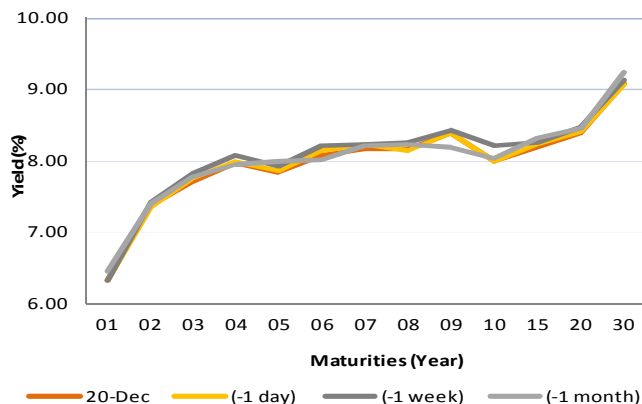


Fixed Income Daily Notes

Indonesia Government Bonds Yield

Maturities (Year)	20-Dec	(-1 day)	(-1 week)	(-1 month)
01	6.33	6.33	6.33	6.45
02	7.38	7.36	7.41	7.41
03	7.70	7.75	7.82	7.77
04	7.97	7.99	8.07	7.95
05	7.83	7.85	7.92	7.99
06	8.09	8.15	8.22	8.01
07	8.16	8.23	8.24	8.22
08	8.17	8.15	8.26	8.23
09	8.39	8.39	8.43	8.18
10	7.99	8.00	8.21	8.04
15	8.19	8.23	8.25	8.33
20	8.38	8.41	8.48	8.46
30	9.09	9.08	9.13	9.24

Source: Bloomberg



Global Market Update

- Yesterday, December 20 2018, US 10-years treasury note yield rose to 2.81% after investors worried about US government shutdown uncertainty. On the other hand, yield benchmark global bond moved downward reflected by yield 10-years UK Gilt and German Bunds, which fell to 1.26% and 0.23%, respectively.
- Yield 10-years US Treasury note kemarin, 20 Desember 2018, ditutup naik ke level 2,81% akibat adanya kekhawatiran terkait kemungkinan government shutdown di AS. Di sisi lain, yield obligasi benchmark global ditutup mengalami penurunan, terlihat dari yield 10-years UK Gilt dan German Bunds yang turun ke level 1,26% dan 0,23%

Domestic Market Update

- Bank Indonesia (BI) decided to hold their 7-Days Repo Rate (7-DRR) at 6.00% after their Government Council Meeting (RDG) yesterday, December 20. According to Perry Warjiyo, BI hold 7-DRR in order to maintain attractiveness of domestic assets. He also stated that this policy would still in line with government target to lower current account deficit to 2.5% in 2019.
- Dalam Rapat Dewan Gubernur (RDG) yang digelar pada tanggal 19-20 Desember, Bank Indonesia (BI) memutuskan untuk mempertahankan tingkat suku bunganya pada level 6,00%. Salah satu alasannya, menurut Gubernur BI, Perry Warjiyo, adalah untuk mempertahankan daya tarik aset keuangan domestik, dengan mempertimbangkan proyeksi perubahan suku bunga global selama beberapa bulan ke depan. Menurutnya juga, kebijakan ini masih selaras dengan usaha pemangku kebijakan untuk menurunkan Current Account Deficit hingga ke level 2,5% pada tahun 2019 mendatang.
- Today, Government bond prices on the secondary market are likely to weaken moderately because investors tendency to sell amidst of Christmas long holiday. Rupiah will be ranging from IDR 14,499 - 14,571 and yield of 10-years benchmark bond (FR0064) will be ranging from 7.89% - 8.01%.
- Hari ini, pergerakan harga SBN secara umum di pasar sekunder diprediksi mengalami pelemahan terbatas akibat perkiraan adanya aksi jual menjelang libur natal hingga Rabu mendatang. Nilai tukar rupiah terhadap dolar AS diprediksi bergerak pada kisaran Rp 14.499 – Rp 14.571, sedangkan yield benchmark 10 tahun (FR0064) pada perdagangan hari ini diperkirakan bergerak di rentang 7,89% - 8,01%.

Most Active Government Bonds	Last Price	Last Yield	Volume (IDR bn)
FR0053	101.50	7.59	1328
FR0063	92.15	7.77	1098
FR0070	101.50	8.01	1002
FR0074	93.90	8.25	813
FR0064	87.90	7.98	605
FR0059	93.50	8.08	597
FR0077	101.40	7.80	544
FR0072	100.00	8.25	539
FR0056	101.04	8.19	510
FR0075	92.55	8.28	447

Most Active Corporate Bonds	Last Price	Last Yield	Volume (IDR bn)	
SMLPPI01B	idA+(sy)	100.00	460	
MEDC03ACN2	idA+	101.57	8.67	226
PNBN02SBCN2	idA+	101.00	9.63	154
BJTG01SB	idA	106.45	10.97	132
WOMF03ACN1	AA-(idn)	100.00	9.25	100
MEDC03ACN1	idA+	100.01	7.88	60
SMRA03CN1	idA	100.02	9.11	56
BBRI01CCN2	idAAA	101.80	7.26	29
ADMFO4BCN1	idAAA	98.03	8.55	25
ADMFO4CCN2	idAAA	97.38	8.70	25

Global Stock Markets	Last Price	Chg (bps)	% Chg	% YTD
Indonesia (JCI)	6148	-28.22	-0.46%	-3.27%
Malaysia (KLCI)	1651	-5.10	-0.31%	-8.14%
Thailand (SET)	1596	-5.02	-0.31%	-8.99%
Singapore (STI)	3051	-8.03	-0.26%	-10.4%
Hang Seng	25624	-241.86	-0.94%	-14.4%
Nikkei 225	20393	-595.34	-2.84%	-10.42%
Shanghai	2536	-13.30	-0.52%	-23.31%
Dow Jones (DJIA)	22860	-464.06	-1.99%	-7.52%
London (FTSE 100)	6712	-54.01	-0.80%	-12.69%
DAX	10611	-155.11	-1.44%	-17.9%

FX Rate	20-Dec		
	20-Dec	(-1 day)	(-1 week)
USD/IDR	14,535	14,534	14,500
GBP/USD	1.266	1.261	1.266
USD/JPY	111.3	112.5	113.6
USD/SGD	1.371	1.372	1.371
USD/THB	32.64	32.75	32.76
USD/MYR	4.192	4.179	4.181

Macroeconomic Data	Nov-18	Oct-18	Sep-18
Consumer Price Index (MoM)	0.27	0.28	-0.20
Consumer Price Index (YoY)	3.23	3.16	2.88
Core Inflation (YoY)	3.03	2.94	2.82
BI 7-Day RR Rate (%)	6.00	5.75	5.75
Foreign Reserve (US\$ Bn)	117.20	115.20	114.80

Indonesia Sovereign CDS	2-year	5-year	10-year
As of			
20-Dec	55.89	139.24	216.21
(-1 Day)	53.59	133.58	209.00
(-1 Week)	60.83	132.28	216.05
(-1 Month)	73.37	152.15	228.23
(-1 Year)	34.70	86.87	154.02

Global Bonds	20-Dec			
	20-Dec	(-1 day)	(-1 week)	(-1 month)
Fed Fund Rate & US T-Bonds Yield				
Fed Fund Rate	2.50	2.50	2.25	2.25
2-Year	2.67	2.65	2.76	2.82
5-Year	2.67	2.62	2.76	2.89
10-Year	2.81	2.76	2.91	3.06
30-Year	3.05	2.98	3.17	3.32
10-Year Government Bond Yield				
UK	1.26	1.27	1.29	1.43
Germany	0.23	0.24	0.28	0.37
France	0.67	0.70	0.73	0.75
China	3.32	3.35	3.34	3.38
Japan	0.02	0.03	0.05	0.09
Korea	2.73	2.73	2.73	2.73
Thailand	2.53	2.57	2.68	2.72
Malaysia	4.09	4.08	4.09	4.15
Singapore	2.09	2.13	2.29	2.43
Indonesia USD Bond Yield				
INDO-22	3.96	3.96	4.02	4.22
INDO-27	4.49	4.49	4.59	4.88
INDO-47	5.20	5.21	5.29	5.59

Money Market	20-Dec			
	20-Dec	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.90	5.90	5.90	5.93
1M	7.58	7.56	7.42	7.31
3M	7.71	7.71	7.70	7.71
LIBOR				
1M	2.48	2.48	2.46	2.31
3M	2.79	2.79	2.79	2.69
6M	2.87	2.87	2.90	2.89
Indonesia Interest Rates				
Deposit 1M	6.28	6.32	6.28	6.14
Lending	13.9	14.0	13.9	13.7

Benchmark	20-Dec	(-1 day)	Change	Yield
FR0061	97.64	97.43	20	7.80%
FR0059	93.44	93.35	9	8.09%
FR0074	93.49	93.06	43	8.30%
FR0072	98.68	98.31	37	8.39%

Government Bond Ownership As of December 14, 2018 (in Trillion)

Holders	2013	2014	2015	2016	2017	11-Dec-18	12-Dec-18	13-Dec-18	14-Dec-18
Banks	335.43	375.55	350.07	399.46	491.61	648.70	442.93	632.40	638.81
Bank Indonesia	44.44	41.63	148.91	134.25	141.83	85.90	91.56	103.13	96.91
Mutual Fund	42.50	45.79	61.60	85.66	104.00	116.69	96.45	116.58	116.62
Insurance	129.55	150.60	171.62	238.24	150.80	200.98	153.11	201.44	201.47
Foreign Investor	323.83	461.35	558.52	665.81	836.15	896.31	875.35	892.66	892.33
Pension Fund	39.47	43.30	49.83	87.28	198.06	212.60	168.55	212.61	212.66
Individual Investors	32.48	30.41	42.53	57.75	59.84	76.56	54.51	76.54	76.55
Others	47.56	61.32	78.76	104.84	117.48	136.71	99.02	136.08	136.10
Total	995.25	1,209.96	1,461.85	1,773.28	2,099.77	2,369.14	1,981.47	2,371.45	2,371.45

Source: Bloomberg, IDX & DJPPR

December 21, 2018

Government Bonds Prices

Closing Price Data : 20-Dec-2018



Series	Maturity	TTM	Coupon	Price	YTM	Price (-1)	Price Spread (bps)
FR0069	15-Apr-19	0.32	7.875%	100.46	6.23%	100.48	-2.3
FR0036	15-Sep-19	0.74	11.500%	102.02	8.55%	102.02	0.0
FR0031	15-Nov-20	1.91	11.000%	106.61	7.18%	106.63	-2.0
FR0034	15-Jun-21	2.49	12.800%	111.65	7.54%	111.59	6.2
FR0053	15-Jul-21	2.57	8.250%	101.44	7.62%	101.32	11.7
FR0061	15-May-22	3.40	7.000%	97.64	7.80%	97.43	20.4
FR0035	15-Jun-22	3.49	12.900%	114.58	8.00%	114.65	-7.4
FR0043	15-Jul-22	3.57	10.250%	107.07	7.93%	107.07	-0.1
FR0063	15-May-23	4.40	5.625%	91.75	7.89%	91.60	14.4
FR0046	15-Jul-23	4.57	9.500%	105.83	7.95%	105.83	0.0
FR0039	15-Aug-23	4.65	11.750%	114.38	7.98%	113.78	59.9
FR0070	15-Mar-24	5.24	8.375%	101.44	8.03%	101.45	-1.6
FR0077	15-May-24	5.41	8.125%	101.49	7.78%	101.34	14.9
FR0044	15-Sep-24	5.74	10.000%	109.01	8.00%	108.77	23.9
FR0040	15-Sep-25	6.74	11.000%	114.87	8.08%	114.45	42.4
FR0037	15-Sep-26	7.74	12.000%	121.16	8.24%	121.16	0.0
FR0056	15-Sep-26	7.74	8.375%	101.43	8.12%	101.44	-0.8
FR0059	15-May-27	8.41	7.000%	93.44	8.09%	93.35	8.9
FR0042	15-Jul-27	8.57	10.250%	112.48	8.19%	112.42	6.6
FR0047	15-Feb-28	9.16	10.000%	110.54	8.33%	110.54	0.0
FR0064	15-May-28	9.41	6.125%	88.17	7.93%	88.03	13.7
FR0071	15-Mar-29	10.24	9.000%	105.24	8.23%	105.03	21.2
FR0078	15-May-29	10.41	8.500%	102.27	7.92%	102.15	12.5
FR0052	15-Aug-30	11.66	10.500%	116.40	8.28%	116.06	34.0
FR0073	15-May-31	12.41	8.750%	103.69	8.27%	102.95	73.6
FR0054	15-Jul-31	12.58	9.500%	109.26	8.30%	109.26	0.0
FR0058	15-Jun-32	13.50	8.250%	99.61	8.30%	99.18	42.4
FR0074	15-Aug-32	13.66	7.500%	93.49	8.30%	93.06	43.1
FR0065	15-May-33	14.41	6.625%	87.14	8.16%	86.85	29.0
FR0068	15-Mar-34	15.24	8.375%	99.79	8.40%	99.65	14.2
FR0072	15-May-36	17.41	8.250%	98.68	8.39%	98.31	36.6
FR0045	15-May-37	18.41	9.750%	112.00	8.45%	112	0.0
FR0075	15-May-38	19.41	7.500%	91.89	8.35%	91.58	31.5
FR0050	15-Jul-38	19.58	10.500%	117.80	8.60%	117.80	0.0
FR0057	15-May-41	22.42	9.500%	107.86	8.70%	107.86	0.0
FR0062	15-Apr-42	23.33	6.375%	77.20	8.67%	77.19	1.6
FR0067	15-Jul-43	24.58	8.750%	100.44	8.71%	100.16	27.9
FR0076	15-May-48	29.42	7.375%	83.65	9.09%	83.66	-1.1

Source: Bloomberg, IBPA & MCS Estimates

Macroeconomic Indicator Calendar (December 17 - December 21 2018)

INDONESIA

Date	Indicator	Series Data	Actual	Previous	Projection
17	Balance of Trade	Nov-18	USD -2.08 billion	USD -1.77 billion	USD -0.17 billion
20	7-Days Repo Rate (7-DRR)	-	6.00%	6.00%	6.00%

GLOBAL

Date	Indicator	Country	Series Data	Actual	Previous	Projection
17	Inflation Rate Final (YoY)	Euro Area	Nov-18	1.9%	2.2%	2.0%
18	Ifo Business Climate	Germany	Dec-18	101.0	102.0	102.7
19	Inflation Rate (YoY)	Great Britain	Nov-18	2.3%	2.4%	2.5%
19	Crude Oil Inventory	US	Week Ended, Dec 14 - 2018	-0.50 million barrel	-1.21 million barrel	-2.99 million barrel
20	Fed Funds Rate	US	-	2.50%	2.25%	2.50%
20	BoJ Interest Rate	Japan	-	-0.1%	-0.1%	-0.1%
20	BoE Interest rate	Great Britain	-	0.75%	0.75%	0.75%
20	Initial Jobless Claims	US	Week Ended, Dec 15 - 2018	214 thousand	206 thousand	226 thousand
20	Continuing Jobless Claims	US	Week Ended, Dec 08 - 2018	1688 thousand	1661 thousand	1710 thousand
21	Inflation Rate (YoY)	Japan	Nov-18	0.8%	1.4%	1.4%
21	Durable Goods Orders (MoM)	US	Nov-18	-	-4.4%	1.2%

December 21, 2018

PT. MEGA CAPITAL SEKURITAS
Head Office
Menara Bank Mega Lt. 2
Jl. Kapten P. Tendean Kav 12-14A
Jakarta 12790

Dealing Room

Phone No : +62 21 7995795

Fax No : +62 21 79175965

Eva Sarah Hutabarat	eva@megasekuritas.id	Head of Debt Capital Market
Cicah Sukaesih	cicah@megasekuritas.id	Debt Sales
Ajeng Palupi P.	palupi@megasekuritas.id	Debt Sales
Ratna Nurhasanah	ratna.nurhasanah@megasekutitas.id	Debt Sales
Qolbie Ardie	qolbie@megasekuritas.id	Economist & Fixed Income Analyst
Siti Maulina M.	siti.maulina@megasekuritas.id	Administrative Assistant

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