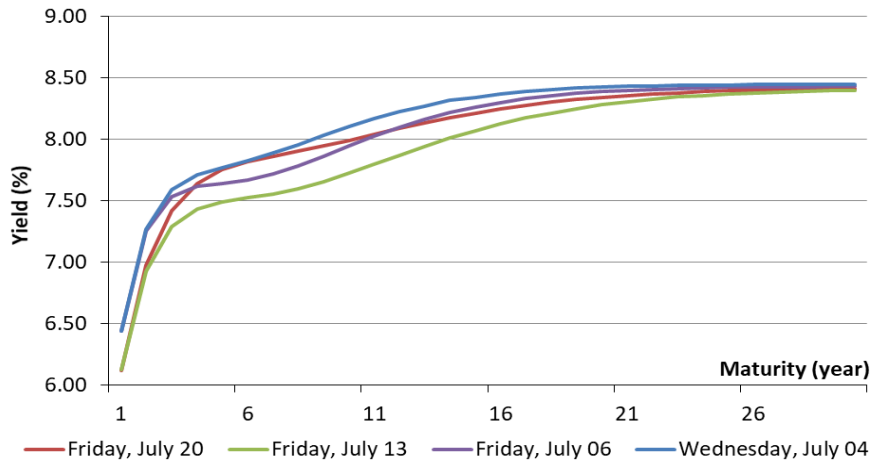


Weekly Fixed Income

Indonesia Government Bond

Benchmark Weekly Yield Curve | Last 4 Weeks Performance



Source: IBPA

Bond Highlights

In the government bond (Surat Utang Negara, "SUN") auction dated 07/11/2018, the Indonesian government absorbed IDR20.0 trillion from the total bid of IDR38.17 trillion. The amount absorbed was higher than the indicative target of IDR10 trillion. SPN03181018, SUN with 3-month tenor, obtained the total bid of IDR9.07 trillion. Indonesia Composite Bond Index (ICBI) ended lower by 1.2% to 234.01 last week.

Jasa Marga Tbk (JSMR) is looking for funding for capital need of IDR3 trillion—IDR4 trillion. It is considering four funding options, namely asset securitization, komodo bond issuance, project bond, and limited participation mutual funds (RDPT). In 2017, it launched the I Phase of RDPT amounting to IDR1.45 trillion, and planned to launch the II phase of IDR1.55 trillion. The return on investment (ROI) is estimated to be 10.25% with 5-year gross tenor.

Exchange Rate

Rupiah closed at a low note of 0.81% to IDR14.495 per USD last week. The Deputy Governors of Bank Indonesia (BI) stated that rupiah depreciation was note caused by BI's stance of holding 7 RRR unchanged at the level of 5.25%. According to Erwin Rijanto, other emerging economies' exchange rates are also as depreciated as rupiah.

The U.S. economy recovery caused USD to rally; therefore, emerging economies' currency including rupiah is depreciated.

Benchmark Information

FR0063

TTM (Years)	4.82
Yield (%)	7.7386
Price	91.6161
Coupon (%)	5.625

FR0064

TTM (Years)	9.83
Yield (%)	7.8478
Price	88.3420
Coupon (%)	6.125

FR0065

TTM (Years)	14.83
Yield (%)	8.0287
Price	87.9460
Coupon (%)	6.625

FR0075

TTM (Years)	19.83
Yield (%)	8.11630
Price	93.5236
Coupon (%)	7.500

Most Active

Securities	Maturity	YTM (%)	Volume (IDR tn)
FR0064	05/15/2028	7.840	11.43
FR0063	05/15/2023	7.760	9.35
FR0075	05/15/2038	8.006	5.28
FR0070	03/15/2024	7.925	3.66
SPN12190214	02/14/2019	5.850	3.34

Exchange Rate

Currency	Last	Chg.
USIDR	14,495	0.81%
GBPIDR	18,852	-0.15%
EURIDR	16,866	0.85%
JPYIDR	128.9	1.00%
CNYIDR	2,141	-0.47%
KRWIDR	12.8	0.47%
AUDIDR	10,670	0.53%
HKDIDR	1,847	0.82%

Indonesia Government Bond Auction

Auction Date: July 17, 2018 **Total incoming bid (IDR tn): 38.17** **Total nominal (IDR tn): 20.0**

Series	Status	Coupon	Maturity Date	Lowest Yield	Highest Yield	Nominal Won (IDR bn)	Incoming Bids (IDR)
SPN03181018	New Issuance	At Discount	18-Oct-18	5.20%	6.40%	3,000	9,070
SPN12190411	Reopening	At Discount	11-Apr-19	6.00%	7.20%	3,000	8,650
FR0063	Reopening	5.625%	15-May-23	7.45%	8.00%	4,750	6,792
FR0064	Reopening	6.125%	15-May-28	7.50%	8.25%	6,500	8,666
FR0075	Reopening	7.500%	15-May-38	7.92%	8.75%	2,750	4,991

Next Government Bond Auction Schedule

Date	Jul 24 2018	End	Jul 24 2018	12.00 AM
Indicative Target	IDR 6 tn	Result		Jul 24 2018
Begin	10.00 AM	Settlement		Jul 26 2018

Series	Status	Coupon	Maturity Date	Non-Competitive Allocation	Underlying Assets
SPN-S 11012019	Reopening	At Discount	11-Jan-19	50% of the awarded	Projects in State Budget 2018 and State Owned Assets
SPN-S 11042019	Reopening	At Discount	11-Apr-19		
PBS016	Reopening	6.250%	15-Mar-20		
PBS002	Reopening	5.450%	15-Jan-22	30% of the awarded	
PBS017	Reopening	6.125%	15-Oct-25		
PBS012	Reopening	8.875%	15-Nov-31		

Source: DJPPR Ministry of Finance

Global Fixed Income Highlights

Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.
Dollar	94.48	-0.21%	-0.68%	2.55%	USDKRW	1,134	0.92%	2.59%	5.90%
USDJPY	111.41	-0.86%	0.95%	-1.14%	USDCNY	6.77	1.17%	4.57%	4.04%
GBPUSD	1.31	-0.65%	-0.27%	-2.79%	USDMYR	4.06	0.27%	1.41%	0.38%
EURUSD	1.17	0.33%	1.31%	-2.34%	USDTHB	33.33	0.05%	1.57%	2.32%
USDCAD	1.31	-0.11%	-1.24%	4.57%	USDIDR	14,495	0.81%	2.37%	6.93%
USDCHF	0.99	-0.94%	-0.39%	1.85%	AUDUSD	0.74	-0.12%	0.64%	-5.05%

Source: Bloomberg

10-years USD Government Bond Yield | Indonesia



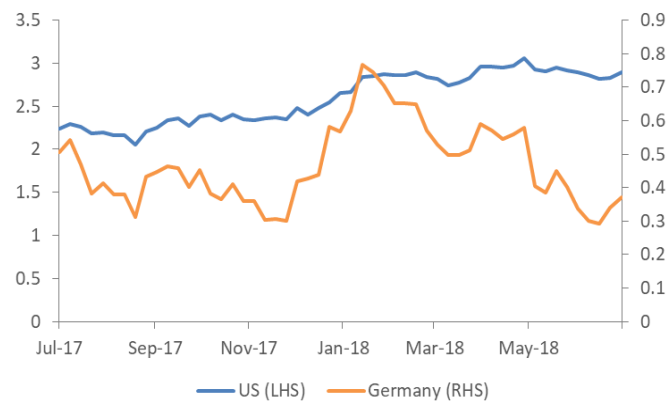
Source: Bloomberg

5-years USD Government Bond Yield | Indonesia



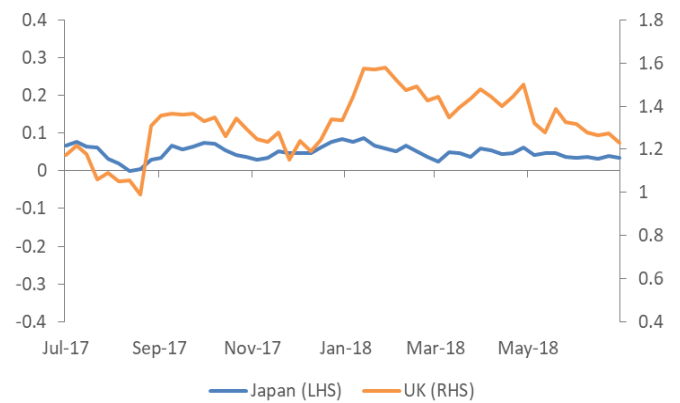
Source: Bloomberg

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



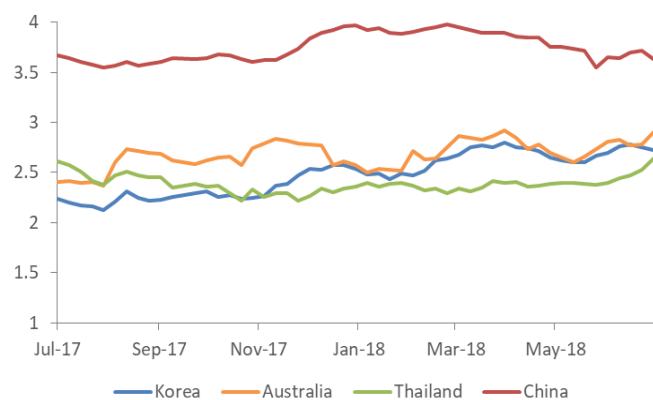
Source: Bloomberg

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



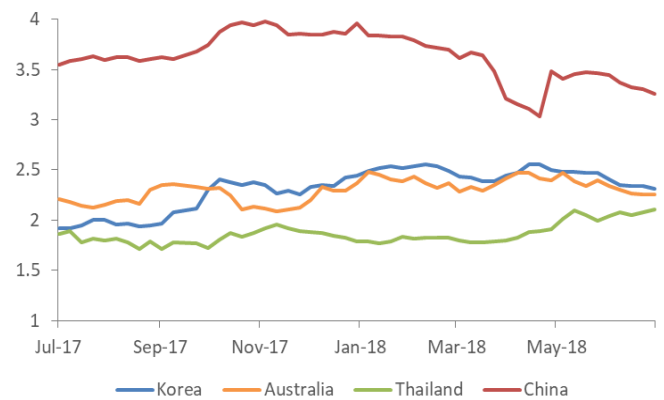
Source: Bloomberg

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



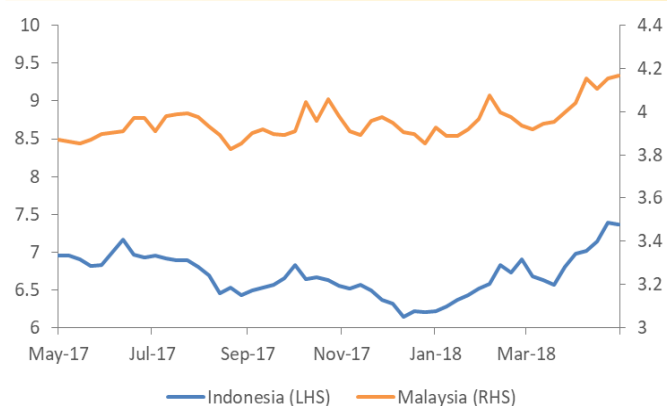
Source: Bloomberg

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



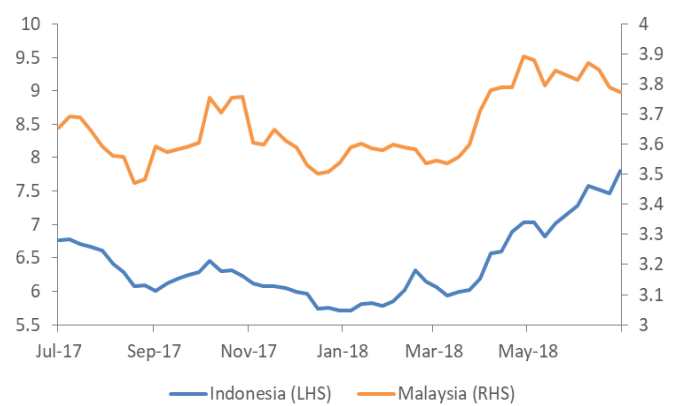
Source: Bloomberg

10-years Government Yield | Indonesia & Malaysia



Source: Bloomberg

5-years Government Yield | Indonesia & Malaysia



Source: Bloomberg

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