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The Dovish Stances Trend Of Most Global Central Banks

Preliminary

PEFINDO is of the view that most of global central bank are in the dovish trend. Several Asia-Pacific's central bank have already cut their interest rates since early of 2019, then followed by another region, such as Chile's and Russia at the middle of June. Although some of the main central banks, such as the United States Central Bank (Federal Reserve-The Fed), European Central Bank (ECB), and Japan Central Bank (Bank of Japan-BoJ) still hold their interest rates unchanged, most of them indicated the possibility to ease their monetary policy. It is also followed by Bank Indonesia (BI) that is still holding their policy rate, but has decided to add stimulus to the economy by lowering the rupiah reserve requirement for conventional and Islamic banks by 50 basis points (bps) to 6.0% and 4.5% respectively.

Global Trend

Since early of 2019, several Asia-Pacific's central banks have already lowered their policy rates. Begin by India's Central Bank that already slashed interest rates for the third time this year (at February 7, 2019, April 4, 2019, and June 6, 2019). Then Malaysia's Central Bank that cut its benchmark interest rate on May 7, 2019, Central Bank of New Zealand on May 8, 2019, The Philippine Central Bank on May 9, 2019, and Central Bank Australia on June 4, 2019.

Most of them adopt a more dovish stance in facing a weak global outlook. The Reserve Bank of India (RBI) cut its policy interest rate by 75 bps since February to the lowest level in nearly a decade, at 5.75% on June 6, 2019. In the latest press release, the bank attributed the cut rate decision to the growth plunge and citing a drop in private sector demand. India's monetary policy committee (MPC) said that "a sharp slowdown in investment activity along with a continuing moderation in private consumption growth is a matter of concern".

Then Bank Negara Malaysia (BNM) cut the rate by 25 bps to 3.00% at May 7, 2019, the first reduction since July 2016. The bank's press release stated that "considerable downside risks to global growth remain, stemming from unresolved trade tensions and prolonged country-specific weaknesses in the major economies" as the reason for the policy.

Meanwhile, The Reserve Bank of New Zealand (RBNZ) cut the official cash rate (OCR) by 25 bps to a record low of all time at 1.5% at May 8, 2019. The movement is the first time in two-and-a-half years. It looks to support a cooling economy and counter global uncertainties. The RBNZ's monetary policy committee said in a statement that "The Monetary Policy Committee decided a lower OCR is necessary to support the outlook for employment and inflation consistent with its policy remit".

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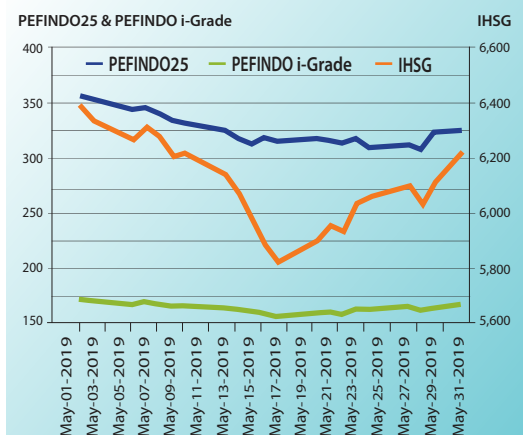
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Furthermore, The Bangko Sentral ng Pilipinas (BSP) lowered its benchmark rate for the first time in nearly seven years by 25 bps to 4.5% at May 9th, 2019. The cut decision happen just hours after the government reported that economic growth in the first three months of the year expanded at its slowest pace in four years. The economy grew just 5.6% in the first quarter of 2019, the first time in 16 quarters that growth came in below 6%. BSP's Governor, Benjamin Diokno, said that "The Monetary Board's decision is based on its assessment that the inflation outlook continues to be manageable, with easing price pressures owing to the decline in food prices amid improved supply conditions."

The Reserve Bank of Australia (RBA) also changed its monetary policy stance to "accommodative" by reducing its policy rate (the cash rate) to 1.25% from 1.5% at early of June. The RBA's governor, Philip Lowe, said "the move would help reduce unemployment and boost inflation back towards its 2-3% target range."

A day after, in the other region, Chile's Central Bank joined Asia-Pacific central banks to cut rates with a half-point (50 bps) key interest rate. Then in the second weeks of June, the Russian Central Bank also decided to lower its key interest rate by a quarter-percentage point to 7.5%.

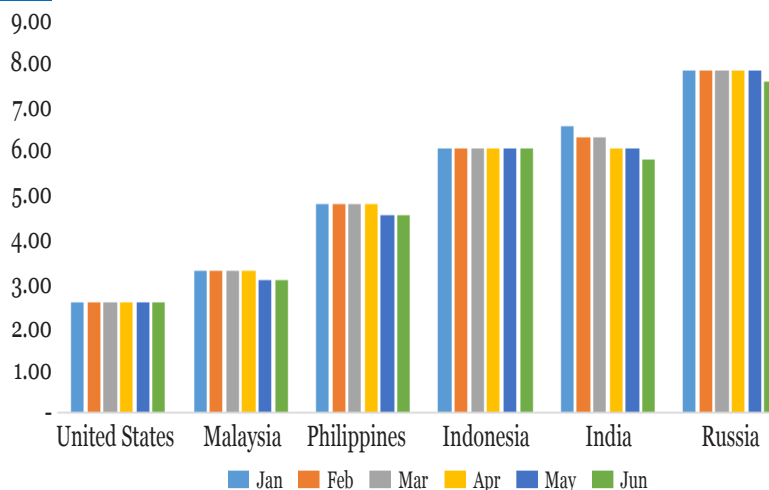
The dovish sentiments is also decisive by the world's major central banks. Although the United

States Central Bank (Federal Reserve-The Fed); European Central Bank (ECB); and Japan Central Bank (Bank of Japan-BoJ) still hold their interest rates unchanged until June, but most of them are indicated the possibility to ease their monetary policy. ECB President Mario Draghi said on June 18 that "ECB's could cut interest rates again or conduct more asset purchases if inflation doesn't meet its target." While, on June 19, Jerome Powell (Fed Chairman) said that, "any participants now see the case for somewhat more accommodative policy has strengthened." Then Kuroda (BoJ Governor) told "If the economy loses momentum toward achieving our price target, we'll of course consider expanding stimulus without hesitation" in a news conference, on 20 June.

Bank Indonesia (BI) also still hold their policy rate (the BI 7-Day Reverse Repo Rate- BI7DRRR) at the 6.00% level, while also keep the Deposit Facility (DF) rates and Lending Facility (LF) rates unchanged at 5.25% and 6.75% respectively, but at the same time BI has decided to add stimulus to the economy by lowering the rupiah reserve requirement for conventional and Islamic banks at 50 basis points (bps) to 6.0% and 4.5%. At the same time, BI Board of Governors stated "considering reductions to the policy rate in line with low inflation and the current need to stimulate domestic economic growth", which is appeared to be room for BI to cut its benchmark rate in the near future.

In the opposite side, Norway Central Bank (Bank of Norway - BoN) and England Central Bank (Bank of England - BoE) choose another stance with different reasons. On June 20, 2019, BoN raised its key interest rate by 25 bps to 1.25%. Saying that the "upturn in the Norwegian economy appears to be a little stronger than expected". While BoE although still hanging their interest rate unchanged along 2019, but amid the possibility of a no-deal Brexit still hanging over the United Kingdom (UK), they are possibly to raise their interest rate soon. Chief Economist of BoE, Andy Haldane, said earlier this month that "the time for a rate rise to mitigate inflation pressure was nearing".●

Exhibit 1. Policy Rate of Some Central Banks in 2019 (% YoY)



Source: Bloomberg (2019)


Aryo Perbongso
 CORPORATE RATING ANALYST

Stable Outlook For Construction Industry In Indonesia

PEFINDO views the outlook for the construction industry in Indonesia as stable as it related to the government's budget for infrastructure. Most of the demand for construction services is related to the infrastructure development.

The relationship of the construction industry with the government's infrastructure budget is evidenced in the table below, which shows the revenue of the big four state-owned construction companies in Indonesia.

(IDR Trillion)	2018	2017	2016	2015	2014	2013
State Budget (APBN) – Infrastructure	410.4	388.3	269.1	256.1	154.7	155.9
Revenue – PT Pembangunan Perumahan (Persero) Tbk (PTPP)	25.5	21.9	16.6	14.3	12.5	11.8
Revenue – PT Wijaya Karya (Persero) Tbk (WIKA)	31.2	26.7	16.0	13.9	12.8	12.1
Revenue – PT Waskita Karya (Persero) Tbk (WSKT)	48.8	45.2	23.8	14.2	10.5	9.8
Revenue – PT Adhi Karya (Persero) Tbk (ADHI)	15.8	15.4	11.1	9.4	8.7	9.9

Source: Various Sources, processed by PEFINDO

The table shows that increases in the state budget (ABPN) allocation for infrastructure correlate with increases in the revenue of the big four state-owned construction companies, whose revenues are almost entirely generated from the government projects. These companies are also benefitting directly from the policy of President Joko Widodo's (Jokowi) administration to accelerate infrastructure development in Indonesia. For 2018, the government allocated IDR410.4 trillion to complete its National Strategic Projects (PSN), such as Mass Rapid Transit (MRT), Light Rail Transit (LRT), and Bogor toll ring-road projects. In 2019, the APBN allocation for infrastructure increases to IDR420.5 trillion, in order to complete 24 PSN projects, such as Bakauheni-Terbanggi Besar toll road, Solo-Ngawi toll road, and Batang-Semarang toll road.

However, in 2019, the construction industry is expected to be stagnant due to the election process in the first half of the year. The government is less active during this period in terms of injecting capital into state-owned enterprises (SOEs) or establishing a holding corporation for infrastructure and housing as it shifts its focus toward preparing for the legislative and presidential elections and reconciliation process after the election. After the election result has already been announced by the General Election Commission (KPU) on May 21, 2019, with Jokowi as the winner with 55.41% votes and constitutional court decision to reject Prabowo's appeal against election result, solidifies Jokowi win in presidency election, we expect the government to

remain focusing on completing the PSN and to create a new set of priority projects that would address the infrastructure gap among eastern, central, and western parts of Indonesia, such as moving Indonesian capital city from Jakarta to a more supportive area. In conclusion, we are of the view that infrastructure development in Indonesia will continue to be a priority in the future, especially PSN, such as the Jabodetabek Light Rail Transit (LRT) project and Trans-Sumatra Toll Road.

Cash Flow Risk Keeps An Eye On Contractors

In order to increase their margin, most contractors create internal investments or work on turnkey projects. However, these types of projects carry higher risks compared to others, as they require contractors to fund all construction costs until the project is completed. Successful funding of turnkey projects requires strong capital structures, financing support from banks, and other alternative sources. Internal investment projects also carry longer payback periods, as they require investment funds to run them. Therefore, contractors should be selective and be thorough in deciding on investment and turnkey projects, in order to not affect their cash flow for operational purposes. Taking on new debt may seem like a quick solution to maintain cash flow. However, it comes with the risks of rising interest burden and refinancing risk.

Alternative Financing For Infrastructure Development

The government of Indonesia is able to maintain budget deficit to Gross Domestic Product (GDP) on five-years average of around 2.5% as shown in the table below. The government is also able to increase its rating from BBB- into BBB from Standard and Poor's rating agency, thanks to effective Indonesia's policymaking in promoting sustainable public finances and balanced growth and maintaining fiscal discipline with good quality of spending on human capital and infrastructure investment. However, the government's ability to support infrastructure development plan in the future is limited due to political issue about budget deficit between government political party and government opposition political party, as it is regulated in the Law

	2018	2017	2016	2015	2014
Budget Deficit (IDR Trillion)	325,9	345,8	307,7	318,5	248,9
Budget Deficit to GDP (%)	2,2	2,6	2,5	2,8	2,4
Debt to GDP (%)	29,9	29,2	28,0	27,4	25,8

Source: Various Sources, processed by PEFINDO

No.17 Year 2003 about state finances. Based on the regulation, the ceiling level for budget deficit to GDP is 3%.

Therefore, the government needs a significant move to provide alternative financing sources for infrastructure to reduce burden on the government budget. The government has injected capital to SOEs to strengthen their capital structure, increased equity participation from non-bank institutions (such as PT Sarana Multi Infrastruktur or SMI and PT Indonesia Infrastructure Finance or IIF), created a viability gap fund for unfeasible projects, issued government guarantees for selected sizeable projects, and directly appointed unlisted SOEs to lower projects' IRR.

SOEs were also told to be more creative in financing infrastructure projects. PTPP, for example, issued perpetual bond, while WSKT succeeded in recycling its assets through Reksa Dana Penyeretaan Terbatas (RDPT). WIKA also issued global Komodo Bond. Alternative funding sources are also provided through equity participation, project bonds, securitization, and public private partnerships schemes to support the acceleration of infrastructure development, while reducing pressure on the government budget.

Among the SOE contractors in our portfolio, PTPP has the highest rating of "A⁺". Furthermore, PTHK rating is "A", while ADHI and WSKT have the same ratings of "A⁻". PTPP's higher rating is due to its above average cash flow protection measures, higher margin, and more conservative leverage compared to its peers, which are attributed to its diversified revenue sources from construction, engineering procurement and construction (EPC), property and realty, precast, heavy equipment rental businesses, and investments. This diversification provides PTPP with better business stability compared to other construction companies, as PTPP's investment type subsidiary (such as property, energy & infrastructure) also gives benefit to PTPP to prioritize the company as its contractor so it creates additional new contract for PTPP and leads to PTPP's new contracts higher compared other rated construction SOE. PTPP also has quite high and stable margins for its operation as it provides full construction services from upstream (precast, heavy equipment rental business) to downstream (property, energy & infrastructure). However, PTPP's rating is constrained by its potential higher financial leverage in the future, risk of its expansion into new business in infrastructure and energy, and of the expansion in its subsidiary. ●

Regional Socioeconomic Profile In Indonesia



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The regional socioeconomic profile is one of the qualitative factors that could be a supporting or constraining factor of regional economy indicators assessment, that is one of the indicators analyzed by PEFINDO to determine the credit rating of local government in Indonesia.

The regional income level, which is the main factor of our regional economic analysis and reflected by the Gross Regional Domestic Product (GRDP) per capita and complemented by the GRDP contribution to the Gross Domestic Product (GDP) might not fully capture the regional economy as a whole. Therefore, we also analyze the regional socioeconomic profile, which may have an impact to the local government's revenue growth and spending needs.

The socioeconomic profile is analyzed mainly on the poverty rate and the unemployment rate based on the Statistics Indonesia (Badan Pusat Statistik/BPS) data. The poverty rate is measured based on the population with the expenditure per capita below the poverty line (cost of basic needs) divided by the total population. The unemployment rate is measured based on the unemployed population divided by the total workforce population (aged 15-64 years old).

BPS issues the poverty and employment data twice a year in March and September for poverty data and February and August for employment data. In the following

analysis, we will use the simulation based on the poverty rate as of September 2018 and the unemployment rate as of August 2018.

Poverty Rate

Based on BPS data as of September 2018, Indonesia's poverty rate, which is equal to the weighted average of national poverty rate, was 9.66% with the population below the poverty line of 25.7 million people. We noted that DKI Jakarta had the lowest poverty rate of 3.55%, followed by Bali (3.91%), and South Kalimantan (4.65%). Meanwhile, Papua had the highest poverty rate of 27.43%, followed by West Papua (22.66%), and East Nusa Tenggara (Nusa Tenggara Timur/NTT) (21.03%).

DKI Jakarta was the largest GDP contributor in 2018 with GRDP of 17.12% to GDP or IDR2,559.17 trillion. DKI Jakarta also had the highest GRDP per capita that reached IDR248.31 million. Meanwhile, NTT had the lowest GRDP per capita with only IDR18.45 million. Thus, we can see the relationship between the poverty rate and GRDP per capita.

However, we can see the anomalies in Papua and West Papua. Despite the highest poverty rate in 2018, Papua had the seventh highest GRDP per capita of IDR63.40 million, while West Papua had the sixth highest GRDP per capita of IDR84.96 million. These anomalies are the justification of why socioeconomic profiles are needed to complement the economic analysis of GRDP per capita and GRDP contribution to GDP.

In addition, Indonesia's poverty rate of September 2017 was still a double digit rate of 10.12%. It was in March 2018 that

the poverty rate finally reached a single digit rate of 9.82%, and further decreased to 9.66% in September 2018. However, in September 2018, there were 16 provinces that still had double digits poverty rate, within a range of 10.85%-27.43%.

Anomalies also occur in several provinces with a large GRDP contribution to GDP, but in September 2018 still had a double digit poverty rate, such as East Java (the poverty rate of 10.85% with the second highest GRDP contribution to GDP of 14.65%), Central Java (the poverty rate of 11.19% with the fourth highest GRDP contribution to GDP of 8.49%), and South Sumatra (the poverty rate of 12.82% with the tenth highest GRDP contribution to GDP of 2.81%)

Unemployment Rate

Based on BPS data as of August 2018, Indonesia's unemployment rate was 5.34% with the unemployed population of 7 million people. We noted that Bali had the lowest unemployment rate of 1.37%, followed by NTT (3.01%), and West Sulawesi (3.16%). Meanwhile, Banten had the highest unemployment rate of 8.52%, followed by West Java (8.17%), and Maluku (7.27%).

In general, it is hard to see the relationship between an unemployment rate with GRDP per capita and GRDP contribution to GDP. However, we can see the relationship between an unemployment rate and a poverty rate. Bali had the lowest unemployment rate with the second lowest poverty rate, while Maluku had the third highest unemployment rate with the fourth highest poverty rate (17.85%).

Nevertheless, there is an anomaly with NTT as its unemployment rate is very low (the second lowest), but with a very high poverty rate (the third highest). There are several factors that can affect it, such as regional minimum wages and poverty lines (cost of basic needs), which can vary in each region. ●

Poverty Rate [%]	Province	No.	Province	Unemployment Rate [%]
3.55	DKI Jakarta	1	Bali	1.37
3.91	Bali	2	East NT	3.01
4.65	South Kalimantan	3	West Sulawesi	3.16
9.66	INDONESIA		INDONESIA	5.34
21.03	East NT	32	Maluku	7.27
22.66	West Papua	33	West Java	8.17
27.43	Papua	34	Banten	8.52

PEFINDO Rating Press Release



PEFINDO's press release was held on May 15, 2019. Located in PEFINDO's main meeting room, Hendro Utomo, as the Head of Financial Institution Rating Division, covered rating activities to several financial companies during the second quarter of 2019. Rating activities of finance companies and banks conducted by PEFINDO during the period of March 1, 2019-May 13, 2019 amounted to 35 rating activities, consisting of various sectors in financial services and Asset-Backed Securities.

Niken Indriarsih as the Head of Corporate Rating Division explained rating activities in the various sectors in the second session of the event. In term of corporate rating other than financial institutions, rating activities during the period of February 20, 2019-May 14, 2019 covered several sectors, including property, chemical, seaport, plantation, construction, electricity, telecommunications, oil and gas, tourism, food and

beverage, processing, mining, cement, and toll road, making the total corporate ratings of 29 entities.

The press release event, which was attended by 13 journalists from 11 media, was closed after a question and answer session between journalists and PEFINDO's analysts. ●

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S&P's Sovereign Rating Upgrade Opens Opportunities For Yield To Lower

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Indonesia's sovereign rating upgrade is one of the good news for the domestic capital market in 2019, especially amid the pressure of the trade balance. On May 31, 2019, Standard and Poors (S&P) raised Indonesia's sovereign rating to BBB from BBB-. The reason is that the Indonesian economy has consistently outperformed its peers at the same level of income, and it is expected that the growth outlook will remain strong in the coming years.

A higher rating reflects the recognition of the strong domestic economic condition. This is of course a catalyst for the domestic capital market. With a better credit profile, premiums demanded by foreign investors should decrease. Lower premiums allow the spread of domestic interest rates and international interest rates to be narrower than before.

For the bond market, lower premium should drive the price. Hence, the rating upgrade catalyzes bond yields to fall further. The increase

in rating generally coincides with the decline in government bond yields, as presented in graph 1. Cases are quite real in 2012 and 2019, when S&P raised Indonesia rating. However, the higher profile of credit does not necessarily continue to reduce bond yields, as happened in 2013 and 2018. There are various factors that influence bond yields, especially policy rates and inflation, not just sovereign rating.

Overall, with improved credit profiles, we expect Indonesia to be more competitive in attracting foreign investment, especially in the financial markets. As comparison, Indonesia's current rating is better than India (BBB-), but one notch below the Philippines (BBB+). However, in terms of bond yields, Indonesia is still above, even compared to India. In comparison, on June 12, 2019, Indonesian bond yield was at 7.718%, higher than the Philippines (5.237%) and India (7.013%). Thus, we view that rating upgrade will open up room for yields to fall for the next few months, especially if trade balance issues can be overcome. ●

Graph 1. Correlation Between Sovereign Rating and Indonesian Government Bond Yields



Source: Bank Indonesia, Bloomberg



companies & bonds rated by PEFINDO

No	Company	Rating	Outlook
1	Adhi Karya (Persero) Tbk. Shelf Registration Bond Year 2012, 2013, and 2017	idA-	Stable
2	Adhi Persada Properti MTN Year 2017	idBBB	Negative
3	Adira Dinamika Multi Finance Tbk. Shelf Registration Bond Year 2014, 2015, 2016, 2017, 2018, and 2019 Shelf Registration Sukuk Mudharabah Year 2016, 2017, 2018, and 2019	idAAA	Stable
4	Agung Podomoro Land Tbk. Shelf Registration Bond Year 2014 and 2015	idA-	Negative
5	AKR Corporindo Tbk. Bond Year 2012 Shelf Registration Bond Year 2017	idAA-	Stable
6	Andalan Finance Indonesia	idBBB+	Stable
7	Aneka Tambang Tbk. Shelf Registration Bond Year 2011	idA-	Stable
8	Angkasa Pura I (Persero) Bond Year 2016 Sukuk Ijarah Year 2016	idAAA	Stable
9	Angkasa Pura II (Persero) Bond Year 2016 Shelf Registration Bond Year 2018	idAAA	Stable
10	ASDP Indonesia Ferry (Persero)	idAA	Stable
11	Asuransi Bhakti Bhayangkara	idBBB	Stable
12	Asuransi Binagriya Upakara	idBBB+	Stable
13	Asuransi BRI Life	idAA	Stable
14	Asuransi Bringin Sejahtera Artamakmur	idA	Stable
15	Asuransi Central Asia	idA+	Stable
16	Asuransi Jasa Indonesia (Persero)	idAA	Stable
17	Asuransi Jiwa Taspen	idA+	Stable
18	Asuransi Kredit Indonesia (Persero)	idAA+	Stable
19	Asuransi Purna Artanugraha	idBBB	Stable
20	Asuransi Sinar Mas	idAA+	Stable
21	Asuransi Tri Pakarta	idA-	Stable
22	Asuransi Umum BCA	idAA	Stable
23	Bali Towerindo Sentra Tbk. MTN Year 2017	idBBB+	Stable
24	Bank BNI Syariah	idAA+	Stable
25	Bank BNP Paribas Indonesia	idAAA	Stable
26	Bank BTPN Tbk. MTN	idAAA	Stable
27	Bank Bukopin Tbk. Shelf Registration Subordinated Bond Year 2015 and 2017	idBBB	Stable
28	Bank Capital Indonesia Tbk. Subordinated Bond Year 2014, 2015, and 2017	idBBB+	Stable
29	Bank Central Asia Tbk. Shelf Registration Subordinated Bond Year 2018	idBBB-	Stable
30	Bank CIMB Niaga Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 Subordinated Bond Year 2018 Shelf Registration Sukuk Mudharabah Year 2018	idAAA	Stable
31	Bank Danamon Indonesia Tbk. MTN Year 2019	idAAA(sy)	Stable
32	Bank DKI Shelf Registration Bond Year 2016	idAAA	Stable
33	Bank Kesejahteraan Ekonomi Subordinated Bond Year 2016	idA-	Negative
34	Bank Mandiri (Persero) Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 Subordinated MTN Year 2018	idBBB+	Stable
35	Bank Mandiri Taspen	idAAA	Stable
36	Bank Mayapada Internasional Tbk. Subordinated Bond Year 2013 Subordinated Bond Year 2014 and 2018 Shelf Registration Subordinated Bond Year 2017	idAA-	Negative
37	Bank Maybank Indonesia Tbk. Shelf Registration Bond Year 2017, 2018, and 2019 Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2014 and 2016 Shelf Registration Sukuk Mudharabah Year 2016 and 2017	idBBB+	Stable
38	Bank Negara Indonesia (Persero) Tbk. Shelf Registration Bond Year 2017 Subordinated MTN Year 2018	idAAA	Stable
39	Bank OCBC NISP Tbk. Shelf Registration Bond Year 2017 and 2018	idAAA	Stable
40	Bank Pan Indonesia Tbk. Shelf Registration Bond Year 2016 and 2018 Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2016, 2017, and 2018	idAA	Stable
41	Bank Panin Dubai Syariah Tbk.	idA+	Stable
42	Bank Pembangunan Daerah Jawa Barat dan Banten Tbk. Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2017	idAA-	Stable
43	Bank Pembangunan Daerah Jawa Tengah Subordinated Bond Year 2015 MTN Year 2017 MTN Syariah Mudharabah Year 2017	idAA-	Stable
44	Bank Pembangunan Daerah Jawa Timur Tbk.	idAA-(sy)	Stable
45	Bank Pembangunan Daerah Nusa Tenggara Timur Shelf Registration Bond Year 2018	idA+	Negative
46	Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat Shelf Registration Bond Year 2016 and 2018 Sukuk Mudharabah Year 2016	idA+	Stable

No	Company	Rating	Outlook
47	Bank Pembangunan Daerah Sumatera Barat (Bank Nagari) Subordinated Bond Year 2012 Bond Year 2015 Sukuk Mudharabah Year 2015	idA	Stable
48	Bank Permata Tbk. Shelf Registration Subordinated Bond Year 2013 Shelf Registration Subordinated Bond Year 2014 Subordinated Bond Year 2012	idA-	Stable
49	Bank QNB Indonesia Tbk.	idAAA	Stable
50	Bank Rakyat Indonesia (Persero) Tbk. Shelf Registration Bond Year 2015, 2016, 2017, and 2018 Subordinated Bond Year 2018	idAAA	Stable
51	Bank Rakyat Indonesia Agroniaga Tbk. Bond Year 2017	idAA	Stable
52	Bank Resona Perdana	idAA	Stable
53	Bank Shinhan Indonesia	idAAA	Stable
54	Bank Sumut Shelf Registration Subordinated Bond Year 2018	idA	Stable
55	Bank Syariah Mandiri Sukuk Mudharabah Subordinated Year 2016	idBBB+	Stable
56	Bank Tabungan Negara (Persero) Tbk. Bond Year 2010 and 2011 Shelf Registration Bond Year 2012, 2013, 2015, 2016, and 2017	idAA-(sy)	Stable
57	Bank Victoria International Tbk. Subordinated Bond Year 2012 and 2013 Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2017 and 2018	idAA+	Stable
58	Bank Woori Saudara Indonesia 1906 Tbk. Subordinated Bond Year 2012	idBBB+	Stable
59	Barata Indonesia (Persero) MTN Year 2017	idAAA	Stable
60	Batavia Prosperindo Finance Tbk. Shelf Registration Bond Year 2017 and 2018	idBBB	Stable
61	BCA Finance Shelf Registration Bond Year 2016	idBBB	Stable
62	Bio Farma (Persero) MTN Year 2018 MTN Syariah Mudharabah Year 2018	idAAA	Stable
63	BNI Life Insurance	idAAA(sy)	Stable
64	BRI Multifinance Indonesia	idAA+	Stable
65	Bukaka Teknik Utama Tbk.	idBBB+	Stable
66	Bumi Serpong Damai Tbk. Shelf Registration Bond Year 2012 and 2016	idAA-	Stable
67	Bussan Auto Finance Bond Year 2017 and 2018	idAA-	Stable
68	Century Tokyo Leasing Indonesia MTN Year 2016	idAA	Stable
69	Chandra Asri Petrochemical Tbk. Bond Year 2016 Shelf Registration Bond Year 2017, 2018, and 2019	idAAA(cg)	Stable
70	Chandra Sakti Utama Leasing Bond Year 2017	idAA-	Stable
71	Clipan Finance Indonesia Tbk. MTN Year 2018	idA	Stable
72	CSM Corporatama	idAA-	Stable
73	Danareksa (Persero) Shelf Registration Bond Year 2014	idBBB+	Stable
74	Elnusa Tbk.	idA	Stable
75	Fast Food Indonesia Tbk. Bond Year 2016	idAA-	Stable
76	Federal International Finance Shelf Registration Bond Year 2016, 2017, 2018, and 2019	idAAA	Stable
77	Finansia Multi Finance MTN Year 2017	idBBB+	Stable
78	Global Mediacom Tbk. Shelf Registration Bond Year 2017 Shelf Registration Sukuk Ijarah Year 2017	idBBB+	Negative
79	Graha Informatika Nusantara MTN Year 2016	idA+	Stable
80	Hakaaston MTN Year 2018	idBBB+	Stable
81	Hartadinata Abadi Tbk. MTN Syariah Mudharabah Year 2019	idA-	Stable
82	Helksa Solution Insurance	idA-(sy)	Stable
83	Hutama Karya (Persero) Bond Year 2013 Shelf Registration Bond Year 2016 and 2017	idBBB+	Stable
84	Impact Pratama Industri Tbk. Bond Year 2016	idA	Negative
85	Indofood Sukses Makmur Tbk. Bond Year 2014 and 2017	idAA+	Stable
86	Indomobil Finance Indonesia Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idAA+	Stable
87	Indonesia Infrastructure Finance Bond Year 2016	idA	Stable
88	Indonesia Power	idAAA	Stable
89	Indosat Tbk. Bond Year 2012 Sukuk Ijarah Year 2012 Shelf Registration Bond Year 2014, 2015, 2016, 2017, 2018, and 2019 Shelf Registration Sukuk Ijarah Year 2014, 2015, 2016, 2017, and 2019	idAAA	Stable

No	Company	Rating	Outlook
90	Industri Kereta Api (Persero) MTN Year 2017	idA-	Stable
91	INKA Multi Solusi MTN Syariah Mudharabah Year 2017	idBBB	Negative
92	Intiland Development Tbk. Bond Year 2016	idBBB	Stable
93	J Resources Nusantara MTN Year 2017 and 2018	idBBB	Stable
94	Jakarta Lingkar Baratsatu Bond Year 2018	idA	Stable
95	Jamkrindo Jabar	idA+	Stable
96	Jasa Marga (Persero) Tbk. Bond Year 2010	idA+	Stable
97	Jasa Raharja (Persero) Shelf Registration Bond Year 2014	idBBB	Stable
98	Kapuas Prima Coal Tbk. Bond Year 2018	idAAA	Stable
99	Kereta Api Indonesia (Persero) Bond Year 2017	idBBB	Stable
100	KIK DINFRA Toll Road Mandiri-001	idAAA	Stable
101	KIK EBA (Asset Backed Securities) KIK EBA Danareksa BTN - KPR BTN Class A KIK EBA Danareksa Indonesia Power PLN 1-Class A EBA KIK EBA Mandiri JSMR01 Class A KIK EBA Mandiri GIAA01 Class A EBA EBA-SP SMF-BTNO1 Class A EBA-SP SMF-BTNO2 Class A EBA-SP SMF-BTNO3 Class A EBA-SP SMF-BTNO4 Class A EBA-SP SMF-BMRI01 Class A	idAA-	Stable
102	Kimia Farma (Persero) Tbk. MTN Year 2017 and 2018	idAAA(sf)	Stable
103	Lautan Luas Tbk. Shelf Registration Bond Year 2017	idAAA(sf)	Stable
104	Lembaga Pembiayaan Ekspor Indonesia Shelf Registration Bond Year 2014, 2015, 2016, 2017, 2018, and 2019 MTN Year 2016	idAAA(sf)(cg)	Stable
105	Lembaga Penjamin Simpanan	idAAA	Stable
106	Lontar Papyrus Pulp and Paper Industry MTN Year 2017	idAAA(sy)	Stable
107	Mandala Multifinance Tbk. Sukuk Mudharabah Year 2018	idA+	Stable
108	Mandiri Tunas Finance Shelf Registration Bond Year 2018	idA+(sy)	Stable
109	Marga Lingkar Jakarta Bond Year 2015, 2016, 2017, and 2019	idA	Stable
110	Maskapai Reasuransi Indonesia Tbk. Bond Year 2017	idAA+	Stable
111	Maskapai Reasuransi Indonesia Tbk. Mayora Indah Tbk. Shelf Registration Bond Year 2017 and 2018	idAAA(sf)	Stable
112	Medco Energi Internasional Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 MTN Year 2016	idAA	Stable
113	Medco Power Indonesia Bond Year 2018 Sukuk Wakalah Year 2018 and 2019	idA+	Stable
114	Mitra Adiperkasa Tbk. Shelf Registration Bond Year 2014	idA	Stable
115	Mitsubishi UFJ Lease & Finance Finance MTN Year 2016	idAA(sy)	Stable
116	MNC Asuransi Indonesia	idAAA(cg)	Stable
117	MNC Guna Usaha Indonesia MTN Year 2018	idBBB+	Stable
118	MNC Kapital Indonesia Tbk. Shelf Registration Bond Year 2018	idBBB(cg)	Stable
119	Modernland Realty Tbk. Shelf Registration Bond Year 2015	idBBB	Stable
120	Mora Telematika Indonesia Bond Year 2017	idA-	Negative
121	Nindya Karya (Persero) MTN Year 2017	idA-	Stable
122	Nippon Indosari Corpindo Tbk. Shelf Registration Bond Year 2015	idBBB+	Stable
123	Nusa Surya Ciptadana	idBBB+	Stable
124	Oto Multiartha Bond Year 2017, 2018, and 2019	idAA	Stable
125	Pabrik Gula Rajawali I MTN Year 2018	idAA+	Stable
126	Panorama Sentrawisata Tbk. MTN Year 2018	idA	Stable
127	Pegadaian (Persero) Bond Year 2009	idBBB+	Stable
128	Pelabuhan Indonesia I (Persero) Shelf Registration Bond Year 2011, 2013, 2014, 2015, 2017, and 2018 MTN Syariah Mudharabah Year 2018	idAAA	Stable
129	Pelabuhan Indonesia IV (Persero) Bond Year 2016	idAAA(sy)	Stable
130	Pembangunan Jaya Ancol Tbk. Shelf Registration Bond Year 2016 and 2018	idAA	Stable
131	Pembangunan Perumahan (Persero) Tbk. Shelf Registration Bond Year 2015 and 2018 Perpetual Bond	idAA	Stable

No	Company	Rating	Outlook
132	Penjaminan Jamkrindo Syariah	idA+	Stable
133	Perikanan Nusantara (Persero) MTN Year 2017	idBBB-	Stable
134	Perkebunan Nusantara III (Persero) MTN Year 2018 and 2019	idBBB-	Stable
135	Perkebunan Nusantara X MTN Syariah Ijarah Year 2018	idA	Stable
136	Permodalan Nasional Madani (Persero) Shelf Registration Bond Year 2014, 2016, 2017, 2018, and 2019 Sukuk Mudharabah Year 2017 and 2018	idA(sy)	Stable
137	Perum Jaminan Kredit Indonesia (Jamkrindo)	idBBB	Stable
138	Perum Perikanan Indonesia MTN Year 2017	idAAA	Stable
139	Perum Perumnas MTN Year 2016, 2017, 2018, and 2019	idBBB+	Stable
140	Perusahaan Gas Negara Tbk	idBBB+	Stable
141	Perusahaan Listrik Negara (Persero) Bond Year 2006, 2007, and 2010 Shelf Registration Bond Year 2013, 2017, 2018, and 2019 Sukuk Ijarah Year 2010 Shelf Registration Sukuk Ijarah Year 2013, 2017, 2018, and 2019	idAAA	Stable
142	Perusahaan Perseroan (Persero) Telekomunikasi Indonesia Tbk. Bond Year 2010 Shelf Registration Bond Year 2015 MTN Year 2018 MTN Syariah Ijarah Year 2018	idAAA	Stable
143	Phapros Tbk.	idAAA(sy)	Stable
144	Pindad (Persero) MTN Year 2017	idA-	Stable
145	PP Properti Tbk. MTN Year 2016	idA-	Stable
146	PPA Finance	idBBB	Stable
147	Pupuk Indonesia (Persero)	idBBB	Stable
148	Radana Bhaskara Finance Tbk. MTN Year 2017	idBBB	Stable
149	Rajawali Nusantara Indonesia (Persero) MTN Year 2017	idBBB+	Stable
150	Reasuransi Indonesia Utama (Persero) Mandatory Convertible Bond I Year 2014	idBBB+(sy)	Stable
151	Reasuransi Syariah Indonesia	idAA	Stable
152	Ricobana Abadi MTN Year 2017	idAA-	Stable
153	Sarana Multi Infrastruktur (Persero) Bond Year 2014 Shelf Registration Bond Year 2016, 2017, and 2018 Shelf Registration Green Bond Year 2018 Shelf Registration Sukuk Mudharabah Year 2018 and 2019	idBBB-	Stable
154	Sarana Multigriya Finansial (Persero) Shelf Registration Bond Year 2012, 2013, 2016, 2017, 2018, and 2019 Sukuk Mudharabah Year 2017	idAAA	Stable
155	Semen Baturaja (Persero) Tbk. MTN Year 2018	idAAA(sy)	Stable
156	Semen Indonesia (Persero) Tbk. Shelf Registration Bond Year 2017 and 2019	idA	Stable
157	Siantar Top Tbk. Shelf Registration Bond Year 2016	idAA+	Negative
158	Sumberdaya Sewatama Bond Year 2012 Sukuk Ijarah Year 2012	idA	Positive
159	Summarecon Agung Tbk. Shelf Registration Bond Year 2014, 2015, 2017, and 2018 Shelf Registration Sukuk Ijarah Year 2014	idB+	Negative
160	Surya Artha Nusantara Finance Shelf Registration Bond Year 2016 and 2017	idB+(sy)	Stable
161	Surya Semesta Internusa Tbk. Shelf Registration Bond Year 2016	idAA	Stable
162	Suzuki Finance Indonesia	idAA-	Stable
163	Timah (Persero) Tbk Shelf Registration Bond Year 2017 Shelf Registration Sukuk Ijarah Year 2017	idA	Stable
164	Tiphone Mobile Indonesia Tbk. Shelf Registration Bond Year 2016, 2017, and 2019	idA+	Stable
165	Tridomain Performance Materials Tbk. MTN Year 2017 and 2018 Bond Year 2018	idBBB+	Stable
166	Trimegah Sekuritas Indonesia Tbk. MTN Year 2018	idA-	Stable
167	Verena Multi Finance Tbk. MTN Year 2017	idA	Stable
168	Waskita Karya (Persero) Tbk. Shelf Registration Bond Year 2015, 2016, and 2017	idA	Stable
169	Waskita Toll Road Shelf Registration MTN Year 2018 MTN Year 2019	idBBB+	Stable
170	Wika Realty MTN Year 2017	idBBB+	Stable