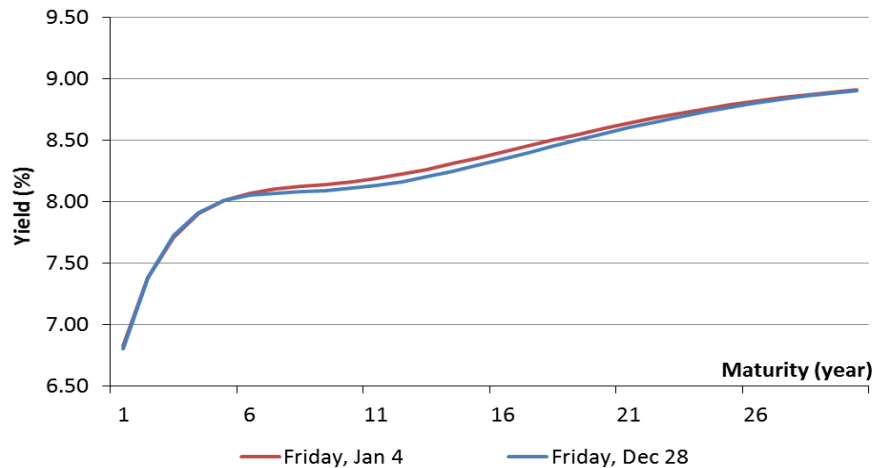


Weekly Fixed Income

Indonesia Government Bond

Benchmark Weekly Yield Curve | Last 2 Weeks Performance



Source: IBPA

Government Bond Highlights

At the last week's auction of the government bonds (SBN) dated 01/03/2019, the government of Indonesia succeeded to secure the funds amounting to IDR28.2 trillion from the total incoming bid of IDR55.2 trillion. The amount absorbed was much higher than the indicative target of IDR15 trillion. SBN with 5-year tenor, namely FR0077, obtained the biggest bid worth IDR16.7 trillion.

Last week, Indonesia Composite Bond Index (ICBI) lowered slightly by 0.09% to 240.69. SBN endured corrections at the end of this week amid the shutdown in the U.S. administration and a slowdown in the global economy. The decline in SBN's prices was inharmonious with the appreciation of other emerging markets' SBN.

Exchange Rate

Last week, the rupiah closed stronger by 2.05% to 14,270 per USD. The rupiah appreciation was backed by internal and external factors. The internal factor was the success of SBN auction held by the government of Indonesia. Meanwhile, the external factors were the USD depreciation, the tumble in the U.S. stocks, and the optimism about the progress of the U.S. and China trade deal.

Another to both factors, the release of inflation data and Indonesia's PMI in December were potent drivers for the rupiah appreciation. The annual inflation stably stood at 3.0%-3.5%. Meanwhile, Indonesia's PMI posted the hiking figure of 51.2, topping the estimated figure of 50.5 and November's figure of 50.4. Those drivers were inevitably attributable to the rosier domestic manufacture activities.

For this week, the rupiah movement is likely to be driven by the release of a number of crucial data such as the minutes of FOMC's meeting and forex reserves data.

Benchmark Information

FR0077

TTM (Years)	5.36
Yield (%)	7.8660
Price	101.1000
Coupon (%)	8.1250

FR0078

TTM (Years)	10.36
Yield (%)	7.9465
Price	102.1000
Coupon (%)	8.2500

FR0068

TTM (Years)	15.19
Yield (%)	8.3076
Price	100.5559
Coupon (%)	8.3750

FR0079

TTM (Years)	20.28
Yield (%)	8.4065
Price	99.6750
Coupon (%)	8.3750

Most Active

Securities	Maturity	YTM (%)	Volume (IDR tn)
FR0069	04/15/2019	5.713	19.34
FR0077	05/15/2024	7.877	10.29
FR0078	05/15/2029	7.950	8.33
FR0056	09/15/2026	8.185	5.49
FR0070	03/15/2024	8.035	4.22

Exchange Rate

Currency	Last	Chg.
USD/IDR	14,270	-2.05%
GBP/IDR	18,079	-1.89%
EUR/IDR	16,280	-2.44%
JPY/IDR	132.1	0.15%
CNY/IDR	2,074	-1.74%
KRW/IDR	12.7	-2.57%
AUD/IDR	10,031	-2.32%
HKD/IDR	1,822	-2.08%

Indonesia Government Bond Auction

Auction Date: Jan 3, 2019

Total incoming bid (IDR tn): 55.2

Total nominal (IDR tn): 28.2

Series	Status	Coupon	Maturity Date	Lowest Yield	Highest Yield	Nominal Won (IDR bn)	Incoming Bids (IDR bn)
SPN03190406	New Issuance	At Discount	06-Apr-19	6.00%	5.78%	2,000	7,075
SPN12200106	New Issuance	At Discount	06-Jan-20	6.70%	6.70%	3,000	10,825
FR0077	Reopening	8.125%	15-May-24	8.20%	8.20%	9,750	16,742
FR0078	Reopening	8.250%	15-May-29	8.25%	8.25%	6,650	11,126
FR0068	Reopening	6.625%	15-May-34	8.50%	8.50%	2,750	4,267
FR0079	Reopening	7.500%	15-Apr-39	8.70%	8.70%	4,100	5,240

Next Government Bond Auction Schedule

Date	Jan 8, 2019	End	Jan 8, 2019	12.00 AM
Indicative Target	IDR 4 tn	Result	Jan 8, 2019	
Begin	10.00 AM	Settlement	Jan 10, 2019	

Series	Status	Coupon	Maturity Date	Non-Competitive Allocation	Underlying Assets
SPNS09072019	Reopening	At Discount	09-Jul-19	50% of the awarded	Projects in State Budget 2018 and State Owned Assets
PBS014	Reopening	6.500%	15-May-21		
PBS019	Reopening	8.250%	15-Sep-23	30% of the awarded	
PBS021	Reopening	8.500%	15-Nov-26		
PBS022	Reopening	Fixed Rate	15-Apr-34		

Source: DJPPR Ministry of Finance

Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 07-Jan	USA	Tentative	New Home Sales	Nov		569k	544k
	USA	Tentative	Wholesale Inventories MoM	Nov P		0.50%	0.80%
	GER	14:00	Factory Orders MoM	Nov	-1.00%	-0.10%	0.30%
	USA	22:00	Durable Goods Orders	Nov F		--	0.80%
	USA	22:00	Factory Orders	Nov		0.30%	-2.10%
Tuesday 08-Jan	GER	14:00	Industrial Production SA MoM	Nov		0.30%	-0.50%
	US	20:30	Trade Balance	Nov		-\$54.0b	-\$55.5b
Wednesday 09-Jan	US	19:00	MBA Mortgage Applications	4-Jan		--	-8.50%
Thursday 10-Jan	CHN	Tentative	Money Supply M2 YoY	Dec		8.10%	8.00%
	CHN	08:30	CPI YoY	Dec		2.10%	2.20%
	CHN	08:30	PPI YoY	Dec		1.60%	2.70%
	USA	20:30	Initial Jobless Claims	5-Jan		--	231k
Friday 11-Jan	JPN	06:50	BoP Current Account Balance	Nov P		¥560.2b	¥1309.9b
	UK	16:30	Industrial Production MoM	Nov		0.30%	-0.60%
	UK	16:30	Manufacturing Production MoM	Nov		0.40%	-0.90%
	USA	20:30	CPI MoM	Dec		-0.10%	0.00%

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	7.62	-1.68%	-8.25%	-1.68%	Indonesia	8.05	-1.23%	3.87%	-1.23%
South Korea	1.81	-3.72%	-5.48%	-3.72%	South Korea	1.70	-4.89%	-11.80%	-4.89%
China	2.57	-3.32%	-5.87%	-3.32%	China	2.66	-4.39%	-7.96%	-4.39%
Malaysia	3.69	-0.47%	-0.54%	-0.47%	Malaysia	3.71	-0.35%	-1.46%	-0.35%
Thailand	1.73	1.17%	13.07%	1.17%	Thailand	1.86	-2.62%	-2.11%	-2.62%

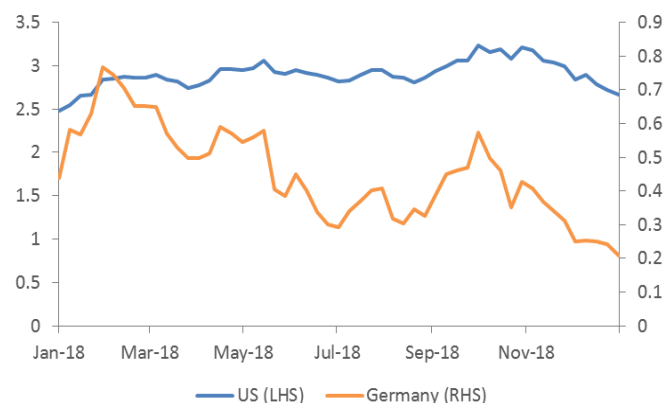
Source: Bloomberg

Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.
Dollar	96.18	-0.23%	-0.81%	-0.23%	USDKRW	1,124	0.77%	1.72%	0.77%
USDJPY	108.51	-1.60%	-3.78%	-1.60%	USDCNY	6.87	-0.14%	0.49%	-0.14%
GBPUSD	1.27	0.19%	0.03%	0.19%	USDMYR	4.14	-0.43%	-0.25%	-0.43%
EURUSD	1.14	-0.43%	0.46%	-0.43%	USDTHB	31.98	-1.76%	-2.36%	-1.76%
USDCAD	1.34	-1.94%	0.84%	-1.94%	USDIDR	14,270	-2.05%	-0.15%	-2.05%
USDCHF	0.99	0.30%	-0.98%	0.30%	AUDUSD	0.71	0.94%	-3.07%	0.94%

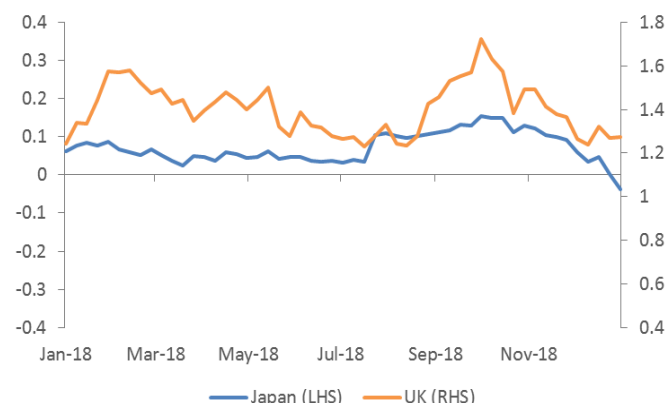
Source: Bloomberg

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



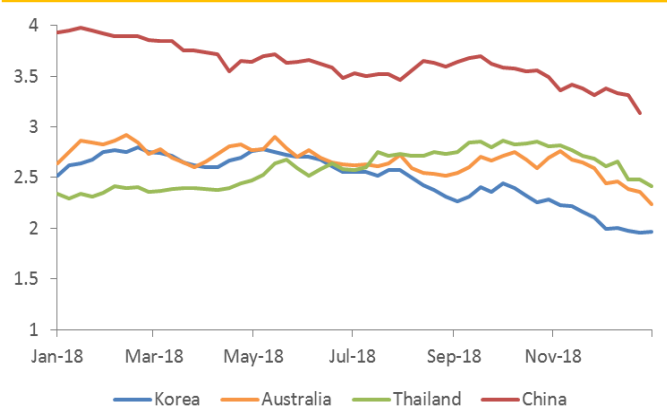
Source: Bloomberg

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



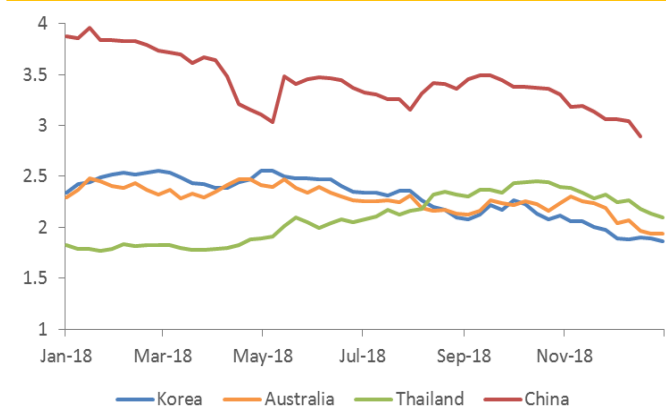
Source: Bloomberg

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



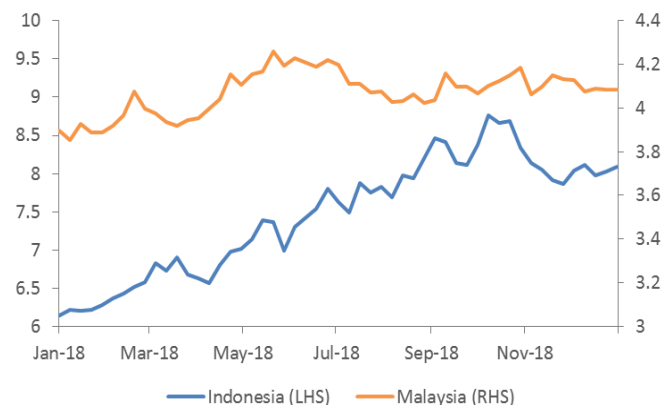
Source: Bloomberg

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



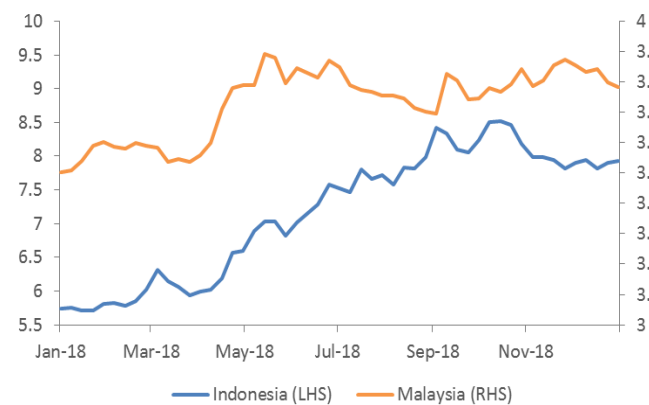
Source: Bloomberg

10-years Government Yield | Indonesia & Malaysia



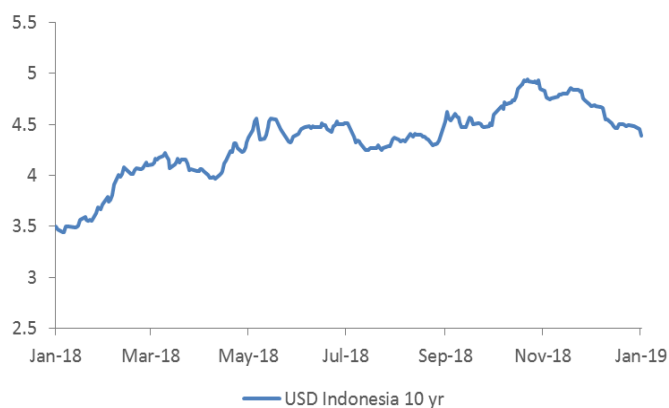
Source: Bloomberg

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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