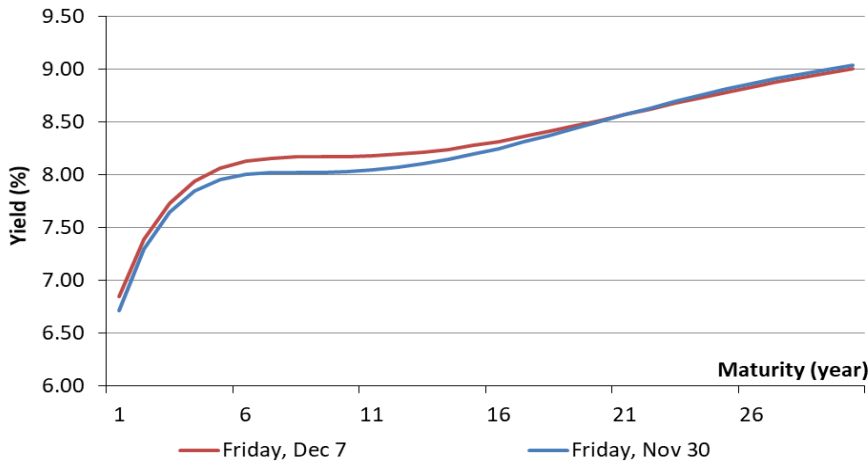


# Weekly Fixed Income

## Indonesia Government Bond

Benchmark Weekly Yield Curve | Last 4 Weeks Performance



Source: IBPA

### Government Bond Highlights

Indonesia Composite Bond Index (ICBI) closed lower by 0.70% to 239.34. The decline in prices of the government's bonds aligns with the correction of bond markets in emerging economies. The U.S. economy faces the headwind of murky economic outlook, resulting in recession. This backdrop was initially fueled by the inversion yield of the U.S. Treasury with 3 and 5 years tenors occurred on December 4th, 2018. Yields of the U.S. Treasury with 5 years tenor should be higher than yields of the U.S. Treasury with 3 years tenor because investors look for higher yields. The U.S. volatile economy causes capital inflows to emerging markets with less risky instruments

### Exchange Rate

Last week, the rupiah weakened by 1.24% to 14,480 per USD, the lowest level since 6 recent weeks. The rupiah depreciation can be cushioned by November's forex reserves of USD117.2 billion, increasing from October's forex reserves of USD115.2 billion. November's forex reserves were the higher within the last 3 months.

Investors will respond to OPEC's output cut of 1.2 million per day. OPEC's stance is likely to affect Indonesia's trade balance. Until October 2018, the oil and gas deficits have reached USD10.74 billion.

On the other hand, investors will digest the release of macroeconomic data of the U.S. and China. The U.S. job data showed the increment of 155,000, much lower than the estimated increment of 198,000. The backdrop indicates the possible economic slowdown, initially estimated by economists. November's exports and imports were much lower than the estimate. It indicates lingering impacts of the unresolved disputes between the U.S. and China.

### Benchmark Information

FR0063	
TTM (Years)	4.44
Yield (%)	7.9395
Price	91.4750
Coupon (%)	5.625
FR0064	
TTM (Years)	9.44
Yield (%)	7.9852
Price	87.8228
Coupon (%)	6.125
FR0065	
TTM (Years)	14.45
Yield (%)	8.1508
Price	87.1793
Coupon (%)	6.625
FR0075	
TTM (Years)	19.45
Yield (%)	8.3096
Price	92.2500
Coupon (%)	7.500

### Most Active

S0curities	Maturity	YTM (%)	Volume (IDR tn)
FR0070	03/15/2024	7.957	9.488
FR0063	05/15/2023	7.937	9.32
FR0069	04/15/2019	6.410	7.12
FR0065	05/15/2033	8.241	5.5
FR0064	05/15/2028	8.069	4.35

### Exchange Rate

Currency	Last	Chg.
USD/IDR	14,480	1.24%
GBP/IDR	18,457	0.80%
EUR/IDR	16,471	1.13%
JPY/IDR	128.3	1.87%
CNY/IDR	2,108	2.53%
KRW/IDR	12.9	1.29%
AUD/IDR	10,456	-0.04%
HKD/IDR	1,853	1.35%

## Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	JPN	06:50	GDP SA QoQ	3Q F	-0.60%	-0.50%	-0.30%
<i>10 - Dec</i>	JPN	06:50	GDP Annualized SA QoQ	3Q F	-2.50%	-2.00%	-1.20%
	JPN	06:50	BoP Current Account Balance	Oct	¥1309.9b	¥1410.2b	¥1821.6b
	UK	16:30	Industrial Production MoM	Oct		0.20%	0.00%
<b>Tuesday</b>	UK	16:30	Jobless Claims Change	Nov		--	20.2k
<i>11 - Dec</i>	UK	16:30	ILO Unemployment Rate 3Mths	Oct		4.10%	4.10%
	GER	17:00	ZEW Survey Expectations	Dec		-24	-24.1
<b>Wednesday</b>	JPN	06:50	Core Machine Orders MoM	Oct		10.10%	-18.30%
<i>12 - Dec</i>	JPN	11:30	Tertiary Industry Index MoM	Oct		1.00%	-1.10%
	USA	20:30	CPI MoM	Nov		0.00%	0.30%
<b>Thursday</b>	GER	14:00	CPI MoM	Nov F		0.10%	0.10%
<i>13 - Dec</i>	GER	14:00	CPI YoY	Nov F		2.30%	2.30%
	EU	19:45	ECB Main Refinancing Rate	13-Dec		0.00%	0.00%
	EU	19:45	ECB Marginal Lending Facility	13-Dec		0.25%	0.25%
	EU	19:45	ECB Deposit Facility Rate	13-Dec		-0.40%	-0.40%
	USA	20:30	Initial Jobless Claims	8-Dec		--	231k
<b>Friday</b>	JPN	06:50	Tankan Large Mfg Index	4Q		18	19
<i>14 - Dec</i>	JPN	07:30	Nikkei Japan PMI Mfg	Dec P		--	52.2
	CHN	09:00	Retail Sales YoY	Nov		8.80%	8.60%
	CHN	09:00	Industrial Production YoY	Nov		5.90%	5.90%
	JPN	11:30	Capacity Utilization MoM	Oct		--	-1.50%
	JPN	11:30	Industrial Production MoM	Oct F		--	2.90%
	EU	15:30	Markit Eurozone Manufacturing PMI	Dec P		52	51.8
	GER	15:30	Markit Germany Manufacturing PMI	Dec P		52	51.8
	USA	20:30	Retail Sales Advance MoM	Nov		0.20%	0.80%
	USA	21:15	Industrial Production MoM	Nov		0.30%	0.10%
	USA	21:45	Markit US Manufacturing PMI	Dec P		--	55.3

Source: Bloomberg

## Major Emerging Market IRS

1-Year	Last	Weekly Chg	Monthly Chg.	YTD Chg.	3-Years	Last	Weekly Chg	Monthly Chg.	YTD Chg.
Indonesia	8.27	-0.24%	-1.02%	43.74%	Indonesia	7.75	0.00%	0.00%	24.00%
South Korea	1.89	-0.42%	2.72%	3.15%	South Korea	1.82	-4.72%	-6.07%	-11.88%
China	2.72	-1.63%	-1.16%	-27.39%	China	2.90	-1.34%	-1.76%	-25.16%
Malaysia	3.71	-0.13%	-0.13%	1.65%	Malaysia	3.76	-0.07%	-0.86%	0.33%
Thailand	1.53	0.33%	1.67%	21.03%	Thailand	1.83	-4.45%	-6.89%	10.94%

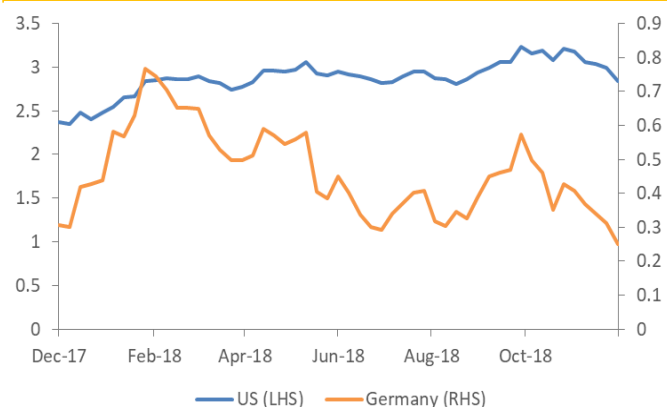
Source: Bloomberg

## Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.
Dollar	96.51	-0.78%	0.54%	4.77%	USDKRW	1,120	-0.10%	-0.32%	4.58%
USDJPY	112.69	-0.77%	-0.73%	0.00%	USDCNY	6.87	-1.24%	-0.66%	5.65%
GBPUSD	1.27	-0.18%	-3.05%	-5.82%	USDMYR	4.17	-0.41%	0.08%	2.98%
EURUSD	1.14	0.55%	-0.41%	-5.21%	USDTHB	32.81	-0.24%	0.06%	0.69%
USDCAD	1.33	0.23%	1.60%	5.97%	USDIDR	14,480	1.24%	-0.75%	6.72%
USDCHF	0.99	-0.59%	-1.03%	1.82%	AUDUSD	0.72	-1.34%	-0.93%	-7.70%

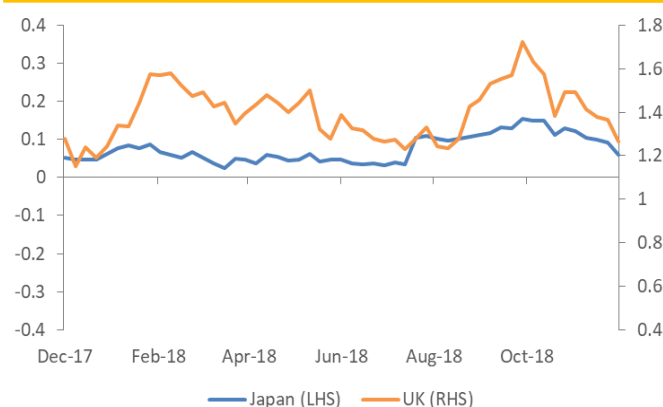
Source: Bloomberg

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



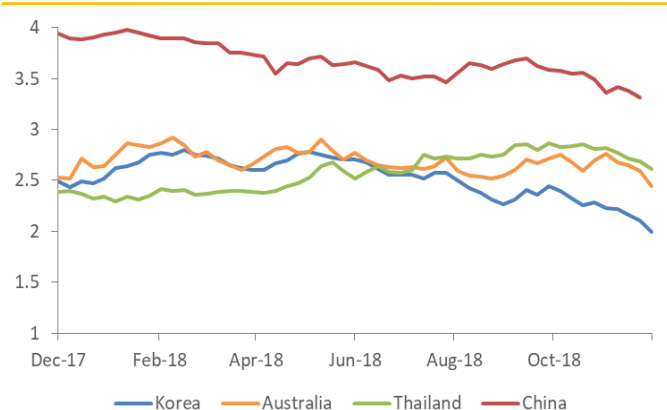
Source: Bloomberg

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



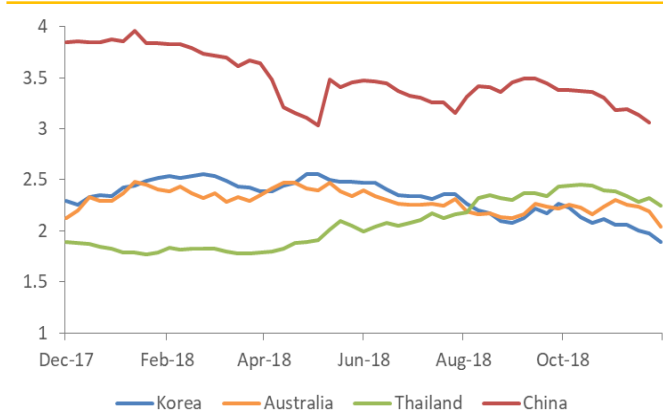
Source: Bloomberg

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



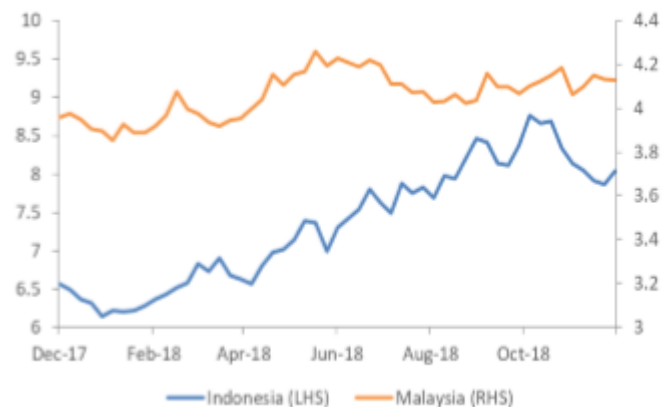
Source: Bloomberg

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



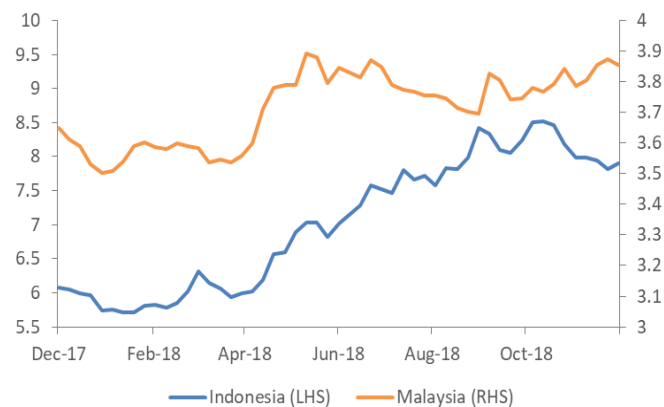
Source: Bloomberg

## 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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