

Overview

President-elect Prabowo Subianto is set to launch a free meal program in 2025 to improve child nutrition, while collaborations with private companies like Gojek are streamlining its distribution. Retail sales showed a temporary boost in August due to Independence Day festivities, although a downturn is expected in October. The automotive sector continues its gradual recovery despite annual challenges. New tax proposals on sugary drinks and major infrastructure projects like the Japan-funded MRT expansion are shaping the nation's business and economic landscape.

Key Comments

Economy, Business & Finance

Prabowo's Free Meal Program Targets 15 Million Students in 2025: President-elect Prabowo Subianto's free nutritious meal initiative, aimed at improving child nutrition, is set to benefit 15 million students across Indonesia starting in January 2025. The National Nutrition Agency will be responsible for overseeing the program's implementation. The outgoing administration of President Joko Widodo has allocated a budget of IDR 71 trillion (USD 4.59 billion) for the first phase of this large-scale initiative, which is expected to help alleviate malnutrition and improve school attendance.

Gojek Pilots Free Lunch Distribution for Prabowo's Program: In support of Prabowo's free lunch initiative, Gojek, under the GoTo Group, is conducting pilot trials for distributing these meals to school children. The pilot runs are being used to streamline the logistics and delivery models to ensure the smooth rollout of the program in 2025. Gojek's extensive delivery network is expected to play a critical role in reaching students across both urban and rural areas.

Independence Day Boosts Retail Sales in August: Retail sales are expected to rise in August, driven by increased consumer confidence associated with the Independence Day celebrations. Despite this upward trend, preliminary data from Bank Indonesia indicates that manufacturing sector activity remained weak. This surge in consumer spending is likely temporary, as sales performance is projected to stabilize post-holiday.

Retail Sales Expected to Decline in October 2024: From October 2024 to January 2025, retail sales are expected to experience a downward trend as consumer demand normalizes following the end of national holidays and year-end celebrations. Retailers are preparing for this seasonal drop-off in consumer activity.

House Committee Proposes 2.5% Excise on Sugary Drinks in 2025: The State Finance Accountability Committee (BAKN) of the House of Representatives (DPR) has put forward a proposal to impose 2.5% excise tax on sugar-sweetened beverages (SSBs), beginning in 2025. The tax rate is expected to gradually increase, potentially reaching a maximum of 20%, as a measure to reduce health risks associated with high sugar consumption, such as obesity and diabetes.

Indonesia's Automotive Industry Rebounds, But Yearly Decline Continues: Indonesia's automotive industry has shown signs of recovery, with car wholesales reaching 76,304 units in August, a 2.8% month-on-month increase from July's 74,229 units. Retail sales also increased by 1.6% month-on-month to 76,808 units. However, the industry is still experiencing an overall decline for the year, as macroeconomic challenges, including higher interest rates, have dampened consumer demand.

Why Ace Hardware is 'Leaving' Indonesia: Ace Hardware, an American-based international retail chain, has announced plans to exit the Indonesian market by the end of 2024 after nearly three decades of operations. This decision comes despite recent remarks by Coordinating Minister for Economic Affairs Airlangga Hartarto, who highlighted the company's presence as a testament to Indonesia's strong purchasing power. Industry insiders speculate that operational challenges and shifting global strategies may have contributed to Ace Hardware's decision.

Indonesia Kicks Off Japan-Funded Expansion of Capital's Train Network: President Joko Widodo launched construction for a new line on Jakarta's mass rapid transit (MRT) system, backed by a USD 1 billion loan from Japan. This expansion is part of a broader plan to alleviate chronic traffic congestion in Jakarta and modernize urban infrastructure. The project highlights Indonesia's increasing reliance on foreign investment for infrastructure development.

Bank of America Expects Prabowo's Presidency to Stay Consistent with Investment Policies: A senior representative from Bank of America expressed confidence that Indonesia will continue to attract large-scale foreign investments under the upcoming administration of Prabowo Subianto, as long as key policies remain consistent. This assurance follows discussions at the Bloomberg CEO Forum, where investment opportunities under Indonesia's political transition were explored.

PGN Explores Gas Optimization from Andaman Block with New Pipeline Development: PT Perusahaan Gas Negara (PGN), the state gas distributor, is moving forward with plans to optimize gas extraction from the Andaman Block through the development of the Dumai-Sei Mangkei gas pipeline. This project is seen as a major opportunity to boost domestic gas supplies and enhance Indonesia's energy security, with funding support from the state budget.

Politics, Security, National

PDIP, Gerindra Party Confirm Meeting Between Leaders Prabowo Subianto and Megawati Soekarnoputri: A high-profile meeting between the leaders of the Indonesian Democratic Party of Struggle (PDIP), Megawati Soekarnoputri, and the Gerindra Party, Prabowo Subianto, is set to take place. This meeting is seen as significant in shaping future political alliances as Prabowo prepares for his presidency. The relationship between the two leaders, which has seen periods of both collaboration and rivalry, will be closely watched for potential coalition discussions.

Anies' Game Plan: After facing setbacks in securing a nomination for the Jakarta gubernatorial race, former Jakarta governor Anies Baswedan is reportedly considering forming a new political party. This move is seen as a strategic effort to maintain political relevance ahead of the 2029 presidential election, with observers noting that this could reshape the opposition landscape.

Court Petition Shows Growing Discontent with Uncontested Races: A petition submitted to the Constitutional Court has called for changes to the Regional Elections Law to allow the inclusion of a "blank box" on ballots in future elections. This reflects rising dissatisfaction among voters who feel that uncontested races, where candidates are nominated based on popularity rather than merit, undermine democratic processes.

DPR to Hold Another Election in 2025 in Regions Where 'Empty Box' Wins: In regions where an "empty box" wins in the upcoming regional elections, the House of Representatives (DPR) has agreed to hold a new election in 2025. This decision is aimed at providing voters with more choices and addressing concerns over uncontested races.

Prabowo Meets with Russian Ambassador, Discusses Bilateral and Global Affairs: Defense Minister and President-elect Prabowo Subianto met with Russian Ambassador Sergei Tolchenov to discuss strengthening bilateral ties and addressing global security challenges. The meeting is part of Prabowo's broader diplomatic efforts to enhance Indonesia's international relationships as he prepares to take office.

Digital Economy, Telcos

Indonesia's Internet Access Hits 79.5% as Speed Rises Tenfold in a Decade: Indonesia has made significant strides in increasing internet penetration, with access now covering 79.5% of the population, or approximately 221 million people. Over the past decade, internet speeds have risen tenfold, reflecting major investments in digital infrastructure. This expansion has fueled the growth of e-commerce, fintech, and digital services, positioning Indonesia as a key player in Southeast Asia's digital economy.

Indonesia's Minister Affirms Chinese App Temu Not Yet Registered: The Minister of Cooperatives and Small and Medium Enterprises, Teten Masduki, clarified that the Chinese-based e-commerce app Temu has not yet received official approval to operate in Indonesia. Concerns have been raised over the app's regulatory compliance, and the ministry is reviewing the necessary permits before the platform can legally enter the market.

Environment, Green Economy

Indonesia's Pertamina Partners with International Firms for CCS Study: State-owned energy company Pertamina has joined forces with international firms to conduct a study on the development of carbon capture and storage (CCS) technologies in Indonesia. This collaboration is part of the country's broader strategy to reduce greenhouse gas emissions and transition towards more sustainable energy production.

Low-Carbon Electricity is Solution for Regional Development: The National Development and Planning Ministry (BAPPENAS) highlighted the importance of low-carbon electricity as a key solution for driving regional economic development. By promoting renewable energy sources, the government aims to create more resilient and sustainable growth models in less-developed areas of the country.

Regional and Local Issues

Jokowi Bids Farewell to North Sumatra Locals as Retirement Nears: President Joko Widodo bid an emotional farewell to residents of North Sumatra during a visit to Deli Serdang, marking one of his final public appearances before stepping down from office. Widodo's presidency has seen significant infrastructure development in the region, which has earned him widespread appreciation from local communities.

Government Postpones Relocation of Rempang Island Residents:

The Batam Authority has delayed the planned relocation of hundreds of families from Rempang Island to September 25, 2024. The relocation, initially scheduled for early September, has faced resistance from local communities who oppose the government's plans to convert the island into an industrial zone. The delay is seen as a response to the mounting protests, and further negotiations between the government and the residents are expected in the coming weeks.

Why Does Indonesia's Bali Province Want to Ban Hotel Construction?:

Bali's provincial government has proposed a moratorium on new hotel construction as part of its efforts to reform tourism on the island. The ban aims to curb overdevelopment, preserve Bali's cultural heritage, and promote sustainable tourism that creates more jobs while reducing the environmental strain caused by mass tourism. The policy is designed to encourage the construction of fewer but higher-quality tourist facilities, aligning with Bali's broader goals of enhancing its appeal as a sustainable tourism destination.

Market Movement

Asian markets closed mostly lower amid cautious sentiment. The Nikkei index in Japan fell by 1.5%, closing at 35,620, reflecting concerns about potential global economic slowdowns. Similarly, Hong Kong's Hang Seng slipped 0.7% to end the day at 17,109, while the Shanghai Composite decreased by 0.8%, settling at 2,722. South Korea's KOSPI was also down 0.4%, closing at 2,513. In contrast, the Jakarta Composite Index (JCI) in Indonesia managed to remain stable at 7,761, with no significant change. The USD/IDR exchange rate rose by 0.3%, reaching IDR 15,400 per USD, while gold prices edged up by 0.2% to USD 2,522 per ounce. Brent oil saw a notable gain of 2.4%, closing at USD 71 per barrel.

In the Indonesian market, the JCI closed marginally lower by 0.01% at 7,761.0. Meanwhile, the Indonesia Sharia Stock Index (ISSI) dipped by 0.39%, finishing at 223.8. Despite the overall market's flat performance, foreign investors showed a positive outlook, with net buying of IDR 84.9 billion in the regular market and IDR 146.1 billion in the negotiated market.

Key stocks driving market gains included Barito Renewables (BREN), Bank Mandiri (BMRI), and Barito Pacific (BRPT), with BREN closing 3.5% higher at IDR 11,900 and BRPT surging by 8.2% to IDR 1,190.

IDXTECH emerged as the top-performing sector, while the consumer cyclicals sector (IDXCYC) led the losses. On the other hand, the lagging movers were Chandra Asri Petrochemical (TPIA), which fell 3.5% to IDR 8,950, and Bank Rakyat Indonesia (BBRI), which dropped by 1.4% to IDR 5,175.

Among the foreign net buy stocks, BMRI gained 1.7%, closing at IDR 7,375, while BBRI saw a moderate increase of 0.7% to close at IDR 10,425. BRIS and BRPT were also strong performers, with BRIS rising 3.8% to IDR 2,750, and BRPT recording an 8.2% increase. In contrast, BBRI and TPIA were among the foreign net sell stocks, declining by 1.4% and 3.5%, respectively. Notably, Wijaya Karya (WIKA) experienced a sharp drop of 11.5%, closing at IDR 400.

Leading movers of the day were BREN, BMRI, BRPT, BBRI, and PANI, with PANI showing the strongest gain, up 9.5%. On the flip side, TPIA, BBRI, and AMMN were among the lagging movers, with MSIN falling 10.9%, and BBNI decreasing slightly by 0.9%.

The top value stocks included BBRI, BMRI, BBRI, BRPT, and BREN, all contributing significantly to the overall market activity.

Fixed Income

Rupiah-Denominated Bonds Strengthen Amid Currency Appreciation: The market for Rupiah-denominated bonds experienced an overall upward movement in today's trading session, driven primarily by the appreciation of the Rupiah. The Indonesia Composite Bond Index (ICBI) increased by 0.11%, bringing its year-to-date (YTD) return to 4.66%. In parallel, the 10-year benchmark government bond series (FR0100) strengthened, closing with a yield of 6.57%.

This positive movement aligns with the appreciation of the Rupiah, which rose by 53 points, placing the currency at IDR 15,402 per USD. Meanwhile, the U.S. 10-Year Treasury (UST) bond yield declined by -0.087%, settling at 3.622%, which helped bolster sentiment for Indonesian bonds.

Trading Activity

Trading volume in the bond market saw a notable surge, rising by 39.12% to IDR 64.67 trillion compared to the previous trading session's IDR 46.48 trillion.

In terms of transaction frequency, the market witnessed an increase of 12.97%, with the number of trades rising from 3,200 to 3,615 transactions.

This uptick in activity suggests growing investor confidence in the bond market, likely driven by the continued strength of the Rupiah and favorable yields in the global bond market.

US 10 Year Treasury

On Wednesday, the yield on the US 10-year Treasury note dropped to approximately 3.62%, marking its lowest level since May 2023, as investors responded to the sole debate between US presidential contenders Kamala Harris and Donald Trump ahead of the November election. Analysts indicated that the likelihood of a Harris presidency increased slightly, leading to pressure on both the dollar and Treasury yields, which had previously gained support from expectations of additional tariffs and increased fiscal spending under a potential second Trump administration. Meanwhile, markets were also bracing for the upcoming August consumer inflation report, which is expected to influence the Federal Reserve's anticipated interest rate cut next week. According to the CME's FedWatch Tool, traders currently estimate a 66% probability of a 25 basis point cut, with a 34% chance still placed on a larger 50 basis point reduction.

Outlook

The positive market sentiment is expected to persist in the short term, supported by the current trajectory of the Rupiah and global bond yields. However, potential risks from global economic uncertainties, including U.S. Federal Reserve policy adjustments, could influence market dynamics in the coming weeks.

The 10-year government bond yield (SUN) continued to weaken, and as long as it stays below 6.7%, there is potential for further weakening towards 6.5-6.47%.

The 3-day U.S. equity-bond yield correlation remains in positive territory, indicating that growth over stability still persists. This also suggests that investors are more optimistic, as recent U.S. data indicates a low probability of recession amidst the Fed's dovish stance moving forward. This will potentially drive U.S. Treasury yields higher in the week ahead, narrowing the yield gap with emerging markets and possibly slowing capital flows to Indonesia.

On the other hand, the Indonesian equity-bond yield correlation is in negative territory, indicating a co-movement between the markets, as foreign investors remain agnostic to enter both markets

Strategy

Based on the RRG chart, yields across most tenors are showing increased momentum, with longer tenors beginning to lead compared to the 10-year benchmark. Shorter tenors are still lagging, except for the 2-year. Therefore we recommend the following:

INDOGB: FR94, FR47, FR78, FR58, FR73

INDOIS: PBS18, PBS23, PBS25

Fithra Faisal Hastiadi,
Ph.D.
Senior Economist
fithra.hastiadi@samuel.co.id

Currencies

Currency Pair	Index, Last	Currency Pair	Index, Last
AUD / USD	0.6	AUD / IDR	10,289
CNY / USD	7.1	CNY / IDR	2,170
EUR / USD	1.1	EUR / IDR	17,061
GBP / USD	1.3	GBP / IDR	20,234
HKD / USD	7.7	HKD / IDR	1,982
JPY / USD	141.8	JPY / IDR	109
MYR / USD	4.3	MYR / IDR	3,567
NZD / USD	0.6	NZD / IDR	9,502
SAR / USD	3.7	SAR / IDR	4,119
SGD / USD	1.3	SGD / IDR	11,834
		USD / IDR	15,455

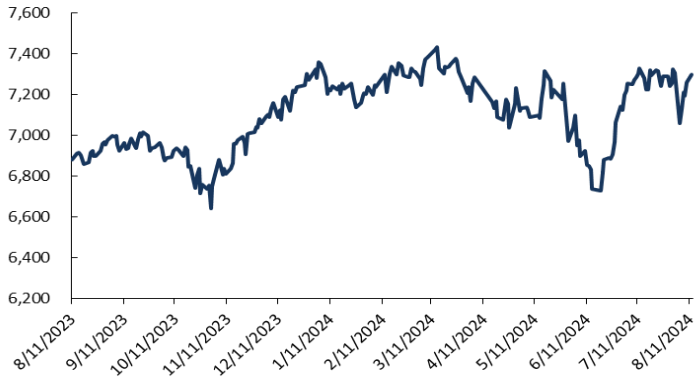
Source: SSI Research

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 231bn Inflow

Stock	% TVAL	Last	% CHG	% MTD	% YTD	NVAL (IDR bn)
BMRI	3.7	7,375	1.7	3.5	21.9	303
BBCA	4.3	10,425	0.7	0.9	10.9	212
BRIS	0.4	2,750	3.7	3.7	58.0	104
BREN	2.5	11,900	3.4	10.6	59.1	99
BRPT	0.4	1,190	8.1	3.9	-10.5	23
ITMA	0.1	945	-0.5	70.2	36.9	23
BBNI	0.9	5,650	-0.8	5.6	5.1	20
MSIN	0.0	7,125	-10.9	-6.8	137.5	16
UNTR	0.3	26,225	-1.7	-3.0	15.9	15
ADRO	0.8	3,520	0.8	-1.1	47.8	14

Source: SSI Research, STAR

Index Stock Mover Summary

Stock	% CHG	JCI (+)	M.CAP (IDR tn)	Stock	% CHG	JCI (+)	M.CAP (IDR tn)
BREN	3.4	47.99	1,592	TPIA	-3.5	-25.21	774
PANI	9.4	12.87	165	AMMN	-2.1	-14.63	749
BMRI	1.7	10.35	681	BBRI	-1.4	-10.09	776
BBCA	0.7	8.19	1,272	MSIN	-10.9	-9.52	86
BRPT	8.1	7.56	112	BYAN	-0.6	-2.98	550
BRIS	3.7	4.09	126	WIKA	-11.5	-1.85	16
DCII	4.1	3.74	104	BBNI	-0.8	-1.65	209
AMRT	2.6	2.97	130	UNTR	-1.7	-1.58	98
HMSP	2.7	2.08	88	BNLI	-3.3	-1.28	42
LIFE	19.8	1.88	13	CPIN	-1.4	-1.02	78

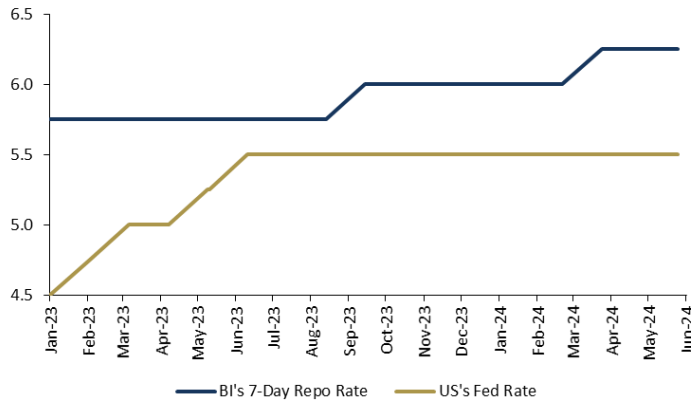
Source: SSI Research, STAR

Sector Statistic

SECTOR	TVAL	%TVAL	FNVAL	FBVAL	DBVAL	F5VAL	DSVAL
IDXFINANCE	3.6T	32.4	171.8B	1.9T	1.6T	1.7T	1.8T
IDXCYCLIC	602.7B	5.4	105.0B	224.8B	377.8B	119.8B	482.9B
IDXINFRA	1.4T	12.6	83.0B	588.8B	893.6B	505.8B	976.6B
IDXNONCYC	739.1B	6.6	31.7B	295.1B	444.0B	263.4B	475.7B
IDXHEALTH	216.3B	1.9	4.8B	65.1B	151.1B	60.2B	156.0B
IDXPROPERT	785.0B	7.0	4.7B	168.1B	616.8B	163.4B	621.5B
IDXTRANS	46.8B	0.4	202.6M	4.0B	42.7B	3.8B	43.0B
COMPOSITE	11.1T	100.0		4.0T	7.0T	3.8T	7.2T
IDXINDUST	458.6B	4.1	5.5B	140.6B	317.9B	146.2B	312.3B
IDXTECHNO	249.6B	2.2	10.3B	45.5B	204.0B	55.9B	193.7B
IDXENERGY	1.3T	11.7	32.0B	390.1B	927.5B	422.1B	895.5B
IDXBASIC	1.6T	14.4	122.4B	209.2B	1.4T	331.6B	1.3T

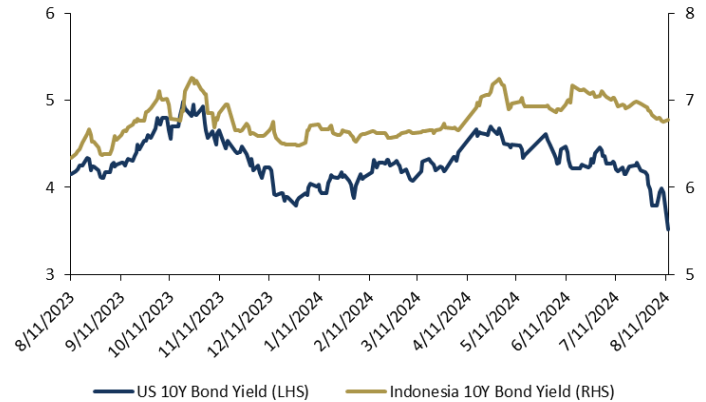
Source: STAR, SSI Research

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	0.01	10.0%	100.05	1.3%	5.7%	100.06	(437.20)	Expensive	0.01
2	FR81	8/1/2019	6/15/2025	0.76	6.5%	100.04	6.4%	5.9%	100.44	52.57	Cheap	0.74
3	FR40	9/21/2006	9/15/2025	1.01	11.0%	104.40	6.4%	6.0%	104.88	44.37	Cheap	0.95
4	FR84	5/4/2020	2/15/2026	1.43	7.3%	101.10	6.4%	6.1%	101.59	35.01	Cheap	1.36
5	FR86	8/13/2020	4/15/2026	1.59	5.5%	98.57	6.5%	6.1%	99.09	34.74	Cheap	1.52
6	FR37	5/18/2006	9/15/2026	2.01	12.0%	110.51	6.3%	6.2%	110.84	14.49	Cheap	1.78
7	FR56	9/23/2010	9/15/2026	2.01	8.4%	103.70	6.4%	6.2%	104.07	18.62	Cheap	1.84
8	FR90	7/8/2021	4/15/2027	2.59	5.1%	97.13	6.3%	6.3%	97.25	5.25	Cheap	2.42
9	FR59	9/15/2011	5/15/2027	2.68	7.0%	101.41	6.4%	6.3%	101.70	10.94	Cheap	2.46
10	FR42	1/25/2007	7/15/2027	2.84	10.3%	109.86	6.4%	6.3%	110.07	6.25	Cheap	2.49
11	FR94	3/4/2022	1/15/2028	3.35	5.6%	96.80	6.7%	6.4%	97.66	29.44	Cheap	3.04
12	FR47	8/30/2007	2/15/2028	3.43	10.0%	110.87	6.4%	6.4%	110.95	0.90	Cheap	2.96
13	FR64	8/13/2012	5/15/2028	3.68	6.1%	98.97	6.4%	6.4%	99.04	1.64	Cheap	3.31
14	FR95	8/19/2022	8/15/2028	3.93	6.4%	99.98	6.4%	6.4%	99.75	(7.05)	Expensive	3.49
15	FR99	1/27/2023	1/15/2029	4.35	6.4%	99.48	6.5%	6.5%	99.68	5.15	Cheap	3.79
16	FR71	9/12/2013	3/15/2029	4.51	9.0%	109.61	6.5%	6.5%	109.65	0.65	Cheap	3.73
17	FR101	11/2/2023	4/15/2029	4.60	6.9%	101.61	6.5%	6.5%	101.46	(4.09)	Expensive	3.94
18	FR78	9/27/2018	5/15/2029	4.68	8.3%	106.80	6.5%	6.5%	106.92	2.38	Cheap	3.94
19	FR52	8/20/2009	8/15/2030	5.93	10.5%	118.45	6.7%	6.6%	118.97	8.99	Cheap	4.59
20	FR82	8/1/2019	9/15/2030	6.02	7.0%	102.29	6.5%	6.6%	102.02	(5.46)	Expensive	4.89
21	FR87	8/13/2020	2/15/2031	6.44	6.5%	99.64	6.6%	6.6%	99.45	(3.81)	Expensive	5.28
22	FR85	5/4/2020	4/15/2031	6.60	7.8%	105.34	6.7%	6.6%	106.00	11.74	Cheap	5.21
23	FR73	8/6/2015	5/15/2031	6.68	8.8%	111.48	6.6%	6.6%	111.37	(2.45)	Expensive	5.20
24	FR54	7/22/2010	7/15/2031	6.85	9.5%	115.41	6.7%	6.6%	115.63	3.20	Cheap	5.18
25	FR91	7/8/2021	4/15/2032	7.60	6.4%	98.65	6.6%	6.6%	98.38	(4.64)	Expensive	6.01
26	FR58	7/21/2011	6/15/2032	7.77	8.3%	109.52	6.7%	6.7%	109.56	0.18	Cheap	5.81
27	FR74	11/10/2016	8/15/2032	7.93	7.5%	105.24	6.6%	6.7%	105.12	(2.25)	Expensive	6.07
28	FR96	8/19/2022	2/15/2033	8.44	7.0%	102.52	6.6%	6.7%	102.08	(6.94)	Expensive	6.44
29	FR65	8/30/2012	5/15/2033	8.68	6.6%	100.08	6.6%	6.7%	99.65	(6.79)	Expensive	6.64
30	FR100	8/24/2023	2/15/2034	9.44	6.6%	100.27	6.6%	6.7%	99.51	(11.10)	Expensive	7.06
31	FR68	8/1/2013	3/15/2034	9.52	8.4%	112.11	6.6%	6.7%	111.66	(6.12)	Expensive	6.71
32	FR80	7/4/2019	6/15/2035	10.77	7.5%	106.30	6.7%	6.7%	105.91	(5.14)	Expensive	7.47
33	FR103	8/8/2024	7/15/2035	10.85	6.8%	101.37	6.6%	6.7%	100.22	(15.07)	Expensive	7.72
34	FR72	7/9/2015	5/15/2036	11.68	8.3%	112.30	6.7%	6.7%	112.14	(2.20)	Expensive	7.82
35	FR88	1/7/2021	6/15/2036	11.77	6.3%	96.86	6.6%	6.7%	96.11	(9.65)	Expensive	8.23
36	FR45	5/24/2007	5/15/2037	12.68	9.8%	125.51	6.7%	6.7%	125.34	(2.03)	Expensive	7.96
37	FR93	1/6/2022	7/15/2037	12.85	6.4%	97.51	6.7%	6.7%	96.83	(8.17)	Expensive	8.72
38	FR75	8/10/2017	5/15/2038	13.68	7.5%	106.60	6.8%	6.8%	106.58	(0.49)	Expensive	8.80
39	FR98	9/15/2022	6/15/2038	13.77	7.1%	103.89	6.7%	6.8%	103.27	(7.08)	Expensive	8.84
40	FR50	1/24/2008	7/15/2038	13.85	10.5%	133.23	6.8%	6.8%	133.32	0.47	Cheap	8.22
41	FR79	1/7/2019	4/15/2039	14.60	8.4%	114.44	6.8%	6.8%	114.80	3.38	Cheap	8.87
42	FR83	11/7/2019	4/15/2040	15.61	7.5%	106.43	6.8%	6.8%	106.94	4.96	Cheap	9.42
43	FR57	4/21/2011	5/15/2041	16.69	9.5%	126.06	6.9%	6.8%	126.93	7.19	Cheap	9.36
44	FR62	2/9/2012	4/15/2042	17.61	6.4%	96.51	6.7%	6.8%	95.82	(7.02)	Expensive	10.46
45	FR92	7/8/2021	6/15/2042	17.77	7.1%	103.18	6.8%	6.8%	103.46	2.50	Cheap	10.17
46	FR97	8/19/2022	6/15/2043	18.77	7.1%	103.65	6.8%	6.8%	103.50	(1.57)	Expensive	10.47
47	FR67	7/18/2013	2/15/2044	19.44	8.8%	120.41	6.8%	6.8%	120.92	3.94	Cheap	10.31
48	FR76	9/22/2017	5/15/2048	23.69	7.4%	106.52	6.8%	6.8%	106.57	0.25	Cheap	11.67
49	FR89	1/7/2021	8/15/2051	26.95	6.9%	100.36	6.8%	6.8%	100.65	2.34	Cheap	12.40
50	FR102	1/5/2024	7/15/2054	29.86	6.9%	100.59	6.8%	6.8%	100.59	(0.11)	Expensive	12.77

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	10/18/2019	10/15/2024	0.09	6.6%	99.99	6.5%	6.5%	100.01	4.52	Cheap	0.09
2	PBS036	8/26/2022	8/15/2025	0.93	5.4%	99.16	6.3%	6.5%	99.01	(16.48)	Expensive	0.91
3	PBS017	1/11/2018	10/15/2025	1.09	6.1%	99.62	6.5%	6.5%	99.62	(0.51)	Expensive	1.05
4	PBS032	7/30/2021	7/15/2026	1.84	4.9%	97.09	6.6%	6.5%	97.21	6.90	Cheap	1.76
5	PBS021	12/6/2018	11/15/2026	2.18	8.5%	104.11	6.4%	6.5%	103.97	(8.17)	Expensive	2.00
6	PBS003	2/2/2012	1/15/2027	2.35	6.0%	98.89	6.5%	6.5%	98.89	(0.35)	Expensive	2.18
7	PBS020	10/22/2018	10/15/2027	3.09	9.0%	106.85	6.5%	6.5%	106.81	(2.14)	Expensive	2.71
8	PBS018	6/4/2018	5/15/2028	3.68	7.6%	103.48	6.5%	6.5%	103.48	(0.62)	Expensive	3.23
9	PBS030	6/7/2021	7/15/2028	3.84	5.9%	97.74	6.5%	6.5%	97.74	(0.15)	Expensive	3.43
10	PBS023	5/16/2019	5/15/2030	5.68	8.1%	107.17	6.6%	6.6%	107.19	0.14	Cheap	4.62
11	PBS012	1/28/2016	11/15/2031	7.18	8.9%	113.07	6.6%	6.6%	112.75	(5.64)	Expensive	5.48
12	PBS024	5/29/2019	5/15/2032	7.68	8.4%	110.48	6.6%	6.6%	110.40	(1.59)	Expensive	5.82
13	PBS025	5/31/2019	5/15/2033	8.68	8.4%	111.13	6.7%	6.6%	111.28	1.79	Cheap	6.36
14	PBS029	1/15/2021	3/15/2034	9.51	6.4%	97.74	6.7%	6.7%	98.01	3.92	Cheap	7.06
15	PBS022	1/25/2019	4/15/2034	9.60	8.6%	113.36	6.7%	6.7%	113.76	4.94	Cheap	6.74
16	PBS037	1/13/2023	3/15/2036	11.52	6.9%	101.03	6.7%	6.7%	101.40	4.62	Cheap	7.93
17	PBS004	2/16/2012	2/15/2037	12.44	6.1%	94.70	6.7%	6.7%	94.86	1.97	Cheap	8.64
18	PBS034	1/14/2022	6/15/2039	14.77	6.5%	97.78	6.7%	6.8%	97.61	(1.95)	Expensive	9.38
19	PBS007	9/29/2014	9/15/2040	16.02	9.0%	121.71	6.8%	6.8%	121.48	(2.14)	Expensive	9.17
20	PBS039	1/12/2024	7/15/2041	16.85	6.6%	98.78	6.7%	6.8%	98.30	(4.96)	Expensive	10.12
21	PBS035	3/31/2022	3/15/2042	17.52	6.8%	99.15	6.8%	6.8%	99.42	2.70	Cheap	10.20
22	PBS005	5/2/2013	4/15/2043	18.60	6.8%	99.33	6.8%	6.8%	99.20	(1.33)	Expensive	10.58
23	PBS028	7/24/2020	10/15/2046	22.11	7.8%	109.54	6.9%	6.9%	109.74	1.54	Cheap	11.10
24	PBS033	1/14/2022	6/15/2047	22.77	6.8%	98.00	6.9%	6.9%	98.33	2.76	Cheap	11.48
25	PBS015	7/21/2017	7/15/2047	22.85	8.0%	113.34	6.8%	6.9%	112.58	(6.22)	Expensive	11.23
26	PBS038	12/8/2023	12/15/2049	25.28	6.9%	99.15	6.9%	6.9%	99.26	0.78	Cheap	11.90

Source: Bloomberg, SSI Research