

Indicators	Closed		Changes (%)	
	Latest	H-1	Daily	YTD
Commodities				
WTI Oil Price (USD/Barrel)	79.23	78.63	0.8%	10.4%
Natural Gas (USD/mmbtu)	2.50	2.42	3.3%	-2.4%
Coal NEWC (USD/MT)	143.50	143.00	0.3%	-1.3%
Gold (USD/Ounce)	2,376.86	2,385.99	-0.4%	15.1%
Nickel LME (USD/MT)	19,489.00	19,489.00	0.0%	17.4%
CPO (MYR/MT)	3,877.00	3,877.00	0.0%	4.3%
Rice (USD/cwt)	19.10	19.11	-0.1%	10.4%
Currency				
Dollar Index	104.46	104.35	0.1%	3.2%
USD/IDR	15,924.00	16,028.00	-0.6%	3.3%
EUR/IDR	17,320.42	17,342.07	-0.1%	1.6%
GBP/IDR	20,186.84	20,180.80	0.0%	2.3%
JPY/IDR	102.91	102.97	-0.1%	-5.5%
CNY/IDR	2,205.04	2,220.19	-0.7%	1.7%
Global Stock Market Indices				
Dow Jones Average	39,869.38	39,908.00	-0.1%	5.7%
Nasdaq	16,698.32	16,742.39	-0.3%	10.6%
S&P 500	5,297.10	5,308.15	-0.2%	10.7%
FTSE 100	8,438.65	8,445.80	-0.1%	9.3%
Shanghai SE	3,273.06	3,270.35	0.1%	5.7%
Nikkei 225	38,920.26	38,385.73	1.4%	16.0%
VIX	12.42	12.45	-0.2%	-0.4%
Indonesia Stock Market Indices				
JCI	7,246.70	7,179.83	0.9%	-0.4%
IDX 30	459.35	455.18	0.9%	-7.2%
LQ45	909.31	901.40	0.9%	-6.3%
JII	527.34	526.73	0.1%	-1.6%
IDX SMC Comp	310.17	308.85	0.4%	-4.4%
10 Year Government Bond Yields (%)				
US	4.38	4.34	0.8%	13.8%
EU	2.46	2.42	1.5%	21.7%
England	4.08	4.06	0.3%	15.5%
Japan	0.92	0.95	-2.9%	51.6%
China	2.32	2.30	0.6%	-9.6%
JP Morgan EMBI Index	865.92	864.20	0.2%	2.0%
Indonesia SBN Yields (%)				
1 Year	7.09	7.09	0.0%	11.4%
2 Year	6.86	6.86	0.0%	7.4%
5 Year	6.85	6.94	-1.6%	6.6%
10 Year	6.86	6.97	-1.6%	6.3%
30 Year	6.98	6.98	0.0%	1.8%
Indonesia CDS 5 Year	70.07	71.10	-1.4%	-2.7%
Corporate Bond Yields AAA Rated (%)				
1 Year	7.65	7.65	0.0%	10.4%
2 Year	7.46	7.49	-0.3%	6.9%
3 Year	7.39	7.41	-0.2%	5.9%
5 Year	7.48	7.47	0.1%	5.1%
ICBI	378.41	377.59	0.2%	1.1%
IndoBex -Govt	370.06	369.24	0.2%	1.1%
IndoBex -Corp.	431.78	431.17	0.1%	2.2%
Global InterBank Money Market (%)				
USD LIBOR 1 Month	5.44	5.43	0.0%	-0.6%
Indonesia InterBank Money Market (%)				
RP INDONESIA	6.15	6.28	-2.0%	5.5%
RP JIBOR 1 Month	6.80	6.80	0.0%	3.8%

Economist email : fikri.permana@kbvalbury.com

** Source: Bloomberg

DAILY OUTLOOK

The yield on US securities rebounded, with the 2Y yield increasing by +6.8 bps, the 10Y yield by +4.0 bps, and the 30Y yield by +0.6 bps, following a sharp decline in the previous trading session. This rebound was driven by the release of the US Export Price Index for Apr '24, which rose to 0.5% MoM (Cons: 0.4% MoM, Prev: 0.1% MoM), and a significantly higher-than-expected US Import Price Index for the same month, which surged to 0.9% MoM (Cons: 0.2% MoM, Prev: 0.6% MoM). Shortly thereafter, Federal Reserve Bank of New York President Williams stated that more evidence is needed to adjust interest rates, which reduced the median odds ratio for two 25 bps rate cuts throughout 2024 to 37.5% (Prev: 40.0%). Consequently, the DXY index also moved up by +0.28% to 104.49. Despite this, other US data releases indicated a weakening of inflationary risks and pressure on the economy to maintain higher rates for a longer period. This was reflected in the Apr '24 Building Permits, which fell to 1.44 mn (Cons: 1.48 mn, Prev: 1.49 mn), Apr '24 Housing Starts, which decreased to 1.36 mn (Cons: 1.42 mn, Prev: 1.29 mn), and Apr '24 Manufacturing Production, which declined to -0.5% MoM (Cons: 0.1% MoM, Prev: 0.2% MoM). Additionally, the labor market showed signs of weakening, as evidenced by the higher-than-expected weekly initial jobless claims, which stood at 222K (Cons: 219K, Prev: 232K). Meanwhile, there were mixed movements in other government bond yields. Declines were mainly seen in the Asia-Pacific region in response to the previous day's drop in U.S. CPI and Japan's 1Q24 GDP growth, which returned to contraction territory at -2.0% YoY (Cons: -1.5% YoY, Prev: 0.0% YoY). Consequently, yields decreased for the 10Y bonds of India (-1.0 bps), Australia (-1.1 bps), Japan (-2.8 bps), and South Korea (-9.2 bps), followed by Canada's 10Y bond yield which dropped by -0.1 bps. Conversely, most European government bonds saw yield increases, with the UK10Y yield up by +1.8 bps, France10Y by +3.3 bps, Germany10Y by +3.6 bps, Italy10Y by +3.8 bps, and Spain10Y by +4.2 bps. Today, the release of Chinese Industrial Production and Retail Sales data will drive market sentiment in the morning, followed by the release of the EU CPI. Towards the end of the day, global market sentiment is expected to be influenced by speeches from Fed members Waller and Daly.

The decline in the US CPI also impacted the yields on SUN yesterday. The yields for SUN1Y fell by -8.3 bps, SUN2Y by -6.8 bps, SUN5Y by -6.9 bps, SUN10Y by -4.8 bps, and SUN14Y to SUN30Y collectively dropped by -4.3 bps. Conversely, bond basket prices, as indicated by GB05 and GB10, rose by +0.17 points and +0.01 points, respectively. Similarly, most benchmark series SBN and SBSN prices increased, notably PBS038, which rose by +0.45 points, and FR0097, FR0098, and FR0100, which each gained over +0.90 points in yesterday's trading session. In the corporate bond market, A-rated bonds with tenors of 1Y, 2Y, and 5Y closed at yields of 8.63%, 9.35%, and 10.06%, respectively. Consequently, the overall ICBI rose by +0.38% and ISIX by +0.29%, alongside the appreciation of the JISDOR Rupiah to IDR 15,944 per USD (Prev: IDR 16,070 per USD). Yesterday, Bank Indonesia also released the residential property price index, which increased by 1.89% YoY in 1Q24 (Prev: 1.74% YoY), accompanied by a significant rise in residential property sales of 31.16% YoY (Prev: 3.37% YoY). Today, regional and global developments impacting the Rupiah's movement are expected to influence yield fluctuations and drive sentiment in the domestic financial markets.

We anticipate an increase in the 10Y SUN yield today (17 May '24), projecting it to range between 6.80% and 7.00%.

GLOBAL NEWS HIGHLIGHT

- The average rate for a 30Y fixed mortgage dropped by -7.0 bps from the previous week to 7.02% as of 16 May, reaching the lowest level in five weeks. Source: Freddie Mac.
- US utilities added 70 bn cubic feet (bcf) of gas into storage during the week ended 10 May '24, compared with market expectations of a 76 bcf increase. Source: EIA.
- The central bank of the Philippines upheld its benchmark interest rate at 6.50% for the fifth consecutive meeting in May '24. Source: Bangko Sentral ng Pilipinas.

DOMESTIC NEWS HIGHLIGHT

- Pefindo has assigned its idAA+ financial strength rating with stable outlook to PT BRI Asuransi Indonesia and Pefindo has affirmed its idAA- ratings for PT Chandra Asri Pacific Tbk (TPIA). Source: Pefindo.
- Prabowo Confident His Administration Will Continue IKN Project with State Budget Funding. Source: Kompas.
- Jokowi Gathers Ministers to Discuss Indonesia's Preparation for OECD Membership. Source: Investor Daily.

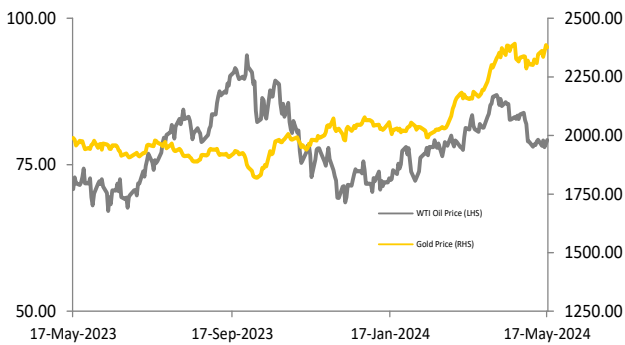
RECOMMENDATION

FR0068, FR0092, FR0096, FR0101, PBS032, INDON2033

ECONOMIC CALENDAR

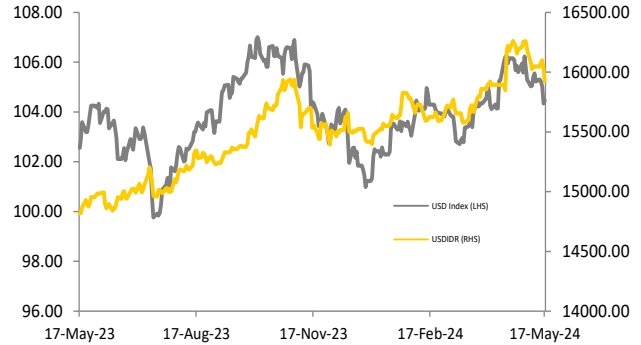
TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS	REVISE
FRIDAY MAY 17, 2024						
09:00	CNY	Fixed Asset Investment (YoY) (Apr)		4.60%	4.50%	
09:00	CNY	Industrial Production (YoY) (Apr)		5.50%	4.50%	
09:00	CNY	Industrial Production YTD (YoY) (Apr)			6.10%	

Fig 1. Crude Oil (USD/barrel) & Gold Price (USD/Ounce)



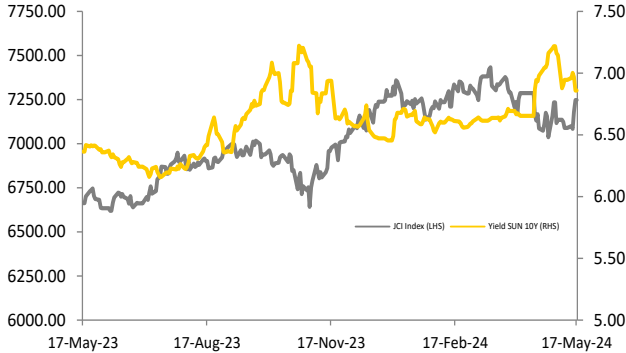
Source: Bloomberg, KBVS Research - treated (2023)

Fig 2. USD Index (Index) & USD-IDR (Rp/USD)



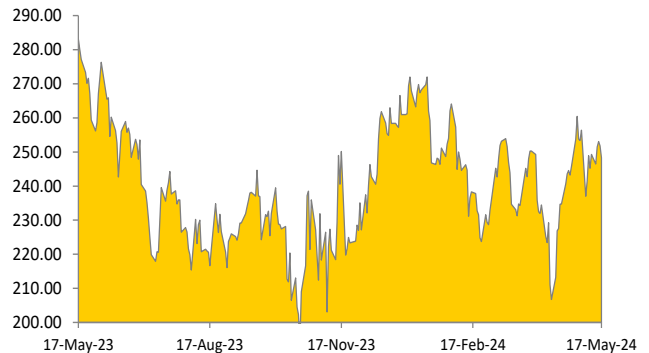
Source: Bloomberg, KBVS Research - treated (2023)

Fig 3. JCI Index (Index) & Yield SUN 10Y (%)



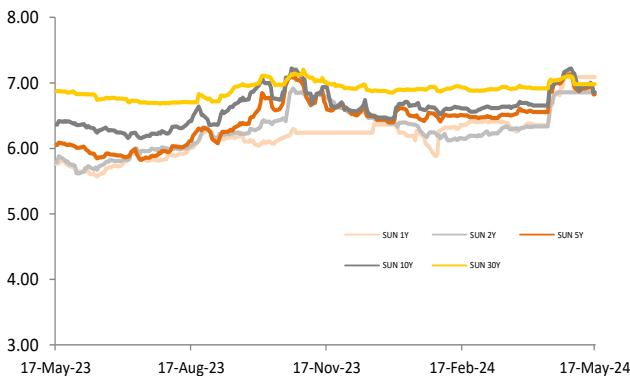
Source: Bloomberg, KBVS Research - treated (2023)

Fig 4. Yield Spread Indo 10Yr - US10Yr (bps)



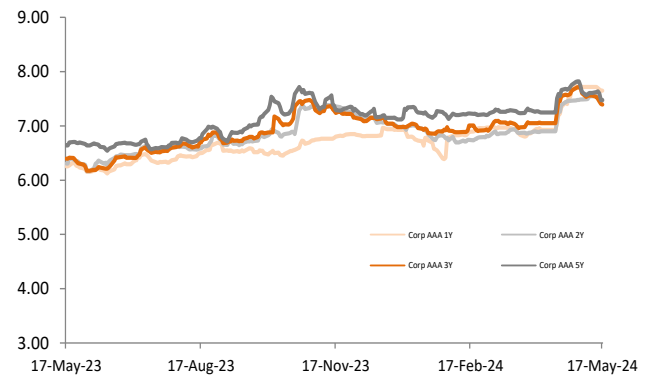
Source: Bloomberg, KBVS Research - treated (2023)

Fig 5. Indonesia's SUN Yield (%)



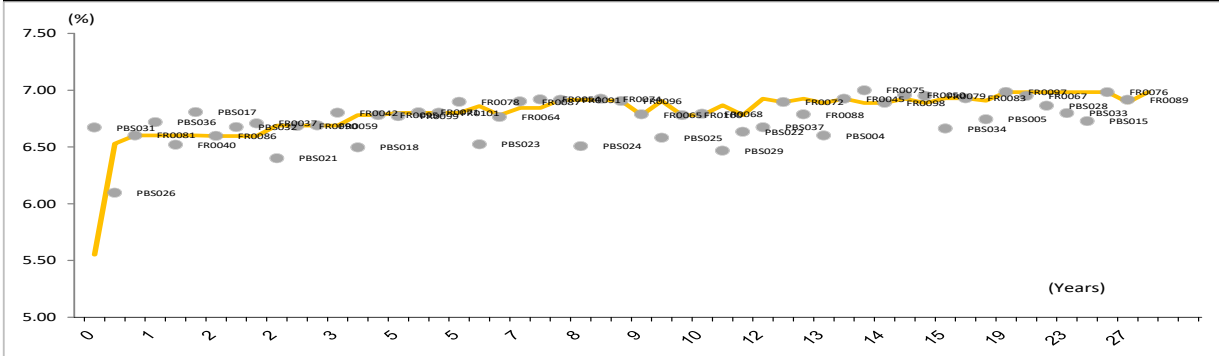
Source: Bloomberg, KBVS Research - treated (2023)

Fig 6. Indonesia's Corporate Bond Yield Rated AAA (%)



Source: Bloomberg, KBVS Research - treated (2023)

Fig 7. Yield Curve SUN (%), as of 16 May 24



BOND DATA

TTM	Series	Coupon	Price	Benchmark Price	Yield	Benchmark Yield	Maturity	Notes
0	PBS031	4.00	99.54	99.01	6.67	5.55	15 Jul 2024	Fair
0	PBS026	6.63	100.08	96.91	6.10	6.53	15 Oct 2024	Premium
1	FR0081	6.50	99.83	99.89	6.60	6.60	15 Jun 2025	Fair
1	PBS036	5.38	98.35	99.89	6.72	6.60	15 Aug 2025	Discounted
1	FR0040	11.00	105.41	99.89	6.52	6.60	15 Sep 2025	Premium
1	PBS017	6.13	99.03	99.89	6.81	6.60	15 Oct 2025	Discounted
2	FR0086	5.50	97.90	98.06	6.60	6.60	15 Apr 2026	Fair
2	PBS032	4.88	96.20	98.06	6.68	6.60	15 Jul 2026	Discounted
2	FR0037	12.00	111.00	98.06	6.71	6.60	15 Sep 2026	Fair
2	PBS021	8.50	104.46	100.83	6.40	6.69	15 Nov 2026	Premium
3	FR0090	5.13	95.70	100.83	6.68	6.69	15 Apr 2027	Fair
3	FR0059	7.00	100.62	100.83	6.69	6.69	15 May 2027	Fair
3	FR0042	10.25	109.47	100.83	6.80	6.69	15 Jul 2027	Fair
4	PBS018	7.63	103.53	98.51	6.50	6.78	15 May 2028	Premium
4	FR0095	6.38	98.37	98.51	6.78	6.78	15 Aug 2028	Fair
5	FR0099	6.40	98.16	100.30	6.77	6.80	15 Jan 2029	Fair
5	FR0071	9.00	108.56	100.30	6.81	6.80	15 Mar 2029	Fair
5	FR0101	6.88	100.20	100.30	6.80	6.80	15 Apr 2029	Fair
5	FR0078	8.25	105.53	100.30	6.90	6.80	15 May 2029	Fair
6	PBS023	8.13	107.41	100.69	6.52	6.86	15 May 2030	Premium
4	FR0064	6.13	97.64	98.51	6.76	6.78	15 May 2028	Fair
7	FR0087	6.50	97.70	110.44	6.90	6.85	15 Feb 2031	Discounted
7	FR0054	9.50	114.06	110.44	6.92	6.85	15 Jul 2031	Fair
8	FR0091	6.38	96.61	96.74	6.92	6.92	15 Apr 2032	Fair
8	PBS024	8.38	110.99	96.74	6.51	6.92	15 May 2032	Premium
8	FR0074	7.50	103.32	96.74	6.93	6.92	15 Aug 2032	Fair
9	FR0096	7.00	100.48	100.60	6.91	6.91	15 Feb 2033	Fair
9	FR0065	6.63	97.90	98.89	6.79	6.78	15 May 2033	Discounted
9	PBS025	8.38	111.65	100.60	6.58	6.91	15 May 2033	Premium
10	FR0100	6.63	98.35	98.89	6.78	6.78	15 Feb 2034	Fair
10	FR0068	8.38	110.79	98.89	6.79	6.78	15 Mar 2034	Fair
10	PBS029	6.38	98.80	104.84	6.47	6.87	15 Mar 2034	Fair
10	PBS022	8.63	113.87	98.89	6.63	6.78	15 Apr 2034	Premium
12	PBS037	6.88	101.25	123.94	6.67	6.93	15 Mar 2036	Fair
12	FR0072	8.25	110.56	110.93	6.90	6.90	15 May 2036	Fair
12	FR0088	6.25	94.72	123.94	6.79	6.93	15 Jun 2036	Fair
13	PBS004	6.10	95.36	102.10	6.60	6.89	15 Feb 2037	Fair
13	FR0045	9.75	123.62	123.94	6.93	6.93	15 May 2037	Fair
14	FR0075	7.50	104.07	102.10	7.00	6.89	15 May 2038	Fair
14	FR0098	7.13	101.76	102.10	6.89	6.89	15 Jun 2038	Fair
14	FR0050	10.50	131.02	123.94	6.96	6.93	15 Jul 2038	Fair
15	FR0079	8.38	112.81	102.10	6.95	6.89	15 Apr 2039	Fair
15	PBS034	6.50	98.03	105.44	6.66	6.93	15 Jun 2039	Fair
16	FR0083	7.50	105.06	105.44	6.93	6.93	15 Apr 2040	Fair
19	PBS005	6.75	99.45	94.57	6.74	6.91	15 Apr 2043	Premium
19	FR0097	7.13	101.20	101.47	6.98	6.98	15 Jun 2043	Fair
20	FR0067	8.75	118.68	101.47	6.95	6.98	15 Feb 2044	Premium
22	PBS028	7.75	109.76	104.53	6.86	6.98	15 Oct 2046	Premium
23	PBS033	6.75	99.13	104.53	6.80	6.98	15 Jun 2047	Fair
23	PBS015	8.00	114.10	104.53	6.73	6.98	15 Jul 2047	Premium
24	FR0076	7.38	104.11	104.53	6.98	6.98	15 May 2048	Fair
27	FR0089	6.88	99.02	99.75	6.92	6.89	15 Aug 2051	Discounted
26	PBS038	6.88	98.79	104.53	6.96	6.98	15 Dec 2049	Fair

GLOBAL BONDS DATA

TTM	Series	Coupon	Price	Benchmark Price	Yield	Benchmark Yie	Maturity	Notes
4	INDON 2028	3.50	94.537	99.96	5.07	4.51	11 Jan 2028	Discounted
9	INDON 2033	4.85	98.305	101.72	5.06	4.34	11 Jan 2033	Discounted
29	INDON 2053	5.65	102.117	98.91	5.47	4.58	11 Jan 2053	Fair

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
United States				
Policy Interest Rate	%	20-Mar-24	5.50	5.50
Economic Growth	%, yoy	1Q24	3.0	3.1
Inflation Rate	%, yoy	Mar '24	3.5	3.2
Unemployment Rate	%	Mar '24	3.8	3.9
S&P Credit Rating	Rating		AA+	AA+
Euro Area				
Policy Interest Rate	%	11-Apr-24	4.50	4.50
Economic Growth	%, yoy	4Q23	0.0	0.1
Inflation Rate	%, yoy	Mar '24	2.4	2.6
Unemployment Rate	%	Feb '24	6.5	6.5
S&P Credit Rating	Rating	24-May-23	AA+	AA+
United Kingdom				
Policy Interest Rate	%	21-Mar-24	5.25	5.25
Economic Growth	%, yoy	4Q23	-0.2	0.2
Inflation Rate	%, yoy	Mar '24	3.2	3.4
Unemployment Rate	%	Feb '24	4.2	4.0
S&P Credit Rating	Rating	9-Jun-23	AA	AA
Japan				
Policy Interest Rate	%	26-Apr-24	0.00	-0.10
Economic Growth	%, yoy	4Q23	1.2	1.6
Inflation Rate	%, yoy	Mar '24	2.7	2.8
Unemployment Rate	%	Mar '24	2.6	2.6
S&P Credit Rating	Rating		A+	A+
China				
Policy Interest Rate	%	22-Apr-24	3.45	3.45
Economic Growth	%, yoy	1Q24	5.3	5.2
Inflation Rate	%, yoy	Mar '24	0.1	0.7
Unemployment Rate	%	Mar '24	5.2	5.3
S&P Credit Rating	Rating	6-Dec-23	A+	A+

Sources : Trading Economics, KBVS Research – treated (2023)

Economic Indicators	Unit	Latest Period	Data	
			Latest	Previous
Indonesia				
Policy Interest Rate	%	24-Apr-24	6.25	6.00
Economic Growth	%, yoy	4Q23	5.0	4.9
Inflation Rate	%, yoy	Mar '24	3.1	2.8
Unemployment Rate	%	Sep '23	5.3	5.5
S&P Credit Rating	Rating	4-Jul-23	BBB	BBB
India				
Policy Interest Rate	%	5 Apr '24	6.50	6.50
Economic Growth	%, yoy	4Q23	8.4	8.1
Inflation Rate	%, yoy	Mar '24	4.9	5.1
Unemployment Rate	%	Mar '24	7.6	8.0
S&P Credit Rating	Rating	18-May-23	BBB-	BBB-
Thailand				
Policy Interest Rate	%	10 Apr '24	2.50	2.50
Economic Growth	%, yoy	4Q23	1.7	1.4
Inflation Rate	%, yoy	Mar '24	-0.5	-0.8
Unemployment Rate	%	4Q23	0.8	1.0
S&P Credit Rating	Rating	23-Nov-23	BBB+	BBB+
Philippines				
Policy Interest Rate	%	8 Apr '24	6.50	6.50
Economic Growth	%, yoy	4Q23	5.6	6.0
Inflation Rate	%, yoy	Mar '24	3.7	3.4
Unemployment Rate	%	Feb '24	3.5	4.5
S&P Credit Rating	Rating	28-Nov-23	BBB+	BBB+
Vietnam				
Policy Interest Rate	%	31 Mar '24	4.50	4.50
Economic Growth	%, yoy	1Q24	5.7	6.7
Inflation Rate	%, yoy	Mar '24	4.0	4.0
Unemployment Rate	%	4Q23	2.3	2.3
S&P Credit Rating	Rating	15-Jun-23	BB+	BB

Sources : Trading Economics, KBVS Research – treated (2023)

Disclaimer

This report is prepared by PT KB Valbury Sekuritas, a member of the Indonesia Stock Exchange, or its subsidiaries or its affiliates ("KBVS"). All the material presented in this report is under copyright to KBVS. None of the parts of this material, nor its contents, may be copied, photocopied, or duplicated in any form or by any means or altered in any way, or transmitted to, or distributed to any other party without the prior written consent of KBVS.

The research presented in this report is based on the information obtained by KBVS from sources believed to be reliable, however KBVS do not make representations as to their accuracy, completeness or correctness. KBVS accepts no liability for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from the use of the material presented in this report and further communication given or relied in relation to this document. The material in this report is not to be construed as an offer or a solicitation of an offer to buy or sell any securities or financial products. This report is not to be relied upon in substitution for the exercise of independent judgement. Past performance and no representation or warranty, express or implied, is made regarding future performance. Information, valuations, opinions, forecasts and estimates contained in this report reflects a judgement at its original date of publication by KBVS and are subject to change without notice, its accuracy is not guaranteed or it may be incomplete.

The Research Analyst(s) primarily responsible for the content of this research report, in part or as a whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The Analyst also certifies that no part of his/her compensation was, is or will related to specific recommendation views expressed in this report. It also certifies that the views and recommendations expressed in this report do not and will not take into account client circumstances, objectives, needs and no intentions involved as a use for recommendations for sale or buy any securities or financial instruments.

KB Valbury Sekuritas Head Office

Sahid Sudirman Center 41st Floor Unit A-C
Jalan Jenderal Sudirman No. 86 Kelurahan Karet Tengsin,
Kecamatan Tanah Abang, Jakarta Pusat 10220, Indonesia
T. +62 21 – 250 98 300
F. +62 21 – 255 33 778

Branch Office

Jakarta – Sudirman

Sahid Sudirman Center 41st Floor Unit A-C
Jalan Jenderal Sudirman No. 86 Karet Tengsin,
Tanah Abang, Jakarta Pusat 10220
T. (021) 25098300/301

Jakarta – Kelapa Gading

Rukan Plaza Pasifik
Jl. Raya Boulevard Barat Blok A1 No. 10
Jakarta Utara 11620
T. (021) 29451577

Jakarta – Puri Indah

Rukan Grand Aries Niaga Blok E1 No. IV
Jl. Taman Aries, Kembangan
Jakarta Barat 11620
T. (021) 22542590

Jakarta – Pluit

Jl. Pluit Putra Raya No. 2
Jakarta Utara 14450
T. (021) 6692119

Bandung

Jl. HOS Cokroaminoto No. 82
Bandung 40171
T. (022) 87255800

Malang

Jl. Pahlawan Trip No. 7
Malang 65112
T. (0341) 585888

Banjarmasin

Jl. Gatot Subroto No. 33
Banjarmasin 70235
T. (0511) – 3265918

Pekanbaru

Jl. Tuanku Tambusai, Komplek CNN
Blok A No. 3 Pekanbaru 28291
T. (0761) 839393

Palembang

Komplek PTC Mall Blok I No. 7
Jl. R. Sukanto
Palembang 30114
T. (0711) 5700281

Surabaya

Pakuwon Center Lt 21
Jl. Embong Malang No.1
Surabaya 60261
T. (031) 21008080

Padang

Jl. Kampung Nias II No. 10,
Padang 25211
T. (0751) 8955747

Yogyakarta

Jl. Magelang KM 5,5 No. 75
Yogyakarta 55000
T. (0274) 623111

Semarang

Candi Plaza Building Lt. Dasar
Jl. Sultan Agung No. 90-90A
Semarang 50252
T. (024) 8501122

Makassar

Komplek RUKO Citraland City Losari
Business Park, Blok B2 No. 09
Jl. Citraland Boulevard Makassar 90111
T. (0241) 16000818

Medan

Komplek Jati Junction No. P5-5A
Jl. Perintis Kemerdekaan
Medan 20218
T. (061) 88816222

Denpasar

Jl. Teuku Umar No. 177
Komplek Ibis Styles Hotel
Denpasar Bali 80114
T. (0361) 225229

Investment Gallery

Jakarta

Citra Garden 6 Ruko Sixth Avenue
Blok J.1 A/18, Cengkareng
Jakarta Barat 11820
T. (021) 522592181

Semarang

Jl. MT Haryono 637
Semarang 50242
T. (024) 8415195

Salatiga

Jl. Diponegoro No. 68
Salatiga 50711
T. (0298) 313007

Solo

Jl. Ronggowarsito No. 34
Surakarta 57118
T. (0271) 6726306