

**Market Update**

The JCI slipped, whilst INDOGB yields continued fall at the beginning of the week ahead a public holiday. JCI declined by -0.91% (-0.49% mtd) to 6,017.394 with foreign recording net inflow of Rp250.06bn. Regional stock markets continued lowering, with the NKY -0.96%, HSI -0.89%, and Kospi -0.39% as growing concerns about the spread of Delta Variant.

INDOGB 10-yr yield declined to 6.29% as UST yields hovering above 1.2% triggered by rising cases among the unvaccinated. Furthermore, Indonesia extends COVID curbs to July 25 as cases remain high. Indonesia's surge in COVID-19 cases threatens to hamper government plans to reduce its fiscal deficit and could undermine the credit rating, Moody's Investors Service said on Monday. Moody's expects Indonesia's economy to grow 4.5% in 2021, following a 2.1% contraction in 2020. At the same time, Indonesia's fiscal deficit is expected at 5.9% of GDP for 2021, slightly higher than the government's projection of 5.7%.

Indonesia's successfully obtained Rp7.5tn of funds from the retail bond (SBR010) issuance on July 19. Today, Indonesia will hold bond auction with the government targeting to get Rp33tn of funds. Here are the series that will be auctioned

1. SPN3Mo - new issuance : 2.97 - 3.07%
2. SPN9Mo - reopening : 3.27 - 3.37%
3. FR0090 (6Y) - reopening : 5.30 - 5.40%
4. FR0091 (11Y) - reopening : 6.30 - 6.40%
5. FR0088 (15Y) - reopening : 6.30 - 6.40%
6. FR0092 (21Y) - reopening : 6.95 - 7.05%
7. FR0089 (30Y) - reopening : 6.85 - 6.95%
8. USD/IDR decreased by -0.25% to 14,556.

**Government Bond Ownership As of July 12, 2021 (in Trillion)**

Holders	2020	30-Jun-21	12-Jul-21
Banks	1,375.57	1,391.98	1,376.68
(of percentage %)	35.54	32.50	31.84
Bank Indonesia	454.36	677.95	723.32
(of percentage %)	11.74	15.83	16.73
Mutual Fund	161.33	135.40	137.57
(of percentage %)	4.17	3.16	3.18
Insurance & Pension Fund	542.82	610.06	615.73
(of percentage %)	14.02	14.24	14.24
Foreign Investor	973.91	977.31	974.01
(of percentage %)	25.16	22.82	22.52
Individual Investors	131.24	192.21	195.80
(of percentage %)	3.39	4.49	4.53
Others	231.54	297.71	301.07
(of percentage %)	5.98	6.95	6.96
<b>Total</b>	<b>3,870.76</b>	<b>4,282.62</b>	<b>4,324.18</b>

Source: DJPPR

**10-Year Government Bond Yield**

Country	S&P Rating	20-Jul	(-1 day)	Chg. (bps)
US	AA+	1.30	1.30	0
UK	AA	0.56	0.63	-7
Germany	AAA	-0.39	-0.36	-3
France	AA	-0.04	-0.02	-2
Brazil	BB-	9.18	9.22	-4
India	BBB-	6.20	6.21	-1
China	A+	2.93	2.95	-2
South Korea	AA	1.92	1.99	-8
Thailand	BBB+	1.62	1.65	-3
Malaysia	A-	3.14	3.20	-6
Singapore	AAA	1.42	1.42	0
Indonesia*	BBB	6.35	6.37	-2

Source: Bloomberg

**Spot Forex**

	20-Jul	(-1 day)	(-1 week)
USD/IDR	14,556	14,556	14,539
EUR/IDR	17,109	17,109	17,038
GBP/IDR	19,785	19,785	19,979
SGD/IDR	10,632	10,632	10,667
CNY/IDR	2,244	2,244	2,248

Source: Bloomberg

**Global Stock**

Markets	Last Price	Chg. (%)	% MTD	% YTD
S&P 500	4,323.06	1.52%	1.52%	16.82%
DJIA	34,511.99	1.62%	1.62%	14.19%
NASDAQ	14,498.88	1.57%	1.57%	14.18%
DAX	15,133.20	-2.62%	-2.62%	10.25%
FTSE	6,844.39	-2.34%	-2.34%	4.15%
CAC 40	6,295.97	-2.54%	-2.54%	12.65%
Nikkei	27,388.16	-0.96%	-0.96%	0.48%
Hang Seng	27,489.78	-0.59%	0.00%	0.06%
Kospi	3,232.70	-0.35%	-0.35%	9.79%
JCI*	6,017.39	-0.91%	-0.49%	-1.43%

Source: Bloomberg

\*The market were closed for holiday

**Macroeconomic Data**

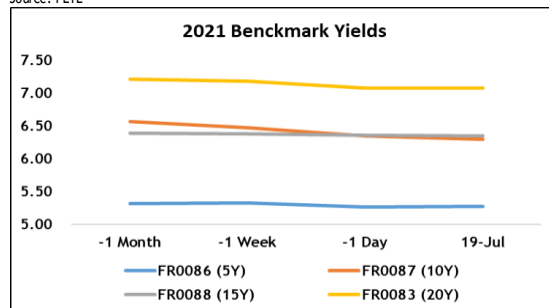
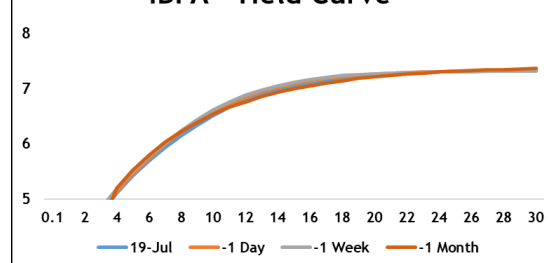
	Jun-21	May-21	Apr-21
Consumer Price Index (MoM)	-0.16	0.32	0.13
Consumer Price Index (YoY)	1.33	1.68	1.42
Core Inflation (YoY)	1.49	1.37	1.18
BI 7-Day RR Rate (%)	3.50	3.50	3.50
Foreign Reserve (US\$ Bn)	137.1	136.40	138.80

Source: Bloomberg

**2021 Benchmark**

Series	19-Jul	(-1 day)	Chg. (bps)	Yield (%)
FR0086 (5Y)	101.05	100.85	20	5.244
FR0087 (10Y)	101.45	101.20	25	6.295
FR0088 (15Y)	99.20	99.10	10	6.333
FR0083 (20Y)	104.40	104.35	5	7.071

Source: PLTE


**IBPA - Yield Curve**

**10-Year Government Bond Yield**

Country	S&P Rating	20-Jul	(-1 day)	Chg. (bps)
US	AA+	1.30	1.30	0
UK	AA	0.56	0.63	-7
Germany	AAA	-0.39	-0.36	-3
France	AA	-0.04	-0.02	-2
Brazil	BB-	9.18	9.22	-4
India	BBB-	6.20	6.21	-1
China	A+	2.93	2.95	-2
South Korea	AA	1.92	1.99	-8
Thailand	BBB+	1.62	1.65	-3
Malaysia	A-	3.14	3.20	-6
Singapore	AAA	1.42	1.42	0
Indonesia*	BBB	6.35	6.37	-2

Source: Bloomberg

\*The market was closed for holiday

**Indonesia Government International Bond**

INDON	19-Jul	(-1 day)	Chg. (bps)
INDON-26	1.38	1.38	0
INDON-31	2.10	2.09	0
INDON-46	3.48	3.47	0
INDON-51	2.99	2.99	0

Source: Bloomberg

**Most Active Government Bonds**

Series	TTM	Price	Yield (%)	Volume (IDR bn)
FR0087	9.58	101.45	6.295	2295
FR0088	14.91	99.20	6.333	98
FR0092	20.92	101.60	6.978	65
FR0091	10.74	100.20	6.347	730
FR0086	4.74	101.05	5.244	2483

Source: PLTE

**Most Active Corporate Bonds**

Series	TTM	Rating	Price	Yield (%)	Volume (IDR bn)
SMPNMP01ACN1	0.99	idA+(sy)	100.00	6.000	893
SMOPPM01A	0.99	idA+(sy)	100.00	7.250	1001
OPPM01A	0.99	idA+	100.00	7.250	1628
AGI02ACN3	0.99	A-(idn)	100.00	7.500	2
APAI01C	5.34	idAAA	106.80	7.010	8

Source: PLTE

## Government Bond Prices

Closing Price: 19-Jul-2021

Series	Maturity	TTM	Coupon	Price	YTM	Est. Yield	Fair Price	Spread (bps)	Recommendation
FR0061	15-May-22	0.82	7.000%	102.98	3.259%	3.40%	102.88	-10	Fair
FR0035	15-Jun-22	0.90	12.900%	108.45	3.298%	3.47%	108.30	-15	Fair
FR0043	15-Jul-22	0.99	10.250%	106.11	3.989%	3.53%	106.45	34	Cheap
FR0063	15-May-23	1.82	5.625%	102.62	4.108%	4.11%	102.62	0	Fair
FR0046	15-Jul-23	1.99	9.500%	109.80	4.332%	4.21%	109.97	17	Fair
FR0039	15-Aug-23	2.07	11.750%	114.52	4.350%	4.27%	114.67	15	Fair
FR0070	15-Mar-24	2.65	8.375%	109.75	4.433%	4.59%	109.35	-40	Expensive
FR0077	15-May-24	2.82	8.125%	109.70	4.419%	4.67%	109.02	-68	Expensive
FR0044	15-Sep-24	3.16	10.000%	114.82	4.890%	4.83%	114.94	12	Fair
FR0081	15-Jun-25	3.91	6.500%	105.48	4.936%	5.14%	104.74	-74	Expensive
FR0040	15-Sep-25	4.16	11.000%	120.69	5.385%	5.24%	121.24	55	Cheap
FR0084	15-Feb-26	4.58	7.250%	107.12	5.466%	5.38%	107.46	34	Cheap
FR0086	15-Apr-26	4.74	5.500%	100.96	5.266%	5.44%	100.25	-71	Expensive
FR0037	15-Sep-26	5.16	12.000%	128.51	5.587%	5.57%	128.46	-5	Fair
FR0056	15-Sep-26	5.16	8.375%	113.33	5.377%	5.57%	112.42	-91	Expensive
FR0090	15-Apr-27	5.74	5.125%	98.86	5.358%	5.73%	97.07	-178	Expensive
FR0059	15-May-27	5.82	7.000%	106.91	5.589%	5.75%	106.10	-82	Expensive
FR0042	15-Jul-27	5.99	10.250%	122.01	5.848%	5.79%	122.28	27	Cheap
FR0047	15-Feb-28	6.58	10.000%	121.75	5.949%	5.93%	121.86	11	Fair
FR0064	15-May-28	6.82	6.125%	100.76	5.986%	5.99%	100.76	1	Fair
FR0071	15-Mar-29	7.66	9.000%	117.22	6.144%	6.15%	117.19	-3	Fair
FR0078	15-May-29	7.82	8.250%	112.80	6.159%	6.18%	112.68	-12	Fair
FR0052	15-Aug-30	9.08	10.500%	127.11	6.499%	6.38%	128.06	95	Cheap
FR0082	15-Sep-30	9.16	7.000%	104.64	6.324%	6.39%	104.18	-46	Expensive
FR0087	15-Feb-31	9.58	6.500%	101.08	6.346%	6.44%	100.38	-70	Expensive
FR0085	15-Apr-31	9.74	7.750%	108.68	6.529%	6.47%	109.16	48	Cheap
FR0073	15-May-31	9.82	8.750%	116.20	6.491%	6.48%	116.32	12	Fair
FR0054	15-Jul-31	9.99	9.500%	121.15	6.920%	6.50%	121.81	66	Cheap
FR0091	15-Apr-32	10.75	6.375%	100.15	6.920%	6.58%	98.40	-174	Expensive
FR0058	15-Jun-32	10.91	8.250%	111.69	6.728%	6.60%	112.67	98	Cheap
FR0074	15-Aug-32	11.08	7.500%	106.24	6.692%	6.62%	106.84	60	Cheap
FR0065	15-May-33	11.83	6.625%	100.07	6.615%	6.69%	99.46	-62	Expensive
FR0068	15-Mar-34	12.66	8.375%	112.25	6.906%	6.76%	113.55	130	Cheap
FR0080	15-Jun-35	13.91	7.500%	104.66	6.971%	6.86%	105.70	104	Cheap
FR0072	15-May-36	14.83	8.250%	111.33	7.007%	6.92%	112.23	90	Cheap
FR0088	15-Jun-36	14.92	6.250%	99.00	6.355%	6.92%	93.81	-518	Expensive
FR0045	15-May-37	15.83	9.750%	127.35	6.892%	6.97%	126.33	-102	Expensive
FR0075	15-May-38	16.83	7.500%	103.76	7.112%	7.02%	104.63	88	Cheap
FR0050	15-Jul-38	17.00	10.500%	131.49	7.247%	7.03%	134.06	257	Cheap
FR0079	15-Apr-39	17.75	8.375%	112.08	7.159%	7.07%	113.09	101	Cheap
FR0083	15-Apr-40	18.75	7.500%	104.29	7.081%	7.11%	104.01	-28	Expensive
FR0057	15-May-41	19.83	9.500%	122.00	7.372%	7.15%	124.70	270	Cheap
FR0062	15-Apr-42	20.75	6.375%	100.00	6.374%	7.18%	91.38	-862	Expensive
FR0092	15-Jun-42	20.92	7.125%	101.41	6.995%	7.18%	99.35	-206	Expensive
FR0067	15-Feb-44	22.59	8.75%	115.85	7.305%	7.23%	116.74	89	Cheap
FR0076	15-May-48	26.84	7.38%	101.83	7.219%	7.33%	100.50	-132	Expensive
FR0089	15-Aug-51	30.09	6.88%	100.05	6.870%	7.39%	93.85	-620	Expensive

Source: IBPA, PLTE, Bloomberg, & MCS Estimates