33	0.62	-0.96	-0.98	6.42
Nikkei 225	21,456	↓	21,588	-0.61	-1.48	0.65	-8.58	7.20
Hang Seng (HIS)	25,683	↓	25,893	-0.81	-1.38	-3.74	-1.87	0.70
Malaysia (KLIC)	1,551	↓	1,559	-0.48	-1.50	-3.32	-12.56	-8.32
Philippines (PSEI)	7,681	↓	7,757	-0.97	0.93	-3.50	8.81	2.88
Thailand (SET)	1,616	↑	1,612	0.25	0.16	-3.29	-4.76	3.34
Singapore (STI)	3,090	↓	3,111	-0.67	-0.44	-1.79	-2.42	1.19
Brazil (BOVESPA)	101,249	↑	99,981	1.27	0.22	-1.87	17.61	15.20

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	9-Oct-19	-1 Day	-1 Week	-1 Month	EoP 2018
USD/IDR	14,173	↑	14,162	14,197	14,035
Brent	58.27	↓	58.08	57.77	63.34
WTI Crude Oil	52.59	↓	52.63	52.64	57.85

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
9-Oct-19	7.14		-0.05	0.22	0.87	16.57	11.45
-1 Day	7.13	↑ 1.1	-0.03	0.39	1.20	16.31	11.50
-1 Week	7.17	↓ -2.3	0.12	0.40	1.04	14.69	11.20
-1 Month	7.21	↓ -6.8	0.28	0.39	1.10	16.56	10.49
-1 Year	8.42	↓ -127.5	-0.28	-1.40	1.06	-3.06	-5.83

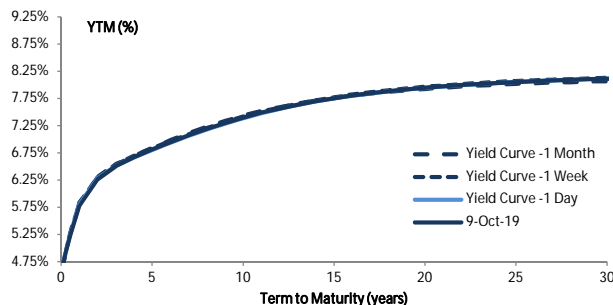
Sources: Danareksa

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
FR0031	16-Jun-05	15-Nov-20	11.00	1.1	1.00	5.75 ↑ 3.8bps	105.48	5.735 5.805	105.45 105.53	4-Oct-19	104.70	0.25	1
FR0034	26-Jan-06	15-Jun-21	12.80	1.7	1.48	6.10 ↓ -0.9bps	110.52	6.088 6.158	110.44 110.56	7-Oct-19	110.50	1.40	1
FR0053	8-Jul-10	15-Jul-21	8.25	1.8	1.60	6.18 ↓ -0.2bps	103.39	6.122 6.191	103.38 103.50	7-Oct-19	103.30	267.30	5
FR0061	6-Oct-11	15-May-22	7.00	2.6	2.29	6.44 ↑ 0.3bps	101.31	6.386 6.456	101.27 101.44	7-Oct-19	101.50	174.70	10
FR0035	16-Feb-06	15-Jun-22	12.90	2.7	2.23	6.46 ↑ 0.8bps	115.59	6.426 6.496	115.52 115.70	19-Sep-19	115.90	140.00	2
FR0043	22-Feb-07	15-Jul-22	10.25	2.8	2.36	6.66 ↓ -0.1bps	108.91	6.533 6.602	109.07 109.25	3-Oct-19	109.25	2.00	1
FR0063	13-Aug-12	15-May-23	5.63	3.6	3.13	6.51 ↑ 0.3bps	97.20	6.517 6.586	96.96 97.17	7-Oct-19	97.25	81.87	12
FR0077	27-Sep-18	15-May-24	8.13	4.6	3.71	6.65	105.73	6.588 6.658	105.72 106.00	7-Oct-19	105.97	490.49	13
FR0046	19-Jul-07	15-Jul-23	9.50	3.8	3.11	6.62 ↑ 2.3bps	109.42	6.603 6.672	109.26 109.50	30-Sep-19	109.10	30.00	1
FR0039	24-Aug-06	15-Aug-23	11.75	3.9	3.11	6.68 ↑ 0.1bps	116.93	6.658 6.728	116.77 117.03	8-Jul-19	117.25	0.46	1
FR0070	29-Aug-13	15-Mar-24	8.38	4.4	3.68	6.66 ↑ 1.0bps	106.48	6.642 6.712	106.28 106.55	7-Oct-19	106.75	14.70	4
FR0044	19-Apr-07	15-Sep-24	10.00	4.9	3.92	6.75 ↓ -0.1bps	113.41	6.743 6.813	113.16 113.47	7-Oct-19	113.48	4.00	2
FR0081	1-Aug-19	15-Jun-25	6.50	5.7	4.58	6.80 ↑ 3.7bps	98.61			7-Oct-19	98.90	981.00	9
FR0040	21-Sep-06	15-Sep-25	11.00	5.9	4.47	6.90 ↓ -0.1bps	119.69	6.893 6.963	119.34 119.72	7-Oct-19	119.98	82.00	3
FR0037	18-May-06	15-Sep-26	12.00	6.9	4.94	7.02 ↑ 1.1bps	126.94	6.972 7.041	126.83 127.27	3-Oct-19	129.23	70.00	9
FR0056	23-Sep-10	15-Sep-26	8.38	6.9	5.25	6.98 ↑ 1.2bps	107.56	6.982 7.052	107.15 107.54	7-Oct-19	107.73	399.97	8
FR0059	15-Sep-11	15-May-27	7.00	7.6	5.65	7.11 ↑ 2.5bps	99.34	7.066 7.136	99.20 99.60	7-Oct-19	98.50	115.17	11
FR0042	25-Jan-07	15-Jul-27	10.25	7.8	5.42	7.30 ↑ 4.1bps	117.24	7.234 7.303	117.21 117.66	7-Oct-19	116.92	2.00	2
FR0047	30-Aug-07	15-Feb-28	10.00	8.4	5.77	7.31 ↑ 2.0bps	116.59	7.247 7.317	116.53 117.00	4-Oct-19	116.50	1.60	1
FR0064	13-Aug-12	15-May-28	6.13	8.6	6.33	7.27 ↑ 1.9bps	92.75	7.210 7.279	92.71 93.13	7-Oct-19	93.50	594.47	17
FR0078	27-Sep-18	15-May-29	8.25	9.6	6.47	7.25	106.80	7.180 7.250	106.82 107.32	7-Oct-19	107.00	1,466.54	24
FR0071	12-Sep-13	15-Mar-29	9.00	9.4	6.44	7.39 ↑ 0.7bps	110.80	7.338 7.407	110.67 111.17	7-Oct-19	111.35	407.86	5
FR0052	20-Aug-09	15-Aug-30	10.50	10.9	6.81	7.41 ↑ 0.8bps	122.77	7.397 7.462	122.31 122.85	7-Oct-19	122.25	5.98	2
FR0082	1-Aug-19	15-Sep-30	7.00	10.9	7.47	7.32 ↑ 2.6bps	97.63			7-Oct-19	98.10	456.43	32
FR0073	6-Aug-15	15-May-31	8.75	11.6	7.20	7.51 ↑ 3.7bps	109.46	7.492 7.561	109.06 109.62	7-Oct-19	109.00	554.65	8
FR0074	10-Nov-16	15-Aug-32	7.50	12.9	8.03	7.65 ↑ 2.5bps	98.76	7.583 7.652	98.76 99.32	7-Oct-19	99.45	212.71	14
FR0054	22-Jul-10	15-Jul-31	9.50	11.8	7.24	7.52 ↓ -2.9bps	115.28	7.521 7.583	114.72 115.25	7-Oct-19	114.75	0.03	1
FR0058	21-Jul-11	15-Jun-32	8.25	12.7	7.72	7.64 ↑ 2.4bps	104.87	7.583 7.652	104.78 105.36	7-Oct-19	103.00	11.69	2
FR0065	30-Aug-12	15-May-33	6.63	13.6	8.37	7.68 ↑ 0.9bps	91.23	7.625 7.694	91.07 91.61	7-Oct-19	94.60	61.44	16
FR0068	1-Aug-13	15-Mar-34	8.38	14.4	8.45	7.66	106.17	7.638 7.708	105.74 106.37	7-Oct-19	106.00	537.80	25
FR0080	4-Jul-19	15-Jun-35	7.50	15.7	8.88	7.63 ↑ 1.0bps	98.77			7-Oct-19	100.00	292.12	48
FR0072	9-Jul-15	15-May-36	8.25	16.6	8.83	7.83 ↑ 0.6bps	103.89	7.773 7.838	103.78 104.40	7-Oct-19	105.25	43.42	21
FR0045	24-May-07	15-May-37	9.75	17.6	8.75	7.90 ↑ 1.5bps	117.47	7.866 7.936	117.04 117.77	3-Oct-19	115.00	0.75	1
FR0075	10-Aug-17	15-May-38	7.50	18.6	9.58	7.68 ↑ 1.1bps	98.27	7.689 7.759	97.46 98.13	7-Oct-19	99.25	87.13	119
FR0050	24-Jan-08	15-Jul-38	10.50	18.8	9.00	7.93 ↑ 2.0bps	124.82	7.897 7.966	124.44 125.23	4-Oct-19	126.00	1.32	2
FR0079	7-Jan-19	15-Apr-39	8.38	19.5	9.42	7.85	105.24	7.795 7.864	105.05 105.77	7-Oct-19	105.40	1,076.93	49
FR0057	21-Apr-11	15-May-41	9.50	21.6	9.56	8.02 ↑ 1.1bps	115.01	8.006 8.076	114.43 115.22	7-Oct-19	114.72	24.00	3
FR0062	9-Feb-12	15-Apr-42	6.38	22.5	10.42	8.05 ↓ -0.7bps	82.73	8.031 8.101	82.26 82.88	7-Oct-19	81.50	0.45	2
FR0067	18-Jul-13	15-Feb-44	8.75	24.4	10.32	8.07 ↑ 2.4bps	107.16	8.033 8.099	106.85 107.60	4-Oct-19	105.00	0.80	1
FR0076	22-Sep-17	15-May-48	7.38	28.6	10.94	8.04 ↑ 6.5bps	92.55	7.999 8.069	92.28 93.01	7-Oct-19	94.00	231.99	81
ORI014	25-Oct-17	15-Oct-20	5.85	1.0	-	6.16 ↓ -1.1bps	99.70	6.073 6.142	99.71 99.78	7-Oct-19	99.00	11.40	18
IFR0007	21-Jan-10	15-Jan-25	10.25	5.3	4.05	7.06 ↑ 0.3bps	113.78	6.993 7.062	113.80 114.12	28-Dec-18	92.37	354.61	2
IFR0006	1-Apr-10	15-Mar-30	10.25	10.4	6.66	7.76 ↑ 1.1bps	117.57	7.602 7.672	118.28 118.83	6-Aug-19	118.12	10.00	3
IFR0010	3-Mar-11	15-Feb-36	10.00	16.4	8.47	8.19 ↑ 1.0bps	116.17	7.918 7.987	118.18 118.89	23-Aug-17	120.00	1.01	1
PBS006	19-Sep-13	15-Sep-20	8.25	0.9	0.89	6.19 ↓ -0.4bps	101.83	5.910 5.979	102.03 102.09	4-Oct-19	101.95	10.00	2
PBS014	6-Oct-16	15-May-21	6.50	1.6	1.46	6.48 ↑ 1.8bps	100.03	6.382 6.451	100.07 100.17	7-Oct-19	100.05	142.00	5
PBS002	2-Feb-12	15-Jan-22	5.45	2.3	2.07	6.57 ↓ -0.7bps	97.66	7.204 7.274	96.24 96.38	4-Oct-19	97.60	127.11	3
PBS011	14-Jan-16	15-Aug-23	8.75	3.9	3.22	6.72 ↓ -2.6bps	106.77	6.693 6.762	106.63 106.87	4-Oct-19	106.45	40.00	1
PBS019	4-Oct-18	15-Sep-23	8.25	3.9	3.32	6.91 ↓ -0.1bps	104.54	6.865 6.935	104.45 104.70	7-Oct-19	104.75	49.45	1
PBS017	11-Jan-18	15-Oct-25	6.13	6.0	4.77	7.21 ↑ 0.6bps	94.80	7.122 7.191	94.86 95.19	1-Oct-19	96.90	16.00	8
PBS021	5-Dec-18	15-Nov-26	8.50	7.1	5.20	7.03 ↑ 1.0bps	108.09	6.913 6.982	108.37 108.78	4-Oct-19	106.22	100.00	6
PBS003	2-Feb-12	15-Jan-27	6.00	7.3	5.61	7.74 ↑ 1.0bps	90.47	7.633 7.702	90.65 91.01	24-Jul-19	92.24	600.00	2
PBS020	22-Oct-18	15-Oct-27	9.00	8.0	5.54	7.50 ↑ 1.1bps	108.94	7.373 7.443	109.27 109.71	24-Jul-19	107.12	1,200.00	2
PBS018	4-Jun-18	15-May-28	7.63	8.6	6.03	7.73 ↑ 1.3bps	99.33	7.602 7.671	99.70 100.13				
PBS012	28-Jan-16	15-Nov-31	8.88	12.1	7.30	7.85 ↑ 1.0bps	107.90	7.682 7.752	108.71 109.28	4-Oct-19	108.35	10.00	2
PBS022	24-Jan-19	15-Apr-34	8.63	14.5	8.04	8.03 ↑ 0.5bps	105.01	7.622 7.692	108.08 108.71	7-Oct-19	105.90	10.00	1
PBS004	16-Feb-12	15-Feb-37	6.10	17.4	9.69	8.11 ↑ 0.1bps	81.49	8.119 8.188	80.82 81.37	7-Oct-19	81.15	15.00	5
PBS007	29-Sep-14	15-Sep-40	9.00	20.9	9.90	7.83 ↓ -0.1bps	111.94	7.949 8.018	109.87 110.63	9-Aug-18	104.10	75.00	1
PBS005	2-May-13	15-Apr-43	6.75	23.5	10.45	8.04 → 0.0bps	86.45	8.233 8.302	84.06 84.69	30-Sep-19	81.30	1.20	2
PBS015	21-Jul-17	15-Jul-47	8.00	27.8	10.97	7.90 ↑ 0.5bps	101.15	8.17 8.238	97.40 98.14	7-Oct-19	97.40	10.00	2
SR010	21-Mar-18	10-Mar-21	5.90	1.4	-	6.26 ↓ -3.8bps	99.51	6.246 6.316	99.44 99.53	7-Oct-19	98.60	6.30	7

*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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