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## Overview

Indonesia's economic trajectory is shaped by bold ambitions and evolving policies, as President Prabowo targets USD 900 billion in investments to achieve 8% growth, supported by selective VAT hikes on luxury goods and exemptions for essentials to protect vulnerable groups. Initiatives such as MSME debt forgiveness and the diversification of the Indonesia Investment Authority's portfolio aim to enhance economic resilience, while energy and infrastructure projects, including six new oil and gas blocks and Finland-backed capital development, present fresh investment opportunities. Despite a rebound in the Consumer Confidence Index to 125.9 in November 2024, reflecting improved economic perceptions and financial optimism, challenges persist in renewable energy progress and structural reforms. Politically, Jokowi's exit from PDI-P and the Jakarta gubernatorial race indicate shifting power dynamics, while Indonesia navigates diplomacy and security issues, such as agreements with China over the Natuna Islands. Despite regulatory hurdles, the digital economy continues to expand with US partnerships and significant AI investments, as environmental and wildlife conservation efforts highlight the complexities of Indonesia's path to sustainability.

## Key Comments

### President Prabowo's Ambitious Economic Vision

**USD 900 Billion Investment Target:** To achieve an 8% economic growth rate, President Prabowo Subianto's administration estimates a need for approximately USD 900 billion in domestic and foreign investments. This underscores a heavy reliance on both capital influx and structural reforms to stimulate economic activity.

**Selective VAT Increase on Luxury Goods:** The planned VAT hike to 12% will focus on luxury items, with exemptions for basic commodities, healthcare, and education to safeguard lower-income groups. While this approach could bolster revenue without significantly burdening the middle class, clarity on what constitutes "luxury" remains pending.

## Policy Developments

**MSME Debt Forgiveness:** The government will forgive bad loans for micro, small, and medium enterprises (MSMEs) by May 2025. This policy aims to revitalize smaller businesses but may create challenges for state banks managing their non-performing loan portfolios.

**Diversification of Sovereign Wealth Fund:** The Indonesia Investment Authority (INA) plans to expand its investments into food, agriculture, and minerals to align with national growth targets.

## Energy and Infrastructure Initiatives

**48 Billion BOE Potential in New Oil Blocks:** Six new oil and gas blocks have been offered, highlighting significant opportunities for energy sector investments.

**Partnership with Finland in Nusantara Capital Development (IKN):** Collaborative efforts with Finland aim to fund the development of the new capital through innovative financing models.

## Key Industry and Consumer Highlights

**Automotive Sector at Risk from VAT Hike:** Automotive manufacturers brace for potential drops in sales due to the impending 12% VAT increase, possibly affecting consumer purchasing power.

**Consumer Confidence:** Indonesia's Consumer Confidence Index rebounded sharply in November 2024, rising to 125.9 from September's low of 121.1, marking its highest level since April and reflecting seasonal economic optimism. This improvement was broad-based, with significant gains across key sub-indices, including perceptions of current economic conditions, which rose 3.6 points, and the economic outlook, which surged 5.9 points. Labor market sentiment improved, with job availability perceptions increasing by 7.3 points, while income expectations also strengthened, signaling optimism about financial prospects. However, despite the positive consumer sentiment, underlying economic challenges, such as low inflation and PMI contraction, may hinder the government's 2024 growth target of over 5%, particularly amid potential IDR weakening at year-end.

**Renewable Energy Concerns:** Despite the government's push for green energy, the Institute for Essential Services Reform (IESR) criticized the country's 2021-2030 Electricity Plan (RUPTL) for insufficient progress toward renewable energy targets.

**Solar Industry Expansion:** Elite Solar's launch of an advanced solar cell production plant represents a significant step toward bolstering Indonesia's renewable energy capacity.

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## Politics, National and Security

### Election Updates and Political Realignments

**Jakarta Governor Race:** Former Cabinet Secretary Pramono Anung secured the Jakarta gubernatorial position amid claims of election fraud by rivals, potentially impacting the political balance in Indonesia's economic hub.

**Jokowi's Exit from PDI-P:** Former President Joko Widodo's departure from the Indonesian Democratic Party of Struggle (PDI-P) has prompted Gerindra and Golkar to compete for his allegiance, signaling possible realignments ahead of the 2029 elections.

### Regional Security Concerns

**Natuna Islands Tensions:** Indonesia and China signed an agreement for joint maritime development in the disputed Natuna Islands, reflecting a strategic shift from confrontation to cooperation.

**Syria Incident:** Stray bullets struck the Indonesian Embassy in Damascus amid ongoing conflict, raising concerns about diplomatic safety.

## Digital Economy and Telcos

### Digital Transformation Initiatives

**Indonesia-US Digital Collaboration:** The government emphasizes innovation and infrastructure in its partnership with US stakeholders to advance the digital economy.

**AI Investments Surge in Southeast Asia:** Over USD 30 billion was invested in AI infrastructure across the region in 2024, positioning Southeast Asia as a potential AI innovation hub.

### Challenges in Digital Regulation

**Online Gambling Crackdown:** Indonesia has blocked hundreds of thousands of illegal online gambling sites using artificial intelligence, signaling a firm stance on digital regulation.

## Environment and Green Economy

### Energy Transition Challenges

**Coal Plant Phase-Out Plans:** President Prabowo's ambitious commitment to retire coal plants within 15 years requires substantial political will, financing, and technological support.

**Indonesia's Nuclear Path:** A small-scale nuclear power plant is planned by 2032 as part of Indonesia's transition to low-carbon energy.

## Climate Initiatives

**Australia-Indonesia Renewable Energy Cooperation:** Collaboration on weather data utilization aims to optimize renewable energy infrastructure.

## Wildlife Conservation Efforts

**Bird Trafficking Bust:** Authorities seized over 6,500 illegally trafficked birds in a landmark operation, highlighting progress in wildlife protection.

## Market Implications

**Economic Growth Ambitions:** While Prabowo's growth targets could attract foreign investments, clear policies and regulatory consistency are crucial for investor confidence.

**VAT Adjustments:** Selective tax hikes aim to balance revenue generation with consumer protection but may introduce uncertainties in luxury markets.

**Energy and Green Economy:** Indonesia's mixed signals on renewable energy and fossil fuel dependencies could deter long-term investments unless more decisive measures are taken.

**Political Stability:** The realignment of political forces following the Jakarta elections may have downstream effects on governance and policy direction.

## Market Movement

Asian markets saw mixed performance as investors navigated sectoral shifts and international developments. The Nikkei edged up by 0.2% to close at 39,161, reflecting a stable sentiment in Japan. The Hang Seng led gains in the region with a strong 2.8% rise to 20,414, boosted by positive momentum in Chinese tech stocks. In contrast, the KOSPI suffered a significant loss of 2.8%, closing at 2,361 amid concerns over weakening consumer sentiment and export pressures. Meanwhile, the Shanghai Composite remained flat at 3,403, signaling cautious optimism, while the Straits Times Index (STI) also ended unchanged at 3,795.

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Indonesia's Jakarta Composite Index (JCI) bucked broader regional trends, gaining 0.7% to close at 7,438, supported by strong foreign inflows. The Indonesia Sharia Stock Index (ISSI) followed suit, rising by 0.6% to 225.9. Foreign investors posted a net buy of IDR 687.7 billion in the regular market, offset slightly by a net sell of IDR 391.3 billion in the negotiated market, showcasing robust overall interest in Indonesian equities.

Among leading movers, banking and energy stocks led the charge. Bank Central Asia (BBCA) climbed 2.7% to IDR 10,350, while Bank Mandiri (BMRI) added 2.4% to IDR 6,375. Adaro Energy (ADRO) surged 16.5% to IDR 2,680, becoming the standout performer for the day. The IDXENER sector emerged as the top gainer, reflecting strong performance in energy-related stocks. Conversely, the health sector (IDXHLTH) lagged behind, under pressure from weak corporate earnings.

On the downside, notable lagging movers included Chandra Asri Petrochemical (TPIA), which fell 4.9% to IDR 8,250, along with Bayan Resources (BREN) and Amman Mineral (AMMN), both dropping by 2.1%. Convenience store chain Alfamart (AMRT) also slid 4.2% to IDR 2,940, weighed down by profit-taking activities.

Foreign interest was evident in key stocks, with ADRO leading the net buy list, rising 16.5% on the back of strong coal demand and rising commodity prices. BBCA, BMRI, and Indofood (INDF) also saw foreign inflows, gaining 2.7%, 2.4%, and 3.4%, respectively. On the other hand, Telkom Indonesia (TLKM), AMRT, and BREN faced foreign selling, contributing to their declines.

In the commodities market, gold prices rose 0.9% to USD 2,658 per ounce as geopolitical tensions bolstered safe-haven demand. Brent crude oil climbed 1.1% to USD 72 per barrel, supported by supply constraints and expectations of higher demand during the winter months.

Currency markets remained relatively stable, with the USD/IDR exchange rate easing slightly by 0.1% to 15,865. The Indonesian rupiah showed resilience amidst global currency fluctuations, aided by steady economic indicators and improved foreign inflows into the stock market.

Overall, Indonesia's equity market demonstrated resilience and attracted significant foreign interest, bolstered by strong performances in energy and financial stocks. However, global uncertainties and sector-specific challenges continue to weigh on regional markets, suggesting a cautious outlook in the near term.

## Fixed Income

The Indonesian bond market began the week with a slight downturn in performance. The Indonesia Composite Bond Index (ICBI) fell by 0.05%, reflecting a moderate pressure on bond prices. Despite this, year-to-date (YTD) return remains robust at 4.76%, signaling overall positive performance for 2024. However, the pressure was mirrored in the broader market as the Rupiah depreciated by 22 points to Rp 15,867 against the USD.

Benchmark government bonds showed a mixed tone, with the 10-year benchmark SBN (FR0100) yield remaining steady at 6.90%, indicating cautious sentiment in the market. Meanwhile, in the global market, the UST 10-year bond yield declined slightly by -0.018% to 4.158%, reflecting stabilizing risk sentiment amid persistent global economic uncertainties.

## Trading Activity

The bond market exhibited increased trading activity, with transaction volumes rising by 39.67% to Rp 16.16 trillion, compared to the previous day's Rp 11.57 trillion. Trading frequency also surged by 36.18%, recording 3,896 transactions, a significant uptick from the prior 2,861 transactions. The increased activity indicates heightened investor interest, potentially driven by positioning ahead of key macroeconomic data releases or external risk events.

## Market Drivers

**Domestic Currency Weakness:** The depreciation of the Rupiah places pressure on bond demand from foreign investors, potentially leading to outflows and higher yields.

**Global Interest Rates:** The marginal decline in UST 10-year yields suggests some easing in global rate hike fears, which could provide relief to emerging markets, including Indonesia.

**Economic Data and Central Bank Stance:** Investors remain focused on Bank Indonesia's monetary policy direction, particularly in the face of persistent Rupiah depreciation and external pressures.

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## Key Risks

- Persistent Rupiah depreciation could deter foreign inflows.
- Rising geopolitical or macroeconomic uncertainties could suppress risk appetite.

## Conclusion

The Indonesian bond market continues to exhibit resilience, supported by robust YTD returns and improving trading volumes. However, near-term challenges, including currency volatility and external rate pressures, may limit upside potential. Investors are advised to closely monitor key macroeconomic indicators and central bank policy decisions for cues on market direction.

## US 10 Year Treasury

The yield on the US 10-year Treasury stayed below 4.15% on Monday, lingering near seven-week lows as markets anticipated key inflation data that could impact the Federal Reserve's upcoming interest rate decision. Last Friday's data showed that the US economy added more jobs than expected in November, although the unemployment rate rose slightly to 4.2%. Consumer confidence in the US also improved in December, offering some support to Treasury yields. Despite this, markets maintained an 83% probability of a 25 basis point rate cut by the Fed this month. Additionally, investors are keeping a close watch on central bank meetings in Canada and Australia scheduled for later this week.

## Outlook

**Yield Movements:** The 10-year benchmark yield is expected to remain range-bound around the 6.85%–7.00% level, driven by cautious global sentiment and domestic monetary policy signals. A more significant decline in global yields could trigger further demand for SBNs.

**Rupiah Performance:** The local currency's trajectory will be a key determinant of bond market dynamics. If external pressures, such as U.S. dollar strength, persist, it could weigh further on bond prices. However, a recovery in the Rupiah could reignite foreign interest.

**Investor Sentiment:** With strong YTD performance, the market may attract opportunistic buying at current yield levels. This is especially likely if inflation remains stable and Bank Indonesia signals supportive policies.

Last week, the 10-year benchmark yield moved within a narrow range of 6.86%–6.96%, testing the resistance limit of its trendline pattern since July 2023. If this resistance is broken, the yield could rise further to 7.06%. However, as long as the yield remains below 6.96%, the rising wedge pattern observed since September 2024 suggests a potential downward trend. A break below 6.86% would likely confirm this, with key support levels at 6.83%–6.76%.

## Equity-Bond Yield Correlation

The 3-day equity-bond correlation in the U.S. highlights strong interest in the bond market, as investors shift away from equities. This trend is largely driven by increased expectations of a Federal Reserve interest rate cut in the upcoming meeting. Market participants are currently pricing in an 88% probability of a 25-basis-point rate reduction this month, up from 71% the previous day and 66.5% a week ago, creating potential opportunities in the bond market.

In Indonesia, the 3-day equity-bond yield correlation indicates a likely rise in bond demand, partly influenced by a downward trend in the U.S. 10-year Treasury yield. This could attract capital inflows into the Indonesian bond market. However, equity market movements are expected to remain subdued as the bond market continues to offer more attractive opportunities.

## Strategy

The RRG (Relative Rotation Graph) chart shows that yields for several short-term government securities (SUN) with tenors below the 10-year benchmark are gaining momentum and closing the gap with the benchmark yield. Notably, 4-year and 9-year tenors are outperforming the 10-year benchmark. In contrast, long-term SUN yields have shown weakened momentum, with their leading position relative to the benchmark declining. Therefore, we recommend the following:

**INDOGB: FR80, FR72, FR88, FR45, FR83**

**INDOIS: PBS37, PBS34, PBS39**

# DAILY ECONOMIC INSIGHTS



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## Macro Forecasts

Macro	2023A	2024F	2025F
GDP (% YoY)	5.1	4.9	5.0
Inflation (% YoY)	2.6	1.8	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	5.75	5.5
10Y. Government Bond Yield (%)	6.6	6.8	7.0
Exchange Rate (USD/IDR)	15,399	15,900	16,300

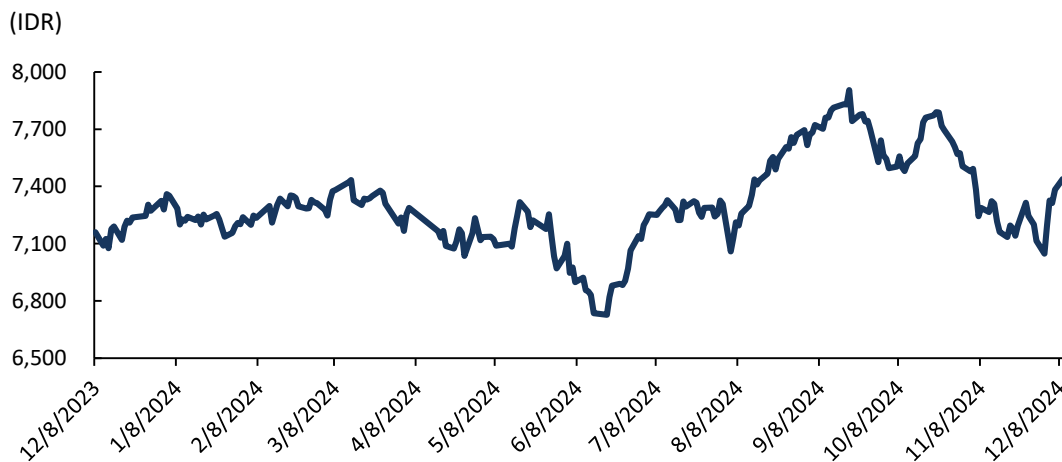
Source: SSI Research

## Currencies

Currency Pair	Index, Last	Currency Pair	Index, Last
AUD / USD	0.6	AUD / IDR	10,212
CNY / USD	7.2	CNY / IDR	2,181
EUR / USD	1.0	EUR / IDR	16,765
GBP / USD	1.2	GBP / IDR	20,255
HKD / USD	7.7	HKD / IDR	2,041
JPY / USD	150	JPY / IDR	105
MYR / USD	4.4	MYR / IDR	3,586
NZD / USD	0.5	NZD / IDR	9,296
SAR / USD	3.7	SAR / IDR	4,224
SGD / USD	1.3	SGD / IDR	11,841
		USD / IDR	15,867

Source: STAR, SSI Research

## JCI Chart Intraday



Source: Bloomberg, SSI Research

# DAILY ECONOMIC INSIGHTS



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## Net Foreign Flow: IDR 296.4 bn Inflow

Stock	% TVAL	Last	% CHG	% MTD	% YTD	NVAL (IDR bn)
ADRO	0.5	2,680	16.5	28.8	12.6	218
BBCA	1.0	10,350	2.7	3.5	10.1	209
GOTO	0.9	78	1.2	9.8	-9.3	169
BMRI	0.6	6,375	2.4	3.6	5.3	130
INDF	0.1	8,200	3.4	8.6	27.1	83
BBNI	0.2	5,000	2.8	0.4	-6.9	68
PGAS	0.1	1,665	2.4	9.5	47.3	63
ASII	0.3	5,225	1.4	2.4	-7.5	53
UNTR	0.1	28,500	1.9	6.4	25.9	44
RAJA	0.0	2,410	11.0	14.7	70.9	26

Source: STAR, SSI Research

## Index Stock Mover Summary

Stock	% CHG	JCI (+)	M.CAP (IDR tn)	Stock	% CHG	JCI (+)	M.CAP (IDR tn)
BBCA	2.7	81.09	1,263	TPIA	-4.8	-88.84	714
PANI	5.8	40.79	304	BREN	-2.0	-56.57	1,114
BMRI	2.4	33.49	589	AMMN	-2.0	-35.04	676
AADI	19.7	29.63	74	AMRT	-4.2	-13.04	122
BBRI	1.8	29.00	659	CUAN	-2.6	-5.43	82
ADRO	16.5	28.24	82	TLKM	-0.7	-4.78	271
BBNI	2.8	12.49	185	BRPT	-2.0	-4.53	88
DCII	3.3	8.64	110	MSIN	-3.0	-4.38	57
ASII	1.4	7.33	212	SONA	-16.9	-2.31	5
SRTG	7.3	6.22	38	MLPT	-2.0	-2.02	40

Source: Bloomberg, STAR, SSI Research

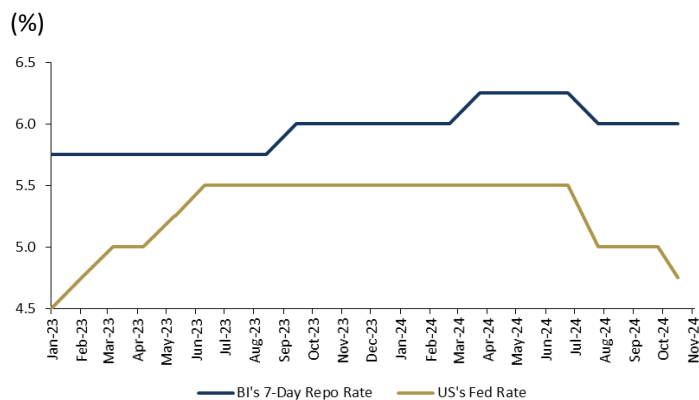
## Daily Sector Summary

SECTOR	TVAL	%TVAL	FNVAL	FBVAL	DBVAL	FSVAL	DSVAL
IDXFINANCE	2.8T	6.2	286.1B	1.4T	1.3T	1.1T	1.6T
IDXENERGY	35.9T	79.9	208.4B	618.9B	35.3T	410.5B	35.5T
IDXTECHNO	955.7B	2.1	149.8B	536.2B	419.5B	386.3B	569.3B
IDXINDUST	476.0B	1.0	96.8B	254.3B	221.6B	157.5B	318.4B
IDXCYCLIC	503.5B	1.1	11.6B	138.7B	364.8B	127.0B	376.5B
IDXTRANS	68.1B	0.1	1.6B	5.4B	62.6B	3.8B	64.3B
COMPOSITE	44.9T	100.0		3.8T	41.1T	3.5T	41.4T
IDXBASIS	1.7T	3.7	-19.4B	211.2B	1.4T	230.6B	1.4T
IDXHEALTH	179.4B	0.3	-21.5B	84.5B	94.8B	106.1B	73.3B
IDXPROPERTY	502.0B	1.1	-22.2B	47.5B	454.5B	69.8B	432.2B
IDXINFRA	785.8B	1.7	-110.7B	172.6B	613.2B	283.4B	502.4B
IDXNONCYC	1.0T	2.2	-284.2B	255.6B	749.7B	539.8B	465.4B

Source: Bloomberg, STAR, SSI Research

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## Monetary Policy



Source: Bloomberg, SSI Research

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



Source: Bloomberg, SSI Research

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## 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	FR81	8/1/2019	6/15/2025	0.52	6.5%	99.96	6.6%	6.4%	100.03	12.53	Cheap	0.51
2	FR40	9/21/2006	9/15/2025	0.77	11.0%	103.20	6.6%	6.5%	103.35	11.63	Cheap	0.73
3	FR84	5/4/2020	2/15/2026	1.19	7.3%	100.78	6.5%	6.5%	100.85	4.07	Cheap	1.14
4	FR86	8/13/2020	4/15/2026	1.35	5.5%	98.33	6.8%	6.5%	98.71	30.68	Cheap	1.30
5	FR37	5/18/2006	9/15/2026	1.77	12.0%	108.49	6.8%	6.5%	108.98	24.02	Cheap	1.59
6	FR56	9/23/2010	9/15/2026	1.77	8.4%	102.60	6.8%	6.5%	103.02	23.04	Cheap	1.63
7	FR90	7/8/2021	4/15/2027	2.35	5.1%	96.33	6.8%	6.6%	96.87	25.88	Cheap	2.21
8	FR59	9/15/2011	5/15/2027	2.43	7.0%	100.42	6.8%	6.6%	100.91	21.61	Cheap	2.25
9	FR42	1/25/2007	7/15/2027	2.60	10.3%	108.48	6.6%	6.6%	108.59	3.36	Cheap	2.30
10	FR94	3/4/2022	1/15/2028	3.10	5.6%	96.67	6.8%	6.6%	97.14	17.29	Cheap	2.84
11	FR47	8/30/2007	2/15/2028	3.19	10.0%	109.38	6.7%	6.6%	109.51	3.08	Cheap	2.77
12	FR64	8/13/2012	5/15/2028	3.44	6.1%	97.74	6.9%	6.7%	98.39	21.84	Cheap	3.11
13	FR95	8/19/2022	8/15/2028	3.69	6.4%	98.70	6.8%	6.7%	99.04	10.42	Cheap	3.30
14	FR99	1/27/2023	1/15/2029	4.11	6.4%	99.92	6.4%	6.7%	98.95	(27.51)	Expensive	3.61
15	FR71	9/12/2013	3/15/2029	4.27	9.0%	107.86	6.8%	6.7%	108.39	13.08	Cheap	3.55
16	101	11/2/2023	4/15/2029	4.35	6.9%	100.16	6.8%	6.7%	100.61	11.87	Cheap	3.76
17	FR78	9/27/2018	5/15/2029	4.44	8.3%	105.62	6.8%	6.7%	105.80	4.32	Cheap	3.76
18	104	8/22/2024	7/15/2030	5.60	6.5%	98.41	6.8%	6.8%	98.72	6.69	Cheap	4.69
19	FR52	8/20/2009	8/15/2030	5.69	10.5%	117.11	6.8%	6.8%	117.30	3.03	Cheap	4.45
20	FR82	8/1/2019	9/15/2030	5.77	7.0%	100.50	6.9%	6.8%	101.00	10.30	Cheap	4.72
21	FR87	8/13/2020	2/15/2031	6.19	6.5%	97.83	6.9%	6.8%	98.47	12.89	Cheap	5.11
22	FR85	5/4/2020	4/15/2031	6.35	7.8%	104.32	6.9%	6.8%	104.76	8.08	Cheap	5.05
23	FR73	8/6/2015	5/15/2031	6.44	8.8%	109.04	7.0%	6.8%	109.93	16.02	Cheap	5.04
24	FR54	7/22/2010	7/15/2031	6.60	9.5%	114.10	6.8%	6.8%	114.02	(1.81)	Expensive	5.04
25	FR91	7/8/2021	4/15/2032	7.36	6.4%	97.10	6.9%	6.9%	97.24	2.42	Cheap	5.84
26	FR58	7/21/2011	6/15/2032	7.52	8.3%	107.62	6.9%	6.9%	108.03	6.48	Cheap	5.66
27	FR74	11/10/2016	8/15/2032	7.69	7.5%	103.20	7.0%	6.9%	103.70	7.97	Cheap	5.92
28	FR96	8/19/2022	2/15/2033	8.19	7.0%	100.28	7.0%	6.9%	100.67	5.99	Cheap	6.28
29	FR65	8/30/2012	5/15/2033	8.44	6.6%	97.94	7.0%	6.9%	98.25	4.89	Cheap	6.48
30	100	8/24/2023	2/15/2034	9.19	6.6%	98.15	6.9%	6.9%	97.96	(3.04)	Expensive	6.90
31	FR68	8/1/2013	3/15/2034	9.27	8.4%	108.99	7.0%	6.9%	109.76	10.38	Cheap	6.55
32	FR80	7/4/2019	6/15/2035	10.52	7.5%	103.13	7.1%	7.0%	103.91	10.30	Cheap	7.30
33	103	8/8/2024	7/15/2035	10.61	6.8%	98.25	7.0%	7.0%	98.36	1.43	Cheap	7.55
34	FR72	7/9/2015	5/15/2036	11.44	8.3%	109.07	7.1%	7.0%	109.78	8.38	Cheap	7.66
35	FR88	1/7/2021	6/15/2036	11.53	6.3%	94.38	7.0%	7.0%	94.16	(2.80)	Expensive	8.06
36	FR45	5/24/2007	5/15/2037	12.44	9.8%	122.31	7.0%	7.0%	122.43	1.04	Cheap	7.82
37	FR93	1/6/2022	7/15/2037	12.61	6.4%	95.75	6.9%	7.0%	94.66	(13.67)	Expensive	8.57
38	FR75	8/10/2017	5/15/2038	13.44	7.5%	103.52	7.1%	7.0%	103.98	5.10	Cheap	8.63
39	FR98	9/15/2022	6/15/2038	13.53	7.1%	100.76	7.0%	7.0%	100.74	(0.18)	Expensive	8.67
40	FR50	1/24/2008	7/15/2038	13.61	10.5%	129.93	7.0%	7.0%	129.98	0.12	Cheap	8.07
41	FR79	1/7/2019	4/15/2039	14.36	8.4%	111.56	7.1%	7.1%	111.82	2.45	Cheap	8.72
42	FR83	11/7/2019	4/15/2040	15.36	7.5%	103.91	7.1%	7.1%	104.02	1.00	Cheap	9.27
43	FR57	4/21/2011	5/15/2041	16.44	9.5%	123.09	7.1%	7.1%	123.30	1.72	Cheap	9.21
44	FR62	2/9/2012	4/15/2042	17.36	6.4%	94.92	6.9%	7.1%	92.95	(20.73)	Expensive	10.32
45	FR92	7/8/2021	6/15/2042	17.53	7.1%	100.45	7.1%	7.1%	100.36	(0.97)	Expensive	9.99
46	FR97	8/19/2022	6/15/2043	18.53	7.1%	100.28	7.1%	7.1%	100.31	0.20	Cheap	10.27
47	FR67	7/18/2013	2/15/2044	19.20	8.8%	116.93	7.1%	7.1%	117.17	1.88	Cheap	10.13
48	FR76	9/22/2017	5/15/2048	23.45	7.4%	103.14	7.1%	7.1%	103.15	(0.00)	Expensive	11.45
49	FR89	1/7/2021	8/15/2051	26.70	6.9%	97.80	7.1%	7.1%	97.58	(2.00)	Expensive	12.20
50	102	1/5/2024	7/15/2054	29.62	6.9%	97.82	7.1%	7.1%	97.83	0.03	Cheap	12.54
51	105	8/27/2024	7/15/2064	39.63	6.9%	97.63	7.1%	6.9%	99.57	14.63	Cheap	13.43

Source: Bloomberg, SSI Research



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## 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	PBS036	8/25/2022	8/15/2025	0.68	5.4%	99.45	6.2%	6.4%	99.35	(16.17)	Expensive	0.67
2	PBS017	1/11/2018	10/15/2025	0.85	6.1%	99.82	6.3%	6.4%	99.81	(2.95)	Expensive	0.83
3	PBS032	7/29/2021	7/15/2026	1.60	4.9%	97.00	6.9%	6.4%	97.76	51.77	Cheap	1.54
4	PBS021	12/5/2018	11/15/2026	1.93	8.5%	103.75	6.4%	6.4%	103.80	1.69	Cheap	1.80
5	PBS003	2/2/2012	1/15/2027	2.10	6.0%	98.78	6.6%	6.4%	99.25	23.94	Cheap	1.97
6	PBS020	10/22/2018	10/15/2027	2.85	9.0%	106.31	6.5%	6.4%	106.63	10.93	Cheap	2.52
7	PBS018	6/4/2018	5/15/2028	3.43	7.6%	103.21	6.6%	6.4%	103.59	11.81	Cheap	3.05
8	PBS030	6/4/2021	7/15/2028	3.60	5.9%	97.20	6.8%	6.5%	98.18	31.21	Cheap	3.24
9	PBSG1	9/22/2022	9/15/2029	4.77	6.6%	99.15	6.8%	6.5%	100.48	32.89	Cheap	4.06
10	PBS023	5/15/2019	5/15/2030	5.43	8.1%	106.62	6.7%	6.5%	107.17	11.47	Cheap	4.46
11	PBS012	1/28/2016	11/15/2031	6.94	8.9%	112.67	6.6%	6.6%	112.50	(3.23)	Expensive	5.34
12	PBS024	5/28/2019	5/15/2032	7.44	8.4%	109.85	6.7%	6.6%	110.18	5.03	Cheap	5.68
13	PBS025	5/29/2019	5/15/2033	8.44	8.4%	110.97	6.7%	6.7%	110.96	(0.49)	Expensive	6.24
14	PBS029	1/14/2021	3/15/2034	9.27	6.4%	97.87	6.7%	6.7%	97.89	0.08	Cheap	6.93
15	PBS022	1/24/2019	4/15/2034	9.35	8.6%	113.39	6.7%	6.7%	113.32	(1.30)	Expensive	6.63
16	PBS037	6/23/2021	6/23/2036	11.55	6.5%	98.17	6.7%	6.7%	98.11	(0.81)	Expensive	8.05
17	PBS004	2/16/2012	2/15/2037	12.19	6.1%	94.10	6.8%	6.8%	94.55	5.68	Cheap	8.52
18	PBS034	1/13/2022	6/15/2039	14.52	6.5%	97.22	6.8%	6.8%	97.17	(0.50)	Expensive	9.28
19	PBS007	9/29/2014	9/15/2040	15.78	9.0%	120.72	6.8%	6.8%	120.76	0.12	Cheap	9.07
20	PBS039	1/11/2024	7/15/2041	16.61	6.6%	98.00	6.8%	6.8%	97.87	(1.45)	Expensive	10.02
21	PBS035	3/30/2022	3/15/2042	17.27	6.8%	98.70	6.9%	6.9%	98.99	2.76	Cheap	10.11
22	PBS005	5/2/2013	4/15/2043	18.36	6.8%	98.70	6.9%	6.9%	98.82	1.09	Cheap	10.49
23	PBS028	7/23/2020	10/15/2046	21.86	7.8%	109.77	6.9%	6.9%	109.55	(1.99)	Expensive	11.07
24	PBS033	1/13/2022	6/15/2047	22.53	6.8%	98.04	6.9%	6.9%	98.26	1.99	Cheap	11.44
25	PBS015	7/21/2017	7/15/2047	22.61	8.0%	112.63	6.9%	6.9%	112.46	(1.48)	Expensive	11.16
26	PBS038	12/7/2023	12/15/2049	25.03	6.9%	97.58	7.1%	6.9%	99.46	16.20	Cheap	11.76

Source: Bloomberg, SSI Research

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