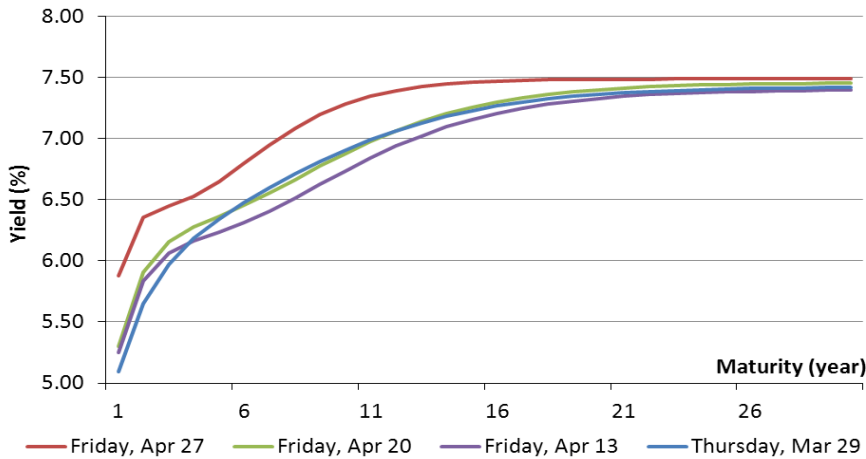


# Weekly Fixed Income

## Indonesia Government Bond

### Benchmark Weekly Yield Curve | Last 4 Weeks Performance



Source: IBPA

### Government Bond Highlights

At the government bonds (Surat Utang Negara, "SUN") auction dated 04/24/2018, the authorities absorbed the funds of IDR6.15 trillion from the total incoming bid of IDR17.02 trillion. The funds absorbed were lower than the indicative target of IDR17 trillion. FR0064, a 10-year tenor SUN obtained the biggest bid of IDR6.17 trillion. The Indonesia Composite Bond Index (ICBI) closed lower by 1.2% into 241.40 last week.

Last week, the U.S. 10-year Treasury yield topped the psychology limit of 3% along with the expectancy of accelerated monetary tightening by the Fed. This backdrop ignited the massive sell-off in global stocks and bonds markets as well as the depreciation of emerging countries' currencies.

This-week global market uncertainty stems from investors' wait-and-see acts ahead of Federal Open Market Committee (FOMC) meeting dated 05/02/18 and 05/03/18. In recent occasions, the Fed's officials stated to leave its monetary tightening policy unchanged. However, the current markets perception on the number of Fed's rate hikes is still opaque. Markets concern the possibility of 4x Fed's rate hikes topping the initial projection of 3x Fed's rates hike.

### Exchange Rate

Rupiah closed at IDR13,893 per USD in last week. The impact of last-week global financial market turmoil sent yield of SUN to top higher than 7% and rupiah to rise near at 14,000. In light of the massive foreign outflow potential for unstable inflation, Bank Indonesia finally sets to hold its benchmark rates higher

### Benchmark Information

#### FR0063

TTM (Years)	5.05
Yield (%)	6.5092
Price	96.2420
Coupon (%)	5.6250

#### FR0064

TTM (Years)	10.06
Yield (%)	6.9523
Price	94.0831
Coupon (%)	6.1250

#### FR0065

TTM (Years)	15.06
Yield (%)	7.1702
Price	95.0250
Coupon (%)	6.6250

#### FR0075

TTM (Years)	20.06
Yield (%)	7.4858
Price	100.1404
Coupon (%)	7.5000

### Most Active

Securities	Maturity	YTM (%)	Volume (IDR tn)
FR0064	05/15/28	6.893	21.03
FR0069	04/15/19	6.225	12.12
FR0061	05/15/22	6.786	10.73
FR0075	05/15/38	7.422	8.52
FR0056	09/15/26	6.937	5.97

### Exchange Rate

Currency	Last	Chg.
USDIDR	13,893	0.00%
GBPIDR	19,194	-1.75%
EURIDR	16,768	-1.98%
JPYIDR	127.0	-1.64%
CNYIDR	2,191	-0.86%
KRWIDR	12.9	-0.42%
AUDIDR	10,483	-2.04%
HKDIDR	1,770	-0.03%

# Indonesia Government Bond Auction

**Auction Date: Apr 24, 2018**    **Total incoming bid (IDR tn): 6.15**    **Total nominal (IDR tn): 17.02**

Series	Status	Coupon/ Discount	Maturity	Lowest Ask Yield	Highest Ask Yield	Nominal Won (IDR bn)	Incoming Bid (IDR bn)
SPN03180725	New Issuance	Discount	25-Jul-18	4.35%	4.70%	-	2,750
SPN12190131	Reopening	Discount	31-Jan-19	5.25%	6.15%	-	3,150
FR0063	Reopening	5.625%	15-May-23	6.28%	6.43%	-	1,351
FR0064	Reopening	6.125%	15-May-28	6.87%	7.02%	3,950	6,171
FR0075	Reopening	7.500%	15-May-38	7.41%	7.65%	2,200	3,598

## Next Government Bond Auction Schedule

Date	May 02 2018	End	May 02 2018	12.00 AM
<b>Indicative Target</b>	IDR 8 tn	<b>Result</b>		May 02 2018
<b>Begin</b>	10.00 AM	<b>Settlement</b>		May 04 2018

Series	Status	Coupon/ Discount	Maturity	Non-Competitive Buy Allocation	Underlying Assets
SPN-S 03112018	New Issuance	Discount	03-Nov-18	50% from winning amount	
PBS016	Reopening	6.250%	15-Mar-20		
PBS002	Reopening	5.450%	15-Jan-22		
PBS017	Reopening	6.125%	15-Oct-25		2018 State Budget Project /
PBS012	Reopening	8.875%	15-Nov-31	30% from winning amount	Activities
PBS004	Reopening	6.100%	15-Feb-37		
PBS015	Reopening	8.000%	15-Jul-47		

Source: DJPPR Ministry of Finance

## Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	CHN	08:00	Manufacturing PMI	Apr		51.3	51.5
<i>30 - Apr</i>	GER	19:00	CPI MoM	Apr P		-0.10%	0.40%
	GER	19:00	CPI YoY	Apr P		1.50%	1.60%
	USA	19:30	PCE Deflator MoM	Mar		0.00%	0.20%
	USA	19:30	PCE Deflator YoY	Mar		2.10%	1.80%
	USA	19:30	PCE Core MoM	Mar		0.20%	0.20%
	USA	19:30	PCE Core YoY	Mar		2.00%	1.60%
<b>Tuesday</b>	JPN	07:30	Nikkei Japan PMI Mfg	Apr F		--	53.3
<i>01 - May</i>	UK	15:30	Mortgage Approvals	Mar		63.0k	63.9k
	UK	15:30	Markit UK PMI Manufacturing SA	Apr		54.5	55.1
	USA	20:45	Markit US Manufacturing PMI	Apr F		--	56.5
	USA	21:00	ISM Manufacturing	Apr		58.5	59.3
<b>Wednesday</b>	CHN	08:45	Caixin China PMI Mfg	Apr		51	51
<i>02 - May</i>	GER	14:55	Markit Germany Manufacturing PMI	Apr F		58.1	58.1
	EU	15:00	Markit Eurozone Manufacturing PMI	Apr F		56	56
	EU	16:00	GDP SA QoQ	1Q A		0.40%	0.60%
	EU	16:00	GDP SA YoY	1Q A		2.60%	2.70%
	USA	19:15	ADP Employment Change	Apr		193k	241k
<b>Thursday</b>	USA	01:00	FOMC Rate Decision (Upper Bound)	2-May		1.75%	1.75%
<i>03 - May</i>	USA	01:00	FOMC Rate Decision (Lower Bound)	2-May		1.50%	1.50%
	USA	19:30	Initial Jobless Claims	28-Apr		--	209k
	USA	19:30	Trade Balance	Mar		-\$55.6b	-\$57.6b
<b>Friday</b>	USA	19:30	Change in Nonfarm Payrolls	Apr		185k	103k
<i>04 - May</i>	USA	19:30	Unemployment Rate	Apr		4.00%	4.10%
	USA	19:30	Average Hourly Earnings MoM	Apr		0.20%	0.30%
	USA	19:30	Average Hourly Earnings YoY	Apr		2.70%	2.70%

Source: Bloomberg

## Major Emerging Market IRS

1-Year	Last	Weekly Chg	Monthly Chg.	YTD Chg.	3-Years	Last	Weekly Chg	Montly Chg.	YTD Chg.
Indonesia	6.50	13.54%	14.54%	13.04%	Indonesia	6.75	10.66%	11.57%	8.00%
South Korea	1.85	0.14%	2.64%	1.23%	South Korea	2.11	0.48%	3.43%	2.42%
China	3.29	1.70%	-0.06%	-12.40%	China	3.49	1.78%	-0.14%	-9.83%
Malaysia	3.75	-0.27%	0.00%	2.88%	Malaysia	3.82	-0.13%	0.46%	2.00%
Thailand	1.40	4.49%	8.56%	10.71%	Thailand	1.77	5.06%	8.62%	7.29%

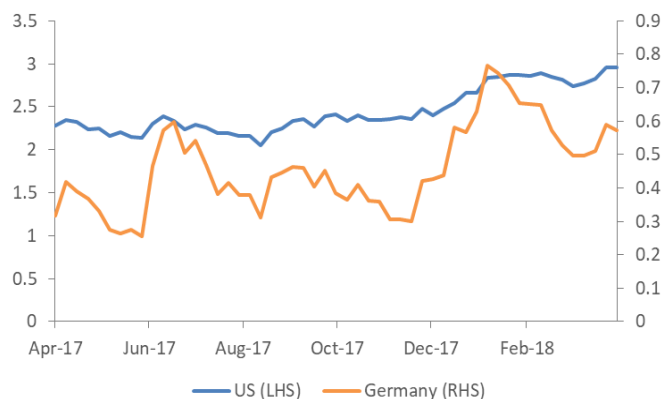
Source: Bloomberg

## Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Montly Chg.	YTD Chg.
Dollar	91.54	1.36%	2.43%	-0.63%	USDKRW	1,077	0.89%	0.59%	0.57%
USDJPY	109.05	1.29%	3.52%	-3.23%	USDCNY	6.33	0.57%	0.78%	-2.68%
GBPUSD	1.38	-1.56%	-2.66%	1.98%	USDMYR	3.92	0.56%	1.10%	-3.14%
EURUSD	1.21	-1.29%	-2.20%	1.04%	USDTHB	31.52	0.56%	0.97%	-3.23%
USDCAD	1.28	0.53%	-0.45%	2.04%	USDIDR	13,893	0.00%	1.10%	2.49%
USDCHF	0.99	1.34%	4.32%	1.38%	AUDUSD	0.76	-1.19%	-1.28%	-2.92%

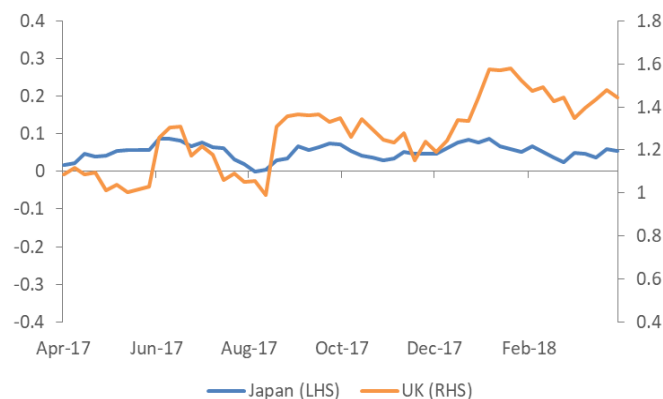
Source: Bloomberg

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



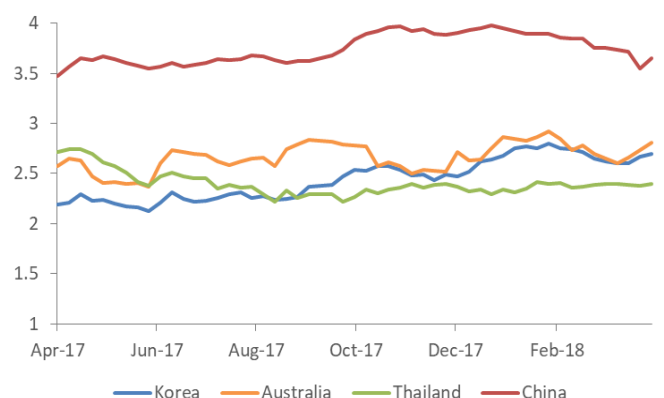
Source: Bloomberg

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



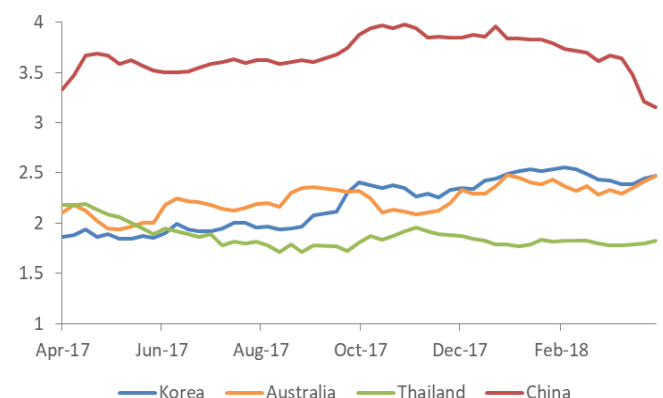
Source: Bloomberg

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



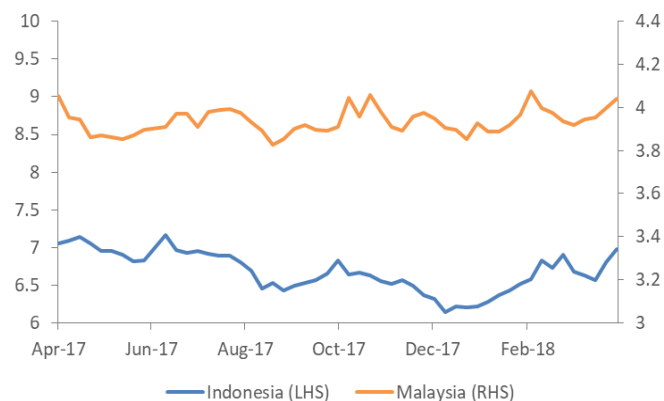
Source: Bloomberg

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



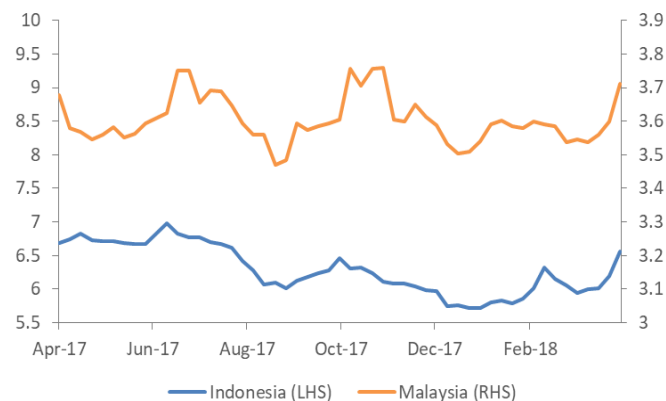
Source: Bloomberg

## 10-years Government Yield | Indonesia & Malaysia



Source: Bloomberg

## 5-years Government Yield | Indonesia & Malaysia



Source: Bloomberg

## 10-years USD Government Bond Yield | Indonesia



Source: Bloomberg

## 5-years USD Government Bond Yield | Indonesia



Source: Bloomberg

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