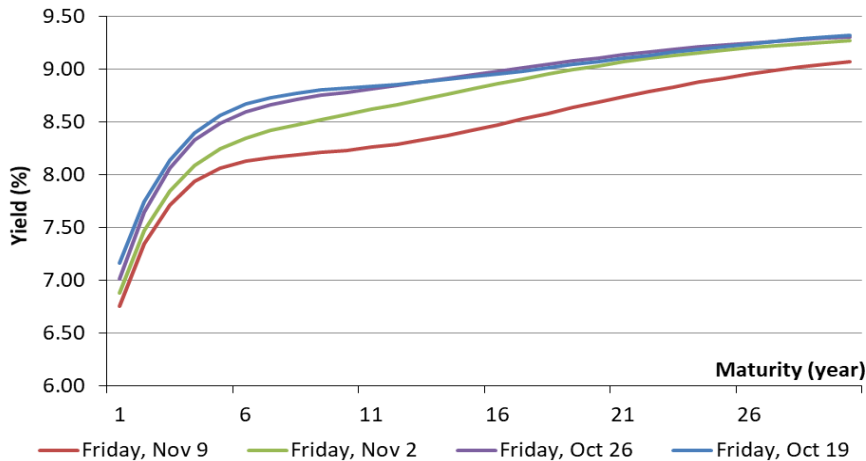


# Weekly Fixed Income

## Indonesia Government Bond

Benchmark Weekly Yield Curve | Last 4 Weeks Performance



Source: IBPA

### Government Bond Highlights

At the Government Bond Auction (SBSN) dated on 10/30/18, the government absorbed the fund of IDR20 trillion from the total incoming bid of IDR59.5 trillion. The amount absorbed was higher than the indicative target of IDR10 trillion. The SBN, series FR0078, obtained the largest amount of bid amounting to IDR16.637 trillion. The Indonesia Composite Bond Index (ICBI) closed higher 1.29% to 236.97.

The bond market was in the rebound state last week. Varied positive sentiments — the GDP growth data and forex reserves — were factors putting the bond market in rebound mood. However, on the weekend, the government bonds' prices were corrected due to fears of worsening current account deficit and global negative sentiments of the Fed's hawkish statement uttered in last week's FOMC meeting.

### Exchange Rate

The rupiah was appreciated last week and strengthening by 1.85% to IDR14,678 per USD. Last week's appreciation was boosted by Indonesia's better fundamental data such as the 3Q18 GDP growth of 5.17% y-y and higher forex reserves of USD115.2 billion. Moreover, the rupiah touched IDR14,539 per USD, the best position since September. However, on the weekend the rupiah faced the setback of FOMC's hawkish stance of holding the Fed's rate higher.

This week investors will respond to the current account deficit data widening to USD8.8 billion or equal to 3.37% to the GDP. On the other side, investors also will focus on BI's Board of Governors Meeting of November and October's exports–imports trade balance.

### Benchmark Information

#### FR0063

TTM (Years)	4.52
Yield (%)	7.8988
Price	91.5000
Coupon (%)	5.625

#### FR0064

TTM (Years)	9.52
Yield (%)	8.0631
Price	87.2900
Coupon (%)	6.125

#### FR0065

TTM (Years)	14.52
Yield (%)	8.3495
Price	85.6435
Coupon (%)	6.625

#### FR0075

TTM (Years)	19.53
Yield (%)	8.4581
Price	90.9193
Coupon (%)	7.500

### Most Active

Securities	Maturity	YTM (%)	Volume (IDR tn)
FR0065	05/15/2033	8.363	6.44
FR0078	05/15/2029	8.250	6.35
FR0063	05/15/2023	7.932	2.91
FR0077	05/15/2024	8.147	2.55
PBS012	11/15/2031	8.680	2.2

### Exchange Rate

Currency	Last	Chg.
USD/IDR	14,678	-1.85%
GBP/IDR	19,095	-1.98%
EUR/IDR	16,636	-2.70%
JPY/IDR	129.1	-2.58%
CNY/IDR	2,111	-2.26%
KRW/IDR	13.0	-2.62%
AUD/IDR	10,625	-1.79%
HKD/IDR	1,875	-1.76%

# Indonesia Government Bond Auction

Auction Date: Nov 6, 2018		Total incoming bid (IDR tn): 59.5			Total nominal (IDR tn): 20			
Series	Status	Coupon	Maturity Date	Lowest Yield	Highest Yield	Nominal Won (IDR bn)	Incoming Bids (IDR bn)	
SPN03190207	New Issuance	At Discount	07-Feb-19	5.76%	5.89%	1,000	3,800	
SPN12191107	New Issuance	At Discount	07-Nov-19	6.00%	7.10%	1,000	9,960	
FR0077	Reopening	8.125%	15-May-24	8.12%	8.47%	4,950	15,079	
FR0078	Reopening	8.250%	15-May-29	8.23%	8.50%	5,950	16,637	
FR0065	Reopening	6.625%	15-May-33	8.47%	9.25%	5,350	8,672	
FR0075	Reopening	7.500%	15-May-38	8.70%	9.50%	1,750	5,337	

## Next Government Bond Auction Schedule

Date	Nov 13 2018	End	Nov 13 2018	12.00 AM	
Indicative Target Begin	IDR 4 tn	Result Settlement	Nov 13 2018	Nov 15 2018	
Series	Status	Coupon	Maturity Date	Non-Competitive Allocation	Underlying Assets
SPNS01052019	Reopening	At Discount	01-May-19	50% of the awarded	Projects in State Budget 2018 and State Owned Assets
SPNS01082019	Reopening	At Discount	01-Aug-19		
PBS014	Reopening	6.500%	15-May-21	30% of the awarded	
PBS019	Reopening	8.250%	15-Sep-23		
PBS012	Reopening	8.875%	15-Jan-31		
PBS015	Reopening	8.000%	15-Jul-47		

Source: DJPPR Ministry of Finance

## Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b> 12 - Nov	JPN	06:50	PPI YoY	Oct	2.90%	2.80%	3.00%
<b>Tuesday</b> 13 - Nov	GER	14:00	CPI MoM	Oct F		0.20%	0.20%
	GER	14:00	CPI YoY	Oct F		2.50%	2.50%
	UK	16:30	ILO Unemployment Rate 3Mths	Sep		4.00%	4.00%
<b>Wednesday</b> 14 - Nov	JPN	06:50	GDP SA QoQ	3Q P		-0.30%	0.70%
	JPN	06:50	GDP Annualized SA QoQ	3Q P		-0.90%	3.00%
	CHN	09:00	Industrial Production YoY	Oct		5.80%	5.80%
	JPN	11:30	Tertiary Industry Index MoM	Sep		-0.40%	0.50%
	GER	14:00	GDP SA QoQ	3Q P		-0.10%	0.50%
	GER	14:00	GDP NSA YoY	3Q P		1.20%	2.30%
	UK	16:30	CPI MoM	Oct		0.30%	0.10%
	UK	16:30	CPI YoY	Oct		2.50%	2.40%
	EU	17:00	GDP SA QoQ	3Q P		0.20%	0.20%
	EU	17:00	GDP SA YoY	3Q P		1.70%	1.70%
	USA	20:30	CPI MoM	Oct		0.30%	0.10%
<b>Thursday</b> 15 - Nov	IDN	Tentative	Bank Indonesia 7D Reverse Repo	15-Nov		5.75%	5.75%
	IDN	11:00	Exports YoY	Oct		--	1.70%
	IDN	11:00	Imports YoY	Oct		--	14.18%
	IDN	11:00	Trade Balance	Oct		--	\$227m
	USA	20:30	Retail Sales Advance MoM	Oct		0.50%	0.10%
	USA	20:30	Initial Jobless Claims	10-Nov		--	214k
<b>Friday</b> 16 - Nov	EU	17:00	CPI YoY	Oct F		2.20%	2.10%
	EU	17:00	CPI MoM	Oct		0.20%	0.50%
	USA	21:15	Industrial Production MoM	Oct		0.20%	0.30%

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	8.35	0.00%	2.45%	45.22%	Indonesia	7.75	-11.43%	-8.82%	24.00%
South Korea	1.84	-0.14%	-2.52%	0.41%	South Korea	1.92	-1.84%	-7.74%	-6.96%
China	2.79	-0.36%	-0.36%	-25.60%	China	2.99	-0.86%	-2.03%	-22.94%
Malaysia	3.71	0.00%	-0.13%	1.78%	Malaysia	3.77	-0.53%	-0.26%	0.67%
Thailand	1.50	3.10%	-2.16%	18.65%	Thailand	1.98	2.33%	-3.09%	20.06%

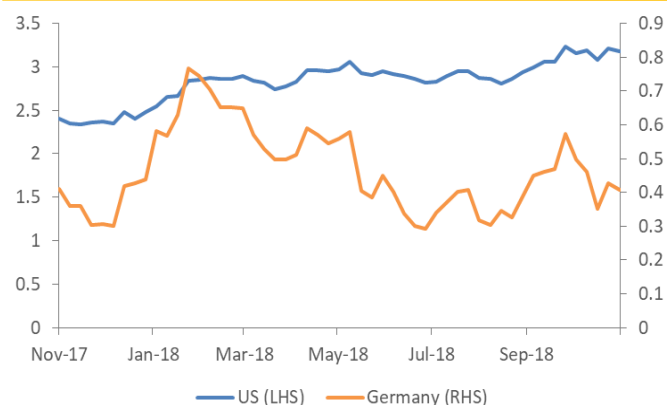
Source: Bloomberg

## Foreign Exchange Fluctuation

Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.	Currency	Last	Weekly Chg	Monthly Chg.	YTD Chg.
Dollar	96.91	0.38%	1.29%	5.19%	USDKRW	1,128	0.58%	-0.39%	5.38%
USDJPY	113.83	0.56%	0.77%	1.01%	USDCNY	6.96	0.96%	0.49%	6.92%
GBPUSD	1.30	0.02%	-1.30%	-4.00%	USDMYR	4.18	0.49%	0.49%	3.27%
EURUSD	1.13	-0.46%	-1.35%	-5.57%	USDTHB	33.02	0.60%	-0.02%	1.35%
USDCAD	1.32	0.78%	2.05%	5.10%	USDIDR	14,678	-1.85%	-3.68%	8.18%
USDCHF	1.01	0.21%	1.35%	3.21%	AUDUSD	0.72	0.46%	1.73%	-7.47%

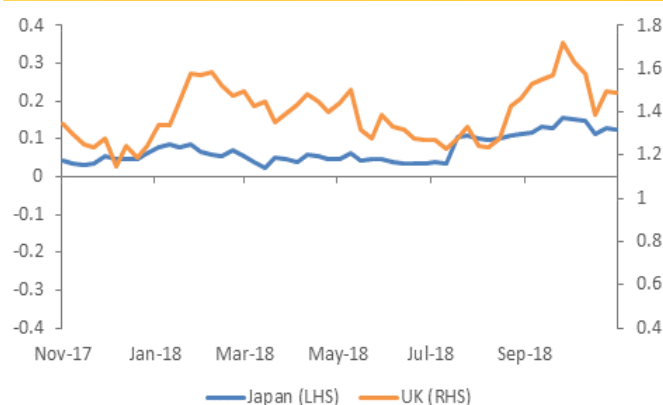
Source: Bloomberg

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



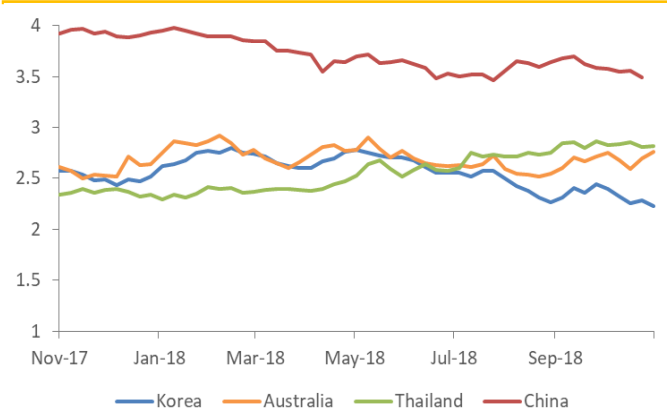
Source: Bloomberg

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



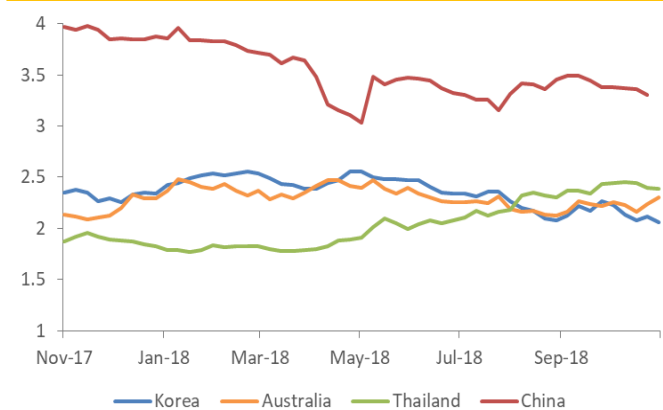
Source: Bloomberg

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



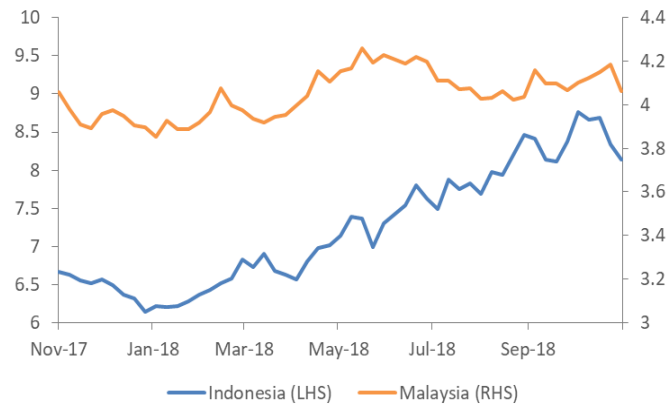
Source: Bloomberg

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



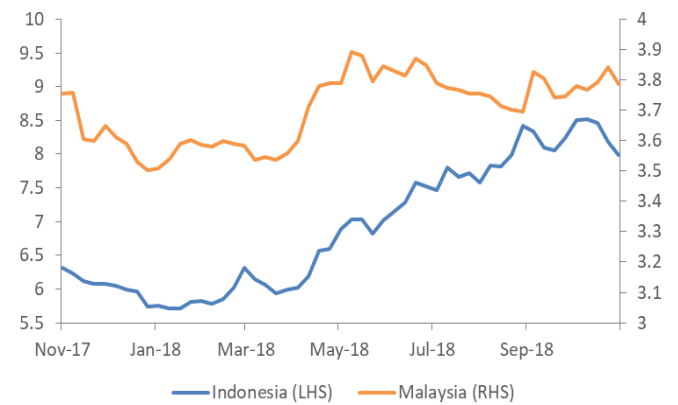
Source: Bloomberg

## 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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