

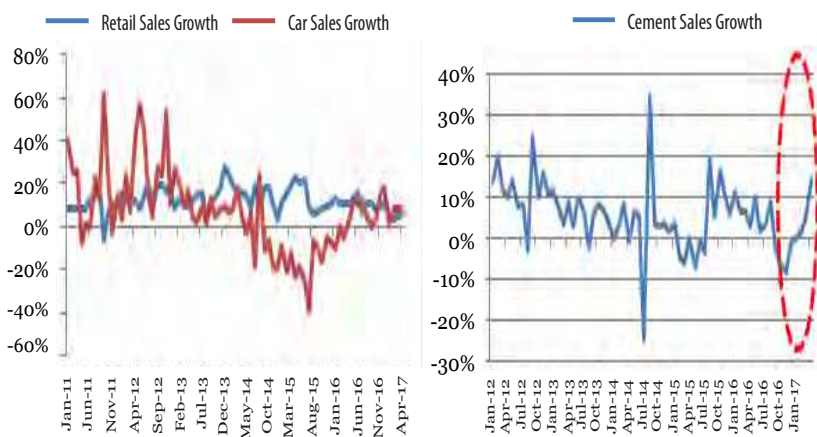
## Content

### The Trend of Economic Reform Continued In The Second Quarter of 2017

**E**conomic growth in the first quarter of 2017 showed an improvement compared to the same quarter last year to 5.0% Year-on-Year (YoY) from 4.9% YoY. The increase was attributed to the improvement of Indonesia's exports, growing by 8.0% YoY higher than the first quarter of 2016 contracted by 3.2%. At the same time, the growth of household consumption as the main engine of economic growth slightly decreased to 4.9% YoY from 5.0% YoY, while the growth of gross fixed capital formation was relatively stable. Based on the new data, we have a positive signal that the global demand started to improve and we hope the impact will increase Indonesia's export, which in turn can improve the gross domestic product (GDP) growth. If the growths of domestic consumption and investment improve in the second quarter of this year, it is possible that the GDP growth target of 5.1% set by the government can be achieved in the second quarter.

Based on the most recent data reflecting economic conditions in the second quarter of 2017, some indicators are improving, such as retail sales that grew positively in April by 5.4% YoY and is expected to grow higher in May and June due to seasonal effect of Holy month of Ramadan. Car sales have also continued to consistently grow in a positive zone since early 2017. Cement sales also grew positively throughout the first quarter through April 2017. These three indicators point to improvements in domestic consumption in April 2017, which we also expect to further increase in May and June.

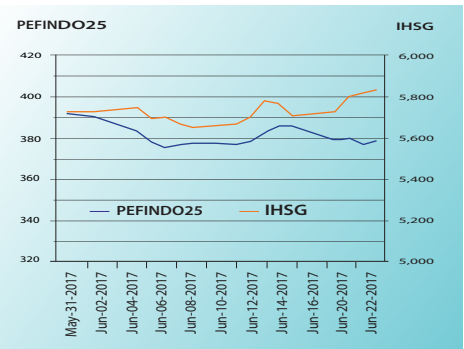
Retail, Car, and Cement Sales Growth



Source: Bloomberg

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**Ahmad Mikail**  
ECONOMIST

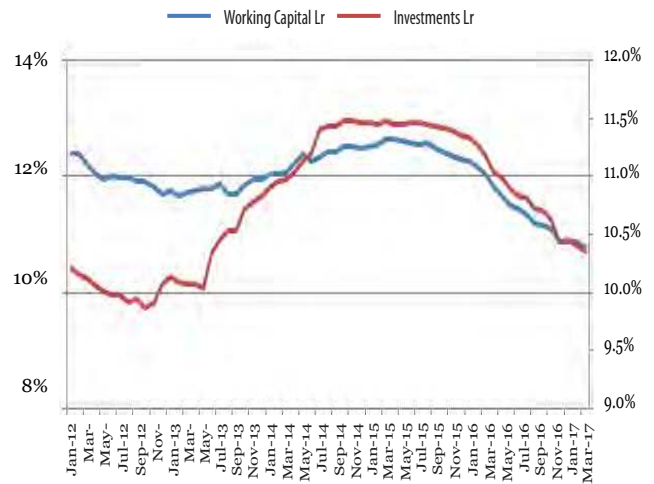


*We believe that economic growth could be better in the second quarter of 2017 than in the first quarter with the growth range of 5.05% to 5.10%. Overall, we believe that economic growth in the first half of 2017 will be better than the same period last year.*

Investment activity is also expected to increase in line with the improvement in government budget absorption, especially for capital expenditure, which grew by 15.6% as of March 2017 compared to the actual capital expenditure of IDR10.2 trillion in March 2016. The growth of capital expenditure is expected to encourage investment expenditure. In addition, investment spending is expected to grow better due to the improvement of credit growth, increased by 9.4% YoY in April 2017, higher than 7.7% YoY in April 2016. At the same time, the banking industry's non-performing loan (NPL) ratio was steady at around 3.0%. It indicates that the risk remains manageable amidst credit expansion.

Transmission of monetary policy was also more effective whereby the declining bank's lending rates continued as of April 2017, especially for working capital and investments loans, which we expect to support credit growth in the second quarter of 2017. Thus, it is not impossible that double digit credit growth will be reached again in 2017.

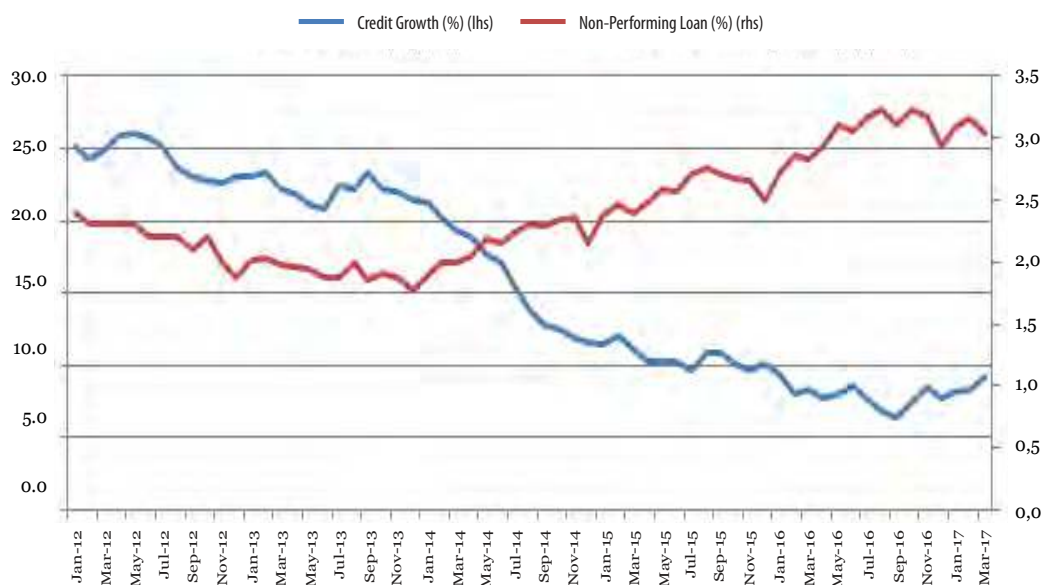
**Working Capital and Investments Loans**



Source: Bloomberg

From the above factors, we believe that economic growth could be better in the second quarter of 2017 than in the first quarter with the growth range of 5.05% to 5.10%. Overall, we believe that economic growth in the first half of 2017 will be better than the same period last year. ●

**Credit Growth and Nominal NPL**



Source: Bloomberg


**Martin Pandiangan**  
 CORPORATE ANALYST

## Electricity Sector: Outlook Remains Positive

**P**EFINDO views that electricity sector still has positive outlook due to its importance to a country's economic growth, including Indonesia. Referring to Electricity Power Supply Implementation Plan (RPUPL) for 2017-2026 released by Perusahaan Listrik Negara (PLN), electricity power sales growth is projected to reach 8.3% per year for the next 10 years. This means a multiplier factor of 1.3x based on economic growth consumption of around 6.2% per year in the same period.

For the past 10 years, Indonesia economic growth has reached approximately 5.7% per year, with electricity power sales growth of around 8.1% per year indicating a multiplier factor of around 1.4x. The positive outlook for the sector is also related to the national electrification ratio, which only reached about 91%. In certain areas, the ratios were even lower, which could indicate the demand to remain high in the medium to long term. Positive potential growth of electricity sector in Indonesia is also supported by the fact that electricity consumption in Indonesia is still far below those by some neighboring countries. If we compare the electricity consumption per capita, Indonesia is only 0.9 MWh/capita, below Singapore (8.7), Malaysia (4.9), and Thailand (2.7). In terms of electrification ratio, the three countries have also reached 100%.

**Electricity Power Supply Implementation Plan (RPUPL) 2017-2026**

Description	Unit	Indonesia	Sumatera	Jawa-Bali	Indonesia Timur
Economic Growth	%	6.2	5.7	6.1	6.6
Electricity Sales Growth	%	8.3	11.2	7.2	10.9
Electrification Ratio	%	100.0	100.0	100.0	100.0
Generator	MW	77,873.0	21,013.0	39,135.0	17,726.0
Transmission	kms	67,465.0	23,077.0	18,494.0	25,894.0
Substation	MVA	165,231.0	45,620.0	98,339.0	21,272.0
Additional Customer	million	18.9	4.4	9.0	5.5

Source: RPUPL P2017-2026 PLN

### Risk profile of players in the electricity sector

The electricity supply industry can be divided into three parts, the generating segment, the transmission segment, and the distribution segment. Based on regulation,

currently there is only one player in the transmission and distribution segments, which is PLN. The generating segment, on the other hand, has already been opened to private players. At end of 2016, PLN's market share in terms of installed capacity was about 79%, while the rest was owned by around 56 independent power producers.

In terms of business risk, we are of the view that PLN's market position is superior in the generating segment and as a sole player in the transmission and distribution segments. We also view that the regulation side of the electricity sector is very supportive to this industry in general and PLN in particular. However, in terms of financial risk, we view it below its business risk profile, due to several things, such as the need for external funding that will remain high as the Company's high capital expenditure cannot be fully funded by internal cash. Moreover, the price of electricity, which is still lower than its cost of production, requires PLN to keep receiving subsidies from the government, the payment mechanism of which can sometimes put pressure on the Company's cash flows.

### Continuous decline in electricity subsidies

The share of subsidy revenue to PLN's total revenue tends to decrease each year to 21.3% in 2016 of IDR60.0 trillion from 43.6% in 2012 of IDR103.0 trillion. The decline in subsidized portion is in line with the government's desire to minimize the possibility of misallocation of subsidies to non-eligible parties. Currently, subsidy is only eligible for customers in the household category, which use 900 VA and 450 VA power. In the long term, there is also a plan to provide direct subsidies to eligible consumers to further reduce the possibility of misallocation of subsidy. PEFINDO views subsidies from several aspects. In terms of government support, subsidies are

one of the strongest forms of government support to the Company, considering that only a handful of State-Owned Enterprises (SOEs) that get to receive subsidies. From a business perspective, the continuous decline of the subsidy value can be seen as PLN's improving ability to sell electricity in accordance to its economic price, which will certainly improve its operational cash flow. What is more important to see is the strength of the government commitment to support PLN in the future, regardless of the amount of subsidy and the form of subsidy to be given.

**The Value of The Subsidy Compared to PLN's Total Revenues**

(IDR Tn)	Des-2016	Des-2015	Des-2014	Des-2013	Des-2012
Total Revenue Including Subsidies	283.3	273.9	292.7	261.8	237.1
Subsidy	60.4	56.6	99.3	101.2	103.3
Subsidy Portion (%)	21.3	20.6	33.9	38.7	43.6

Source: Audited FS PPLN

### Government support remains strong to PLN

As a rating agency, PEFINDO gives special attention to SOEs in terms of how significant the role of SOEs is in implementing government assignments. We view the role of PLN as critically important for the government, given that electricity infrastructure is very important for the stability and economic growth of a country. The importance of PLN's role for the government can be seen from various forms of support provided by the government to PLN, such as electricity subsidy, Government Capital Injection (PMN), Loans Guarantee related to the Fast Track Program (FTP) 1 and the 35,000 MW program and business feasibility guarantee in FTP II program. Regulations issued by the government through the Ministry of Energy and Mineral Resources are also quite supportive for PLN's business continuity in particular, and the development of the electricity industry in general. The above points give PEFINDO a confidence that the government support for PLN will remain strong in the medium to long term. ●



**Septian Wildan Mujaddid**  
MUNICIPAL ANALYST

## Municipal Bonds Issuance: Opportunities and Challenges for LGs

**A**ccording to the National Medium-Term Development Plan (RPJMN) for the period of 2015-2019, national infrastructure development funding needs IDR4,796.2 trillion. Those projects consist of electricities, ports, roads, housing, oil and gas, information technology and telecommunications, and mass transportation infrastructure facilities.

The average requirement of infrastructure funding, which reaches IDR959 trillion for each year, faces the limited capacity of the State Budget (APBN). Though the allocation for infrastructure expenditures in the State Budget increased significantly with an accumulation of IDR982.1 trillion in the last three years, the number is still far below the estimated funding requirement, which ideally reaches at least 10% of Gross Domestic Product (GDP).

So far, the capacity of the State Budget can fulfill about 3-4% of GDP, or roughly around IDR1,433 trillion. If combined by the accumulated Local Budget (APBD) of IDR545 trillion, there is still around 3-4% of funding gap to be fulfilled. The central government actively encourages various stakeholders to play greater role in developing infrastructure. Other than special assignments to State-Owned Enterprises (SOEs) to work on several infrastructure projects, the government had issued several policy packages to attract Foreign Direct Investment. Another efforts are the provision of infrastructure financing underwriting support as well as the Public Private Partnership scheme, which was successfully implemented in several large-scale infrastructure projects last year. The government has also encouraged the SOEs to recycle their asset through securitization to meet increasing capital expenditure needs.

In line with the central government's efforts, the

local governments (LGs) should also be more actively involved in finding alternative sources of funding for infrastructure development. To fund infrastructure development, LGs can use both of revenues and financing options. The main component of regional revenue comes from the transfer from the central government and the Local Own-Source Revenue (PAD), such as Local Taxes and Retributions, and the dividend from the Local-Owned Enterprises. The financing options may come from several sources, such as the previous year's Budget Surplus (SiLPA), Reserve Funds, and LGs Loans.

In addition to relying on LG's revenue sources and regular financing sources, such as limited Budget Surplus, local governments are encouraged to be more actively leveraged their financial capacity. Fiscal risk mitigation has been regulated in Act No. 17/2013 regarding State Finance which stipulated the maximum limit of the State Budget deficit is set maximum at 3% from GDP. The government also sets a maximum limit of the Local Budget (APBD) at 0.3%. Over the past ten years, the central government's deficit has always been maintained below 2.7% of GDP. Thus, the local government still has room to propose budget deficits that can be financed from loans of a maximum of 0.3% of GDP.

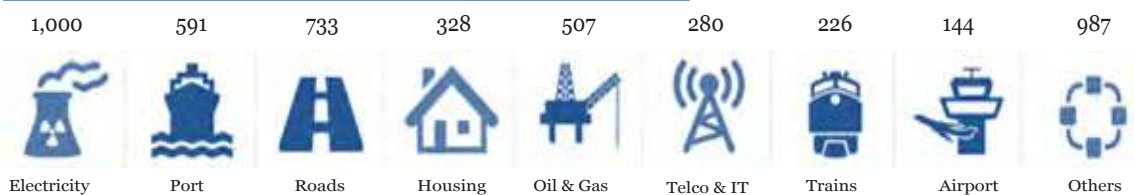
Assuming current economic growth of around 5.3%, GDP which reaches IDR13,000 trillion, LGs as a cumulative will have the opportunity to apply for regional loans up to a maximum limit of IDR40 trillion. So far, the realization of loan application by local government on the national level

reaches about 0.01-0.03% of GDP. Thus, the share of infrastructure financing sources from LGs loans is insignificant or less than 0.1%. In accordance with the Government Regulation No. 30/2011 regarding LGs Loans, the local government may apply up to 75% of their general revenue. Municipal bonds are regional loans offered to the public through a public offering in the capital market. Only local governments with adequate debt risk profile with sufficient debt service coverage ratio (DSCR) and sound transparency and accountability level which can issue municipal bonds.

The proceeds of the municipal bonds can be used to finance the construction of public infrastructure that generates revenue and benefits to the local society. Prior to getting approval from the central government, LGs must carefully consider the appropriate projects to be funded from the municipal bonds. LGs also need to consider their role in local infrastructure development in accordance with Law No. 23/2014 regarding Local Government.

The local government also needs to build effective communications with the Local Legislative Council (DPRD), to prepare local regulation related to the municipal bonds and the provision of reserve fund for their debt repayment. The local government should also prepare special Debt Management Unit and assign certain personnels to manage bond repayments. Latest updates, the stakeholders related to the issuance of municipal bonds including the Ministry of Finance, the Financial Services Authority (OJK), the World Bank, and PEFINDO cooperate in advocating the opportunities and risks on the preparation of the Municipal Bonds issuance to the potential local government. Now, the decision is in the hands of the local government to take advantage of these opportunities to participate in the development of regional infrastructure. ●

Infrastructure Needs by Sector 2015-2019 (in trillions rupiah)



Source: RPJMN 2015-2019

## Annual General Meeting of Shareholders Year 2017

On Wednesday, June 7, 2017, PT Pemeringkat Efek Indonesia (PEFINDO) held a General Meeting of Shareholders Year 2017 at the Le'Meridien Hotel in Jakarta. One of the resolutions of the General Meeting of Shareholders was the reappointment of Dr. Sjamsul Arifin, M.A., as President Commissioner for the period of office commencing from the date of the closing of the meeting, who's tenure will end at the fourth General Meeting of Shareholders in 2021. The members of the Board of Commissioners will now consist of Dr. Sjamsul Arifin, M.A., as the President Commissioner, Mr. Bambang Indarto and Mr. Adrian Rusmana as Commissioners, for the period ending at the closing of the fourth General Meeting of Shareholders in 2020. As President Commissioner, Mr. Dr. Sjamsul Arifin, M.A. tenure will end at the General Meeting of Shareholders in 2021. ●



## FGD on Municipal Bond and Courtesy Meeting with the Governor of South Sulawesi Province



On Wednesday, June 7, 2017, PT Pemeringkat Efek Indonesia (PEFINDO) attended Focus Group Discussion on Municipal Bonds Issuance organized by The World Bank at the Four Points Hotel Makassar. Mr. Ubaidi S. Hamidi, Director of PTNDP Directorate General of Fiscal Balance Ministry of Finance encourages local governments (LGs) to explore more local funding sources other than fund transfer from Central Government, i.e by issuing municipal bonds. Financial Services Authority (OJK) expresses their support to encourage the issuance of municipal bonds by simplifying related regulation. PEFINDO describes the rating process and criteria used to measure the financial capacities of LGs.

On the courtesy meeting session with Governor of South Sulawesi, Mr. Syahrul Yasin Limpo is eager to know the opportunity and things-to-do prior to issuing municipal bond in Indonesia. Moreover, South Sulawesi has great chances to become the first issuer of municipal bond. ●

## Newsletter

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**The Sensitivity of The Corporate Bond Coupon To The Movement of Government Bond Yield**

**Ahmad Nasrudin**  
ECONOMIC RESEARCH ANALYST



*We concluded that a 1% increase in government bond yield will raise the coupon rate by 1.65%. In other words, the spread between corporate bond coupon rate and government bond yield is 165 basis point on average.*

**W**e view that the cost of funds will likely move down in the next few years. The rating upgrade on Indonesia by Standard and Poor's is expected to drive down the government bond yields. For benchmark series, 10-year tenor, we expect the level to decline from currently more than 7% to around 6%-7%. As a benchmark for corporate bonds, the decline is expected to lower the coupons paid by the new issuers.

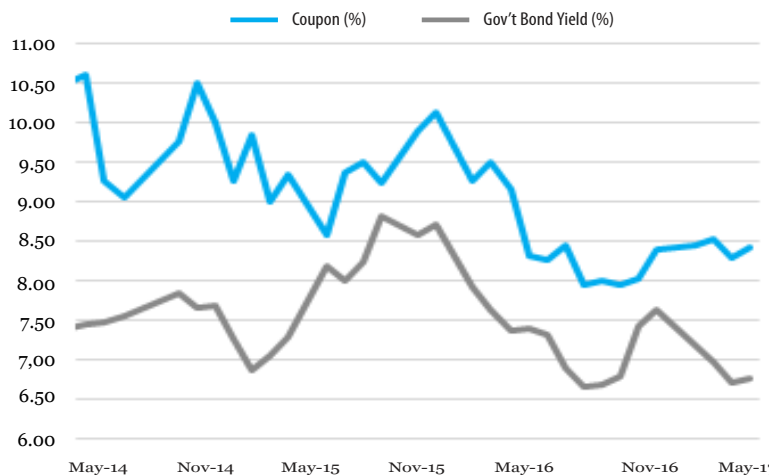
Corporate bond is one of the alternative source of funding for economic activities in the real and financial sectors. Lower coupons will benefit a new issuer to save the money, lowering the amount of coupons paid periodically. The corporate bond coupon rate itself is determined when the issuer offers a new bond and sells it in the primary market. The pricing benchmark usually refers to the yield of government bonds plus a certain amount of risk premium.

With a relatively lower risk than corporate bonds, information on the yield movement of government bonds will be a crucial input in pricing the coupon rate of a corporate bond.

Other factors affecting coupon include tenors, credit quality of the company, etc. For example, investors typically demand a higher coupon for AA rated corporate bonds compared to the risk-free bond (government bond) to compensate the higher credit risk. The coupon rate of corporate bonds is also linear to the tenor of the bond. The longer the tenor, the higher the coupon rate offered to compensate the higher uncertainty risk.

Our sensitivity analysis has also shown how important information on government bond yields. The government bond yields significantly have a positive effect on the trend of coupons paid by corporate bond issuers. From the results of the regression for the coupon rate of the AAA-rated bond with 3-year tenor and government bond yield with similar tenor, we concluded that a 1% increase in government bond yield will raise the coupon rate by 1.65%. In other words, the spread between corporate bond coupon rate and government bond yield is 165 basis point on average. Therefore, when the government bond yield ranges at 6%-7% (as our forecast), then most likely, the coupon that will be paid by the company will range at 7.00%-7.47%. This signifies that the market responds positively to the movement of the government bond yield rate in pricing the coupon of corporate bond, although sometimes its effectiveness still requires some time lag (described on Chart 1).

**Chart 1. Average corporate bond coupon vs. government bond yield**



Note: the data presented is the average data of 3-year corporate bond coupon with <sup>aa</sup>AAA rating and the average yield of government bonds for the same tenor  
Source: IBPA, Bloomberg

rate in pricing the coupon of corporate bond, although sometimes its effectiveness still requires some time lag (described on Chart 1).

Thus, building the information base of the government bond yield curve becomes very important for a corporate bond pricing. In addition, the introduction of corporate bond prices will also help to provide a reliable, mark-to-market daily price in the bond market. These data can be accessed on the official website of PT Penilai Harga Efek Indonesia (IBPA), at [www.ibpa.co.id](http://www.ibpa.co.id).



## companies & bonds rated by PEFINDO

No	Company	Rating	Outlook
1	<b>Adhi Karya (Persero) Tbk.</b> Shelf Registration Bond Year 2012 and 2013 Shelf Registration Sukuk Mudharabah Year 2012 and 2013	idA- idA- idA-(sy)	Stable - -
2	<b>Adira Dinamika Multi Finance Tbk.</b> Shelf Registration Bond Year 2012, 2013, 2014, 2015, 2016, and 2017 Shelf Registration Sukuk Mudharabah Year 2014, 2015, 2016, and 2017	idAAA idAAA idAAA(sy)	Stable - -
3	<b>Agung Podomoro Land Tbk.</b> Bond Year 2012 Shelf Registration Bond Year 2013, 2014, and 2015	idA- idA- idA-	Negative - -
4	<b>AKR Corporindo Tbk.</b> Bond Year 2012	idAA- idAA-	Stable -
5	<b>Aneka Tambang (Persero) Tbk.</b> Shelf Registration Bond Year 2011	idBBB+ idBBB+	Stable -
6	<b>Angkasa Pura I (Persero)</b> Bond Year 2016 Sukuk Ijarah Year 2016	idAAA idAAA idAAA(sy)	Stable - -
7	<b>Angkasa Pura II (Persero)</b> Bond Year 2016	idAAA idAAA	Stable -
8	<b>Astra Sedaya Finance</b> Shelf Registration Bond Year 2013 MTN Year 2015	idAAA idAAA idAAA	Stable - -
9	<b>Asuransi Bangun Askrida</b>	idA+	Stable
10	<b>Asuransi Binagriya Upakara</b>	idBBB+	Stable
11	<b>Asuransi Bringin Sejahtera Artamakmur</b>	idA-	Stable
12	<b>Asuransi Kredit Indonesia (Persero)</b>	idAA+	Stable
13	<b>Asuransi Staco Mandiri</b>	idBBB	Stable
14	<b>Asuransi Umum BCA</b>	idAA-	Stable
15	<b>Asuransi Umum Videi</b>	idBBB	Stable
16	<b>Bank BNI Syariah</b> Sukuk Mudharabah Year 2015	idAA+ idAA+(sy)	Stable -
17	<b>Bali Towerindo Sentra Tbk.</b>	idBBB+	Stable
18	<b>Bank BNP Paribas Indonesia</b>	idAAA	Stable
19	<b>Bank Bukopin Tbk.</b> Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2015 and 2017 MTN Year 2016	idA+ idA- idA+ idA+	Stable - - -
20	<b>Bank Capital Indonesia Tbk.</b> Subordinated Bond Year 2014 and 2015	idBBB+ idBBB-	Stable -
21	<b>Bank CIMB Niaga Tbk.</b> Shelf Registration Bond Year 2012, 2013, and 2016	idAAA idAAA	Stable -
22	<b>Bank Andamon Indonesia Tbk.</b>	idAAA	Stable
23	<b>Bank DKI</b> Subordinated Bond Year 2011	idA+ idA	Positive -
24	<b>Bank Kesejahteraan Ekonomi</b> Subordinated Bond Year 2016	idBBB+ idBBB-	Stable -
25	<b>Bank Lampung</b> Bond Year 2012	idA- idA-	Stable -
26	<b>Bank Mandiri (Persero) Tbk.</b> Shelf Registration Bond Year 2016	idAAA idAAA	Stable -
27	<b>Bank Mandiri Taspen Pos</b> MTN Year 2016	idA+ idA+	Stable -
28	<b>Bank Mayapada Internasional Tbk.</b> Subordinated Bond Year 2013 Subordinated Bond Year 2014	idA- idA- idBBB+	Stable - -
29	<b>Bank Maybank Indonesia Tbk.</b> Shelf Registration Bond Year 2012 Shelf Registration Subordinated Bond Year 2011 and 2012 Subordinated Bond Year 2011 Shelf Registration Subordinated Bond Year 2014 and 2016 Shelf Registration Sukuk Mudharabah Year 2014 and 2016	idAAA idAAA idAAA+ idAAA+ idAAA idAAA(sy)	Stable - - - - -
30	<b>Bank Mega Tbk.</b>	idA+	Stable
31	<b>Bank Muamalat Indonesia Tbk.</b> Shelf Registration Sukuk Subordinated Mudharabah Year 2012 and 2013	idA idA-(sy)	Stable -
32	<b>Bank Negara Indonesia (Persero) Tbk.</b>	idAAA	Stable
33	<b>Bank OCBC NISP Tbk.</b> Shelf Registration Bond Year 2015 and 2016	idAAA idAAA	Stable -
34	<b>Bank Pan Indonesia Tbk.</b> Subordinated Bond Year 2010 Shelf Registration Bond Year 2012 and 2016 Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2016 and 2017	idAA idAA- idAA idAA- idA+	Stable - - - -
35	<b>Bank Panin Dubai Syariah Tbk.</b>	idAA-	Stable
36	<b>Bank Pembangunan Daerah Bengkulu</b>	idBBB+	Stable
37	<b>Bank Pembangunan Daerah Jawa Barat and Banten Tbk.</b> Bond Year 2011 MTN Year 2016	idAA- idAA- idAA-	Stable - -
38	<b>Bank Pembangunan Daerah Jawa Tengah</b> Subordinated Bond Year 2015	idA+ idA-	Stable -
39	<b>Bank Pembangunan Daerah Nusa Tenggara Timur</b> Bond Year 2011	idA idA	Stable -

No	Company	Rating	Outlook
40	<b>Bank Pembangunan Daerah Sulawesi Selatan and Sulawesi Barat</b> Shelf Registration Bond Year 2016 Sukuk Mudharabah Year 2016	idA+ idA+ idA+(sy)	Stable - -
41	<b>Bank Pembangunan Daerah Sumatera Barat (Bank Nagari)</b> Subordinated Bond Year 2010 and 2012 Bond Year 2015 Sukuk Mudharabah Year 2015	idA- idA- idA- idA(sy)	- - - -
42	<b>Bank Permata Tbk.</b> Shelf Registration Subordinated Bond Year 2013 Shelf Registration Subordinated Bond Year 2014 Subordinated Bond Year 2011 and 2012	idAAA idAA+ idAA idAA+	Stable - - -
43	<b>Bank QNB Indonesia Tbk.</b>	idAA	Stable
44	<b>Bank Rakyat Indonesia (Persero) Tbk.</b> Shelf Registration Bond Year 2015, 2016, and 2017 MTN Year 2016	idAAA idAAA idAAA	Stable - -
45	<b>Bank Resona Perandia</b> MTN Year 2016	idAA- idAA-	Stable -
46	<b>Bank Sumitomo Mitsui Indonesia</b> MTN	idAAA idAAA	Stable -
47	<b>Bank Sumut</b> Subordinated Bond Year 2011	idA idA-	Stable -
48	<b>Bank Syariah Mandiri</b> Sukuk Subordinated Mudharabah Year 2016	idAA+ idAA-(sy)	Stable -
49	<b>Bank Tabungan Negara (Persero) Tbk.</b> Bond Year 2010 and 2011 Shelf Registration Bond Year 2012, 2013, 2015, and 2016	idAA+ idAA+ idAA+	Stable - -
50	<b>Bank Victoria International Tbk.</b> Bond Year 2013 Subordinated Bond Year 2012 and 2013	idA- idA- idBBB+	Stable - -
51	<b>Bank Woori Saudara Indonesia 1906 Tbk.</b> Bond Year 2012 Subordinated Bond Year 2012	idAA idAA idAA-	Stable - -
52	<b>Bank Yudha Bhakti Tbk.</b>	idBBB+	Stable
53	<b>Batavia Prosperindo Finance Tbk.</b> Shelf Registration Bond Year 2016	idBBB idBBB	Stable -
54	<b>BCA Finance</b> Shelf Registration Bond Year 2015 and 2016	idAAA idAAA	Stable -
55	<b>Bima Multi Finance</b> Shelf Registration Bond Year 2015 Shelf Registration Bond I Year 2016 Shelf Registration Bond II Year 2016	idSD idD idCCC idD	- - - -
56	<b>Brantas Abipraya (Persero)</b> Bond Year 2015	idBBB+ idBBB+	Stable -
57	<b>Buana Finance Tbk.</b>	idBBB+	Stable
58	<b>Bumi Serpong Damai Tbk.</b> Shelf Registration Bond Year 2012, 2013, and 2016	idAA- idAA-	Stable -
59	<b>Century Tokyo Leasing Indonesia</b> MTN Year 2016	idAA- idAAA(sy)	Stable -
60	<b>Chandra Asri Petrochemical Tbk.</b> Bond Year 2016	idA+ idA+	Stable -
61	<b>Chandra Sakti Utama Leasing</b>	idA	Stable
62	<b>CIMB-Principal Asset Management</b>	idA-	Stable
63	<b>Clipan Finance Indonesia Tbk.</b> MTN Year 2015	idA+ idA+	Stable -
64	<b>Danareksa (Persero)</b> Shelf Registration Bond Year 2012 and 2014	idA idA	Positive -
65	<b>DIRE Bowsprit Commercial and Infrastructure</b>	idA	Stable
66	<b>Duta Anggada Realty Tbk.</b> Shelf Registration Bond Year 2013	idBBB+ idBBB+	Stable -
67	<b>Elnusa Tbk.</b>	idA+	Stable
68	<b>Equity Finance Indonesia</b> MTN Year 2014, 2015, 2016, and 2017	idBBB idBBB	Negative -
69	<b>Express Transindo Utama Tbk.</b> Bond Year 2014	idBBB idBBB	Negative -
70	<b>Fast Food Indonesia Tbk.</b> Bond Year 2016	idAA idAA	Stable -
71	<b>Federal International Finance</b> Shelf Registration Bond Year 2015, 2016, and 2017	idAAA idAAA	Stable -
72	<b>Finansia Multi Finance</b> MTN Year 2014 and 2015	idBBB+ idBBB+	Stable -
73	<b>Gajah Tunggal Tbk.</b>	idA+	Stable
74	<b>Garuda Indonesia (Persero) Tbk.</b> Shelf Registration Bond Year 2013	idBBB+ idBBB+	Stable -
75	<b>Gresik Jasatama</b>	idBBB	Stable
76	<b>Global Mediacom Tbk.</b> Bond Year 2012	idA+ idA+	Stable -
77	<b>Graha Informatika Nusantara</b> MTN Year 2016	idBBB idBBB	Stable -

No	Company	Rating	Outlook
78	Hasnur Jaya Internasional	idBBB	Stable
79	Hutama Karya (Persero) Bond Year 2013 Shelf Registration Bond Year 2016	idA- idA- idAAA(gg)	Stable - -
80	Impack Pratama Industri Tbk. Bond Year 2016	idA- idA-	Stable -
81	Indofood Sukses Makmur Tbk. Bond Year 2012 and 2014	idAA+ idAA+	Stable -
82	Indomobil Finance Indonesia Shelf Registration Bond Year 2013, 2014, 2015, 2016, and 2017	idA idA	Stable -
83	Indomobil Wahana Trada	idBB	Stable
84	Indonesia Infrastructure Finance Bond Year 2016	idAAA idAAA	Stable -
85	Indosat Tbk. Bond Year 2012 Sukuk Ijarah Year 2012 Shelf Registration Bond Year 2014, 2015, and 2016 Shelf Registration Sukuk Ijarah Year 2014, 2015, and 2016	idAAA idAAA idAAA(sy) idAAA idAAA(sy)	Stable - - - -
86	Indosurya Inti Finance	idBBB+	Stable
87	Industri Kereta Api (Persero)	idA	Stable
88	Intiland Development Tbk. Bond Year 2013 and 2016	idA- idA-	Negative -
89	J Resources Asia Pasifik Tbk.	idA	Stable
90	J Resources Nusantara MTN Year 2017	idA idA	Stable -
91	Japfa Comfeed Indonesia Tbk.	idA	Positive
92	Jasa Marga (Persero) Tbk. Bond Year 2007 and 2010 Shelf Registration Bond Year 2013 and 2014	idAA idAA idAA	Stable - -
93	Jasa Raharja (Persero)	idAAA	Stable
94	Kereta Api Indonesia (Persero)	idAAA	Stable
95	KIK EBA (Asset Backed Securities) KIK EBA Andareksa BTN - KPR BTN Class A EBA-SP SMF-BTN01 Class A EBA-SP SMF-BTN02 Class A EBA-SP SMF-BTN03 Class A EBA SP SMF-BMRI01 Class A	idAAA idAAA idAAA idAAA idAAA idAAA	- - - - - -
96	Kimia Farma (Persero) Tbk. MTN Year 2016	idAA- idAA-	Stable -
97	Komatsu Astra Finance	idAA+	Stable
98	Lautan Luas Tbk. Shelf Registration Bond Year 2013	idA- idA-	Stable -
99	Lembaga Pembiayaan Ekspor Indonesia Bond Year 2010 Shelf Registration Bond Year 2011, 2014, 2015, 2016, and 2017 MTN Year 2016	idAAA idAAA idAAA idAAA	Stable - - -
100	Len Industri (Persero) MTN Year 2015 and 2016	idBBB idBBB	Negative -
101	Mandala Multifinance Tbk. Shelf Registration Bond Year 2015	idA idA	Negative -
102	Mandiri Tunas Finance (previously Tunas Finansindo Sarana) Shelf Registration Bond Year 2014, 2015, and 2016	idAA+ idAA+	Stable -
103	Marga Mandalasakti	idA+	Stable
104	Maskapai Reasuransi Indonesia Tbk.	idA+	Stable
105	Mayora Indah Tbk. Bond Year 2012 Shelf Registration Bond Year 2017	idAA- idAA- idAA-	Stable - -
106	Medco Energi Internasional Tbk. Shelf Registration Bond Year 2012, 2013, 2016, and 2017 MTN Year 2016	idA+ idA+ idA+	Negative - -
107	Mega Auto Finance	idA-	Stable
108	Mega Central Finance	idA-	Stable
109	Mitra Adiperkasa Tbk. Shelf Registration Bond Year 2012 and 2014	idAA- idAA-	Stable -
110	Mitra Bisnis Keluarga Ventura	idBBB+	Stable
111	Mitsubishi UFJ Lease & Finance Finance MTN Year 2015 and 2016	idAAA(cg) idBBB	- Stable
112	MNC Kapital Indonesia Tbk. Shelf Registration Bond Year 2013	idBBB	-
113	MNC Securities (previously Bhakti Securities) MTN Year 2016	idBBB+ idBBB+	Stable -
114	Modernland Realty Tbk. Bond Year 2012 Shelf Registration Bond Year 2015	idA idA idA	Negative - -
115	Nippon Indosari Corpindo Tbk. Shelf Registration Bond Year 2013 and 2015	idAA- idAA-	Stable -
116	Oto Multiartha	idAA+	Stable
117	Panorama Sentrawisata Tbk. Shelf Registration Bond Year 2013 and 2015	idA- idA-	Stable -
118	Pegadaian (Persero) Bond Year 2003, 2007, and 2009 Shelf Registration Bond Year 2011, 2012, 2013, 2014, and 2015	idAAA idAAA idAAA	Stable - -

No	Company	Rating	Outlook
119	Pelabuhan Indonesia I (Persero) Bond Year 2016	idAA idAA	Stable -
120	Pelabuhan Indonesia III (Persero)	idAA+	Stable
121	Pembangunan Jaya Ancol Tbk. Bond Year 2012 Shelf Registration Bond Year 2016	idAA- idAA- idAA-	Stable - -
122	Pembangunan Perumahan (Persero) Tbk. Shelf Registration Bond Year 2013 and 2015 MTN Year 2014	idA+ idA+ idA+	Stable - -
123	Perkebunan Nusantara II MTN Year 2015	idA(cg)	-
124	Perkebunan Nusantara III (Persero) MTN Year 2015	idA idA	Stable -
125	Perkebunan Nusantara X Bond Year 2013	idBBB idBBB	Stable -
126	Permodalan Nasional Maandi (Persero) Bond Year 2012 and 2013 Shelf Registration Bond Year 2014 and 2016	idA idA idA	Stable - -
127	Perum Perikanan Indonesia	idBBB+	Stable
128	Perum Perumnas MTN Year 2015, 2016, and 2017	idBBB+ idBBB+	Stable -
129	Perusahaan Gas Negara (Persero) Tbk.	idAAA	Stable
130	Perusahaan Listrik Negara (Persero) Bond Year 2006, 2007, and 2010 Shelf Registration Bond Year 2013 Shelf Registration Sukuk Year 2013 Sukuk Ijarah Year 2007 and 2010	idAAA idAAA idAAA(sy) idAAA(sy)	Stable - - -
131	Perusahaan Perseoran (Persero) Telekomunikasi Indonesia Tbk. Bond Year 2010 Shelf Registration Bond Year 2015	idAAA idAAA idAAA	Stable - -
132	PP Properti Tbk. MTN Year 2015 and 2016 Bond Year 2016	idBBB+ idBBB+ idBBB+	Stable - -
133	Pupuk Kalimantan Timur	idAA+	Stable
134	Rajawali Nusantara Indonesia (Persero)	idA-	Stable
135	Reasuransi Indonesia Utama (Persero) Mandatory Convertible Bond I Year 2014	idAA idAA-	Stable -
136	Sarana Multi Infrastruktur (Persero) Bond Year 2014 Shelf Registration Bond Year 2016	idAAA idAAA idAAA	Stable - -
137	Sarana Multigriya Finansial (Persero) Shelf Registration Bond Year 2012, 2013, 2014, 2015, 2016, and 2017 Sukuk Mudharabah Year 2017	idAAA idAAA idAAA(sy)	Stable - -
138	Semen Indonesia (Persero) Tbk.	idAA+	Stable
139	Siantar Top Tbk. Shelf Registration Bond Year 2016	idA idA	Stable -
140	Sinar Mas Agro Resources and Technology Tbk. Shelf Registration Bond Year 2012	idA+ idA+	Stable -
141	Sumberdaya Sewatama Bond Year 2012 Sukuk Ijarah Year 2012	idBB+ idBB+ idBB+(sy)	Stable - -
142	Summarecon Agung Tbk. Shelf Registration Bond Year 2013, 2014, and 2015 Shelf Registration Sukuk Ijarah Year 2013, 2014, and 2015	idA+ idA+ idA+(sy)	Negative - -
143	Sunprima Nusantara Pembiayaan MTN Year 2017	idA- idA-	Stable -
144	Surya Artha Nusantara Finance MTN Year 2015 Shelf Registration Bond Year 2014, 2015, 2016, and 2017	idAA- idAA- idAA-	Stable - -
145	Surya Semesta Internusa Tbk. Bond Year 2012 Shelf Registration Bond Year 2016	idA idA idA	Negative - -
146	Tiga Pilar Sejahtera Food Tbk. Bond Year 2013 Sukuk Ijarah Year 2013 and 2016	idA idA idA(sy)	Stable - -
147	Timah (Persero) Tbk.	idA+	Stable
148	Tiphone Mobile Indonesia Tbk. Shelf Registration Bond Year 2015 and 2016	idA idA	Stable -
149	Tunas Baru Lampung Tbk. Bond Year 2012 MTN Year 2014	- idA- -	- - -
150	Verena Multi Finance Tbk. Shelf Registration Bond Year 2013	idA- idA-	Stable -
151	Waskita Karya (Persero) Tbk. Shelf Registration Bond Year 2014, 2015, 2016, and 2017	idA- idA-	Positive -
152	Wijaya Karya (Persero) Tbk. MTN Year 2014	idA+ idA+	Stable -
153	Wijaya Karya Beton Tbk.	idA+	Stable
154	Wika Realty MTN Year 2015 and 2016	idBBB+ idBBB+	Positive -