

Overview

The Asian Development Bank has revised its 2024 growth forecast for developing Asia to 5%, driven by robust AI demand, while Indonesia's GDP projection remains steady at 5% for both 2024 and 2025, with an inflation rate of 2.8%. President-elect Prabowo Subianto's ambitious target of 8% growth aims to propel Indonesia toward high-income status by 2045, prompting potential policy shifts like energy subsidy cuts and fiscal reallocations. Global taxation reforms are set to boost revenue, and major policy reforms focus on escaping the middle-income trap. Indonesia is seeking trade pact integration, progressing with national capital projects, prioritizing natural resource downstreaming, and addressing challenges in financial markets and healthcare insurance gaps.

Key Comments

Economy, Business and Finance

AI Demand Drives Asia's Growth, Indonesia's Economy Steady at 5%: The Asian Development Bank (ADB) has revised its 2024 growth forecast for developing economies in Asia to 5%, reflecting a slight improvement from previous estimates. This uptick is attributed to robust demand for artificial intelligence (AI) technologies, a key driver of economic expansion in the region. For Indonesia, the ADB maintains a steady GDP projection of 5% for both 2024 and 2025, indicating a relatively stable economic environment. The country's inflation rate is expected to remain controlled at 2.8%, suggesting a balanced growth outlook.

Growth Prospects and Ambitious Targets: Amid rising optimism in the Asia-Pacific region, Indonesia faces both opportunities and challenges. President-elect Prabowo Subianto has set an ambitious target of 8% economic growth during his first term, aiming to steer the country out of the middle-income trap and propel it toward high-income status by 2045. This target forms part of the National Long Term Development Plan (RPJPN) 2025-2045, signaling a shift toward aggressive fiscal policy to boost economic performance.

Energy Subsidies and Fiscal Adjustments: Prabowo's economic agenda also includes cutting energy subsidies to save approximately USD 13.3 billion. This move is part of a broader strategy to reallocate financial resources toward more impactful sectors while providing cash handouts to families in need...

...The success of this policy will hinge on effective fiscal adjustments and social safety nets to mitigate the potential short-term economic shocks on lower-income households.

Global Taxation and Revenue Boosts: In alignment with international efforts, Indonesia is set to implement 15% global minimum tax for multinational companies. This policy is anticipated to enhance state revenue by an estimated IDR 3.8 trillion to IDR 8.8 trillion, highlighting the government's commitment to optimizing tax revenues and promoting fiscal stability.

Middle-Income Trap and Policy Reforms: Indonesia's ambition to achieve high-income status by 2045 faces skepticism from international financial institutions, which highlights the challenges of the middle-income trap. Finance Minister Sri Mulyani Indrawati has voiced concerns that the current annual GDP growth rate of around 5% may not be sufficient to drive meaningful progress. Consequently, the country is pushing for major policy reforms to accelerate economic transformation, with an emphasis on sustaining robust growth, fostering innovation, and addressing structural bottlenecks.

Trade Agreements and Regional Integration: Indonesia has formally applied to join the Trans-Pacific trade pact, signaling a strategic move to broaden its export markets and strengthen its presence in global trade networks. However, ongoing negotiations with the European Union for the Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU-CEPA) face delays due to new demands from the EU, particularly concerning environmental regulations.

Investment and National Capital Projects: President Joko Widodo has been actively launching various investment projects in Nusantara, the new national capital. The latest phase of infrastructure development has attracted IDR 1.15 trillion in foreign investment, underlining investor confidence in Indonesia's long-term economic prospects. Nevertheless, President-elect Prabowo has hinted at potential policy shifts, including reconsidering the funding strategy for the new capital, adding a layer of uncertainty to the project's future.

Natural Resource Pricing and Downstreaming: Indonesia is asserting its position as a leading producer of nickel, coal, and tin, with calls for the country to dictate global commodity prices. The next government is expected to prioritize the downstreaming of raw materials to boost the production of high-value-added products, marking a significant shift in the country's economic strategy. Recent investment in downstream industries over the last five years underscores this trend, indicating a commitment to leveraging natural resources for enhanced economic growth.

Financial Market Developments: Bank Indonesia has highlighted the importance of establishing a Central Counterparty (CCP) to strengthen financial market infrastructure. This move reflects the ongoing efforts to enhance financial stability and facilitate a more robust market environment.

Healthcare and Private Insurance: With rising healthcare costs, Indonesia is experiencing a growing protection gap due to low private insurance coverage. This situation emphasizes the need for private insurers to adapt and offer more comprehensive health protection solutions.

Politics, Security, National

Cabinet Composition and Political Dynamics: As Prabowo Subianto prepares to introduce his cabinet after his inauguration, questions loom over whether he will reward political allies or appoint technocrats to key positions. His coalition-building efforts have raised speculation about the potential size and makeup of his cabinet. Outgoing President Joko Widodo has expressed willingness to step back, leaving cabinet decisions to Prabowo's discretion.

Foreign Policy and Defense: Prabowo continues to emphasize Indonesia's non-aligned stance amid rising global tensions, warning of potential conflict escalation. On the defense front, his administration is pushing for the ratification of bilateral defense agreements with several countries, signaling a focus on strengthening Indonesia's strategic partnerships.

Digital Economy, Telcos

E-commerce and AI Integration: Leading e-commerce platforms such as Shopee and Tokopedia are increasing merchant fees to drive profitability amidst a competitive landscape. Additionally, Indonesia's tech ecosystem continues to innovate, with GoTo introducing an in-app voice assistant powered by generative AI in..

...collaboration with Google Cloud. This underscores the sector's focus on leveraging artificial intelligence to enhance customer experiences.

Data Infrastructure and Web3 Expansion: Indonesia is embarking on a major digital infrastructure project with the construction of three new national data centers, aiming to bolster its digital economy. In a related development, the country is expanding its footprint in the global Web3 landscape through strategic alliances, reflecting its ambition to stay at the forefront of digital innovation.

Environment, Green Economy

Clean Coal and Green Energy Transition: In a bid to align with its decarbonization goals, Indonesia is seeking investment in clean coal downstreaming industries. The government is also accelerating the development of hydrogen as a key energy source to achieve its net-zero target. These efforts reflect a dual strategy of utilizing existing natural resources while embracing renewable energy to meet future demands.

Sustainability Challenges: The environmental impact of activities such as sea sand exports has sparked concerns, highlighting the tension between short-term economic gains and long-term sustainability. Indonesia's exploration of cooperation in food waste management with South Korea is another sign of its commitment to addressing environmental challenges through collaborative research and innovation.

Regional and Local Issues

Papua and Infrastructure Development: Despite the recent release of the Susi Air pilot in Papua, the Indonesian Military has confirmed that it will maintain its troop presence in the region. Meanwhile, infrastructure development continues to boost income levels in rural areas, demonstrating the government's ongoing efforts to bridge regional disparities and enhance overall economic well-being.

Tourism and Overcrowding Solutions: To combat overtourism in Bali, the government has introduced a new tour package encouraging travelers to explore less frequented areas, such as Banyuwangi and North Bali. This initiative aims to distribute tourism's economic benefits more evenly while preserving the island's ecological balance.

Market Movement

The Asian markets closed with strong gains on September 26, 2024, led by impressive performances in key indices. Japan's Nikkei surged by 2.8% to close at 38,926, while Hong Kong's Hang Seng index jumped 4.2% to end at 19,925. Similarly, China's Shanghai Composite rose 3.6% to 3,001, and South Korea's KOSPI climbed 2.9% to 2,672. Meanwhile, Indonesia's Jakarta Composite Index (JCI) had a modest gain, closing at 7,745, reflecting a 0.1% increase.

In the currency market, the USD/IDR pair saw a decline of 0.4%, ending at 15,166, indicating a slight appreciation of the Indonesian Rupiah. Commodities experienced mixed movements; gold prices inched up by 0.5% to USD 2,669 per ounce, signaling a safe-haven appeal. However, Brent crude oil dropped by 1.4% to USD 72 per barrel, suggesting possible concerns over demand dynamics in the global market.

Focusing on the Indonesian market, the JCI closed 0.05% higher at 7,744.5, with the Indonesia Sharia Stock Index (ISSI) also showing strength, ending 0.92% higher at 232.9. Despite this, foreign investors posted a net sell of IDR 2,531 billion in the regular market, indicating profit-taking activities. However, a net buy of IDR 261 billion in the negotiated market hints at selective investor confidence in certain stocks.

The leading movers for the day included TPIA, GOTO, and PANI, with TPIA rising to IDR 9,150 (+2.2%), GOTO surging by 6.1% to IDR 70, and PANI soaring by 8.8% to IDR 11,800. On the other hand, BBRI, BMRI, and BREN emerged as the main laggards. BBRI dropped 5.2% to IDR 5,050, significantly affecting market sentiment. Meanwhile, BMRI experienced a slight dip of 0.4%, closing at IDR 7,175.

The health sector emerged as the top sector gainer, indicating robust performance within the IDX Health Index (IDXHLTH). Conversely, the transportation sector underperformed, marking it as the top sector loser for the day within the IDX Transportation Index (IDXTRANS).

Foreign net buying activity was noted in several key stocks, including ADRO, which rose 2.4% to IDR 3,780, and ASII, which inched up 0.4% to IDR 5,250. TPIA and GOTO also witnessed strong foreign buying interest, with gains of 2.2% and 6.1%, respectively. However, the foreign net sell list was dominated by banking giants, with BBRI falling 5.2% and BBCA decreasing by 1.4%.

In terms of top value stocks, BBRI topped the list despite its decline, followed by BMRI, BBCA, and GOTO. BREN also made the list with a gain of 4.7%, reflecting a mixed performance in terms of value.

Overall, the market exhibited a cautious yet positive sentiment as investors selectively engaged in buying activities across key sectors, offsetting the selling pressure observed in the regular market.

Fixed Income

Rupiah-denominated bond prices weakened in today's trading session, primarily influenced by corrections in long-tenor government bonds (SBN) and a decline in the Rupiah exchange rate. The Indonesia Composite Bond Index (ICBI) fell by -0.10%, though it still maintains a year-to-date return of 5.64%. Meanwhile, the 10-year SBN benchmark (FR0100) also experienced a decline, closing with a yield of 6.45%. The Rupiah depreciated by 63 points, reaching a level of Rp 15,165 against the US dollar.

Trading Activity

Bond trading activity showed a significant downturn in both volume and frequency. The transaction volume dropped by -26.72% to Rp 41.22 trillion, compared to the previous trading session's Rp 56.25 trillion. Additionally, the transaction frequency decreased by -9.69%, from 3,787 to 3,420 trades.

Overall, the market performance reflects cautious sentiment, influenced by both domestic currency movements and global bond yield fluctuations. The weakening of the Rupiah and the rise in UST yields suggest that investors are adopting a risk-averse approach, affecting the long-term SBN performance in particular. Further monitoring of exchange rates and international bond markets will be crucial for assessing upcoming market directions.

US 10 Year Treasury

The yield on the 10-year US Treasury note climbed above 3.8% in late September, reaching its highest point in three weeks. This rise continued the recent upward trend as markets evaluated the extent of rate cuts the Federal Reserve might implement next year to normalize monetary policy. The Fed initiated its loosening cycle after its September meeting with a significant 50 basis point rate cut, citing a weakening labor market and progress in controlling inflation. However, concerns that the Fed may shift its focus to job growth too soon, rather than addressing persistent inflationary pressures, reduced the demand for long-term bonds. This contributed to the increase in the 10-year yield from its 16-month low of 3.6% on September 18th and led to the end of the inverted yield curve in the Treasury market. Fed Governor Bowman echoed this sentiment, favoring a smaller 25 basis point rate cut this month due to the risk that inflation might not ease towards its target.

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

**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	10,400
CNY / USD	7.0	CNY / IDR	2,156
EUR / USD	1.1	EUR / IDR	16,890
GBP / USD	1.3	GBP / IDR	20,191
HKD / USD	7.7	HKD / IDR	1,943
JPY / USD	144.6	JPY / IDR	105
MYR / USD	4.1	MYR / IDR	3,647
NZD / USD	0.6	NZD / IDR	9,533
SAR / USD	3.7	SAR / IDR	4,030
SGD / USD	1.2	SGD / IDR	11,765
		USD / IDR	15,110

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 2.27tn Outflow

Stock	% TVAL	Last	% CHG	% MTD	% YTD	NVAL (IDR bn)
BBRI	10.8	5,050	-5.1	-1.9	-11.7	-2,782
BMRI	4.6	7,175	-0.3	0.7	18.5	-159
BBCA	3.7	10,700	-1.3	3.6	13.8	-97
UNTR	0.2	27,300	-0.5	0.9	20.6	-42
BRIS	0.2	3,100	0.9	16.9	78.1	-24
MEDC	0.1	1,315	-1.4	4.7	12.8	-22
TLKM	1.2	3,170	-0.6	3.5	-19.7	-21
AMRT	0.3	3,280	0.9	13.1	11.9	-18
SRTG	0.1	2,460	5.1	13.3	50.0	-17
PTRO	0.2	13,900	-2.1	10.3	164.7	-17

Source: SSI Research, STAR

Index Stock Mover Summary

Stock	% CHG	JCI (+)	M.CAP (IDR tn)	Stock	% CHG	JCI (+)	M.CAP (IDR tn)
BREN	4.6	105.06	977	BBRI	-5.1	-99.70	756
TPIA	2.2	41.80	792	BBCA	-1.3	-44.23	1,306
PANI	8.7	38.75	199	AMMN	-0.7	-13.14	732
GOTO	6.0	11.61	84	BMRI	-0.3	-5.58	663
DSSA	1.2	9.30	320	TLKM	-0.6	-4.78	314
ICBP	2.6	9.15	149	FILM	-5.0	-4.13	32
MDKA	5.7	8.27	63	FASW	-10.0	-3.89	14
ADMR	5.5	7.40	58	DCII	-0.9	-2.88	125
MYOR	4.7	7.02	64	JPFA	-5.2	-2.25	17
ADRO	2.4	6.68	116	KPIG	-4.5	-1.88	16

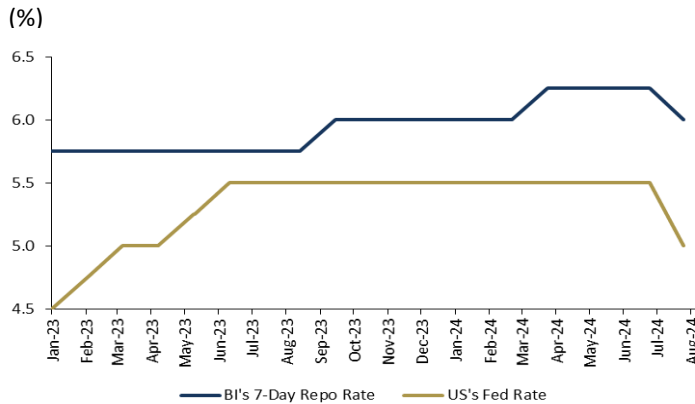
Source: SSI Research, STAR

Sector Statistic

SECTOR	TVAL	%TVAL	FNVAL	FBVAL	DBVAL	F5VAL	DSVAL
IDXENERGY	1.9T	10.6	420.7B	677.6B	1.2T	256.9B	1.7T
IDXNONCYC	1.2T	6.7	109.3B	490.8B	767.3B	381.5B	876.7B
IDXINFRA	1.2T	6.7	72.8B	482.8B	806.1B	410.0B	878.9B
IDXPROPERT	674.5B	3.7	69.5B	176.4B	498.1B	106.9B	567.6B
IDXTECHNO	581.4B	3.2	61.5B	204.1B	377.3B	142.5B	438.8B
IDXBASIC	1.7T	9.5	60.7B	482.4B	1.2T	421.7B	1.3T
IDXINDUST	521.9B	2.9	45.7B	224.0B	297.9B	178.2B	343.7B
IDXHEALTH	420.9B	2.3	22.5B	135.7B	285.1B	113.1B	307.7B
COMPOSITE	17.8T	100.0		6.3T	11.5T	8.5T	9.2T
IDXTRANS	59.0B	0.3	-2.2B	3.2B	55.8B	5.4B	53.6B
IDXCYCLIC	488.4B	2.7	24.6B	114.9B	373.4B	139.6B	348.8B
IDXFINANCE	8.8T	49.4	3,105.6B	3.3T	5.5T	6.4T	2.4T

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	(0.03)	10.0%	100.83	0.0%	5.6%	99.88	0.00	0	0.00
2	FR81	01/08/2019	15/06/2025	0.72	6.5%	100.33	6.0%	5.9%	100.43	11.29	Cheap	0.71
3	FR40	21/09/2006	15/09/2025	0.97	11.0%	104.44	6.2%	6.0%	104.70	19.45	Cheap	0.93
4	FR84	04/05/2020	15/02/2026	1.39	7.3%	101.45	6.1%	6.1%	101.56	6.39	Cheap	1.32
5	FR86	13/08/2020	15/04/2026	1.55	5.5%	98.98	6.2%	6.1%	99.12	9.96	Cheap	1.48
6	FR37	18/05/2006	15/09/2026	1.97	12.0%	110.43	6.3%	6.2%	110.65	7.10	Cheap	1.79
7	FR56	23/09/2010	15/09/2026	1.97	8.4%	104.14	6.1%	6.2%	104.01	(8.58)	Expensive	1.84
8	FR90	08/07/2021	15/04/2027	2.55	5.1%	97.59	6.2%	6.3%	97.31	(11.89)	Expensive	2.38
9	FR59	15/09/2011	15/05/2027	2.64	7.0%	101.97	6.2%	6.3%	101.69	(12.50)	Expensive	2.42
10	FR42	25/01/2007	15/07/2027	2.80	10.3%	110.14	6.2%	6.3%	109.95	(9.23)	Expensive	2.45
11	FR94	04/03/2022	15/01/2028	3.31	5.6%	97.29	6.5%	6.4%	97.70	14.09	Cheap	3.00
12	FR47	30/08/2007	15/02/2028	3.39	10.0%	110.92	6.3%	6.4%	110.84	(4.31)	Expensive	2.92
13	FR64	13/08/2012	15/05/2028	3.64	6.1%	99.73	6.2%	6.4%	99.06	(21.27)	Expensive	3.27
14	FR95	19/08/2022	15/08/2028	3.89	6.4%	100.61	6.2%	6.4%	99.76	(25.10)	Expensive	3.45
15	FR99	27/01/2023	15/01/2029	4.31	6.4%	99.99	6.4%	6.5%	99.70	(8.29)	Expensive	3.75
16	FR71	12/09/2013	15/03/2029	4.47	9.0%	110.66	6.2%	6.5%	109.59	(26.96)	Expensive	3.77
17	FR101	02/11/2023	15/04/2029	4.56	6.9%	102.73	6.2%	6.5%	101.46	(32.42)	Expensive	3.91
18	FR78	27/09/2018	15/05/2029	4.64	8.3%	107.97	6.2%	6.5%	106.89	(26.94)	Expensive	3.90
19	FR52	20/08/2009	15/08/2030	5.89	10.5%	120.08	6.3%	6.6%	118.88	(23.32)	Expensive	4.57
20	FR82	01/08/2019	15/09/2030	5.98	7.0%	103.44	6.3%	6.6%	102.02	(28.93)	Expensive	4.94
21	FR87	13/08/2020	15/02/2031	6.39	6.5%	100.77	6.3%	6.6%	99.46	(25.55)	Expensive	5.25
22	FR85	04/05/2020	15/04/2031	6.56	7.8%	106.17	6.6%	6.6%	105.97	(3.85)	Expensive	5.17
23	FR73	06/08/2015	15/05/2031	6.64	8.8%	112.25	6.4%	6.6%	111.32	(16.94)	Expensive	5.16
24	FR54	22/07/2010	15/07/2031	6.81	9.5%	116.45	6.5%	6.6%	115.56	(15.62)	Expensive	5.15
25	FR91	08/07/2021	15/04/2032	7.56	6.4%	99.66	6.4%	6.6%	98.40	(21.56)	Expensive	5.97
26	FR58	21/07/2011	15/06/2032	7.73	8.3%	110.68	6.5%	6.7%	109.52	(18.66)	Expensive	5.89
27	FR74	10/11/2016	15/08/2032	7.89	7.5%	106.12	6.5%	6.7%	105.10	(16.58)	Expensive	6.04
28	FR96	19/08/2022	15/02/2033	8.40	7.0%	103.71	6.4%	6.7%	102.08	(25.39)	Expensive	6.41
29	FR65	30/08/2012	15/05/2033	8.64	6.6%	101.07	6.5%	6.7%	99.66	(21.88)	Expensive	6.61
30	FR100	24/08/2023	15/02/2034	9.40	6.6%	101.26	6.4%	6.7%	99.52	(25.24)	Expensive	7.03
31	FR68	01/08/2013	15/03/2034	9.47	8.4%	113.14	6.5%	6.7%	111.63	(20.30)	Expensive	6.81
32	FR80	04/07/2019	15/06/2035	10.73	7.5%	107.43	6.5%	6.7%	105.90	(19.67)	Expensive	7.58
33	FR103	08/08/2024	15/07/2035	10.81	6.8%	102.18	6.5%	6.7%	100.22	(25.59)	Expensive	7.69
34	FR72	09/07/2015	15/05/2036	11.64	8.3%	113.48	6.6%	6.7%	112.11	(16.00)	Expensive	7.80
35	FR88	07/01/2021	15/06/2036	11.73	6.3%	97.15	6.6%	6.7%	96.12	(13.15)	Expensive	8.32
36	FR45	24/05/2007	15/05/2037	12.64	9.8%	126.66	6.6%	6.7%	125.29	(14.27)	Expensive	7.95
37	FR93	06/01/2022	15/07/2037	12.81	6.4%	98.43	6.6%	6.7%	96.84	(18.96)	Expensive	8.70
38	FR75	10/08/2017	15/05/2038	13.64	7.5%	107.46	6.7%	6.8%	106.57	(9.88)	Expensive	8.78
39	FR98	15/09/2022	15/06/2038	13.73	7.1%	104.48	6.6%	6.8%	103.26	(13.50)	Expensive	8.97
40	FR50	24/01/2008	15/07/2038	13.81	10.5%	133.69	6.7%	6.8%	133.27	(4.32)	Expensive	8.19
41	FR79	07/01/2019	15/04/2039	14.56	8.4%	115.05	6.7%	6.8%	114.78	(2.88)	Expensive	8.85
42	FR83	07/11/2019	15/04/2040	15.56	7.5%	107.24	6.7%	6.8%	106.94	(3.17)	Expensive	9.41
43	FR57	21/04/2011	15/05/2041	16.65	9.5%	125.76	6.9%	6.8%	126.90	9.52	Cheap	9.31
44	FR62	09/02/2012	15/04/2042	17.56	6.4%	96.41	6.7%	6.8%	95.82	(5.98)	Expensive	10.41
45	FR92	08/07/2021	15/06/2042	17.73	7.1%	104.12	6.7%	6.8%	103.46	(6.43)	Expensive	10.34
46	FR97	19/08/2022	15/06/2043	18.73	7.1%	104.07	6.7%	6.8%	103.50	(5.47)	Expensive	10.63
47	FR67	18/07/2013	15/02/2044	19.40	8.8%	120.79	6.8%	6.8%	120.90	0.65	Cheap	10.28
48	FR76	22/09/2017	15/05/2048	23.65	7.4%	106.42	6.8%	6.8%	106.56	1.04	Cheap	11.62
49	FR89	07/01/2021	15/08/2051	26.90	6.9%	100.48	6.8%	6.8%	100.65	1.29	Cheap	12.37
50	FR102	05/01/2024	15/07/2054	29.82	6.9%	100.54	6.8%	6.8%	100.59	0.29	Cheap	12.73

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	0.05	6.6%	100.00	6.5%	6.5%	100.01	(1.66)	Expensive	0.05
2	PBS036	26/08/2022	15/08/2025	0.88	5.4%	99.10	6.4%	6.5%	99.06	(4.82)	Expensive	0.87
3	PBS017	1/11/2018	15/10/2025	1.05	6.1%	99.69	6.4%	6.5%	99.63	(5.80)	Expensive	1.01
4	PBS032	30/07/2021	15/07/2026	1.80	4.9%	97.72	6.2%	6.5%	97.27	(27.41)	Expensive	1.72
5	PBS021	06/12/2018	15/11/2026	2.14	8.5%	104.28	6.3%	6.5%	103.90	(20.58)	Expensive	1.96
6	PBS003	2/2/2012	15/01/2027	2.30	6.0%	99.37	6.3%	6.5%	98.91	(22.46)	Expensive	2.14
7	PBS020	10/22/2018	15/10/2027	3.05	9.0%	107.16	6.4%	6.5%	106.73	(16.29)	Expensive	2.67
8	PBS018	6/4/2018	15/05/2028	3.64	7.6%	103.91	6.4%	6.5%	103.45	(14.73)	Expensive	3.19
9	PBS030	07/06/2021	15/07/2028	3.80	5.9%	98.59	6.3%	6.5%	97.77	(25.23)	Expensive	3.39
10	PBS023	16/05/2019	15/05/2030	5.64	8.1%	107.64	6.5%	6.6%	107.16	(10.44)	Expensive	4.58
11	PBS012	1/28/2016	15/11/2031	7.14	8.9%	113.01	6.6%	6.6%	112.70	(5.70)	Expensive	5.44
12	PBS024	29/05/2019	15/05/2032	7.64	8.4%	110.84	6.5%	6.6%	110.36	(7.92)	Expensive	5.78
13	PBS025	31/05/2019	15/05/2033	8.64	8.4%	111.43	6.6%	6.6%	111.24	(3.13)	Expensive	6.32
14	PBS029	15/01/2021	15/03/2034	9.47	6.4%	98.06	6.7%	6.7%	98.02	(0.60)	Expensive	7.14
15	PBS022	25/01/2019	15/04/2034	9.56	8.6%	113.65	6.7%	6.7%	113.72	0.59	Cheap	6.71
16	PBS037	13/01/2023	15/03/2036	11.47	6.9%	101.01	6.7%	6.7%	101.41	4.83	Cheap	8.03
17	PBS004	2/16/2012	15/02/2037	12.40	6.1%	95.59	6.6%	6.7%	94.88	(8.87)	Expensive	8.62
18	PBS034	14/01/2022	15/06/2039	14.73	6.5%	98.07	6.7%	6.8%	97.62	(5.00)	Expensive	9.51
19	PBS007	9/29/2014	15/09/2040	15.98	9.0%	121.98	6.7%	6.8%	121.46	(4.87)	Expensive	9.31
20	PBS039	12/01/2024	15/07/2041	16.81	6.6%	98.80	6.7%	6.8%	98.31	(5.09)	Expensive	10.08
21	PBS035	31/03/2022	15/03/2042	17.48	6.8%	99.44	6.8%	6.8%	99.43	(0.20)	Expensive	10.34
22	PBS005	5/2/2013	15/04/2043	18.56	6.8%	99.54	6.8%	6.8%	99.21	(3.16)	Expensive	10.55
23	PBS028	24/07/2020	15/10/2046	22.07	7.8%	110.22	6.8%	6.9%	109.74	(4.06)	Expensive	11.09
24	PBS033	14/01/2022	15/06/2047	22.73	6.8%	99.46	6.8%	6.9%	98.33	(10.01)	Expensive	11.72
25	PBS015	7/21/2017	15/07/2047	22.81	8.0%	113.50	6.8%	6.9%	112.58	(7.52)	Expensive	11.20
26	PBS038	08/12/2023	15/12/2049	25.24	6.9%	100.17	6.9%	6.9%	99.26	(7.76)	Expensive	12.13

Source: Bloomberg, SSI Research