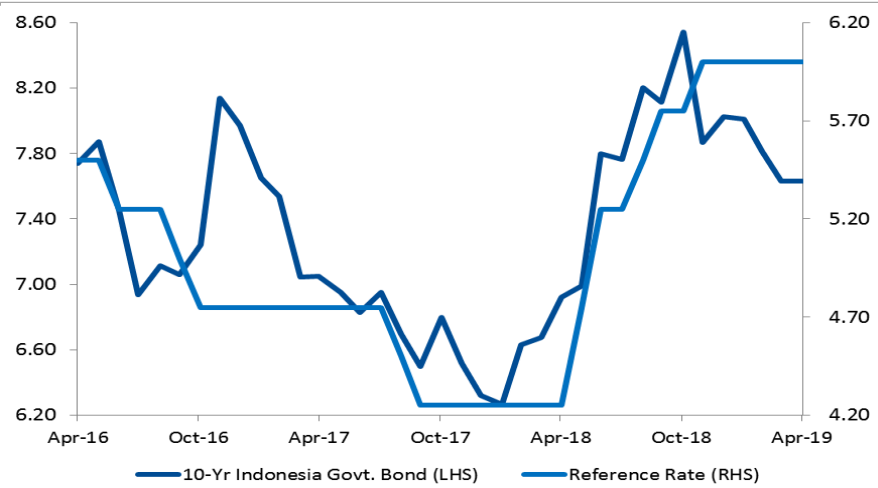


Weekly Fixed Income

Indonesian Government Bond

Indonesia Government Bond 10yr Yield Trend



Source: Bloomberg

Foreign Investment in Indonesian Government Bonds

Last week's net sell of IDR1,115.6 trillion outflowed from Indonesian government bonds (SBN). Indonesia Composite Bond Index (ICBI) nudged up 0.63% into IDR253.19, intensely driven by Jokowi's effects. Quick count showed that Jokowi-Amin temporarily outpaced its opponent: Prabowo-Sandiaga. On the flip side, less trading days due to national election day and Easter festive lessen sentiments, driving prices of SBN.

Auction of SBNS

Indonesian authorities secured funds worth IDR6.06 trillion from the total incoming bid of IDR18.51 trillion at last week's auction of Indonesian Sharia Government Bonds (Surat Berharga Negara Syariah, "SBNS"). The amount secured was higher than the indicative target of IDR6 trillion. SBNS with 6-month tenor, SPNS03102019, obtained the biggest bid of IDR5.93 trillion.

Review of Last Week's USDIDR

USDIDR nudged up 0.35% to 14,045 last week. Rupiah, in last week's initial days, strengthened as peaceful the U.S and China trade eased investors' fears of another tit-for-tat trades. The U.S. agreed on an amicable settlement, in relation to Chinese's policies on subsidies, given to Chinese state-enterprises. Yet, it caused rupiah and most of the Asian economies' currencies to be depreciated due to Chinese bleaker economic outlook. Reuters' market consensus forecast Chinese economic outlook to pick up 6.3% y-y. Regardless of such external sentiment, rupiah strengthened thanks to a domestic sentiment: Jokowi's effects. Indonesian national election came up with the result: Jokowi-Amin's temporary won over its opponents: Prabowo-Sandiaga.

Benchmark Information

| | |
|---------------|----------|
| FR0077 | |
| TTM (Years) | 5.08 |
| Yield (%) | 7.0815 |
| Price | 104.3750 |
| Coupon (%) | 8.125 |
| FR0078 | |
| TTM (Years) | 10.08 |
| Yield (%) | 7.5421 |
| Price | 104.9243 |
| Coupon (%) | 8.250 |
| FR0068 | |
| TTM (Years) | 14.92 |
| Yield (%) | 7.9861 |
| Price | 103.3432 |
| Coupon (%) | 8.375 |
| FR0079 | |
| TTM (Years) | 20.01 |
| Yield (%) | 8.1072 |
| Price | 102.6280 |
| Coupon (%) | 8.375 |

Most Active

| Securities | Maturity | YTM (%) | Volume (IDR tn) |
|------------|------------|---------|-----------------|
| FR0070 | 05/15/2024 | 7.025 | 11.45 |
| FR0061 | 05/15/2022 | 7.789 | 11.36 |
| FR0063 | 05/15/2023 | 6.928 | 9.91 |
| FR0078 | 05/15/2029 | 7.544 | 8.43 |
| FR0056 | 09/15/2026 | 7.394 | 7.02 |

Exchange Rate

| Currency | Last | Chg. |
|----------|--------|--------|
| USD/IDR | 14,045 | -0.35% |
| GBP/IDR | 18,260 | -0.96% |
| EUR/IDR | 15,797 | -0.95% |
| JPY/IDR | 125.5 | -0.49% |
| CNY/IDR | 2,095 | -0.54% |
| KRW/IDR | 12.4 | -0.49% |
| AUD/IDR | 10,049 | -0.46% |
| HKD/IDR | 1,791 | -0.54% |

| Factors | Chinese Economic Data |
|--|--|
| External Outlook | Investors, within this week, will keep a close watch on the slash of the Chinese economic outlook by OECD. OECD projects the possible Chinese downgrade GDP outlook to 6.2% in 2019 and 6% in 2020 as more economic activities shift into consumption and services. The projection is lower than 2018 projection: Chinese economic growth of 6.3% in 2019. Investors will respond to OECD's latest projection; accordingly, benchmark yields are likely to be at a moderate range of 7.60%-7.70% within this week: we pencil in. |
| Domestic Outlook | <p>BI's Board of Governors Meeting and Post-Effects of Presidential Election</p> <p>Within this week, investors will await Bank Indonesia (BI)'s stance of its 7-DRR, decided at BI's Board of Governors Meeting. We oversee that BI has no reasons to hike 7-DRR and will intervene markets by buying bonds and forex with a view to maintaining USDIDR. The rupiah, within this week, is likely to be appreciated and hover around 13,900-14,100 per USD. On the flip side, investors are cautiously observing the result of presidential election real count by the General Elections Commission (KPU). If the outcome of the presidential election fitted well investors' estimate, the rupiah is likely to be appreciated.</p> |
| Projection of USDIDR | 13,900-14,100 |
| Forecast for IGB with 10-Year Tenor | 7.60% - 7.70% |

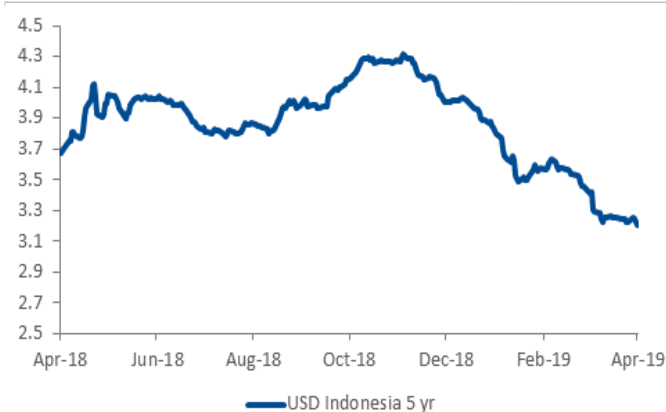
Domestic Fixed Income Highlights

10-years USD Government Bond Yield | Indonesia



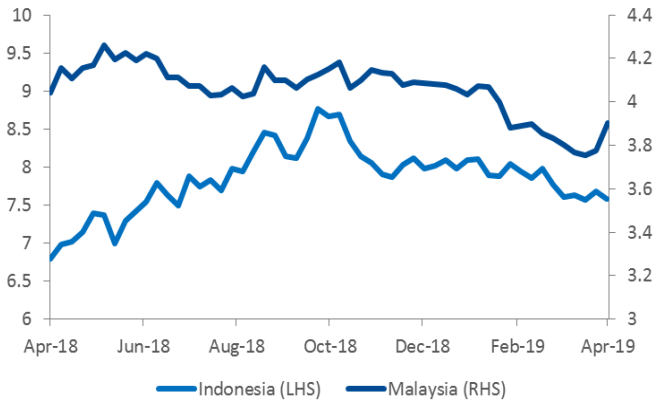
Source: Bloomberg

5-years USD Government Bond Yield | Indonesia



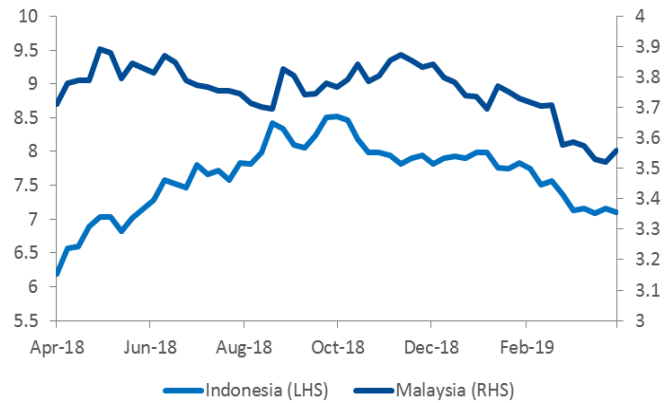
Source: Bloomberg

10-years Government Yield | Indonesia & Malaysia



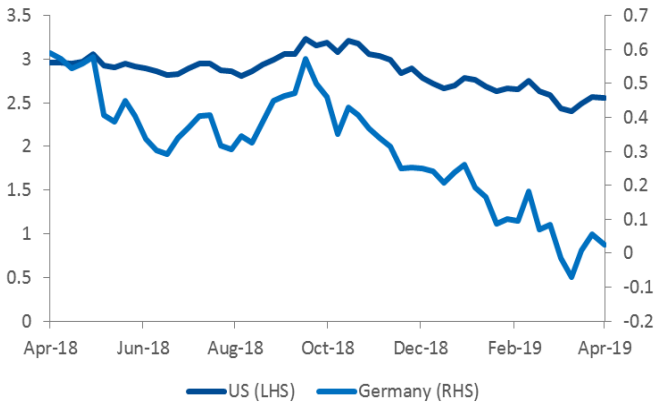
Source: Bloomberg

5-years Government Yield | Indonesia & Malaysia



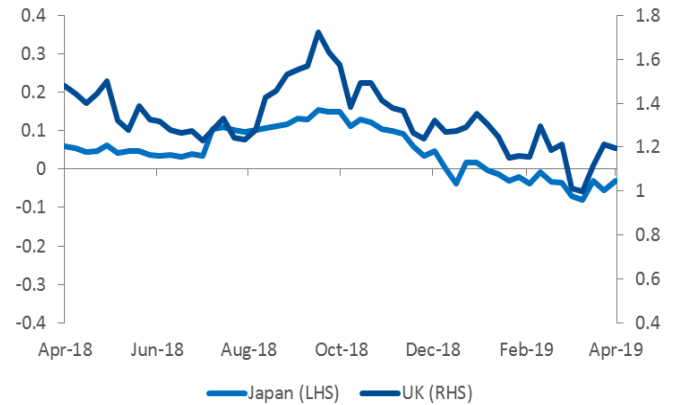
Source: Bloomberg

10-years Government Yield (%) | USA & Germany



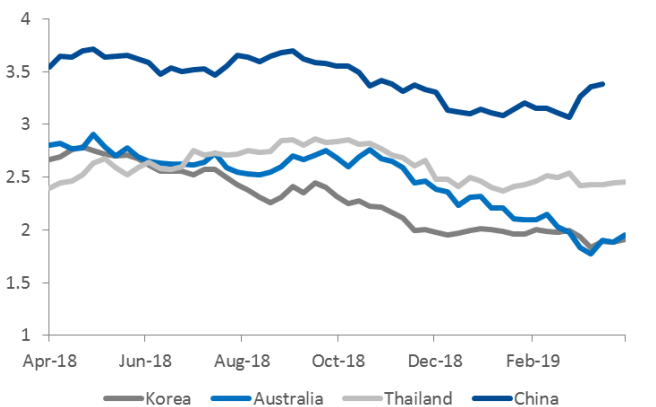
Source: Bloomberg

10-years Government Yield (%) | Japan & UK



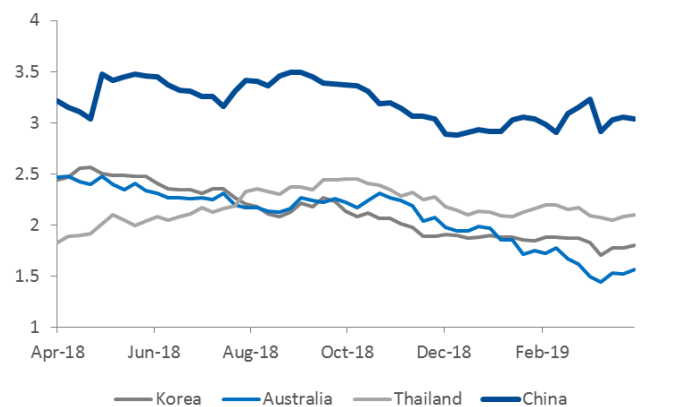
Source: Bloomberg

10-years Government Yield (%) | Korea, Australia, Thailand, & China



Source: Bloomberg

5-years Government Yield (%) | Korea, Australia, Thailand, & China



Source: Bloomberg

| Date | Country | Hour Jakarta | Event | Period | Actual | Consensus | Previous |
|------------------------------|---------|--------------|---------------------------------|--------|--------|-----------|----------|
| Monday 22 - Apr | USA | 21:00 | Existing Home Sales | Mar | | 5.30m | 5.51m |
| Tuesday 23 - Apr | USA | 21:00 | New Home Sales | Mar | | 649k | 667k |
| Wednesday 24 - Apr | JPN | 11:30 | All Industry Activity Index MoM | Feb | | -0.30% | -0.20% |
| | GER | 15:00 | IFO Current Assessment | Apr | | 103.5 | 103.8 |
| | GER | 15:00 | IFO Expectations | Apr | | 96.1 | 95.6 |
| | GER | 15:00 | IFO Business Climate | Apr | | 99.9 | 99.6 |
| | USA | 18:00 | MBA Mortgage Applications | 19-Apr | | -- | -3.50% |
| Thursday 25 - Apr | USA | 19:30 | Durable Goods Orders | Mar P | | 0.70% | -1.60% |
| | USA | 19:30 | Initial Jobless Claims | 20-Apr | | 200k | 192k |
| Friday 26 - Apr | JPN | 06:30 | Job-To-Applicant Ratio | Mar | | 1.63 | 1.63 |
| | JPN | 06:30 | Tokyo CPI Ex-Fresh Food YoY | Apr | | 1.10% | 1.10% |
| | JPN | 06:30 | Jobless Rate | Mar | | 2.40% | 2.30% |
| | JPN | 06:50 | Industrial Production MoM | Mar P | | 0.10% | 0.70% |
| | USA | 19:30 | GDP Annualized QoQ | 1Q A | | 2.20% | 2.20% |
| | USA | 21:00 | U. of Mich. Sentiment | Apr F | | 97 | 96.9 |

Source: Bloomberg

Global Currency Highlights

Major Emerging Market IRS

| 1-Year | Last | Weekly Chg | Monthly Chg. | YTD Chg. | 3-Years | Last | Weekly Chg | Montly Chg. | YTD Chg. |
|-------------|------|------------|--------------|----------|-------------|------|------------|-------------|----------|
| Indonesia | 7.20 | -3.68% | -3.74% | -7.10% | Indonesia | 7.35 | -0.68% | -5.83% | -9.82% |
| South Korea | 1.83 | 0.14% | -2.80% | -2.93% | South Korea | 1.73 | 2.37% | -4.03% | -3.22% |
| China | 2.84 | 1.07% | 8.03% | 7.16% | China | 3.02 | 1.34% | 8.45% | 8.84% |
| Malaysia | 3.55 | 0.71% | -0.70% | -4.25% | Malaysia | 3.59 | 1.70% | 0.00% | -3.57% |
| Thailand | 1.78 | -0.50% | 3.26% | 2.36% | Thailand | 1.87 | 0.54% | -0.53% | -2.61% |

Source: Bloomberg

Foreign Exchange Fluctuation

| Currency | Last | Weekly Chg | Monthly Chg. | YTD Chg. | Currency | Last | Weekly Chg | Montly Chg. | YTD Chg. |
|----------|--------|------------|--------------|----------|----------|--------|------------|-------------|----------|
| Dollar | 97.38 | 0.42% | 1.03% | 1.25% | USDKRW | 1,137 | -0.23% | 0.55% | 2.33% |
| USDJPY | 111.92 | -0.09% | 0.48% | 2.03% | USDCNY | 6.71 | 0.08% | -0.04% | -2.46% |
| GBPUSD | 1.30 | -0.62% | -2.07% | 1.87% | USDMYR | 4.13 | 0.45% | 1.42% | -0.01% |
| EURUSD | 1.12 | -0.48% | -0.94% | -1.94% | USDTHB | 31.83 | 0.21% | 0.51% | -1.54% |
| USDCAD | 1.34 | 0.51% | 0.53% | -1.80% | USDIDR | 14,045 | -0.35% | -1.31% | -2.40% |
| USDCHF | 1.01 | 1.22% | 1.54% | 3.31% | AUDUSD | 0.72 | -0.29% | 0.90% | 1.46% |

Source: Bloomberg

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