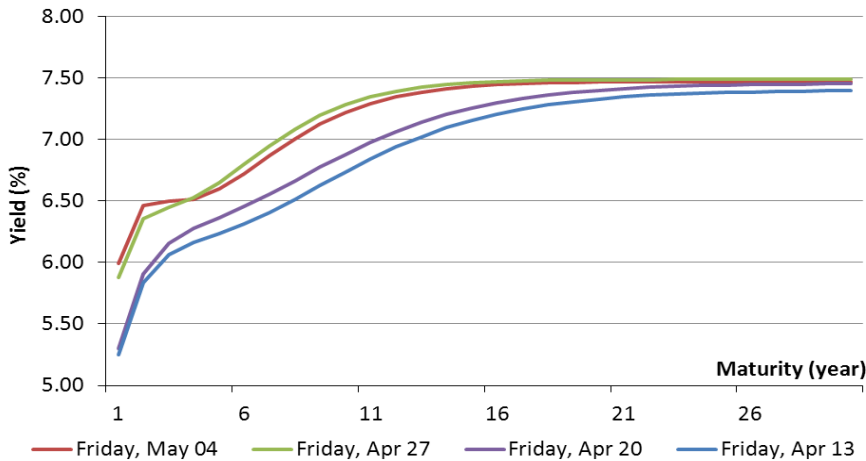


Weekly Fixed Income

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 05/02/2018, the Indonesian government absorbed the fund of IDR1.38 trillion from the total incoming bid of IDR5.53 trillion. The absorbed fund was lower than the indicative target of IDR8 trillion. SPN-S 03112018, SUN with 6-month tenor obtained the biggest bid of IDR3.43 trillion. Indonesia Composite Bond Index (ICBI) closed higher by 0.25% into 242.01 in last week.

Global investors' concerns on the U.S. monetary tightening pace was a logical takeaway for capital outflow from the emerging economies. From the domestic outlook, investors, particularly foreign investors negatively considered the release of under-controlled inflation in Indonesia. Indeed, investors noted that the Indonesian government's concerted intervention in managing inflation likely disturbed the budget reforms.

The release of Indonesia's 1Q18 GDP gives clues to the consistent growth acceleration. From the global outlook, China is estimated to post the April's trade surplus after posting the March's deficit.

Exchange Rate

Last week, rupiah whittled away by 0.37% into IDR13,945 per USD. Last week, the Statistic Central Agency (BPS) released the April inflation standing at 3.14%. The figures were slightly higher than the March's inflation settling at 3.40% and lower than the consensus of 3.50%. It evidence that the Indonesian government succeeded in holding inflation stable amid the pressure ahead of Ramadhan. However, foreign investors oversee the Indonesian government's concerted intervention likely constitutes as setback for the budget reforms carried on since 2014.

Benchmark Information

FR0063

TTM (Years)	5.03
Yield (%)	6.5238
Price	96.1952
Coupon (%)	5.6250

FR0064

TTM (Years)	10.04
Yield (%)	6.9486
Price	94.1180
Coupon (%)	6.1250

FR0065

TTM (Years)	15.04
Yield (%)	7.2659
Price	94.1931
Coupon (%)	6.6250

FR0075

TTM (Years)	20.04
Yield (%)	7.4902
Price	100.0971
Coupon (%)	7.5000

Most Active

Securities	Maturity	YTM (%)	Volume (IDR tn)
FR0069	04/15/2019	6.140	9.00
FR0064	05/15/2028	6.764	6.89
FR0059	05/15/2027	7.000	4.06
FR0068	03/15/2034	7.425	3.75
FR0053	07/15/21	6.398	2.74

Exchange Rate

Currency	Last	Chg.
USDIDR	13,945	0.37%
GBPIDR	18,894	-1.56%
EURIDR	16,685	-0.49%
JPYIDR	127.9	0.72%
CNYIDR	2,199	0.33%
KRWIDR	12.9	0.19%
AUDIDR	10,487	0.03%
HKDIDR	1,777	0.37%

Indonesia Government Bond Auction

Auction Date: May 02, 2018 **Total incoming bid (IDR tn): 5.53** **Total nominal (IDR tn): 1.38**

Series	Status	Coupon/ Discount	Maturity	Lowest Ask Yield	Highest Ask Yield	Nominal Won (IDR bn)	Incoming Bid (IDR bn)
SPN-S 03112018	New Issuance	Discount	03-Nov-18	4.34%	5.59%	650	3,435
PBS016	Reopening	6.250%	15-Mar-20	6.19%	7.03%	250	841
PBS002	Reopening	5.450%	15-Jan-22	6.53%	6.97%	380	685
PBS017	Reopening	6.125%	15-Oct-25	6.97%	7.75%	100	112
PBS012	Reopening	8.875%	15-Nov-31	7.50%	7.66%	-	111
PBS004	Reopening	6.100%	15-Feb-37	7.78%	7.88%	-	63
PBS015	Reopening	8.000%	15-Jul-47	7.84%	8.25%	-	283

Next Government Bond Auction Schedule

Date	May 08 2018	End	May 08 2018	12.00 AM
Indicative Target	IDR 17 tn	Result		May 08 2018
Begin	10.00 AM	Settlement		May 11 2018

Series	Status	Coupon/ Discount	Maturity	Non-Competitive Buy Allocation
SPN12180809	Reopening	Discount	09-Aug-18	
SPN12190510	New Issuance	Discount	10-May-19	50% from winning amount
FR0063	Reopening	5.625%	15-May-23	
FR0065	Reopening	6.625%	15-May-32	30% from winning amount
FR0075	Reopening	7.500%	15-May-38	

Source: DJPPR Ministry of Finance

Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CHN	Tentative	Foreign Reserves	Apr		\$3131.00b	\$3142.82b
<i>07 - May</i>	IDN	Tentative	GDP QoQ	1Q		-0.30%	-1.70%
	IDN	Tentative	GDP YoY	1Q		5.18%	5.19%
Tuesday	CHN	Tentative	Trade Balance	Apr		\$27.70b	-\$4.98b
<i>08 - May</i>	CHN	Tentative	Imports YoY	Apr		15.90%	14.40%
	CHN	Tentative	Exports YoY	Apr		7.50%	-2.70%
	IDN	Tentative	Net Foreign Assets IDR	Apr		--	1695.8t
	IDN	Tentative	Foreign Reserves	Apr		--	\$126.00b
Wednesday	USA	19:30	PPI Final Demand MoM	Apr		0.20%	0.30%
<i>09 - May</i>	USA	19:30	PPI Ex Food and Energy MoM	Apr		0.20%	0.30%
Thursday	JPN	06:50	BoP Current Account Balance	Mar		¥2929.3b	¥2076.0b
<i>10 - May</i>	CHN	08:30	PPI YoY	Apr		3.40%	3.10%
	CHN	08:30	CPI YoY	Apr		1.90%	2.10%
	UK	18:00	Bank of England Bank Rate	10-May		0.50%	0.50%
	USA	19:30	CPI MoM	Apr		0.30%	-0.10%
	USA	19:30	CPI Ex Food and Energy MoM	Apr		0.20%	0.20%
	USA	19:30	CPI YoY	Apr		2.50%	2.40%
	USA	19:30	Initial Jobless Claims	05-May		--	211k
Friday	USA	19:30	Import Price Index MoM	Apr		0.50%	0.00%
<i>11 - May</i>	USA	19:30	Import Price Index ex Petroleum MoM	Apr		0.20%	0.10%
	IDN	Tentative	BoP Current Account Balance	1Q		--	-\$5761m

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	5.85	-10.00%	3.08%	1.74%	Indonesia	6.25	-7.41%	3.31%	0.00%
South Korea	1.88	1.62%	4.30%	2.87%	South Korea	2.16	2.43%	5.94%	4.91%
China	3.20	-2.74%	-2.80%	-14.80%	China	3.43	-1.95%	-2.09%	-11.59%
Malaysia	3.76	0.13%	0.13%	3.02%	Malaysia	3.82	0.00%	0.46%	2.00%
Thailand	1.39	-0.72%	7.78%	9.92%	Thailand	1.79	1.13%	9.85%	8.51%

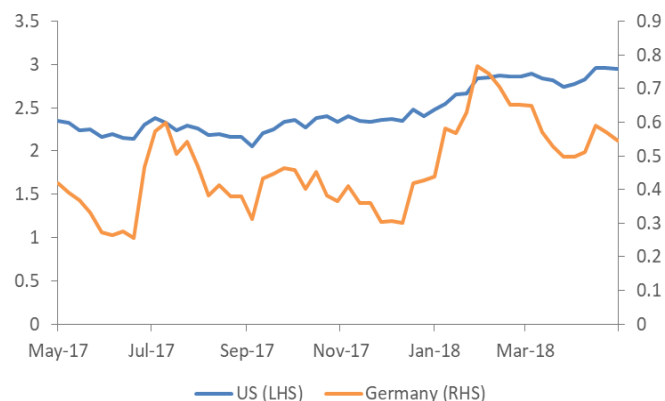
Source: Bloomberg

Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Montly Chg.	YTD Chg.
Dollar	92.57	1.12%	3.57%	0.48%	USDKRW	1,077	0.04%	0.63%	0.61%
USDJPY	109.12	0.06%	3.59%	-3.17%	USDCNY	6.36	0.48%	1.27%	-2.21%
GBPUSD	1.35	-1.81%	-4.42%	0.13%	USDMYR	3.94	0.51%	1.61%	-2.64%
EURUSD	1.20	-1.40%	-3.57%	-0.37%	USDTHB	31.76	0.76%	1.74%	-2.49%
USDCAD	1.28	0.14%	-0.31%	2.19%	USDIDR	13,945	0.37%	1.48%	2.88%
USDCHEF	1.00	1.25%	5.62%	2.64%	AUDUSD	0.75	-0.55%	-1.82%	-3.46%

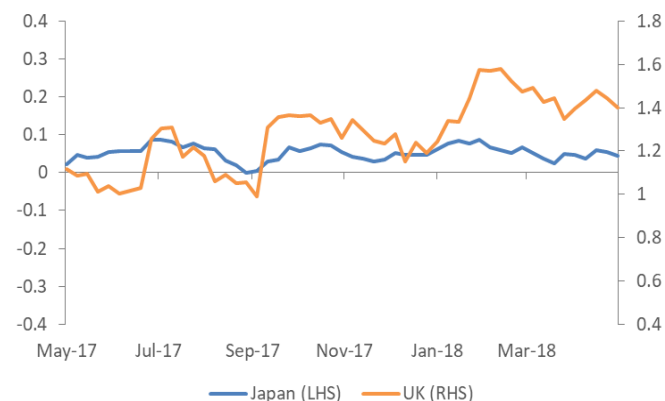
Source: Bloomberg

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



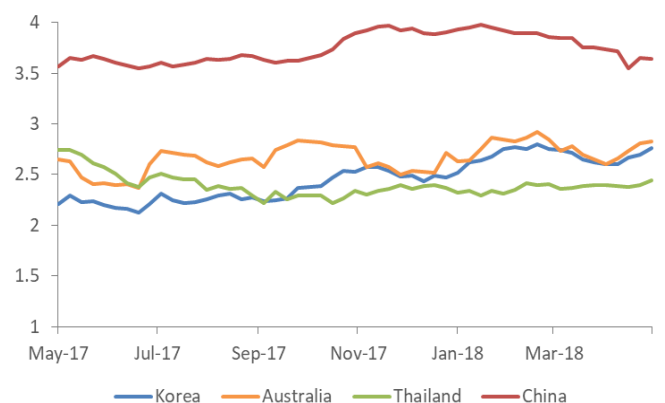
Source: Bloomberg

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



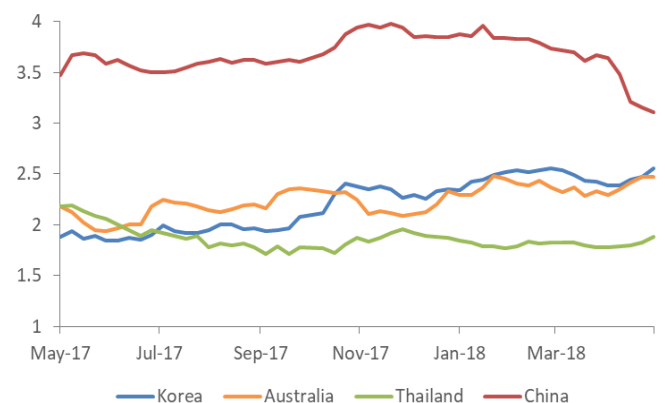
Source: Bloomberg

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



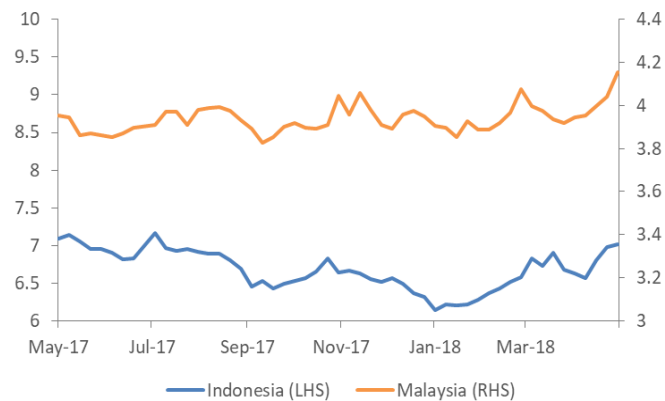
Source: Bloomberg

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



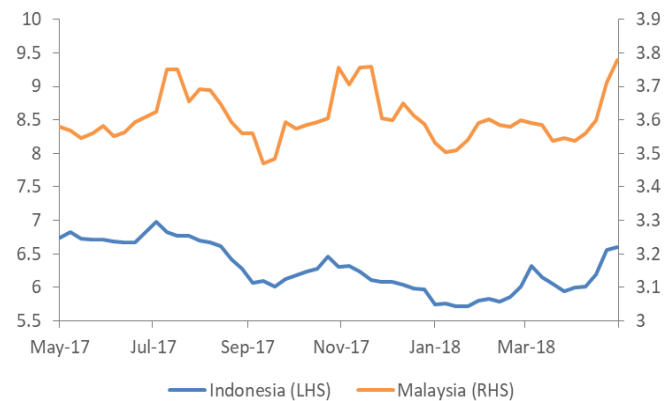
Source: Bloomberg

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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