

HEADLINES & ANALYSIS

- The U.S. Treasury Department said government borrowing this year will more than double from 2017 to \$1.34 trillion as the Trump administration finances a rising budget deficit. Specifically, the department expects to issue \$425 billion in net marketable debt from October through December, lower than the \$440 billion estimated in July. (Bloomberg)
- China plans to deepen its foreign-exchange markets to encourage both domestic and overseas players to trade and borrow external currencies more onshore, in the latest step toward fostering a global role for its financial system. The China Foreign Exchange Trade System, an arm of the central bank, plans to develop swaps involving overseas currencies and foreign-exchange interest-rate swaps, among other steps detailed in emailed responses to questions posed by Bloomberg. (Bloomberg)
- Indonesia's bond yields edge lower as global investors buy the nation's debt for a fifth day in a row. The rupiah is steady. Nation's 10-year yield down 2bps to 8.67%. Overseas funds bought a net 5.8tr rupiah (\$379.8m) in Indonesian bonds on Oct. 25, a fifth day of inflows and the most since July 19, according to finance ministry data; net buyers of \$25.6m of local stocks on Oct. 26. (Bloomberg)

YIELD CURVE (%)

TTM	29-Oct-18	-1 Day	Change	TTM	29-Oct-18	-1 Day	Change
3 months	5.525	5.520	0.005	15 years	8.931	8.939	-0.008
6 months	5.975	5.967	0.008	16 years	8.960	8.971	-0.011
1 year	6.781	6.772	0.008	17 years	8.987	9.001	-0.014
2 years	7.656	7.658	-0.002	18 years	9.014	9.030	-0.017
3 years	8.113	8.123	-0.010	19 years	9.038	9.058	-0.020
4 years	8.359	8.373	-0.013	20 years	9.062	9.084	-0.023
5 years	8.501	8.514	-0.013	21 years	9.083	9.109	-0.026
6 years	8.588	8.599	-0.011	22 years	9.103	9.132	-0.029
7 years	8.648	8.656	-0.008	23 years	9.122	9.153	-0.031
8 years	8.695	8.700	-0.005	24 years	9.139	9.173	-0.034
9 years	8.734	8.737	-0.003	25 years	9.155	9.191	-0.036
10 years	8.770	8.772	-0.002	26 years	9.170	9.208	-0.038
11 years	8.804	8.806	-0.002	27 years	9.183	9.223	-0.040
12 years	8.837	8.840	-0.003	28 years	9.195	9.237	-0.042
13 years	8.869	8.873	-0.004	29 years	9.206	9.249	-0.043
14 years	8.900	8.906	-0.006	30 years	9.216	9.261	-0.045

Source : Danareksa Sekuritas

MOST ACTIVE GOVERNMENT BONDS

Bond	Coupon	Maturity	Last Price	Yield	Volume (IDR bn)
FR0059	7.000	15-May-27	90.00	8.676	634.66
FR0072	8.250	15-May-36	95.50	8.974	514.48
FR0065	6.625	15-May-33	82.81	8.798	504.87
FR0077	8.125	15-May-24	98.44	8.488	447.47
FR0061	7.000	15-May-22	96.35	8.224	343.24

Sources: Bloomberg; Indonesia Stock Exchange (Volume)

MOST ACTIVE CORPORATE BONDS

Bond	Rating	Coupon	Maturity	Last Price	Yield	Volume
TBIG03CN2	AA-(idn)	8.500	28-Oct-19	100.00	8.50	281.00
SIEXCLO2ACN1	AAA(idn)	8.250	26-Oct-19	100.00	8.25	159.00
EXCL01ACN1	AAA(idn)	8.250	26-Oct-19	100.00	8.25	158.00
SMFP04BCN3	idAAA	6.850	20-Feb-21	96.00	8.78	72.00
WSKT03ACN3	A-(idn)	9.000	28-Sep-21	100.10	8.96	69.00

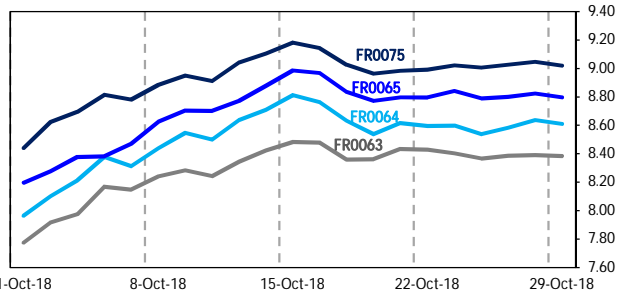
*Current yield; Coupon, Last Price & Yield are in %; Volume is in IDR bn; Rating code: id(Pefindo) & idn (Fitch Indonesia)

SOVEREIGN BOND YIELDS

Country	Tenor	Coupon (%)	29-Oct-18			Spread over UST YC (bps)			Country	Tenor	Coupon (%)	29-Oct-18			Spread over UST YC (bps)		
			-1 Mo	-3 Mo	29-Oct-18	-1 Mo	-3 Mo	-1 Mo				-3 Mo	-1 Mo	-3 Mo			
United States	2yr		2.81	2.58	2.40				Philippines	2yr	6.00	6.91	4.31	4.22	410	187	197
USD	5yr		2.91	2.77	2.65				PHP	5yr	7.88	7.73	5.41	-	482	264	-
	10yr		3.08	2.92	2.88				Thailand	10yr	11.38	8.11	6.27	-	503	335	-
German	2yr	0.25	-0.62	-	-	-343	-	-	THB	2yr	3.13	1.97	1.45	1.45	-84	-99	-80
EUR	5yr	1.00	-0.20	-	-	-311	-	-		5yr	3.45	2.44	-	-	-47	-	-
	10yr	1.75	0.38	-	-	-270	-	-	India	10yr	3.63	2.85	-	-	-23	-	-
Indonesia	2yr	11.63	3.07	2.81	2.54	26	37	29	INR	2yr	7.59	7.58	7.06	-	477	462	-
USD	5yr	3.75	4.36	3.74	3.52	145	97	87		5yr	7.28	7.79	7.53	-	488	476	-
	10yr	3.50	4.89	4.14	4.04	181	122	116	Malaysia	10yr	8.83	7.81	7.63	7.67	473	471	479
Brazil	2yr	0.00	7.57	7.20	7.91	476	476	566	MYR	3yr	3.17	3.72	3.57	3.50	86	99	110
BRL	5yr	10.00	8.96	8.60	9.10	615	616	685		5yr	3.26	3.85	-	-	94	-	-
	10yr	10.00	10.38	9.76	10.00	757	732	775		10yr	4.18	4.20	4.02	4.10	112	110	122

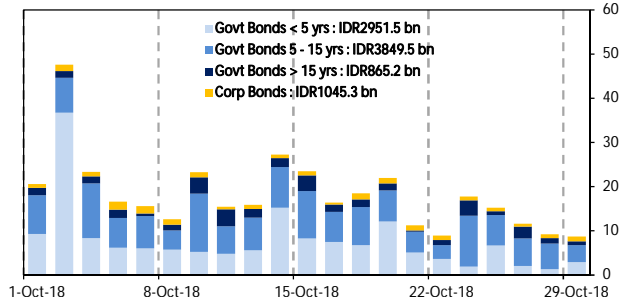
Sources: Bloomberg (Current Yield Curve), US Treasury

YIELD OF GOVERNMENT BOND BENCHMARK (%)



Sources: Bloomberg

TRADING VOLUME BY MATURITY (IDR TRILLION)



Sources: Indonesia Stock Exchange

KEY TARGETED RATE

Country	Rate (%)	Last Change	Change	Inflation Rate (%)	Real Interest Rate (%)
Indonesia (SDRR)	5.75	27-Sep-18	25bps ↑	2.88	2.87
US (Fed Fund Rate)	2.25	26-Sep-18	25bps ↑	2.30	-0.05
Euro Region	0.00	16-Mar-16	-5bps ↓	2.20	-2.20
Japan	0.10	19-Dec-08	-20bps ↓	1.20	-1.10
India (Repo Rate)	6.50	1-Aug-18	25bps ↑	5.61	0.89
Malaysia	3.25	25-Jan-18	25bps ↑	0.30	2.95
Philippines	4.50	27-Sep-18	50bps ↑	6.70	-2.20
Thailand	3.00	25-Jan-18	-25bps ↓	1.33	1.67
Singapore	0.08	31-Dec-13	5bps ↑	0.70	-0.62
Brazil	6.50	21-Mar-18	-25bps ↓	4.53	1.97

Sources: Bloomberg

GLOBAL STOCK MARKETS

Stock Index	29-Oct-18	-1Day	Return (%)				
			Daily	WoW	MoM	YoY	YTD
Indonesia (ICI)	5,755 ↓	5,785	-0.52	-1.47	-3.71	-3.69	-9.46
Dow Jones (DJIA)	24,443 ↓	24,688	-0.99	-3.45	-7.62	4.30	-1.12
London (FTSE 100)	7,026 ↑	6,940	1.25	-0.23	-6.44	-6.38	-8.60
Nikkei 225	21,150 ↓	21,185	-0.16	-6.48	-12.31	-3.90	-7.09
Hang Seng (HIS)	24,812 ↑	24,718	0.38	-5.13	-10.71	-12.75	-17.07
Malaysia (KLCI)	1,684 ↑	1,683	0.04	-2.25	-6.10	-3.57	-6.29
Philippines (PSEI)	7,109 ↑	7,064	0.63	-1.76	-2.31	-14.31	-16.94
Thailand (SET)	1,637 ↑	1,629	0.49	-1.31	-6.81	-4.61	-6.66
Singapore (STI)	2,982 ↑	2,972	0.32	-3.14	-8.46	-11.96	-12.38
Brazil (BOVESPA)	83,797 ↓	85,720	-2.24	-2.10	5.61	10.29	9.68

Sources: Bloomberg & Danareksa

CURRENCY & COMMODITY

Price	29-Oct-18	-1 Day	-1 Week	-1 Month	EOP 2017
USD/IDR	15,223 ↑	15,217	15,187	14,903	13,555
Brent	76.31 ↓	77.26	79.52	82.95	66.82
WTI Crude Oil	67.04 ↓	67.59	69.17	73.25	60.42

Sources: Bloomberg

PERFORMANCE OF IDR GOVERNMENT BONDS

As of	Average YTM (%)	Change (bps)	Return (%)				
			Daily	WoW	MoM	YoY	YTD
29-Oct-18	8.64		0.18	0.34	-1.47	-2.15	-6.20
-1 Day	8.66	↓ -1.7	-0.10	0.21	-1.40	-2.30	-6.37
-1 Week	8.68	↓ -4.4	0.05	0.87	-1.17	-3.56	-6.52
-1 Month	8.18	↑ 45.9	0.32	0.61	-0.90	-1.53	-4.50
-1 Year	6.91	↑ 173.2	0.03	-1.10	-1.48	8.67	12.56

Sources: Danareksa

