

Content

The Dovish Stance of Bank Indonesia

Preliminary

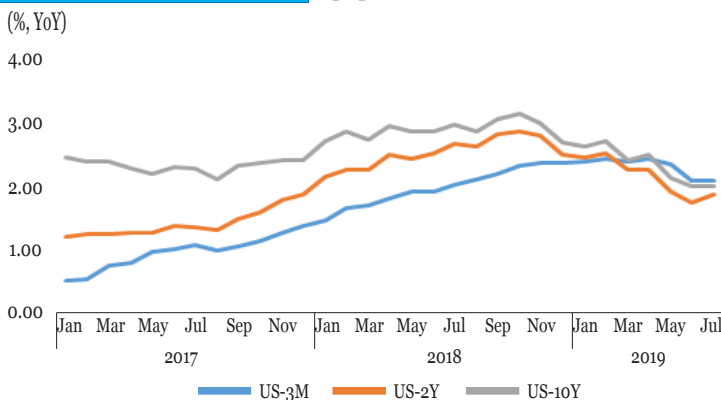
PEFINDO is of the view that the hawkish stance of Bank Indonesia (BI) in early 2019 has changed to dovish since the middle of the second quarter of 2019. The change in stance is in line with the stance that is also shown by most central banks throughout the world. This is reasonable due to the possibility of the magnitude of global challenges going forward, along with the risk of trade war and the signal of inverted yield curve. Even so, the room for a reduction in the BI reference rate (or BI-7DRRR) seems to be still quite open going forward, with the meaning that the dovish stance will also continue.

Stance Hawkish vs Stance Dovish

Centralbanknews data until August 22, 2019 stated that there were at least 54 central banks around the world that had lowered the benchmark interest rate (at least once) with a decrease in value ranging from 15 basis points (bps) to 500 bps during 2019, while the hawkish (choosing to increase their policy rates) was only conducted by 7 central banks throughout the world. Compared to 2018, there were only 22 central banks that were dovish (by lowering the policy rate), while 35 central banks were hawkish.

Although the reasons for each central bank to choose a dovish stance were quite diverse, almost all central banks (including BI) included the reasons for the increased risk of trade war and a number of geopolitical risks that are expected to reduce the trade volume and world economic growth as one of their reasons. This is reasonable given the back and forth of trade negotiations between the US and China, also accompanied by an inverted yield curve that occurred in US debt securities (as well as Japan and Germany). On the other hand, this also gives fear of recession in the future, along with negative economic growth that has hit several countries, such as Nigeria and Russia in the first quarter of 2019 with a decrease of 13.8% (qoq) and 0.4% (qoq) consecutively. In the second quarter of 2019, a decline of economic growth occurred in Singapore by 3.3% (qoq), Hong Kong 0.3% (qoq), United Kingdom 0.2% (qoq), and Germany 0.1% (qoq).

Exhibit 1. US Yield Curve

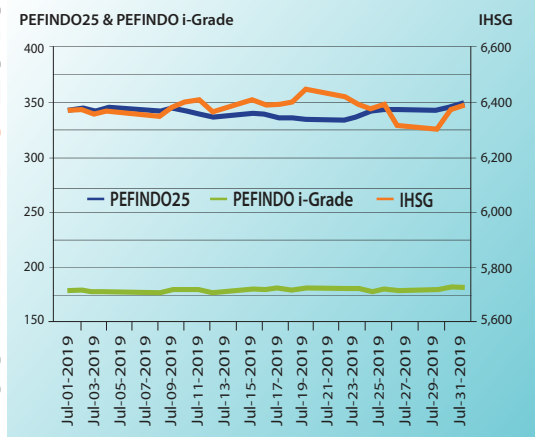


Source : Investing (2019)

Continued to page 2

- 01 Analysis**
 - The Dovish Stance of Bank Indonesia
 - Non-Life Insurance Industry
- 04 Local Government**
 - Contribution of BUMD's Dividend to Local Revenue
- 05 Window**
 - Capital Market Summit & Expo 2019
 - PEFINDO's Rating Press Release
- 06 Bond Market**
 - How Significant Does a Lower Benchmark Interest Rate Catalyze The Issuance of Corporate Debt Securities?
- 07 Rating Publication**
 - Companies & Bonds Rated by PEFINDO

index PEFINDO 2019



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Fikri C. Permana
ECONOMIST

The trend to change the stance of global monetary policy also seems to be followed by Bank Indonesia. In the first quarter of 2019, Bank Indonesia still gave hawkish signals in looking at the economy, but since the beginning of the second quarter of 2019, Bank Indonesia began to turn around and started giving dovish signals to domestic economic players.

These dovish signs of BI were further confirmed by the results of the BI RDG (governor's meeting) dated June 20, 2019. Although BI7DRRR did not change, BI chose to reduce the Rupiah Statutory Reserves (GWM) for Conventional Commercial Banks and Sharia Commercial Banks/Sharia Business Units by 50 bps, which became effective on July 1, 2019. The dovish stance was also further confirmed by the decline in the BI-7DRRR on July 18, 2019 and August 22, 2019, even when the Fed, which has been considered a reference for the global central bank, has not lowered the benchmark interest rate (Fed Fund Rate - FFR). BI's step ahead of the Fed should be appreciated, especially if it is associated with the idiom of "ahead the curve".

Outward vs Inward Looking

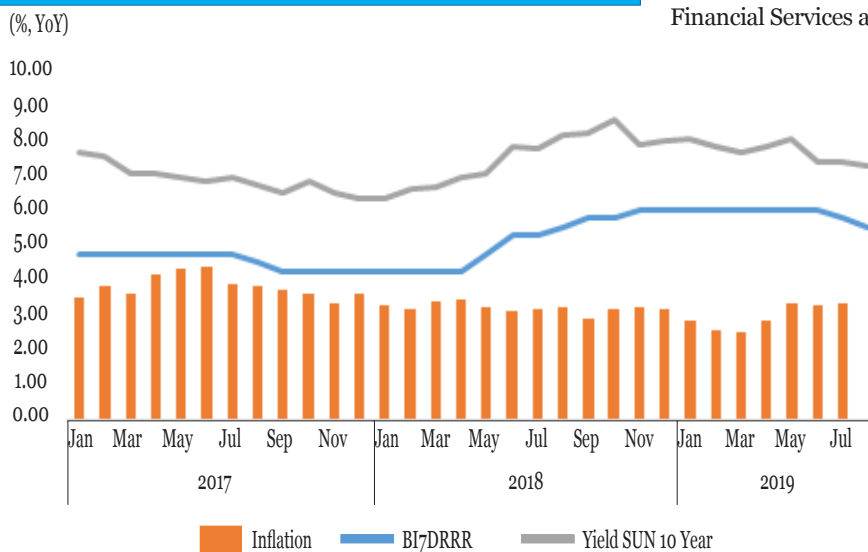
Referring to those reasons and the structure of the Indonesian economy based on expenditure, which more than half was contributed by the domestic consumption side, followed by almost one third

from the Gross Fixed Capital Formation (PMTB), it would be very reasonable if BI tried to provide space for those two things to grow better now. Especially if you expect a boost from the net exports side or capital inflows from abroad, which are expected to be choked up, along with the increasing global risk of trade war & inverted yield curve US.

In addition, inward-looking expectations compared to outward-looking conducted by BI as a pre-emptive step in anticipating various global challenges seem very appropriate. Especially with the condition of domestic inflation that is still maintained. Even noted until July 2019, the domestic inflation rate was only 3.32% (YoY). If compared to BI7DRRR, which was 5.75% at the same time, there was still a real return of the policy rate on inflation of 243 bps. Likewise, when compared to the yield of 10-year state debt securities (Surat Utang Negara/SUN), as a risk free rate instrument, it still provided a real return of 406 bps above the inflation rate in the same month.

Even so, the drive for consumption and PMTB certainly takes time (time-lag) for the transmission of monetary policy to have a significant impact. Moreover, the investment-saving gap in the country is still large, resulting in limited contribution of the banking and the financial market sectors to the

Exhibit 2. Inflation, BI-7DRRR and Yield SUN 10 Year



Sources : Bank Indonesia, BPS and Bloomberg (2019)

Gross Domestic Product (GDP). In the second quarter of 2019, the contribution of the Financial Services and Insurance business to

GDP was only 4.1%, with a growth of only 4.55% (YoY). This value was much lower than Indonesia's average economic growth, which was 5.05% (YoY) at the same period. This could not be separated from the ratio of the third party funds (Dana Pihak Ketiga/DPK) of banks to GDP of 38% and the ratio of bank loans to GDP of 37%. ●


Aulia Ikhsan
 ECONOMIC RESEARCH ANALYST

Non-Life Insurance Industry

We see the outlook of the non-life insurance industry as relatively stable. We expect growth this year to be in line with the 10% target, even though challenges remain in a number of segments. The industry's performance in early 2019 was quite encouraging, although low car sales dampened gross premiums in the automotive insurance segment - the second largest in the industry. Low growth in the insurance segment is expected to continue along with weak commodity prices. In the main segment, property insurance, we expect growth to remain good, albeit overshadowed by the possibility of oversupply in the property market.

In terms of profitability, we expect return on investment to rise given the improving financial market performance, thereby strengthening underwriting results. Capital is still a problem for a large number of insurers, although on aggregate it continues to increase. The competitive landscape is not much different, with relatively the same number of players and the 10 main players still

control a substantial market share. We hope that the competitive realm will also expand with the advent of financial technology, as there are many insurance players entering this segment.

Stronger Growth In The Beginning of 2019

In the first quarter of 2019, the non-life insurance industry showed strong growth with year-on-year (YoY) changes reaching 19.0%, far above full-year target of 10%. The three main segments that drove growth were property insurance, credit insurance, and health insurance. The largest, property insurance, recorded a 26.3% YoY growth in 1Q2019, much higher than the realization in 2018 which was below 5% YoY. Credit insurance and health insurance recorded growths of 118.2% YoY and 17.4% YoY, respectively.

The property insurance segment is growing high thanks to the increase in development activities in this sector. This increases the need for insurance protection for new development projects. Bank Indonesia data shows the supply of commercial property in Indonesia grew 7%-8% over the past two quarters (4Q2018 and 1Q2019), surging compared to previous quarters. We are of the view that the growth of property insurance

may be unsustainable in the medium term as long as demand in this sector grows weak. We view an oversupply because the increase in supply is far above the growth in demand. Therefore, we still doubt whether the property segment will grow double digit next year.

Intensifying Competition

As of June 2019, there were 75 non-life insurance companies operating in Indonesia, consisting of two state-owned insurance firms, 52 national private insurance and 21 joint venture insurance companies. The number has tended to stagnate in recent years along with the industry's tendency to consolidate. The application of tighter regulations, such as the rules for strengthening capital and ownership, also contributed to the situation. Those who do not comply with the rules are forced to revoke their business licenses or merge with companies owned by the same controlling shareholders.

Competition seems to be increasingly strengthening large players in the industry, especially in the property insurance segment. The government plans to form a consortium to guarantee government-owned buildings and other buildings. The plan is that the consortium will consist of 52 non-life insurance companies and six reinsurance companies, with a total capacity of IDR1.39 trillion.

As stipulated in Minister of Finance Regulation No. 97/PMK.06/2019, the implementation of the formation of the consortium will be divided into stages. In the first stage, the consortium will cover the assets of the Ministry of Finance worth IDR11.4 trillion and will begin to be implemented in August 2019.

The second stage will be carried out in 2020 and will cover insurance in 40 ministries and institutions.

In the third stage in 2021, the government targets the consortium to be able to cover all buildings and buildings belonging to ministries and institutions, whose total value is estimated at IDR270 trillion. ●

Table 1. Gross Written Premiums by Segment

Indicators	Gross written premiums (IDR billion)				% YoY Growth		
	2016	2017	2018	1Q2019	2017	2018	1Q2019
Motor vehicle	16,487.3	17,318.0	18,675.5	4,744.6	5.0	7.8	-1.1
Property	19,248.7	18,537.8	19,031.8	4,668.5	-3.7	2.7	26.3
Credit insurance	4,667.1	5,169.0	7,867.1	3,196.9	10.8	52.2	118.2
Health insurance	4,236.8	4,340.6	4,629.5	1,949.3	2.4	6.7	17.4
Marine cargo	2,826.1	3,143.9	3,492.3	1,189.4	11.2	11.1	1.3
Liability	1,864.6	2,019.1	2,248.3	842.5	8.3	11.4	-10.9
Engineering	2,258.8	2,595.5	2,583.0	543.3	14.9	-0.5	-17.3
Personal accident	1,394.6	2,228.4	2,102.6	456.2	59.8	-5.6	13.9
Marine hull	1,766.4	1,620.2	1,598.2	451.7	-8.3	-1.4	4.1
Suretyship	1,641.1	1,433.3	1,559.7	446.9	-12.7	8.8	34.9
Aviation and satellite	1,708.0	899.1	1,221.4	97.7	-47.4	35.9	-45.2
Energy	1,829.3	1,638.5	1,509.9	77.3	-10.4	-7.9	20.3
Others	1,582.8	2,668.4	3,338.3	1,105.3	68.6	25.1	36.4
Total	61,511.7	63,611.6	69,857.6	19,769.5	3.4	9.8	19.0

Source: Non-life insurance Association (AAUI)

* More can read in Indonesia Sectoral Review Magazine, June 2019 edition

Contribution of BUMD's Dividend to Local Revenue



M. Try Satria Pranata
MUNICIPAL ANALYST

A local government is given the authority to establish a local-owned enterprise (Badan Usaha Milik Daerah/BUMD) in accordance with the Act No. 23 Year 2014 concerning Local Governments and its amendments. It regulates the BUMD objectives, which must meet at least one of the three criteria, providing benefits to the local economy, providing public goods/services, and making profits.

Of these three criteria, providing public goods/services is the primary objective of BUMD. To support this objective, a local government is given the authority to assign a specific task to a BUMD, which can be followed by funding support in the form of capital injection, subsidies, loans, or grants.

In the Government Regulation No. 54 Year 2017 concerning Local-Owned Enterprises, as a derivative of the Act 23/2014, it is stated that the capital injection to BUMD can be sourced from a normative local budget (Anggaran Pendapatan dan Belanja Daerah/APBD) or local loan that is converted into the capital injection.

It is compatible with the Government Regulation No. 56 Year 2018 concerning Local Loans, which regulates that the local loans could be passed on to the BUMD in the form of subsidiary loan or capital injection. However, it has specific term that limits its usage only for constructing public infrastructures assigned by the local government.

Local government that assigns a BUMD with a funding support sourced from the local loan is the entity that is responsible for servicing the interest and principal of the loan. Although it is not specifically regulated, one of the local government revenues that could be a source of fund for debt servicing is the revenue from separated local assets, or the revenue from BUMD's dividend.

Through this article, we will identify the potential BUMD support to the local government related to debt servicing. The support is measured based on the

contribution of revenue from BUMD's dividend to the local revenue, as well as the realization of the revenue budget from BUMD's dividend. The analysis was carried out using the budget realization report (Laporan Realisasi Anggaran/LRA) of the 34 provincial governments for the budget year of 2017.

Contribution of BUMD's Dividend

Based on LRA of 34 provincial governments for the 2017 budget year, there were two provinces that did not have the dividend income from BUMD, West Papua and North Maluku. DKI Jakarta had the highest BUMD's dividend income of IDR489.48 billion, followed by East Java (IDR374.27 billion), Central Java (IDR371.07 billion), and West Java (IDR345.12 billion). North Kalimantan had the lowest BUMD's dividend income of IDR32.58 million, followed by Papua (IDR720.60 million) and Maluku (IDR946.20 million). Other 25 provinces had BUMD's dividend in the range of IDR2-200 billion.

On the other hand, Bali had the highest BUMD's dividend contribution to the local revenue of 3.15%, followed by West Nusa Tenggara (3.03%) and East Kalimantan (2.56%). North Kalimantan had the lowest BUMD's dividend contribution of 0.001%, followed by Papua (0.01%), Maluku (0.03%), Riau Island (0.10%), and Gorontalo (0.16%). Other 24 provinces had BUMD's dividend contribution in the range of 0.24%-1.60%.

We could conclude that the BUMD's dividend contribution to the provincial

revenue was relatively insignificant, with a contribution of no greater than 3.15% from each local revenue for 2017 budget year. It also applied to the provinces that had a high nominal value of BUMD's dividend, such as several provinces in Java Island. This illustrated that BUMD's dividend could not be fully relied on by the local governments to support its debt servicing.

Budget Realization of BUMD's Dividend

On the other hand, we also analyzed the performance aspect of BUMD's dividend with its budget. The revenue budget from BUMD's dividend stated in APBD is a performance contract between the Head of the Local Government/General Meeting of Shareholders (GMS) and the management of BUMD. In general, BUMD is considered well performed if it could fully realize the revenue from BUMD's dividends in accordance with its budget.

In general, the budget realization of revenue from BUMD's dividend for 2017 budget year was relatively good. There were 12 provinces that realized the BUMD's dividend of $\geq 100\%$ from its budget and 10 provinces that realized the BUMD's dividend of $\geq 90\%$ from its budget. Meanwhile, North Maluku and West Papua did not realize the BUMD's dividend despite being budgeted in the APBD. As for Papua and Maluku, the realization was very low at 1.36% and 1.77%, respectively. The other eight provinces realized the BUMD's dividend in the range of 43.09%-85.32% from its budget.

Conclusion

The contribution of BUMD's dividend to the local revenue for all provinces was relatively insignificant, thereby it could limit the ability of revenues from BUMD's dividend to support the local governments for debt servicing. However, the BUMD's dividend

performance to APBD was generally good in which 22 provinces realized the BUMD's dividend of $\geq 90\%$ from its budget. It reflected that the management of BUMD generally committed to the performance contract with the Head of Local Governments/GMS to give contribution to the local revenue. ●

Revenue from BUMD's Dividend [IDR bn]	Province	No.	Province	BUMD's Dividend Contribution to Local Revenue [%]
489.48	DKI Jakarta	1	Bali	3.15
374.27	East Java	2	West NT	3.03
371.07	Central Java	3	East Kalimantan	2.56
101.48	AVERAGE		AVERAGE	0.98
0.95	Maluku	30	Maluku	0.03
0.72	Papua	31	Papua	0.01
0.03	North Kalimantan	32	North Kalimantan	0.00

Source: BPK RI

Capital Market Summit & Expo 2019



Indonesia Stock Exchange, KPEI, KSEI, and OJK held a Capital Market Summit & Expo (CMSE) 2019 to increase financial literacy and inclusion by expanding the number of retail investors in various regions as well as to attract potential issuers. CMSE 2019 took place at JHCC Jakarta on August 23-24, 2019. The series of activities consisted of five main agendas, i.e. Seminars and Talkshows, Go Public Workshops, Investor Community Gathering, Career Centers, and Expo. PEFINDO as a capital market supporting institution also took part in this major event by providing an opportunity for seminar participants and visitors to obtain information about rating. The keynote speakers at the opening ceremony were Prof. Dr. K.H. Ma'ruf Amin as the Leader of the Indonesian Ulema Council, Mr. Mohamad Nasir as the Minister of Research, Technology and Higher Education,

and Ms. Sri Mulyani as the Minister of Finance. ●

PEFINDO's Rating Press Release

PEFINDO held a press release on August 15, 2019, located at the PEFINDO's main meeting room. Hendro Utomo as the head of Financial Institution Rating Division explained rating activities of the financial institutions during the last three months. PEFINDO conducted ratings on 28 entities, consisting of 10 banks, 7 financing companies, 3 insurance and guarantee companies, 4 Specialized Financial Institutions (SMI, SMF, PNM, LPEI), 3 Asset-Backed Securities (EBA), and 1 Securites Companies.

In the second part of the presentation, Niken Indriarsih as the head of Corporate Rating Division explained rating activities in several sectors, such as infrastructure, construction, property, retail, telecommunications, fertilizer, and mining, totaling to 21 entities.

The press release event, which was attended by 13 journalists from 10 media, was ended after a question and answer session between journalists and PEFINDO's analysts. ●



Newsletter

Editorial Board

Severino Budipratama, *Quality Control*
severino.budipratama@pefindo.co.id

Hendro Utomo, *Financial Institution Rating Analyst*
hendro.utomo@pefindo.co.id

Niken Indriarsih, *Corporate Rating Analyst*
niken.indriarsih@pefindo.co.id

Andini Puspita Sari, *Legal & Compliance*
andini.sari@pefindo.co.id

Person In Charge
Economic Research Division

Publisher
PT Pemeringkat Efek Indonesia

Advisor
Directors

Address: Panin Tower Senayan City Lt. 17, Jl. Asia Afrika Lot 19, Jakarta 10270, INDONESIA
Phone : (021) 72782380 | Fax : (021) 72782370 | Homepage : www.pefindo.com



How Significant Does a Lower Benchmark Interest Rate Catalyze The Issuance of Corporate Debt Securities?

Ahmad Nasrudin

ECONOMIC RESEARCH ANALYST

The realization of debt securities issuance in 2019 is still far lower than the realization in the previous year. As of June 2019, a total of 42 companies had issued debt securities worth IDR59.2 trillion. The number is significantly lower than the realization in the previous year of IDR132.4 trillion from 85 companies. The decrease in debt securities issuance mainly came from the banking sector, which only reached IDR8.3 trillion or only around 24.3% of the total issuance in 2018. Meanwhile, the realization of issuance from the finance industry reached IDR27.5 trillion (or 65.7% of the realization in 2018) and from other sectors amounting to IDR13.5 trillion (or 36.5% of the realization in 2018).

The low realization was influenced by a combination of several factors, including a high interest rate environment and heightened external risks exposure, making bond yields difficult to decline. In addition, other factors were the wait and see attitude of investors ahead of the election and the stagnant growth of the real sector.

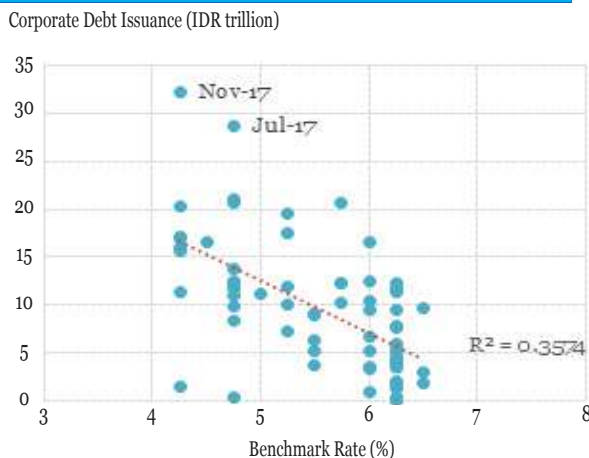
On August 22, 2019, Bank Indonesia just lowered its interest rate for the second time by 25 basis points (bps) to 5.5%. Bank Indonesia explained that the decline was in line with a low inflation realization (3.3% as of July 2019), still attractive from the domestic capital market yield, and as a re-emptive measure to drive up a

stagnation of domestic economic growth at 5%. Low interest rates are expected to be immediately transmitted to the financial markets, which encourage lower borrowing costs and make investors to favor fixed income instruments.

So, how significant will a lower benchmark rate drive corporate debt securities issuance going forward? From the historical data, there is no perfect correlation between decreasing interest rates and corporate debt securities issuance (Exhibit 1). Indeed, a decrease in the benchmark rate is expected to drive government bond yields to be lower, which in turn will bring down the effective yield of corporate debt securities and makes cost of issuance to be cheaper (as reflected by the coupon paid by the issuer). Likewise, there is a tendency that corporate debt securities market records its highest issuance when the benchmark rate is low, as occurred in July 2017 (IDR28.7 trillion) and November 2017 (IDR32.3 trillion).

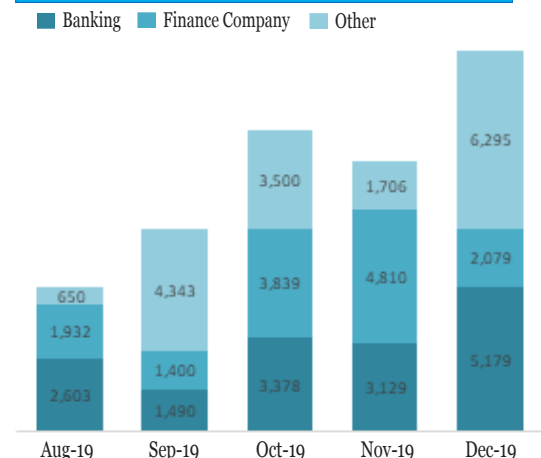
Overall, we expect that the issuance will be more prospective in the second half of 2019, although external sector risk exposure still needs to be watched out. We expect low interest rates to encourage the growth of the real sectors so that more companies could access funding from the debt securities market. In addition, the reduction in interest rates is also beneficial for refinancing the maturing debt securities, which reached IDR46.3 trillion during August-December 2019 (Exhibit 2). ●

Exhibit 1. Scatter Plot of Benchmark Rate and Corporate Debt Securities Issuance



Sources: Bank Indonesia, KSEI, PEFINDO Database, data as of January 2014-July 2019

Exhibit 2. Corporate Debt Securities Maturity in The August-December 2019 (IDR billion)



Sources: KSEI, PEFINDO Database



companies & bonds rated by PEFINDO

PEFINDO
CREDIT RATING AGENCY

July 31, 2019

No	Company	Rating	Outlook
1	Adhi Karya (Persero) Tbk. Shelf Registration Bond Year 2013, 2017, and 2019	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	idAAA	Stable
4	Agung Podomoro Land Tbk. Shelf Registration Sukuk Mudharabah Year 2016, 2017, 2018, and 2019	idAAA(sy)	CreditWatch with Negative Implication
5	AKR Corporindo Tbk. Bond Year 2012	idBBB	Stable
6	Andalan Finance Indonesia Shelf Registration Bond Year 2017	idAA-	Stable
7	Aneka Tambang Tbk. Shelf Registration Bond Year 2011	idBBB+	Stable
8	Angkasa Pura I (Persero) Bond Year 2016	idA-	Stable
9	Angkasa Pura II (Persero) Sukuk Ijarah Year 2016	idAAA	Stable
10	ASDP Indonesia Ferry (Persero) Bond Year 2016	idAAA(sy)	Stable
11	Asuransi Bangun Askrida Shelf Registration Bond Year 2018	idAAA	Stable
12	Asuransi Bhakti Bhayangkara Shelf Registration Bond Year 2018	idAA	Stable
13	Asuransi BRI Life Shelf Registration Bond Year 2017, 2018, and 2019	idA+	Stable
14	Asuransi Bringin Sejahtera Artamakmur Shelf Registration Bond Year 2017, 2018, and 2019	idA+	Stable
15	Asuransi Central Asia Shelf Registration Subordinated Bond Year 2017, 2018, and 2019	idA+	Stable
16	Asuransi Jasa Indonesia (Persero) Shelf Registration Subordinated Bond Year 2017, 2018, and 2019	idA+	Stable
17	Asuransi Jiwa Taspen Shelf Registration Subordinated Bond Year 2012	idA+	Stable
18	Asuransi Kredit Indonesia (Persero) Shelf Registration Subordinated Bond Year 2012	idA+	Stable
19	Asuransi Purna Artanugraha Shelf Registration Subordinated Bond Year 2012	idBBB	Stable
20	Asuransi Sinar Mas Shelf Registration Subordinated Bond Year 2012	idA+	Stable
21	Asuransi Tri Pakarta Shelf Registration Subordinated Bond Year 2012	idA+	Stable
22	Asuransi Umum BCA Shelf Registration Subordinated Bond Year 2012	idAA	Stable
23	Bali Towerindo Sentra Tbk. MTN Year 2017	idBBB+	Stable
24	Bank BNI Syariah Shelf Registration Subordinated Bond Year 2015 and 2017	idBBB+	Stable
25	Bank BTPN Tbk. Subordinated Bond Year 2014, 2015, and 2017	idAAA	Stable
26	Bank Bukopin Tbk. Shelf Registration Subordinated Bond Year 2015 and 2017	idAAA	Stable
27	Bank Capital Indonesia Tbk. Subordinated Bond Year 2014, 2015, and 2017	idBBB	Stable
28	Bank Central Asia Tbk. Subordinated Bond Year 2014, 2015, and 2017	idBBB+	Stable
29	Bank CIMB Niaga Tbk. Shelf Registration Subordinated Bond Year 2018	idBBB-	Stable
30	Bank Danamon Indonesia Tbk. Shelf Registration Subordinated Bond Year 2016, 2017, and 2018	idAAA	Stable
31	Bank DKI Shelf Registration Sukuk Mudharabah Year 2018	idAAA(sy)	Stable
32	Bank Mandiri (Persero) Tbk. Shelf Registration Bond Year 2016, 2017, and 2018	idAAA	Stable
33	Bank Mandiri Taspen Shelf Registration Subordinated Bond Year 2012	idAA-	Stable
34	Bank Mayapada Internasional Tbk. Subordinated Bond Year 2013	idA+	Stable
35	Bank Maybank Indonesia Tbk. Subordinated Bond Year 2014 and 2018	idBBB+	Negative
36	Bank Negara Indonesia (Persero) Tbk. Shelf Registration Subordinated Bond Year 2014 and 2016	idBBB-	Stable
37	Bank Negara Indonesia (Persero) Tbk. Shelf Registration Sukuk Mudharabah Year 2017	idAAA	Stable
38	Bank OCBC NISP Tbk. Shelf Registration Bond Year 2017 and 2018	idAAA(sy)	Stable
39	Bank Pan Indonesia Tbk. Shelf Registration Subordinated Bond Year 2016, 2017, and 2018	idAAA	Stable
40	Bank Parim Dubai Syariah Tbk. Shelf Registration Subordinated Bond Year 2016, 2017, and 2018	idAA	Stable
41	Bank Pembangunan Daerah Jawa Barat dan Banten Tbk. Shelf Registration Subordinated Bond Year 2017	idA+	Stable
42	Bank Pembangunan Daerah Jawa Tengah Subordinated Bond Year 2015	idA-	Negative
43	Bank Pembangunan Daerah Jawa Timur Tbk. Shelf Registration Subordinated Bond Year 2017	idA-	Stable
44	Bank Pembangunan Daerah Kalimantan Timur dan Kalimantan Utara Shelf Registration Subordinated Bond Year 2017	idA(sy)	Stable
45	Bank Pembangunan Daerah Nusa Tenggara Timur dan Sulawesi Selatan Shelf Registration Subordinated Bond Year 2017	idA	Negative
46	Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat Shelf Registration Subordinated Bond Year 2017	idA+	Stable
47	Bank Pembangunan Daerah Sumatera Barat (Bank Nagari) Bond Year 2015	idA+	Stable
48	Bank Permata Tbk. Shelf Registration Subordinated Bond Year 2013	idA+	Stable
49	Bank QNB Indonesia Tbk. Shelf Registration Subordinated Bond Year 2012	idA	Stable
50	Bank Rakyat Indonesia (Persero) Tbk. Shelf Registration Subordinated Bond Year 2018	idAAA	Stable
51	Bank Rakyat Indonesia Agri Niaga Tbk. Bond Year 2017	idAAA	Stable
52	Bank Resona Perdania Shelf Registration Subordinated Bond Year 2017, 2018, and 2019	idAA-	Stable
53	Bank Shinhan Indonesia Shelf Registration Subordinated Bond Year 2017, 2018, and 2019	idAAA	Stable
54	Bank Summit 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	idAA+	Stable
57	Bank Victoria International Tbk. Shelf Registration Subordinated Bond Year 2012, 2013, 2015, 2016, 2017, and 2019	idA	Stable
58	Bank Woori Saudara Indonesia 1906 Tbk. Subordinated Bond Year 2012	idBBB+	Stable
59	Barata Indonesia (Persero) MTN Year 2017 and 2019	idA-	Stable
60	Batavia Prosperindo Finance Tbk. Shelf Registration Subordinated Bond Year 2017 and 2018	idBBB	Stable
61	BCA Finance Shelf Registration Subordinated Bond Year 2017 and 2018	idAAA	Stable
62	Bio Farma (Persero) MTN Year 2018	idAAA	Stable
63	BNI Life Insurance MTN Syariah Mudharabah Year 2018	idAAA(sy)	Stable
64	BRI Multifinance Indonesia Shelf Registration Subordinated Bond Year 2017, 2018, and 2019	idAA+	Stable
65	Bukaka Teknik Utama Tbk. Shelf Registration Subordinated Bond Year 2016	idBBB+	Stable
66	Bumi Serpong Damai Tbk. Shelf Registration Subordinated Bond Year 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	idAAA(cg)	Stable
70	Chandra Sakti Utama Leasing Shelf Registration Bond Year 2017, 2018, and 2019	idAA-	Stable
71	Clipan Finance Indonesia Tbk. Bond Year 2017	idA	Stable
72	CSM Corporatama MTN Year 2018	idAA-	Stable
73	Danareksa (Persero) Shelf Registration Subordinated Bond Year 2014	idBBB+	Stable
74	Elnusa Tbk. Shelf Registration Subordinated Bond Year 2014	idA	Stable
75	Estika Tata Tjara Tbk. Shelf Registration Subordinated Bond Year 2014	idAA-	Stable
76	Fast Food Indonesia Tbk. Bond Year 2016	idBBB	Stable
77	Federal International Finance Shelf Registration Subordinated Bond Year 2016, 2017, 2018, and 2019	idAA	Stable
78	Finansia Multi Finance Shelf Registration Subordinated Bond Year 2016, 2017, 2018, and 2019	idAAA	Stable
79	Global Mediacom Tbk. Shelf Registration Subordinated Bond Year 2016, 2017, 2018, and 2019	idBBB+	Negative
80	Graha Informatika Nusantara Shelf Registration Sukuk Ijarah Year 2017	idA+	Stable
81	Hakaaston MTN Year 2016	idBBB	Stable
82	Hartadinata Abadi Tbk. MTN Syariah Mudharabah Year 2019	idBBB+	Stable
83	Heksa Solution Insurance Shelf Registration Subordinated Bond Year 2016, 2017, and 2018	idA-	Stable
84	Hutama Karya (Persero) Bond Year 2013	idBBB+	Stable
85	Impact Pratama Industri Tbk. Shelf Registration Subordinated Bond Year 2016 and 2017	idA	Negative
86	Indofood Sukses Makmur Tbk. Bond Year 2016	idA-	Stable
87	Indomobil Finance Indonesia Shelf Registration Subordinated Bond Year 2015, 2016, 2017, and 2018	idAA+	Stable
88	Indonesia Infrastructure Finance Bond Year 2016	idA	Stable
89	Indonesia Power Shelf Registration Subordinated Bond Year 2016, 2017, 2018, and 2019	idAAA	Stable
90	Indosat Tbk. Bond Year 2012	idAAA	Stable
	Shelf Registration Sukuk Ijarah Year 2014, 2015, 2016, 2017, and 2019	idAAA(sy)	

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

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

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