

Overview

Bank Indonesia is anticipated to implement two interest rate cuts in Q4, influenced by a strengthening rupiah and subdued inflation, though our conservative no-cut view persists due to the rupiah's fragility. Finance Minister Sri Mulyani forecasts Q3 growth at 5.06%, but limited growth sources may lower actual performance to 4.92%. The state budget shows a deficit of IDR 153.7 trillion, while government investments in Nusantara reach IDR 18.9 trillion. Customs revenues are up 6.8%, and regulations for fair tax practices are in preparation. Import and manufacturing figures decline, prompting calls for public dialogue on food regulations amidst a leadership dispute in Kadin. Notably, the government defends coal power expansion and plans for a national emergency number, while concerns over cybersecurity and investor legal uncertainties persist. In the digital economy, a new national data center is under construction, and the renewable energy sector aims for growth amidst rising energy demands.

Economy, Business and Finance

Bank Indonesia 7DRR: Bank Indonesia (BI) is expected to implement two interest rate cuts in the fourth quarter following a surprise reduction on September 18. A Reuters poll suggests that the strengthening rupiah and subdued inflation will enable the central bank to prioritize growth support. However, we still maintain our conservative view of a no-cut scenario since the rupiah's foundation is still relatively fragile.

Q3 Economic Growth Forecast: Finance Minister Sri Mulyani Indrawati forecasts Indonesia's Q3 economic growth to remain stable above 5%, specifically at 5.1% YoY. On the other hand, since we still believe that the sources of growth for Q3 are relatively limited, we expect growth to be less than 5% (4.9%) in Q3.

State Budget Deficit: Indonesia's state budget has reported a deficit of IDR 153.7 trillion (USD10 billion) as of August 31, equating to 0.68% of GDP, according to Finance Minister Sri Mulyani.

Government Spending on New Capital: The government has invested IDR 18.9 trillion (USD 1.2 billion) in building the new capital, Nusantara, as of the end of August 2024.

Customs and Excise Revenues: Customs and excise revenues reached IDR 183.2 trillion (USD 12 billion) as of August 31, marking a 6.8% increase year-on-year and achieving 57.1% of the 2024 budget target.

Regulations on Fair Tax Practices: Indonesia is preparing regulations following the signing of a multilateral treaty to endorse fairer tax practices.

Excise Tax Rates for Tobacco Products: The government will maintain current excise tax rates for tobacco products in 2025, opting for alternative policies to discourage smoking.

Import and Manufacturing Declines: Indonesia experienced a 4.93% drop in imports in August 2024, with the lowest manufacturing PMI in three years reported.

Apindo's Call for Public Dialogue: The Indonesian Employers Association (Apindo) urged the government to conduct broader public consultations before implementing regulations on processed food limits.

Kadin Leadership Dispute: The Indonesian Chamber of Commerce (Kadin) is facing a leadership conflict, with rival factions supporting different candidates amid allegations of political motivations related to the recent presidential elections.

Presidential Initiatives: President Joko Widodo inaugurated two copper smelters worth USD 5 billion as his presidency approaches its end. Additionally, negotiations continue for an increased stake in Freeport Indonesia.

New Alumina Refinery Launched: A USD 941 million smelter-grade alumina refinery was launched in West Kalimantan, bolstering Indonesia's mineral processing industry.

US Labor Ruling Implications: A recent US Department of Labor ruling on forced labor in Indonesian nickel mining could increase Jakarta's reliance on Chinese firms.

Western Nations Collaborate on Minerals: Efforts are underway among Western nations to diversify critical minerals sourcing away from China.

Mining Regulations for Religious Groups: New regulations permitting religious organizations to operate mining concessions are raising concerns about governance and resource management.

Justification for Coal Power Plant Expansion: The government is defending the expansion of a coal-fired power plant in Banten, citing rising electricity demand.

Sluggish ASEAN Vehicle Sales: Sales of light vehicles in the ASEAN region, particularly in Indonesia and Thailand, showed a decrease both month-on-month and year-on-year.

Toll Road Developments: 72.7% of Indonesian toll roads were constructed during Jokowi's administration, totaling approximately 2,893 kilometers.

Positive Outlook for Property Sector: According to Astra Property, a rate cut from Bank Indonesia is expected to positively impact economic growth, particularly in the property sector.

Rupiah's Performance: The Indonesian rupiah depreciated against the US dollar amidst expectations of a Federal Reserve easing cycle.

Stock Exchange Regulation Review: The Indonesian stock exchange is considering adjustments to its free float regulations.

Consumer Fraud Attitudes: A FICO survey indicates alarming "liar loans" acceptance among Indonesian consumers.

Boeing MOU with Angkasa Pura: Boeing signed an MOU with Angkasa Pura Indonesia to enhance airport capabilities, focusing on safety and operational efficiency.

SGI Orders AW09 Helicopters: Helicopter service provider SGI has become the launch customer for Leonardo AW09s in Indonesia.

Halal Food Industry Potential: Indonesia is poised to capitalize on its halal food market, provided it improves product quality and infrastructure.

Surge in Jewelry Exports: Indonesia's jewelry exports reached USD 3.67 billion by July 2024.

Politics, Security, National

Jokowi and Prabowo Political Dynamics: Former President Susilo Bambang Yudhoyono comments on the ongoing political dynamics between Jokowi and the incoming President Prabowo Subianto.

Upcoming Local Elections: The campaign for Indonesia's largest simultaneous regional elections has officially begun, with over 1,500 candidates registered.

Delayed Ambassador Testing: Suspension of fit and proper testing for ambassador candidates suggests the new administration may be unprepared to unveil its foreign policy.

Indonesia's Naval Procurement: The Indonesian navy is looking to procure additional warships and submarines from Türkiye.

Cybersecurity Military Unit: Indonesia is launching a new military branch to tackle online threats amid recent cyberattacks on government offices.

Nuclear Research Progress: The IAEA reports significant advancements in Indonesia's nuclear research over the past decade.

New Immigration Laws: Recent changes allow Indonesian immigration officers to carry firearms, following the ratification of the Immigration Bill.

Emergency Service Number: The government is establishing '112' as a national emergency service number.

Investor Legal Uncertainty: Ongoing legal uncertainties are a major concern for investors, particularly in cases involving state-owned enterprises.

Task Force Against Trafficking: A new task force has been established to combat the trafficking of women and children in Indonesia.

Digital Economy, Telcos

New National Data Center: Indonesia is constructing a new national data center in Bekasi, with plans for two more in Batam and Nusantara.

Taxpayer Data Breach: Weak passwords were blamed for a recent taxpayer data breach, raising concerns over data security.

Cybersecurity Partnership: SecurityGen and NEC Indonesia are collaborating to bolster telecom cybersecurity operations.

Digital Transformation Initiatives: Indonesia's digital transformation is vital for achieving a competitive tech-driven economy by 2045.

Digital Service Portal Launch: A new integrated national digital service platform will be launched for 40,000 users.

Environment, Green Economy

Renewable Energy Development: Indonesia is striving to expand its renewable energy capacity amid growing energy demands.

Bali Air Show Highlights Sustainability: The Bali International Air Show has generated significant interest in Indonesia's commitment to sustainable aviation.

Green Industry Summit: The Industry Ministry hosted the first Indonesia Green Industry Summit, promoting sustainable industrial practices.

Climate Commitments: The government is urged to adopt a holistic approach to meet climate commitments effectively.

Climate Change Litigation: Indonesia faces challenges in addressing climate change, as current laws are insufficient to hold entities accountable.

Regional and Local Issues

Jakarta Candidates' Campaign Promises: Candidates for the Jakarta gubernatorial race have pledged to avoid religious and identity politics in their campaigns.

Digital Transactions in Regions: 480 regional governments have adopted digital transaction systems in Indonesia.

Illegal Resort Concerns: Foreign investment in illegal resorts on Maratua Island raises sustainability and sovereignty issues.

Market Movement

Overview: The Indonesian stock market exhibited mixed results with the Jakarta Composite Index (JCI) closing virtually unchanged at 7,778.5, reflecting a slight increase of 0.04%. Meanwhile, other Asian markets displayed more significant movements; the Nikkei gained 0.6%, the Hang Seng surged by 4.1%, the Shanghai Composite climbed 4.2%, and the Kospi rose 1.1%. These positive trends in regional markets could indicate a broader confidence in Asian equities, despite the JCI's stagnation.

Currency and Commodities: The Indonesian rupiah (USD/IDR) traded at 15,185, slightly appreciating by 0.1%. In the commodities sector, gold prices remained stable at \$2,629 per ounce, while Brent crude oil saw a notable increase of 2.3%, closing at \$76 per barrel. This rise in oil prices may be a reaction to global supply dynamics, which could impact inflation and energy-related sectors within Indonesia.

Foreign Investment Activity: Foreign investors demonstrated a net buying interest in the regular market, totaling IDR 360.7 billion, while experiencing a net sell of IDR 348.9 billion in negotiated transactions. This overall net buying suggests a cautious optimism among foreign investors regarding select Indonesian stocks, even as some larger players faced selling pressure.

Sector Performance: In terms of sector performance, the IDX Non-Cyclical Index emerged as the top gainer, signaling strength in defensive sectors, while the IDX Technology Index was the biggest laggard. This divergence may reflect shifting investor preferences, possibly driven by recent earnings reports and sector-specific news.

Top Movers: Among individual stocks, BREN, AMRT, and BBRI were the leading movers, posting gains of 2.1%, 3.4%, and 0.5% respectively. In contrast, BBKA, TPIA, and GOTO were notable laggards, with declines of 1.4%, 1.4%, and 3.1%. The fluctuations in these stocks highlight ongoing volatility and investor sentiment.

Foreign Net Buying and Selling: A closer look at foreign net buying reveals BBRI, ADRO, and ASII attracted notable interest, with increases of 0.5%, 1.1%, and 1.0%, respectively. Conversely, significant net selling occurred for BREN and BBKA, which saw declines of 1.4% and 1.4%, indicating mixed sentiments towards these stocks.

Overall, the market's performance underscores a complex interplay of regional positivity and local caution. While certain sectors and stocks showed resilience, the mixed signals highlight the ongoing uncertainties in the market landscape. Investors will need to stay vigilant as they navigate these dynamics in the coming sessions.

Fixed Income

Rupiah-denominated bond prices exhibited a limited uptick, influenced by rising prices in medium-term government bonds alongside a strengthening Rupiah. The Indonesia Composite Bond Index (ICBI) gained 0.03%, achieving a year-to-date return of 5.69%. Despite this overall positive trend, the benchmark 10-year government bond (FR0100) experienced a slight decline, with its yield climbing to 6.44%. The Rupiah appreciated by 19 points, closing at Rp 15,187, reflecting positive market sentiment. In contrast, the U.S. Treasury 10-year bond yield rose by 0.055 basis points, now standing at 3.795%, indicating increased global interest rates that could affect local bond sentiment.

Trading Activity

In terms of trading activity, the bond market saw a robust increase in transaction volume, rising by 10.92% to Rp 42.39 trillion compared to Rp 38.95 trillion in the prior session. This uptick suggests heightened investor interest, possibly driven by favorable economic indicators or expectations of further monetary policy adjustments. However, the frequency of transactions declined by 28.70%, falling from 4,362 to 3,110 transactions. This drop may indicate a consolidation phase as investors evaluate their positions in light of recent market movements. Overall, the bond market reflects a nuanced balance between investor confidence and external economic pressures.

US 10 Year Treasury

The yield on the US 10-year Treasury note rose to nearly 3.78%, its highest since early September, as S&P Global PMIs indicated strong but slowing growth in the US private sector, driven by services while manufacturing continued to decline. The likelihood of a 50 basis point cut in the fed funds rate in November slightly decreased to about 46% from 47% prior to the report's release. Traders are also awaiting the PCE report this week and remarks from several Fed officials to gauge the central bank's future actions. Atlanta Fed President Bostic noted that inflation progress and labor market cooling have occurred faster than he anticipated earlier this summer, suggesting he now sees the normalization of monetary policy happening sooner than he previously thought. Meanwhile, Minneapolis Fed President Kashkari expects more modest adjustments unless there are significant changes in the data.

Outlook

Looking ahead, the Federal Reserve's policy and global macroeconomic trends will remain crucial factors. If U.S. yields continue to rise, we could see further pressure on the Rupiah and Indonesian bonds, though this might also present buying opportunities for yield-hungry investors. Domestically, the focus will likely be on Bank Indonesia's stance on interest rates, inflation management, and its efforts to stabilize the Rupiah.

The yield on Indonesia's 10-year government bonds saw a sharp decline last week. This downtrend could continue towards 6.35, or even 6.29 if there is no correction above 6.5.

The US 3-day equity-bond yield is returning to a positive correlation zone, indicating that the market responded well to the recent 50 bps cut in the FFR. Growth over stability dominates the market, which will push the US market into a positive zone.

As for Indonesia, the 3-day equity-bond yield correlation mirrors that of the US, with growth taking precedence over stability. Although the parity gap between the US 10-year note and the Indonesian 10-year bond is slowly closing, the potential inflow will primarily stem from the widening gap between the FFR and the BI 7-day reverse repo rate (BI7DRR).

Strategy

Based on the RRG chart, short-term yields weakened compared to the 10-year benchmark. The 3-6 year yields are lagging, while longer-term yields (11, 12, 15, 16, 20, 30 years) are leading with more stable momentum. But given the external dynamics we recommend a mixed strategy as follows:

INDOGB: FR37, FR86, FR94, FR42, FR57

INDOIS: PBS29, PBS22

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Currencies

Currency Pair	Index, Last	Currency Pair	Index, Last
AUD / USD	0.6	AUD / IDR	10,360
CNY / USD	7.0	CNY / IDR	2,156
EUR / USD	1.1	EUR / IDR	16,860
GBP / USD	1.3	GBP / IDR	20,295
HKD / USD	7.7	HKD / IDR	1,948
JPY / USD	144.2	JPY / IDR	105
MYR / USD	4.1	MYR / IDR	3,648
NZD / USD	0.6	NZD / IDR	9,522
SAR / USD	3.7	SAR / IDR	4,040
SGD / USD	1.2	SGD / IDR	11,769
		USD / IDR	15,170

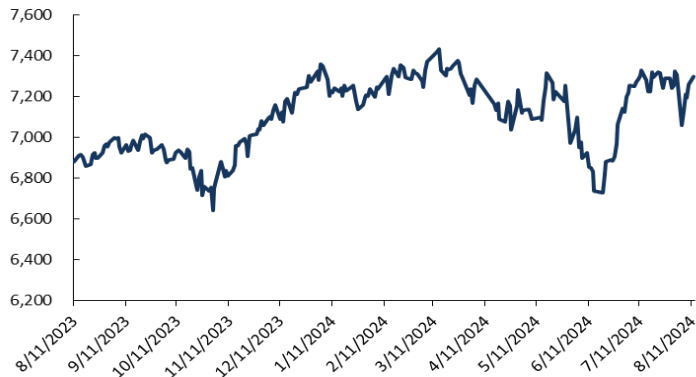
Source: SSI Research

Macro Forecasts

Macro	2023A	2024F	2025F
GDP (% YoY)	5.1	4.9	5.0
Inflation (% YoY)	2.6	2.5	3.0
Current Account Balance (% GDP)	-0.1	-0.7	-1.2
Fiscal Balance (% to GDP)	-1.7	-2.7	-2.9
BI 7DRRR (%)	6.0	6.0	5.5
10Y. Government Bond Yield (%)	6.6	6.8	7.0
Exchange Rate (USD/IDR)	15,399	15,700	15,900

Source: SSI Research

IHSG Chart Intraday



Source: SSI Research

Net Foreign Flow: IDR 11.8bn Inflow

Stock	% TVAL	Last	% CHG	% MTD	% YTD	NVAL (IDR bn)
BBRI	3.9	5,525	0.4	7.2	-3.4	297
ADRO	0.7	3,740	1.0	5.0	57.1	191
BMRI	2.8	7,425	-0.3	4.2	22.7	133
TLKM	1.2	3,160	-0.3	3.2	-20.0	90
ASII	0.5	5,275	0.9	3.4	-6.6	79
ITMG	0.1	26,900	2.7	-1.1	4.8	53
ICBP	0.5	12,425	1.8	8.2	17.4	53
TPIA	0.3	8,600	-1.4	-13.7	63.8	47
BBNI	0.7	5,800	0.0	8.4	7.9	40
KLBF	0.2	1,745	0.5	5.7	8.3	38

Source: SSI Research, STAR

Index Stock Mover Summary

Stock	% CHG	JCI (+)	M.CAP (IDR tn)	Stock	% CHG	JCI (+)	M.CAP (IDR tn)
BREN	2.1	48.49	967	BBCA	-1.3	-44.23	1,318
HMSP	5.4	11.24	90	TPIA	-1.4	-26.13	744
AMRT	3.4	11.03	138	AMMN	-0.7	-13.14	732
BRPT	4.1	10.19	105	PANI	-2.4	-10.19	169
CUAN	4.5	9.50	90	DSSA	-1.0	-7.91	317
BBRI	0.4	9.06	829	GOTO	-3.0	-5.80	76
ICBP	1.8	6.34	145	BMRI	-0.3	-5.58	686
ASII	0.9	4.88	214	BRIS	-1.2	-4.41	142
UNVR	2.2	4.59	86	FILM	-4.0	-3.44	33
GGRM	5.9	4.30	32	GEMS	-1.4	-2.84	79

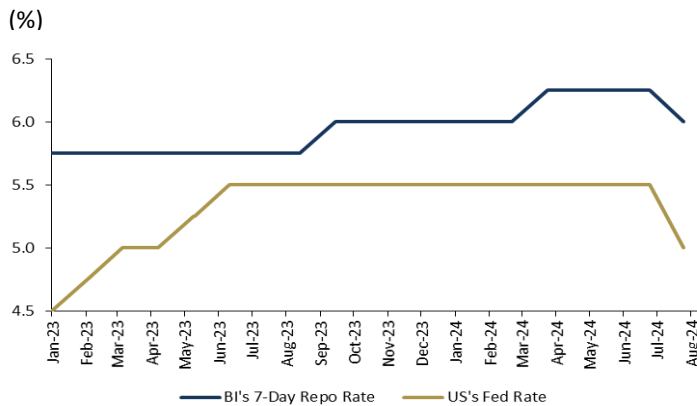
Source: SSI Research, STAR

Sector Statistic

SECTOR	TVAL	%TVAL	FNVAL	FBVAL	DBVAL	FSVAL	DSVAL
IDXENERGY	2.0T	12.1	276.9B	580.6B	1.4T	303.7B	1.7T
IDXNONCYC	1.0T	6.0	162.7B	494.5B	523.4B	331.7B	686.2B
IDXINDUST	445.6B	2.7	101.2B	188.6B	256.9B	87.4B	358.2B
IDXHEALTH	294.1B	1.7	78.6B	139.8B	154.2B	61.2B	232.8B
IDXPROPERT	559.9B	3.3	46.1B	136.8B	423.1B	90.6B	469.3B
IDXBASIC	1.7T	10.3	43.0B	473.9B	1.2T	430.8B	1.3T
IDXTECHNO	344.7B	2.0	27.3B	141.6B	203.1B	114.2B	230.4B
IDXTRANS	67.2B	0.4	10.9B	13.4B	53.7B	2.4B	64.7B
IDXCYCLIC	497.9B	3.0	4.7B	123.0B	374.9B	118.2B	379.6B
COMPOSITE	16.5T	100.0		6.1T	10.4T	6.0T	10.4T
IDXFINANCE	5.3T	32.1	19.5B	2.9T	2.3T	3.0T	2.3T
IDXINFRA	4.1T	24.8	720.6B	824.1B	3.3T	1.5T	2.6T

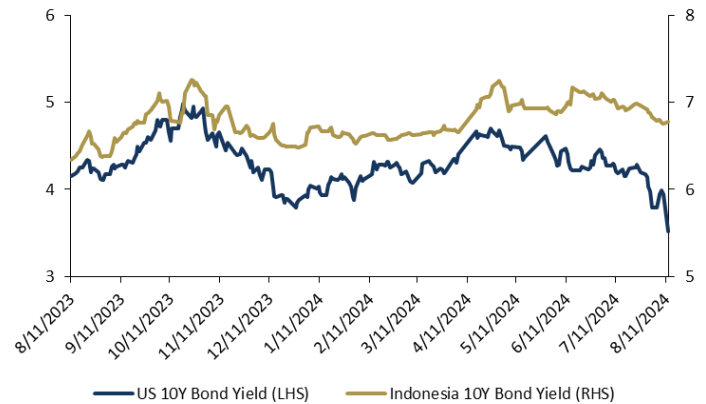
Source: STAR, SSI Research

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	19/04/2007	15/09/2024	(0.02)	10.0%	100.01	0.0%	5.6%	99.91	0.00	0	0.00
2	FR81	01/08/2019	15/06/2025	0.73	6.5%	100.30	6.0%	5.9%	100.43	15.87	Cheap	0.72
3	FR40	21/09/2006	15/09/2025	0.98	11.0%	104.42	6.2%	6.0%	104.72	26.89	Cheap	0.94
4	FR84	04/05/2020	15/02/2026	1.40	7.3%	101.22	6.3%	6.1%	101.57	24.58	Cheap	1.33
5	FR86	13/08/2020	15/04/2026	1.56	5.5%	99.00	6.2%	6.1%	99.12	8.56	Cheap	1.49
6	FR37	18/05/2006	15/09/2026	1.98	12.0%	110.43	6.3%	6.2%	110.67	9.93	Cheap	1.80
7	FR56	23/09/2010	15/09/2026	1.98	8.4%	104.13	6.1%	6.2%	104.02	(7.18)	Expensive	1.84
8	FR90	08/07/2021	15/04/2027	2.56	5.1%	97.43	6.2%	6.3%	97.30	(5.46)	Expensive	2.39
9	FR59	15/09/2011	15/05/2027	2.64	7.0%	102.02	6.2%	6.3%	101.69	(14.13)	Expensive	2.42
10	FR42	25/01/2007	15/07/2027	2.81	10.3%	109.96	6.3%	6.3%	109.97	(1.02)	Expensive	2.45
11	FR94	04/03/2022	15/01/2028	3.31	5.6%	97.04	6.6%	6.4%	97.69	22.38	Cheap	3.00
12	FR47	30/08/2007	15/02/2028	3.40	10.0%	110.99	6.3%	6.4%	110.86	(5.67)	Expensive	2.92
13	FR64	13/08/2012	15/05/2028	3.64	6.1%	99.74	6.2%	6.4%	99.05	(21.66)	Expensive	3.27
14	FR95	19/08/2022	15/08/2028	3.90	6.4%	100.60	6.2%	6.4%	99.76	(24.74)	Expensive	3.46
15	FR99	27/01/2023	15/01/2029	4.32	6.4%	99.85	6.4%	6.5%	99.70	(4.30)	Expensive	3.75
16	FR71	12/09/2013	15/03/2029	4.48	9.0%	110.64	6.2%	6.5%	109.60	(26.00)	Expensive	3.77
17	FR101	02/11/2023	15/04/2029	4.56	6.9%	102.69	6.2%	6.5%	101.46	(31.50)	Expensive	3.91
18	FR78	27/09/2018	15/05/2029	4.64	8.3%	108.01	6.2%	6.5%	106.89	(27.69)	Expensive	3.91
19	FR52	20/08/2009	15/08/2030	5.90	10.5%	119.54	6.5%	6.6%	118.89	(12.91)	Expensive	4.57
20	FR82	01/08/2019	15/09/2030	5.98	7.0%	103.47	6.3%	6.6%	102.02	(29.42)	Expensive	4.95
21	FR87	13/08/2020	15/02/2031	6.40	6.5%	100.82	6.3%	6.6%	99.46	(26.59)	Expensive	5.25
22	FR85	04/05/2020	15/04/2031	6.56	7.8%	106.17	6.6%	6.6%	105.98	(3.74)	Expensive	5.18
23	FR73	06/08/2015	15/05/2031	6.64	8.8%	112.12	6.5%	6.6%	111.33	(14.42)	Expensive	5.17
24	FR54	22/07/2010	15/07/2031	6.81	9.5%	116.23	6.5%	6.6%	115.57	(11.72)	Expensive	5.15
25	FR91	08/07/2021	15/04/2032	7.56	6.4%	99.68	6.4%	6.6%	98.40	(21.97)	Expensive	5.98
26	FR58	21/07/2011	15/06/2032	7.73	8.3%	110.72	6.5%	6.7%	109.53	(19.18)	Expensive	5.89
27	FR74	10/11/2016	15/08/2032	7.90	7.5%	106.14	6.5%	6.7%	105.10	(16.67)	Expensive	6.05
28	FR96	19/08/2022	15/02/2033	8.40	7.0%	103.80	6.4%	6.7%	102.08	(26.57)	Expensive	6.41
29	FR65	30/08/2012	15/05/2033	8.65	6.6%	101.04	6.5%	6.7%	99.65	(21.43)	Expensive	6.62
30	FR100	24/08/2023	15/02/2034	9.40	6.6%	101.33	6.4%	6.7%	99.52	(26.21)	Expensive	7.04
31	FR68	01/08/2013	15/03/2034	9.48	8.4%	113.26	6.5%	6.7%	111.64	(21.77)	Expensive	6.82
32	FR80	04/07/2019	15/06/2035	10.73	7.5%	107.61	6.5%	6.7%	105.90	(21.77)	Expensive	7.59
33	FR103	08/08/2024	15/07/2035	10.81	6.8%	102.37	6.4%	6.7%	100.22	(28.04)	Expensive	7.70
34	FR72	09/07/2015	15/05/2036	11.65	8.3%	113.55	6.6%	6.7%	112.12	(16.73)	Expensive	7.81
35	FR88	07/01/2021	15/06/2036	11.73	6.3%	97.60	6.5%	6.7%	96.12	(18.93)	Expensive	8.34
36	FR45	24/05/2007	15/05/2037	12.65	9.8%	126.13	6.7%	6.7%	125.30	(8.76)	Expensive	7.94
37	FR93	06/01/2022	15/07/2037	12.82	6.4%	98.72	6.5%	6.7%	96.84	(22.41)	Expensive	8.71
38	FR75	10/08/2017	15/05/2038	13.65	7.5%	107.66	6.6%	6.8%	106.57	(11.91)	Expensive	8.79
39	FR98	15/09/2022	15/06/2038	13.73	7.1%	104.81	6.6%	6.8%	103.26	(17.13)	Expensive	8.98
40	FR50	24/01/2008	15/07/2038	13.82	10.5%	133.18	6.8%	6.8%	133.27	0.48	Cheap	8.18
41	FR79	07/01/2019	15/04/2039	14.57	8.4%	115.15	6.7%	6.8%	114.78	(3.79)	Expensive	8.85
42	FR83	07/11/2019	15/04/2040	15.57	7.5%	107.40	6.7%	6.8%	106.94	(4.71)	Expensive	9.42
43	FR57	21/04/2011	15/05/2041	16.65	9.5%	125.76	6.9%	6.8%	126.90	9.58	Cheap	9.32
44	FR62	09/02/2012	15/04/2042	17.57	6.4%	96.11	6.8%	6.8%	95.82	(2.95)	Expensive	10.41
45	FR92	08/07/2021	15/06/2042	17.74	7.1%	104.25	6.7%	6.8%	103.46	(7.70)	Expensive	10.35
46	FR97	19/08/2022	15/06/2043	18.74	7.1%	104.64	6.7%	6.8%	103.50	(10.64)	Expensive	10.66
47	FR67	18/07/2013	15/02/2044	19.41	8.8%	120.91	6.8%	6.8%	120.90	(0.31)	Expensive	10.29
48	FR76	22/09/2017	15/05/2048	23.66	7.4%	106.66	6.8%	6.8%	106.56	(0.90)	Expensive	11.64
49	FR89	07/01/2021	15/08/2051	26.91	6.9%	100.50	6.8%	6.8%	100.65	1.16	Cheap	12.37
50	FR102	05/01/2024	15/07/2054	29.83	6.9%	100.70	6.8%	6.8%	100.59	(0.99)	Expensive	12.74

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	18/10/2019	15/10/2024	0.06	6.6%	100.00	6.5%	6.5%	100.01	(1.72)	Expensive	0.06
2	PBS036	26/08/2022	15/08/2025	0.89	5.4%	99.24	6.3%	6.5%	99.05	(22.58)	Expensive	0.87
3	PBS017	1/11/2018	15/10/2025	1.06	6.1%	99.67	6.5%	6.5%	99.63	(3.65)	Expensive	1.02
4	PBS032	30/07/2021	15/07/2026	1.81	4.9%	97.61	6.3%	6.5%	97.26	(21.18)	Expensive	1.72
5	PBS021	06/12/2018	15/11/2026	2.14	8.5%	104.12	6.4%	6.5%	103.91	(11.38)	Expensive	1.97
6	PBS003	2/2/2012	15/01/2027	2.31	6.0%	99.09	6.4%	6.5%	98.91	(9.30)	Expensive	2.14
7	PBS020	10/22/2018	15/10/2027	3.06	9.0%	106.93	6.5%	6.5%	106.74	(7.23)	Expensive	2.68
8	PBS018	6/4/2018	15/05/2028	3.64	7.6%	103.62	6.5%	6.5%	103.45	(5.72)	Expensive	3.20
9	PBS030	07/06/2021	15/07/2028	3.81	5.9%	98.27	6.4%	6.5%	97.76	(15.48)	Expensive	3.39
10	PBS023	16/05/2019	15/05/2030	5.64	8.1%	107.30	6.6%	6.6%	107.16	(3.35)	Expensive	4.59
11	PBS012	1/28/2016	15/11/2031	7.15	8.9%	113.01	6.6%	6.6%	112.71	(5.49)	Expensive	5.44
12	PBS024	29/05/2019	15/05/2032	7.64	8.4%	110.56	6.6%	6.6%	110.37	(3.42)	Expensive	5.78
13	PBS025	31/05/2019	15/05/2033	8.64	8.4%	111.22	6.6%	6.6%	111.25	0.03	Cheap	6.33
14	PBS029	15/01/2021	15/03/2034	9.48	6.4%	97.93	6.7%	6.7%	98.02	1.38	Cheap	7.14
15	PBS022	25/01/2019	15/04/2034	9.56	8.6%	113.50	6.7%	6.7%	113.72	2.70	Cheap	6.71
16	PBS037	13/01/2023	15/03/2036	11.48	6.9%	101.01	6.7%	6.7%	101.40	4.88	Cheap	8.03
17	PBS004	2/16/2012	15/02/2037	12.40	6.1%	95.70	6.6%	6.7%	94.88	(10.19)	Expensive	8.63
18	PBS034	14/01/2022	15/06/2039	14.73	6.5%	98.01	6.7%	6.8%	97.62	(4.38)	Expensive	9.51
19	PBS007	9/29/2014	15/09/2040	15.99	9.0%	122.05	6.7%	6.8%	121.46	(5.42)	Expensive	9.31
20	PBS039	12/01/2024	15/07/2041	16.82	6.6%	98.49	6.8%	6.8%	98.31	(1.94)	Expensive	10.07
21	PBS035	31/03/2022	15/03/2042	17.48	6.8%	99.32	6.8%	6.8%	99.43	1.07	Cheap	10.35
22	PBS005	5/2/2013	15/04/2043	18.57	6.8%	98.80	6.9%	6.8%	99.21	3.95	Cheap	10.53
23	PBS028	24/07/2020	15/10/2046	22.07	7.8%	110.17	6.8%	6.9%	109.74	(3.62)	Expensive	11.10
24	PBS033	14/01/2022	15/06/2047	22.74	6.8%	99.50	6.8%	6.9%	98.33	(10.41)	Expensive	11.73
25	PBS015	7/21/2017	15/07/2047	22.82	8.0%	113.44	6.8%	6.9%	112.58	(7.02)	Expensive	11.20
26	PBS038	08/12/2023	15/12/2049	25.24	6.9%	100.13	6.9%	6.9%	99.26	(7.41)	Expensive	12.13

Source: Bloomberg, SSI Research