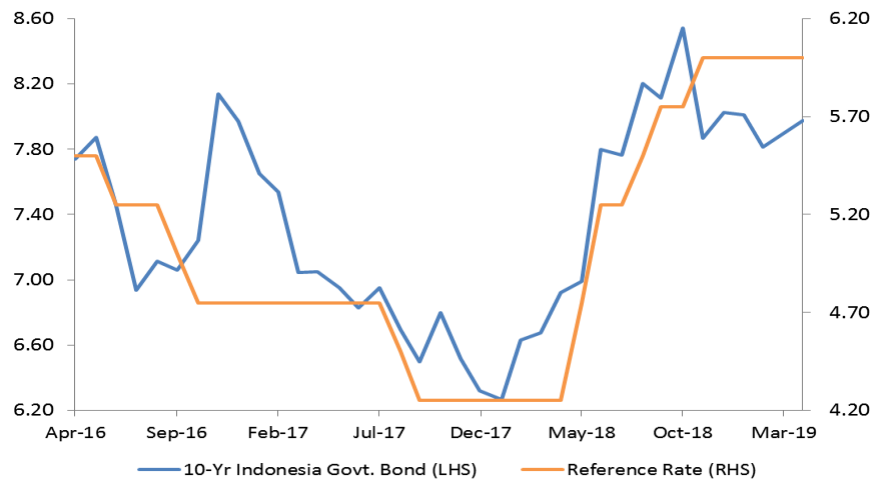


Weekly Fixed Income

Indonesia Government Bond

Indonesia Government Bond 10yr Yield Trend



Source: Bloomberg

Foreign Investments in Government Bonds

Last week, foreign outflows of IDR1.44 trillion from sovereign bonds (SUN) curtailed the movement of SUN. Downward revisions to SUN aligned with downwards revisions to emerging economies' sovereign bonds. The revisions were attributable to such negative external sentiments as the U.S. and North Korea tensions, triggered by re-construction of North Korea's nuclear missile and the UE's murky economic outlook, signaled by the cut of the UE's economic growth from 1.7% to 1.1% by ECB. Those two negative sentiments caused investors to be more cautious about investing in emerging markets. Foreign investor held SUN at IDR944.56 trillion or 38.2% of the total existing SUN.

SBNS Auction

At the sharia sovereign bonds (SBNS) auction dated 03/05/2019, the government secured funds worth IDR8.9 trillion from the total incoming bid of IDR23.17 trillion. The amount absorbed was higher than the indicative target of IDR8 trillion. PBS014, SBNS with 2-year tenor, obtained the biggest bid worth IDR9.86 trillion.

Last Week's USDIDR

Last week, USDIDR slumped by 1.38% to 14,315. Rupiah depreciation was in line with the depreciation of other emerging economies' currencies. But, the rupiah depreciation was the deepest among its peers. Another to the lower correction to the UE's economic growth, the lower-than-estimated China's trade balance plunged rupiah. China's trade balance posted surpluses of USD4.12 billion, the amount of which much lower than the estimated surplus of USD27.2 billion. China's trade balance was the smallest surpluses since March 2018. Of note, China's exports and imports declined.

Benchmark Information

FRO077

TTM (Years)	5.19
Yield (%)	7.4917
Price	102.6637
Coupon (%)	8.125

FRO078

TTM (Years)	10.19
Yield (%)	7.9468
Price	102.0720
Coupon (%)	8.250

FRO068

TTM (Years)	15.03
Yield (%)	8.2844
Price	100.7671
Coupon (%)	8.375

FRO079

TTM (Years)	20.12
Yield (%)	8.3906
Price	101.2160
Coupon (%)	8.375

Most Active

Securities	Maturity	YTM (%)	Volume (IDR tn)
FR0077	05/15/2024	7.494	8.26
FR0078	05/15/2029	7.850	8.24
PBS014	05/15/2021	7.505	4.99
FR0069	04/15/2019	5.909	3.46
FR0061	03/15/2022	7.138	3.19

Exchange Rate

Currency	Last	Chg.
USD/IDR	14,315	1.38%
GBP/IDR	18,740	0.19%
EUR/IDR	16,041	0.00%
JPY/IDR	128.9	2.17%
CNY/IDR	2,130	0.99%
KRW/IDR	12.6	0.36%
AUD/IDR	10,040	0.28%
HKD/IDR	1,823	1.36%

Factors	Impacts of China's Economic Slowdown
External Outlook	Last week, China's authorities announced February's exports tumbled 20.7% y-y: the sharpest since 2016. Meanwhile, imports slumped to 5.2%, much deeper than the estimate. The reading sparked jitters of the further slowdown in China's economy. On the other side, PBOC stressed that China will put the best efforts to keep its economic growth in check and find mutual trade deals with the U.S. We estimate that in this week, investors will focus on the aforementioned issues. Furthermore, benchmark yields will moderate at 7.80%-8.10% within this week.
Domestic Outlook	<p style="text-align: center;">Indonesia's Trade Data</p> <p>February's trade balance will be released in this week despite the fact of January's declining exports of 3.24% m-m to USD13.869 billion. January's exports, on an annual basis, moderated at 4.70% and were the worst performance since June 2017. In addition, January's imports nudged down by 2.19% m-m to USD15.03 billion due to the deepest decline in oil & gas price. Oil & gas imports tumbled by 16.58% m-m to USD1.69 billion. The release of both data is crucial for investors as both data depict the prospect of Indonesia's trade performance. The positive trade balance will strengthen USDIDR at the range of 14,200-14,400: our estimate.</p>
USDIDR Estimate	USDIDR 14,200 - 14,400
Estimate of IGB with 10-Year Tenor	7.80% - 8.10%

Domestic Fixed Income Highlights

10-years USD Government Bond Yield | Indonesia



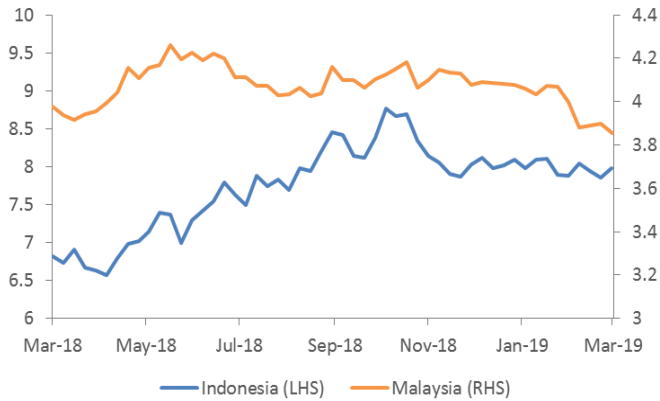
Source: Bloomberg

5-years USD Government Bond Yield | Indonesia



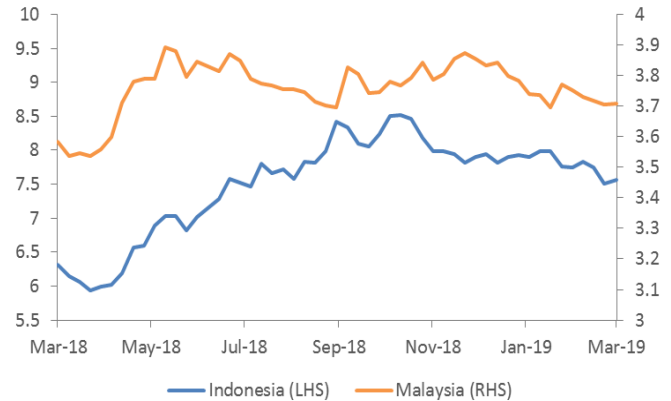
Source: Bloomberg

10-years Government Yield | Indonesia & Malaysia



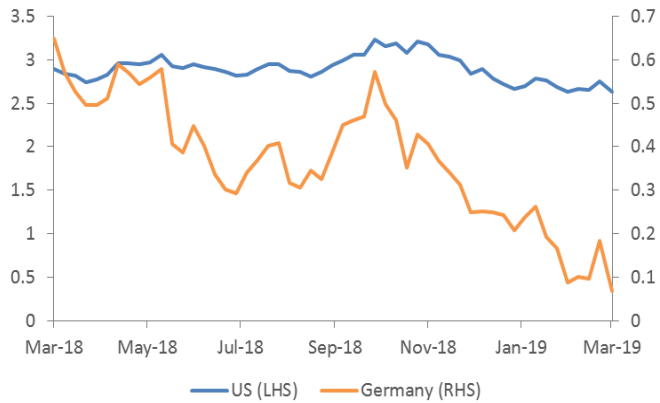
Source: Bloomberg

5-years Government Yield | Indonesia & Malaysia



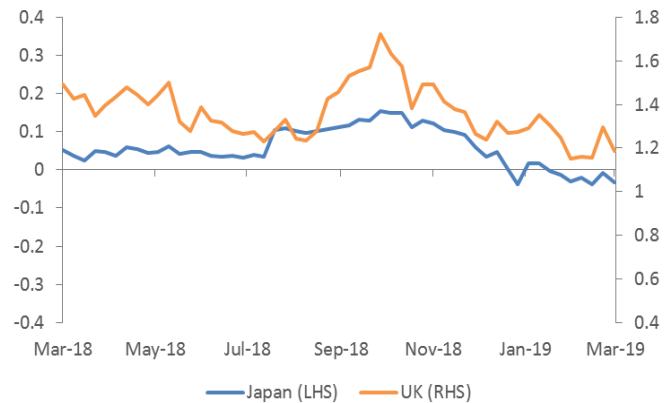
Source: Bloomberg

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



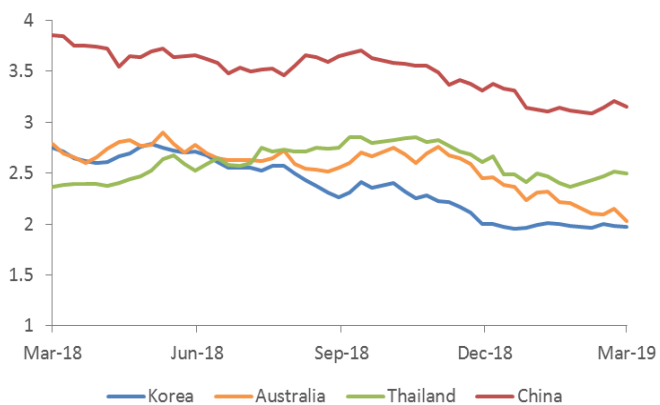
Source: Bloomberg

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



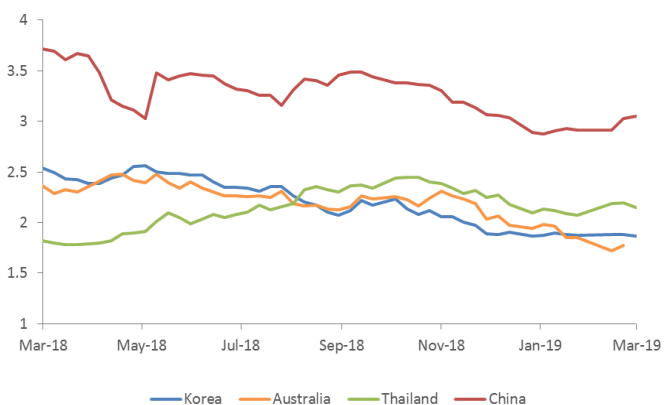
Source: Bloomberg

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 11 - Mar	CHN	Tentative	Money Supply M2 YoY	Feb		8.40%	8.40%
	USA	08:30	Retail Sales Advance MoM	Jan		0.00%	-1.20%
	GER	14:00	Industrial Production SA MoM	Jan		0.40%	-0.40%
Tuesday 12 - Mar	JPN	06:50	Core Machine Orders MoM	Jan		-1.50%	-0.10%
	JPN	06:50	PPI YoY	Feb		0.70%	0.60%
	UK	16:30	Manufacturing Production MoM	Jan		-0.20%	-0.70%
	UK	16:30	Industrial Production MoM	Jan		0.00%	-0.50%
	USA	19:30	CPI MoM	Feb		0.20%	0.00%
Wednesday 13 - Mar	USA	18:00	MBA Mortgage Applications	8-Mar		--	-2.50%
	USA	19:30	PPI Final Demand MoM	Feb		0.20%	-0.10%
	USA	19:30	Durable Goods Orders	Jan P		-0.80%	--
Thursday 14 - Mar	GER	14:00	CPI MoM	Feb F		0.50%	0.50%
	GER	14:00	CPI YoY	Feb F		1.60%	1.60%
	USA	19:30	Initial Jobless Claims	9-Mar		--	223k
	USA	21:00	New Home Sales	Jan		628k	621k
Friday 15 - Mar	USA	21:00	U. of Mich. Sentiment	Mar P		95.8	93.8

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	7.25	0.07%	-5.23%	-7.64%	Indonesia	7.80	0.65%	-1.33%	-4.29%
South Korea	1.87	0.40%	2.74%	-0.40%	South Korea	1.79	0.56%	2.88%	0.00%
China	2.55	-3.77%	0.99%	-3.88%	China	2.70	-4.76%	2.94%	-2.53%
Malaysia	3.57	-2.99%	-2.40%	-3.84%	Malaysia	3.59	-3.11%	-2.38%	-3.71%
Thailand	1.76	-1.01%	2.44%	1.56%	Thailand	1.88	-0.05%	2.79%	-1.78%

Source: Bloomberg

Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Montly Chg.	YTD Chg.
Dollar	97.31	0.81%	0.69%	1.18%	USDKRW	1,136	1.04%	1.09%	2.26%
USDJPY	111.17	-0.64%	1.31%	1.35%	USDCNY	6.72	0.23%	-0.36%	-2.28%
GBPUSD	1.30	-1.42%	0.55%	2.05%	USDMYR	4.09	0.38%	0.52%	-1.06%
EURUSD	1.12	-1.14%	-0.78%	-2.02%	USDTHB	31.76	0.14%	0.92%	-1.74%
USDCAD	1.34	0.89%	1.04%	-1.62%	USDIDR	14,315	1.38%	2.51%	-0.52%
USDCHF	1.01	0.89%	0.77%	2.66%	AUDUSD	0.70	-0.48%	-0.61%	-0.06%

Source: Bloomberg

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