

Overview

Bank Indonesia's projection of the rupiah trading between IDR 15,300 and IDR 15,700 in 2025, alongside the government's reduced fuel subsidies and substantial budget allocation for the food estate program, underscores a cautious but strategic economic approach. President-elect Prabowo Subianto's policy continuity with outgoing President Jokowi indicates stability, while global investors' interest, particularly in bonds, highlights Indonesia's attractiveness amid US Fed policy shifts. However, the push for regulatory reforms in sectors like oil, gas, and the digital economy, coupled with environmental challenges in the new capital city, suggests that Indonesia faces a complex balancing act in sustaining growth and addressing emerging risks.

Key Comments

Economy, Business and Finance

Bank Indonesia Projects Rupiah to Range Between IDR 15,300 and IDR 15,700 in 2025: Bank Indonesia (BI) projects the rupiah will trade between IDR 15,300 and IDR 15,700 against the US dollar in 2025, driven by global economic trends and US Federal Reserve policies. This forecast contrasts with the government's assumption of IDR 16,100 per dollar in the 2025 Draft State Budget (RAPBN).

Government and DPR Agree on Reduced Subsidized Fuel Volume for 2025: The Indonesian government and the House of Representatives (DPR) have agreed to reduce the volume of subsidized fuel in the 2025 RAPBN. This move aims to ensure a more targeted distribution of subsidies, reflecting efforts to improve fiscal sustainability.

President-Elect Prabowo Subianto to Maintain Food Estate Program, Budget Allocation IDR 124.4T: Finance Minister Sri Mulyani Indrawati confirmed that President-elect Prabowo Subianto will maintain the food estate program with a budget allocation of IDR 124.4 trillion. The program will focus on strengthening food security, particularly for rice and corn, and enhancing the overall agricultural infrastructure.

RAPBN 2025 Highlights Jokowi's Support for Prabowo's Programs: President Joko "Jokowi" Widodo's presentation of the 2025 draft state budget (RAPBN) reflects his support for President-elect Prabowo Subianto's programs, signaling a focus on improving human capital and economic stability. This collaboration underscores the continuity in policy and economic strategies between the outgoing and incoming administrations.

Global Money Piles Into Indonesia as Fed Easing Cycle

Approaches: Global investments have surged into Indonesia's financial markets, making the country a favored investment destination as the US Federal Reserve's easing cycle approaches. The influx of capital is expected to further strengthen Indonesia's economic prospects in the coming months.

Frenzied Global Demand for Indonesian Bonds Has Room to

Run: Foreign funds have poured \$2.2 billion into Indonesian sovereign bonds in August, the highest since January 2023. Despite the significant inflow, foreign fund holdings of Indonesian debt remain below historical levels, providing further potential for growth in the bond market.

Indonesia Moves to Become a Millionaire Magnet:

Indonesia's efforts to attract high-net-worth individuals through family offices aim to capture at least 5% of the \$11.7 trillion global market. However, concerns arise over potential pitfalls similar to recent money laundering scandals in Singapore, prompting calls for a robust regulatory framework.

Indonesia Woos American Investors for Copper, Halal Food Industry Projects:

Indonesia is actively courting American investors to participate in copper processing and halal food industry projects, highlighting the country's growing appeal as an investment destination. These efforts are part of a broader strategy to diversify Indonesia's industrial base and strengthen ties with the United States.

New Gross Split Rules May Not Be Enough to Win Over Oil and

Gas Investors: The Indonesian government has introduced new rules for gross split production-sharing contracts (PSC) in a bid to attract more oil and gas investment. However, industry experts warn that these changes may not be sufficient to significantly boost investment in the sector, which continues to face challenges such as regulatory uncertainty and high operational costs.

Marubeni, JAPEX Team Up With Pertamina on BECCS Feasibility

Study in Indonesia: Marubeni Corporation and Japan Petroleum Exploration (JAPEX) have signed a joint study agreement with Indonesian state-owned energy company Pertamina to assess the feasibility of Bioenergy with Carbon Capture and Storage (BECCS) in South Sumatra. The project aims to explore sustainable energy solutions while addressing climate change.

Carbon Tax Won't Lessen Competitiveness, Industry Minister Vows: Indonesia's Industry Minister reassured the public that the planned carbon tax, set to be implemented in 2025, will not diminish the competitiveness of domestic industries. The tax is part of the government's broader environmental policy framework aimed at reducing carbon emissions.

Gov't Extends VAT Waiver on House Purchases Until End of Year: The Indonesian government has extended the value-added tax (VAT) exemption for house purchases until the end of 2024. This extension is expected to stimulate the real estate market and support economic recovery efforts following the COVID-19 pandemic.

Politics, Security, National

Indonesia's PDI-P Drops Anies as Candidate for Jakarta Governor, Makes Surprise Pick: PDI-P, Indonesia's main opposition party, has chosen Pramono Anung, a businessman turned politician, as its candidate for the Jakarta gubernatorial race, surprising many who expected the party to back Anies Baswedan. This move is seen as a strategic decision to consolidate the party's influence in Jakarta ahead of the 2024 elections.

Prabowo Subianto Invites Parties to Collaborate; 'Opposition Is a Western Value': President-elect Prabowo Subianto emphasized that opposition is a Western concept not reflective of Indonesian cultural values, inviting political parties to collaborate instead. Prabowo's remarks suggest a potential shift towards a more inclusive governance approach.

KPU May Prolong Registration in Case of Insufficient Candidates: The General Elections Commission (KPU) is considering extending the registration period for regional head candidates if only one applicant is approved by the deadline. This measure aims to ensure a competitive and democratic electoral process across Indonesia.

Ex-Police Chief Ahmad Luthfi Faces Off Against Former Army Commander in 2024 Central Java Race: Ahmad Luthfi, the gubernatorial candidate for Central Java from the Coalition for Advanced Indonesia (KIM) Plus, will compete against former Army Commander Andika Perkasa in the upcoming 2024 Regional Election. The race is expected to be highly competitive, with both candidates having strong military and political backgrounds.

Digital Economy, Media, Telcos

Google, Meta, TikTok, X Required to Sign Integrity Pact Against Online Gambling: Indonesia has mandated that over 18,000 private electronic system providers, including major firms like Google, Meta, TikTok, and X, sign an integrity pact to combat online gambling. This initiative is part of a broader effort to regulate the digital economy and protect consumers.

East Ventures' Six Startups Listed in 2024 Forbes Asia 100 to Watch List: Six startups from East Ventures' portfolio have been included in the 2024 Forbes Asia 100 to Watch list. This recognition highlights the growing influence of Southeast Asian startups in the global tech landscape.

Korea Investment, Sinar Mas to Build Data Center in Indonesia: Korea Investment and Sinar Mas are collaborating to build a data center in Indonesia. The project reflects the growing demand for data infrastructure in Southeast Asia and Indonesia's strategic importance in the region's digital economy.

BDx Indonesia Unveils Phase 1 of Interconnected Data Centre Ecosystem: BDx Indonesia, in partnership with Indosat Ooredoo Hutchison, Lintasarta, and NeutraDC, has launched the first phase of its interconnected internet exchange (IX) ecosystem in Indonesia. This development is expected to enhance the country's digital connectivity and support the growth of its digital economy.

Environment, Climate Change, Green Economy

Coca-Cola, Investment Fund Tie Up to Guard PH, Indonesia Mangroves: The Coca-Cola Foundation and Conservation International Ventures have launched a climate resilience project aimed at protecting and restoring mangrove areas in the Philippines and Indonesia. The initiative is part of broader efforts to address climate change and promote environmental sustainability in Southeast Asia.

Indonesia's New 'Green' Capital Drives Environmental Damage Far and Wide: Despite government claims, experts argue that the design and development of Indonesia's new capital city, Nusantara, is causing significant environmental damage rather than achieving its "green" and "smart" goals. Critics point to deforestation and habitat destruction as key concerns.

Looking Forward to Indonesia's Solar Future: Indonesia has the potential to become a leader in the solar photovoltaic (PV) industry in Southeast Asia. With its vast solar energy resources, the country is well-positioned to expand its renewable energy capacity and reduce its reliance on fossil fuels.

Market Movement

The Jakarta Composite Index (JCI) closed significantly higher, marking a 0.80% gain to end the day at 7,658.9. The positive momentum was mirrored by the Indonesia Sharia Stock Index (ISSI), which also saw an uptick, finishing 0.52% stronger at 225.6. The market activity was notably buoyant, with foreign investors demonstrating strong buying interest. They posted a net buy of IDR 257.3 billion in the regular market and a substantial IDR 1,832.8 billion in the negotiated market, reflecting confidence in the Indonesian equity landscape.

Among the leading movers of the day, BMRI emerged as a standout, climbing 2.9% to IDR 7,225, followed closely by BREN, which rose 4.1% to IDR 10,200. BBCA also contributed to the market's strength, advancing 1.5% to IDR 10,350. On the contrary, AMMN was the day's top laggard, retreating 2.5% to IDR 10,775, alongside ASII, which dipped 2.4% to IDR 5,025.

Sector-wise, IDXPROM led the gainers, signaling robust interest in the property sector, while IDXTech lagged behind, highlighting a selective rotation away from technology stocks. The market's overall strength was underscored by the performance of stocks favored by foreign investors, particularly BMRI, BRPT, and BREN, which saw solid gains. Notably, CUAN surged 16.5% to IDR 9,375, capturing significant attention.

Conversely, some key stocks witnessed foreign selling pressure, including BBRI, UNTR, and BBNI. BBRI, despite being a top value stock, edged down 0.5% to IDR 5,150, reflecting the mixed sentiment in the market. Overall, the market dynamics today were shaped by strong sectoral movements and targeted foreign investor activity, which together drove the JCI to its current levels. As the market digests these developments, further attention will be focused on how these trends evolve in the coming sessions.

Fixed Income

The Indonesian Rupiah-denominated bond market exhibited limited overall strengthening in today's trading, primarily supported by gains in medium-tenor government bonds (Surat Berharga Negara, SBN) and the appreciation of the Rupiah. The Indonesia Composite Bond Index (ICBI) recorded a slight increase of 0.03%, bringing its year-to-date (YTD) return to 4.30%. Meanwhile, the benchmark 10-year SBN series (FR0100) remained stable, closing with a yield of 6.62%.

The Rupiah appreciated by 73 points, ending the day at IDR 15,422 per USD, while the U.S. 10-year Treasury yield declined slightly by 0.010 basis points to 3.825%.

Trading Activity

Bond trading activity saw a significant decrease in volume today, falling by 21.03% to IDR 35.22 trillion, compared to the previous trading session's IDR 44.60 trillion. However, the frequency of transactions increased by 8.80%, rising from 3,398 to 3,697 transactions. This indicates that while the overall traded volume declined, market participants engaged in more frequent transactions, possibly due to portfolio adjustments in response to market conditions.

Market Drivers

- **Rupiah Appreciation:** The strengthening of the Rupiah provided a positive backdrop for the bond market, as a stronger currency often reduces inflationary pressures, thereby making local-currency-denominated assets more attractive to both domestic and foreign investors.

- **Medium-Tenor SBN Strength:** The gains in medium-tenor SBN were a key driver of the market's limited overall strength. These bonds often serve as a bellwether for investor sentiment, and their performance suggests cautious optimism in the market.

- **Stable U.S. Treasury Yields:** The slight decrease in the U.S. 10-year Treasury yield may have alleviated some pressure on emerging market bonds, including Indonesia's, as lower U.S. yields reduce the relative attractiveness of U.S. assets, potentially redirecting investment flows towards higher-yielding markets like Indonesia.

In summary, the trading session in the Indonesian bond market was characterized by limited gains, driven by medium-tenor SBNs and a stronger Rupiah. While trading volume decreased, the increase in transaction frequency suggests active market participation. The market's outlook remains cautiously optimistic, with investors keeping a close eye on both domestic and international factors.

US 10 year Treasury

The yield on the US 10-year Treasury increased to 3.84% as investors assessed recession risks and the Federal Reserve's policy direction. The gap between the yields on two-year and 10-year notes narrowed to minus 8.7 basis points from minus 12.4 basis points, indicating market expectations for a forthcoming Fed easing cycle.

Economic reports revealed that US single-family home prices declined in June, with the smallest annual increase in almost a year, while consumer confidence rose in August despite growing concerns about the labor market. Recent data and Fed communications have heightened the chances of a 50 basis point rate cut, with expectations for a September cut now divided between 25 basis points (71% probability) and 50 basis points (29% probability).

Outlook

The yield on the 10-year benchmark government bond (SUN) is at a crossroads, with the support pattern since Sep23 around 6.64. If there is an increase above 6.7, the yield will rise again, ending the decline since Jun24. However, if it breaks through 6.6, the decline may continue to 6.45.

The 3-day U.S. equity-bond yield correlation experienced a negative trend, suggesting continued movement that pushed the market into relative co-movement, absorbing a dovish stance from the Fed. Although there was a slight uptick on the last day of the week, indicating a probable fear of a U.S. economic slowdown, the risk may not be significant.

As for Indonesia, a short period of positive correlation occurred at the beginning of the week, suggesting a positive push to the bond market due to risk-averse behavior. However, it reverted back to a more inverse relationship, given the dominant agnostic stance from foreign flows, which pushed the equity and bond markets in the same direction.

Looking ahead, the Indonesian bond market is expected to continue experiencing mixed movements. The appreciation of the Rupiah and stable to slightly declining U.S. Treasury yields may support bond prices. However, ongoing global uncertainties and domestic economic factors will continue to play a crucial role in influencing market dynamics.

Investors are advised to monitor developments in global financial markets closely, especially any shifts in U.S. Federal Reserve policy or significant changes in the global economic outlook, which could impact both currency and bond markets in Indonesia.

Strategy

Based on the RRG chart, most tenors are experiencing strengthening momentum, except for the 4-5 year tenors. Other tenors are gaining momentum, with the 2-7-9 year tenors leading against the 10-year benchmark yield. We still see a possible dynamics in the bond market, therefore we recommend a mixed collection as follows:

INDOGB: FR78, FR52, FR64

INDOIS: PBS30, PBS22

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Currencies

Currency Pair	Index, Last	Currency Pair	Index, Last
AUD / USD	0.6	AUD / IDR	10,480
CNY / USD	7.1	CNY / IDR	2,164
EUR / USD	1.1	EUR / IDR	17,212
GBP / USD	1.3	GBP / IDR	20,475
HKD / USD	7.7	HKD / IDR	1,984
JPY / USD	144.4	JPY / IDR	107
MYR / USD	4.3	MYR / IDR	3,561
NZD / USD	0.6	NZD / IDR	9,654
SAR / USD	3.7	SAR / IDR	4,110
SGD / USD	1.3	SGD / IDR	11,832
		USD / IDR	15,422

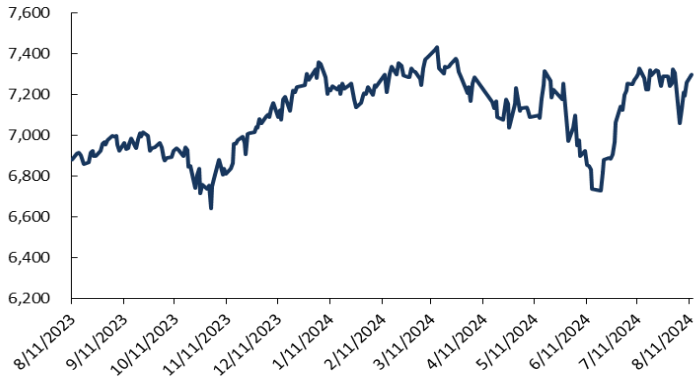
Source: SSI Research

Macro Forecasts

Macro	2023A	2024F	2025F
GDP (% YoY)	5.1	4.9	5.0
Inflation (% YoY)	2.6	3.2	3.5
Current Account Balance (% GDP)	-0.1	-0.7	-1.2
Fiscal Balance (% to GDP)	-1.7	-2.7	-2.9
BI 7DRRR (%)	6.0	6.25	5.75
10Y. Government Bond Yield (%)	6.6	6.9	7.2
Exchange Rate (USD/IDR)	15,252	16,000	16,200

Source: SSI Research

IHSG Chart Intraday



Source: SSI Research

Net Foreign Flow: IDR 2,090bn Inflow

Stock	% TVAL	Last	% CHG	% MTD	% YTD	NVAL (IDR bn)
BMRI	0.3	7,225	2.8	12.8	19.4	293
BRPT	0.0	1,190	7.2	9.1	-10.5	82
BREN	0.2	10,200	4.0	17.9	36.4	75
CUAN	0.0	9,375	16.4	10.6	-30.1	67
BBCA	0.2	10,350	1.4	0.7	10.1	56
AMRT	0.0	2,870	0.3	1.0	-2.0	40
INDF	0.0	6,825	0.3	11.4	5.8	28
PTRO	0.0	10,725	19.8	37.0	104.2	25
MDKA	0.0	2,480	1.2	0.8	-8.1	23
INKP	0.0	8,600	-0.5	2.9	3.3	21

Source: SSI Research, STAR

Index Stock Mover Summary

Stock	% CHG	JCI (+)	M.CAP (IDR tn)	Stock	% CHG	JCI (+)	M.CAP (IDR tn)
BREN	4.0	47.99	1,365	AMMN	-2.4	-17.88	781
BYAN	3.4	17.19	574	ASII	-2.4	-4.53	203
BMRI	2.8	16.57	668	BBRI	-0.4	-3.36	773
BBCA	1.4	16.41	1,263	DCII	-2.4	-2.13	95
GEMS	19.8	13.71	92	DSSA	-0.7	-2.06	319
CUAN	16.4	13.36	105	UNVR	-1.7	-1.36	86
TPIA	1.0	7.75	818	CPIN	-1.4	-1.10	82
BRPT	7.2	6.72	112	GOTO	-1.9	-1.07	61
PANI	5.2	5.30	118	HMSP	-1.3	-1.04	83
BNLI	5.3	2.24	49	PGEO	-2.1	-0.93	48

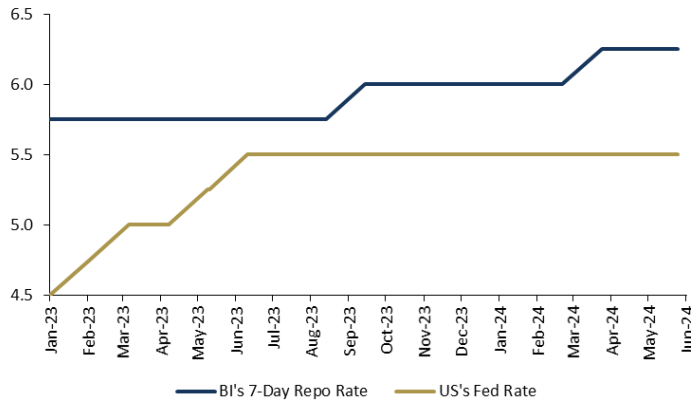
Source: SSI Research, STAR

Sector Statistic

SECTOR	TVAL	%TVAL	FNVAL	FBVAL	DBVAL	FSVAL	DSVAL
IDXFINANCE	5.9T	5.0	1,959.6B	3.7T	2.1T	1.7T	4.1T
IDXNONCYC	690.6B	0.5	80.5B	226.8B	463.7B	146.3B	544.2B
IDXENERGY	103.6T	89.3	67.3B	102.1T	1.4T	102.1T	1.5T
IDXPROPERT	1.1T	0.9	51.3B	254.8B	875.5B	203.4B	926.8B
IDXBASIC	1.8T	1.5	30.9B	481.2B	1.3T	450.2B	1.3T
IDXINFRA	1.0T	0.8	16.4B	415.2B	656.4B	398.7B	672.9B
IDXHEALTH	217.5B	0.1	3.8B	71.8B	145.7B	67.9B	149.5B
IDXTRANS	93.2B	0.0	3.7B	10.6B	82.6B	6.8B	86.3B
COMPOSITE	116.0T	100.0		107.6T	8.3T	105.5T	10.4T
IDXTECHNO	130.6B	0.1	18.6B	28.2B	102.3B	46.9B	83.6B
IDXCYCLIC	603.5B	0.5	26.0B	72.3B	531.2B	98.3B	505.2B
IDXINDUST	719.4B	0.6	79.0B	173.2B	546.1B	252.3B	467.1B

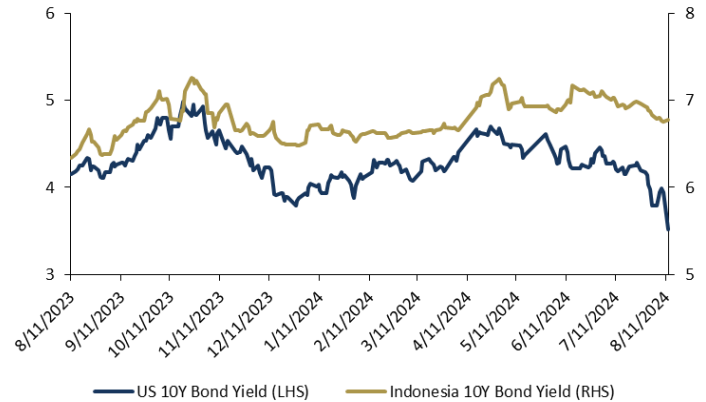
Source: STAR, SSI Research

Monetary Policy



Source: Bloomberg, SSI Research

Indonesia 10Y Bond Yield vs. U.S. 10Y Treasury Yield



Source: Trading Economic, SSI Research

INDOGB Bonds Valuation

No.	Series	Issue Date	Maturity Date	Tenure (Year)	Coupon Rate	Actual Price	Yield to Maturity	Yield Curve	Valuation Price	Spread to YC (bps)	Recommendation	Duration
1	FR44	4/19/2007	9/15/2024	0.05	10.0%	100.20	5.2%	5.7%	100.22	(50.79)	Expensive	0.05
2	FR81	8/1/2019	6/15/2025	0.80	6.5%	100.04	6.4%	5.9%	100.45	52.46	Cheap	0.78
3	FR40	9/21/2006	9/15/2025	1.05	11.0%	104.55	6.4%	6.0%	105.05	44.09	Cheap	0.99
4	FR84	5/4/2020	2/15/2026	1.47	7.3%	101.07	6.5%	6.1%	101.62	38.34	Cheap	1.40
5	FR86	8/13/2020	4/15/2026	1.63	5.5%	98.56	6.4%	6.1%	99.06	32.50	Cheap	1.56
6	FR37	5/18/2006	9/15/2026	2.05	12.0%	110.61	6.4%	6.2%	111.02	17.59	Cheap	1.82
7	FR56	9/23/2010	9/15/2026	2.05	8.4%	103.71	6.4%	6.2%	104.13	20.49	Cheap	1.88
8	FR90	7/8/2021	4/15/2027	2.63	5.1%	96.99	6.4%	6.3%	97.20	8.84	Cheap	2.46
9	FR59	9/15/2011	5/15/2027	2.72	7.0%	101.46	6.4%	6.3%	101.71	9.22	Cheap	2.49
10	FR42	1/25/2007	7/15/2027	2.88	10.3%	109.69	6.5%	6.3%	110.18	16.65	Cheap	2.52
11	FR94	3/4/2022	1/15/2028	3.39	5.6%	96.80	6.7%	6.4%	97.62	27.85	Cheap	3.08
12	FR47	8/30/2007	2/15/2028	3.47	10.0%	110.84	6.5%	6.4%	111.04	4.86	Cheap	2.99
13	FR64	8/13/2012	5/15/2028	3.72	6.1%	98.91	6.5%	6.4%	99.01	2.90	Cheap	3.34
14	FR95	8/19/2022	8/15/2028	3.97	6.4%	100.08	6.4%	6.5%	99.74	(10.06)	Expensive	3.53
15	FR99	1/27/2023	1/15/2029	4.39	6.4%	99.56	6.5%	6.5%	99.67	2.74	Cheap	3.83
16	FR71	9/12/2013	3/15/2029	4.55	9.0%	109.61	6.5%	6.5%	109.71	1.98	Cheap	3.76
17	FR101	11/2/2023	4/15/2029	4.64	6.9%	101.46	6.5%	6.5%	101.46	(0.53)	Expensive	3.98
18	FR78	9/27/2018	5/15/2029	4.72	8.3%	106.82	6.5%	6.5%	106.96	2.66	Cheap	3.98
19	FR52	8/20/2009	8/15/2030	5.97	10.5%	118.52	6.7%	6.6%	119.06	9.35	Cheap	4.63
20	FR82	8/1/2019	9/15/2030	6.05	7.0%	102.20	6.6%	6.6%	102.02	(3.74)	Expensive	4.93
21	FR87	8/13/2020	2/15/2031	6.47	6.5%	99.65	6.6%	6.6%	99.43	(4.19)	Expensive	5.32
22	FR85	5/4/2020	4/15/2031	6.64	7.8%	105.40	6.7%	6.6%	106.01	10.91	Cheap	5.25
23	FR73	8/6/2015	5/15/2031	6.72	8.8%	111.22	6.6%	6.6%	111.41	2.87	Cheap	5.23
24	FR54	7/22/2010	7/15/2031	6.88	9.5%	115.35	6.7%	6.6%	115.69	5.22	Cheap	5.22
25	FR91	7/8/2021	4/15/2032	7.64	6.4%	98.57	6.6%	6.7%	98.37	(3.60)	Expensive	6.04
26	FR58	7/21/2011	6/15/2032	7.81	8.3%	109.36	6.7%	6.7%	109.58	3.08	Cheap	5.84
27	FR74	11/10/2016	8/15/2032	7.97	7.5%	104.86	6.7%	6.7%	105.13	4.06	Cheap	6.11
28	FR96	8/19/2022	2/15/2033	8.48	7.0%	102.47	6.6%	6.7%	102.08	(6.04)	Expensive	6.47
29	FR65	8/30/2012	5/15/2033	8.72	6.6%	99.99	6.6%	6.7%	99.64	(5.54)	Expensive	6.68
30	FR100	8/24/2023	2/15/2034	9.48	6.6%	100.03	6.6%	6.7%	99.50	(7.66)	Expensive	7.09
31	FR68	8/1/2013	3/15/2034	9.55	8.4%	112.11	6.6%	6.7%	111.69	(5.76)	Expensive	6.75
32	FR80	7/4/2019	6/15/2035	10.81	7.5%	106.33	6.7%	6.7%	105.92	(5.38)	Expensive	7.50
33	FR103	8/8/2024	7/15/2035	10.89	6.8%	101.43	6.6%	6.7%	100.22	(15.84)	Expensive	7.76
34	FR72	7/9/2015	5/15/2036	11.72	8.3%	112.42	6.7%	6.7%	112.16	(3.26)	Expensive	7.86
35	FR88	1/7/2021	6/15/2036	11.81	6.3%	96.55	6.7%	6.7%	96.09	(5.91)	Expensive	8.26
36	FR45	5/24/2007	5/15/2037	12.72	9.8%	123.86	6.9%	6.7%	125.39	15.25	Cheap	7.97
37	FR93	1/6/2022	7/15/2037	12.89	6.4%	97.51	6.7%	6.7%	96.82	(8.23)	Expensive	8.76
38	FR75	8/10/2017	5/15/2038	13.72	7.5%	106.53	6.8%	6.8%	106.58	0.36	Cheap	8.83
39	FR98	9/15/2022	6/15/2038	13.81	7.1%	103.82	6.7%	6.8%	103.27	(6.27)	Expensive	8.87
40	FR50	1/24/2008	7/15/2038	13.89	10.5%	130.69	7.0%	6.8%	133.37	24.63	Cheap	8.20
41	FR79	1/7/2019	4/15/2039	14.64	8.4%	114.55	6.8%	6.8%	114.82	2.46	Cheap	8.91
42	FR83	11/7/2019	4/15/2040	15.64	7.5%	106.63	6.8%	6.8%	106.95	3.03	Cheap	9.47
43	FR57	4/21/2011	5/15/2041	16.73	9.5%	125.73	6.9%	6.8%	126.96	10.26	Cheap	9.39
44	FR62	2/9/2012	4/15/2042	17.64	6.4%	96.49	6.7%	6.8%	95.81	(6.96)	Expensive	10.50
45	FR92	7/8/2021	6/15/2042	17.81	7.1%	103.08	6.8%	6.8%	103.46	3.52	Cheap	10.20
46	FR97	8/19/2022	6/15/2043	18.81	7.1%	103.47	6.8%	6.8%	103.50	0.15	Cheap	10.50
47	FR67	7/18/2013	2/15/2044	19.48	8.8%	119.68	6.9%	6.8%	120.93	10.08	Cheap	10.32
48	FR76	9/22/2017	5/15/2048	23.73	7.4%	106.16	6.8%	6.8%	106.57	3.18	Cheap	11.69
49	FR89	1/7/2021	8/15/2051	26.98	6.9%	100.11	6.9%	6.8%	100.65	4.34	Cheap	12.42
50	FR102	1/5/2024	7/15/2054	29.90	6.9%	100.53	6.8%	6.8%	100.59	0.34	Cheap	12.80

Source: Bloomberg, SSI Research

INDOIS Bonds Valuation

No.	Series	Issue Date	Maturity Date	Tenure (Year)	Coupon Rate	Actual Price	Yield to Maturity	Yield Curve	Valuation Price	Spread to YC (bps)	Recommendation	Duration
1	PBS026	10/17/2019	10/15/2024	0.13	6.6%	100.03	6.3%	6.5%	100.02	(20.64)	Expensive	0.13
2	PBS036	8/25/2022	8/15/2025	0.96	5.4%	99.03	6.4%	6.5%	98.97	(5.81)	Expensive	0.94
3	PBS017	1/11/2018	10/15/2025	1.13	6.1%	99.57	6.5%	6.5%	99.61	2.99	Cheap	1.09
4	PBS032	7/29/2021	7/15/2026	1.88	4.9%	96.96	6.6%	6.5%	97.15	11.56	Cheap	1.80
5	PBS021	12/5/2018	11/15/2026	2.22	8.5%	104.14	6.5%	6.5%	104.04	(6.25)	Expensive	2.04
6	PBS003	2/2/2012	1/15/2027	2.38	6.0%	98.58	6.7%	6.5%	98.87	13.55	Cheap	2.22
7	PBS020	10/22/2018	10/15/2027	3.13	9.0%	106.90	6.5%	6.5%	106.88	(1.36)	Expensive	2.75
8	PBS018	6/4/2018	5/15/2028	3.72	7.6%	103.53	6.5%	6.5%	103.51	(1.36)	Expensive	3.27
9	PBS030	6/4/2021	7/15/2028	3.88	5.9%	97.60	6.6%	6.5%	97.72	3.50	Cheap	3.47
10	PBS023	5/15/2019	5/15/2030	5.72	8.1%	107.44	6.5%	6.6%	107.23	(4.61)	Expensive	4.66
11	PBS012	1/28/2016	11/15/2031	7.22	8.9%	114.15	6.4%	6.6%	112.80	(22.47)	Expensive	5.52
12	PBS024	5/28/2019	5/15/2032	7.72	8.4%	110.87	6.6%	6.6%	110.44	(7.22)	Expensive	5.86
13	PBS025	5/29/2019	5/15/2033	8.72	8.4%	111.49	6.6%	6.6%	111.31	(2.93)	Expensive	6.40
14	PBS029	1/14/2021	3/15/2034	9.55	6.4%	97.61	6.7%	6.7%	98.00	5.59	Cheap	7.10
15	PBS022	1/24/2019	4/15/2034	9.64	8.6%	113.64	6.7%	6.7%	113.79	1.61	Cheap	6.79
16	PBS037	1/12/2023	3/15/2036	11.55	6.9%	100.49	6.8%	6.7%	101.40	11.31	Cheap	7.96
17	PBS004	2/16/2012	2/15/2037	12.48	6.1%	94.30	6.8%	6.7%	94.85	6.87	Cheap	8.67
18	PBS034	1/13/2022	6/15/2039	14.81	6.5%	97.92	6.7%	6.8%	97.60	(3.58)	Expensive	9.43
19	PBS007	9/29/2014	9/15/2040	16.06	9.0%	121.63	6.8%	6.8%	121.51	(1.31)	Expensive	9.20
20	PBS039	1/11/2024	7/15/2041	16.89	6.6%	98.35	6.8%	6.8%	98.30	(0.64)	Expensive	10.14
21	PBS035	3/30/2022	3/15/2042	17.56	6.8%	99.27	6.8%	6.8%	99.41	1.32	Cheap	10.24
22	PBS005	5/2/2013	4/15/2043	18.64	6.8%	99.35	6.8%	6.8%	99.20	(1.60)	Expensive	10.62
23	PBS028	7/23/2020	10/15/2046	22.15	7.8%	109.42	6.9%	6.9%	109.74	2.49	Cheap	11.14
24	PBS033	1/13/2022	6/15/2047	22.81	6.8%	97.99	6.9%	6.9%	98.32	2.75	Cheap	11.52
25	PBS015	7/21/2017	7/15/2047	22.89	8.0%	113.24	6.8%	6.9%	112.58	(5.35)	Expensive	11.27
26	PBS038	12/7/2023	12/15/2049	25.32	6.9%	98.85	7.0%	6.9%	99.25	3.25	Cheap	11.92

Source: Bloomberg, SSI Research