

Content

Green Bonds in Indonesia

Preliminary

PEFINDO views that Indonesia’s capital market has already moved to a new trend of sustainable debt instruments issuance, such as green bond. The Government of Indonesia, through the Ministry of Finance, has become the first Asian country to sell green bonds internationally on February 23, 2018. Later on July 9, 2018, PT Sarana Multi Infrastruktur (Persero) became the first listed company in Indonesia Stock Exchange that issued the green bond instruments using the rupiah denomination. This trend keeps up with the global trend, where the sustainable debt instruments market surged by 26% (Year on Year/YoY) globally in 2018 and reached USD247 billion, supported by solid growth from the green bonds and the emergence of a number of new products.

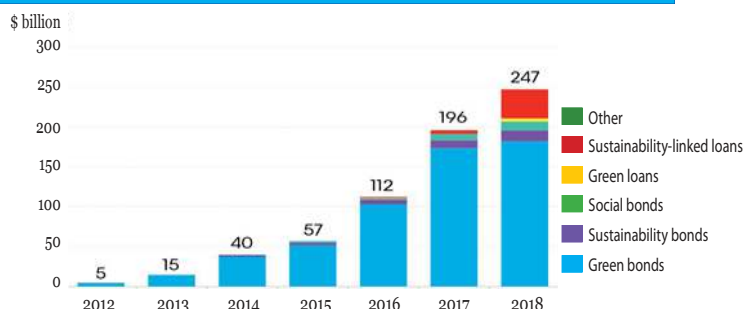
Sustainable Debt Trends

Year 2018 historically became a new wave for Indonesia bond market. On Friday (February 23, 2018), the Government of Indonesia, through the Ministry of Finance, became the first Asian country to sell green bonds internationally. The bond was formatted in green Sukuk bonds-meaning that the deal conforms to Islamic finance norms as well- with a five-year tenor. The bonds offered a coupon of 3.75% and successfully raised USD1.25 billion. The green bonds would be used to finance projects, such as renewable energy, green tourism, and environmentally friendly waste management.

On July 9, 2018, PT Sarana Multi Infrastruktur (Persero) became the first listed company in Indonesia Stock Exchange that issued the green bond instruments using the rupiah denomination. It is worth of IDR500 billion consisting of two series with a tenor of three and five years, and the proceed will be allocated to finance sectors, such as renewable energy, clean transportation, as well as sustainable water and waste management.

Both historical marks have already made Indonesia capital market to be more diversified and in line with global trends. As Indonesia’s economy has recorded strong growth, with growing millenials labor forces, the sustainability motive should be another reason for the business to raise funding in the financial market.

Figure 1. Global Sustainable Debt Annual Issuance 2012-2018

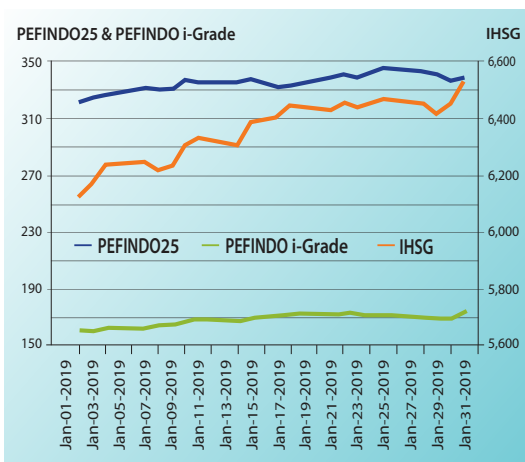


Note: "Other" includes labelled blue bonds

Sources : BloombergNEF, Bloomberg L.P (2019)

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ECONOMIST

Globally, the trend of sustainable debt instruments market has already growing day by day. According to the Bloomberg NEF data, global green bonds issuance grew by 5% (yoy) and reached USD182.2 billion in 2018, bringing the new record of sustainable debt issuance to reach USD247 billion in total. United States (US) and China become the two leaders of these sustainable debt issuances. United States issued USD45.4 billion, while China issued USD25.5 billion last year.

With the offering of debt instruments that have the green benefits and social benefits (or a mixture of

both), the sustainable debt instruments seem to meet the needs demand of environmentally and socially responsible investors who are aware of the green and social issues. Based on the Nielsen and Morgan Stanley research of green bond in 2017, the market opportunities are growing. This is indicated by the research result that 66% of global consumers who are willing to pay a

sustainability premium for products and services, 72% of millennials who are willing to pay such a premium, and millennials who are twice more likely to make investments on project related to environmental and social outcomes.

POJK No.60/POJK.04/2017

The issuance of green bonds in Indonesia is regulated in Peraturan Otoritas Jasa Keuangan (POJK) No. 60/POJK.04/2017 about *Penerbitan dan Persyaratan Efek Bersifat Utang Berwawasan Lingkungan* (about the issuance and requirements of debt instruments with environmental concerns). According to the Ernst & Young (EY) report in

2018, in line with any other types of bonds in the Indonesian capital market, issuers of green bonds must adhere to the capital market regulation on debt securities, with additional characteristics of:

- **Eligible Projects** - Green Bonds can only be issued to finance eligible green projects. The regulation specifies 11 types of eligible green projects, including renewable energy, energy efficiency, biodiversity conservation, clean transportation, climate change adaptation, and sustainable waste management.

- **Use of Proceeds** - The regulation stipulates a minimum of 70 percent of the proceeds from the Green Bond issuance shall be used to finance the agreed green projects.

- **Management of Proceeds** - Issuer has to manage the proceeds from the green bond and to report on the use of proceeds. As part of the management of proceeds, the issuer should create a separated account or disclose in a specific notes in the financial statements.

- **Reporting and**

- **Verification** - The environmental benefit of the projects should be clearly defined and verified by an independent third party. The performance of the green bond and projects should be reviewed by an independent third party and the result shall be reported annually to the Financial Services Authority (OJK). If the underlying projects no longer meet the green project criteria, the issuer shall define the action plan for remediation and will be given one year to execute the action plan. If the action plan fails to restore the green eligibility criteria of the project, the bond holders may seek the issuer to buy back the green bond or to increase the coupon rate.●



Globally, the trend of sustainable debt instruments market has already growing day by day. According to the Bloomberg NEF data, global green bonds issuance grew by 5% (yoy) and reached USD182.2 billion in 2018, bringing the new record of sustainable debt issuance to reach USD247 billion in total. United States (US) and China become the two leaders of these sustainable debt issuances. US issued USD45.4 billion, while China issued USD25.5 billion last year.



Adrian Noer

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RATING ANALYST

Foreclosed Assets and Their Impact on Bank Performance

PEFINDO is of the view that the amount of foreclosed assets (AYDA) in the Indonesian banking industry is manageable, despite a gradually increasing portion compared to overall banking assets. At present, AYDA represents less than 1% of the total banking industry's assets. The assessment of a bank's AYDA profile is important for a comprehensive understanding of its asset quality performance, in addition to the conventional assessment method. By managing its AYDA properly, a bank should be able to optimize its asset productivity to serve its financial obligations, and avoid any potential pressure on its profitability and capitalization profiles due to high provision expenses or high capital burden from its AYDA.

Foreclosed assets are non-productive assets obtained by the bank, based on voluntary delivery or authority by the lender as the previous asset owner or on selling of the assets, in the event the debtor cannot meet their obligation to the bank. In giving loans, in some cases banks will require collateral, which is the borrower's pledge of specific assets to the lender to secure repayment of a loan. The collateral serves as a lender's protection against borrower default, and so can be used to settle the loan if the borrower fails to pay the principal and interest satisfactorily under the loan agreement. If the loan is already classified under collectability 5 (loss), the bank will negotiate with the debtor to voluntarily deliver the collateral, which will then be sold either through auction or outside an auction, or the bank can use its authority as stated in the loan agreement to execute the collateral. Accordingly, the loan will be converted into non-productive assets as AYDA. The proceeds of the asset sale will be used to repay the remaining debt to the bank, including fines or arrears and extra costs related to the collateral sale.

Regulations on AYDA

Indonesian authorities have focused on how banks should manage foreclosed assets by establishing regulations regarding asset quality assessment, including AYDA for commercial and sharia banks. On October 24, 2012, Bank Indonesia Regulation (PBI) No. 14/15/PBI/2012 was issued regarding assessments of commercial bank asset quality. This was followed by a circular letter from the Financial Services Authority (OJK), SEOJK No. 42/SEOJK.03/2016, on guidelines on risk weighted assets for credit risk using a standard approach for commercial banks. On November 18, 2014, the OJK also launched regulation (POJK) No. 16/POJK.03/2014 regarding the assessment of sharia banks and sharia business units, followed by SEOJK No. 34/SEOJK.03/2015 on guidelines on

risk weighted assets for credit risk using a standard approach for sharia banks and sharia business units. The regulations require commercial and sharia banks to define the net realizable value of their AYDA, which is the fair value of the AYDA less the estimated costs of selling the AYDA. The difference between the realized net value and the proceeds from the sale is recognized as profit or loss in the year when it is sold. Banks must use an independent appraiser for AYDA with a net realizable value above IDR5 billion.

There are different methods for commercial banks and sharia banks in assessing AYDA. For commercial banks, AYDA classification or collectability is divided into four categories based on period of ownership: current (up to one year), substandard (one to three years), doubtful (three to five years), and loss (more than five years). Sharia banks only acknowledge two categories: current (up to one year) and loss (more than one year). AYDA in conventional banks has 150% risk weighted assets, stricter than AYDA in sharia banks at 100%. In our view, this differentiation is intended for sharia banks to be more prudent in managing their financing portfolios, as if the bank is forced to convert the non-performing financing into AYDA, it will be penalized by higher risk weighted assets affecting its capitalization profile.

AYDA profile in PEFINDO's banking portfolio

AYDA in Indonesian banks has increased substantially, mostly as a result of the strategy to improve asset quality indicators. In the past five years (2013–2017), the amount of AYDA in PEFINDO's portfolio jumped with a compounded annual growth rate of 75.1% to IDR13.9 trillion as of FY2017 from IDR1.5 trillion as of FY2013. As of September 2018 (9M2018), it increased further to IDR14.8 trillion. PEFINDO's portfolio should represent the overall banking industry as it comprises 24 commercial banks, five sharia banks, and 10 regional development banks (BPD), with total assets of IDR6,481.1 trillion as of 9M2018, or 83.4% of total banking industry assets of IDR7,768.9 trillion in the same period.

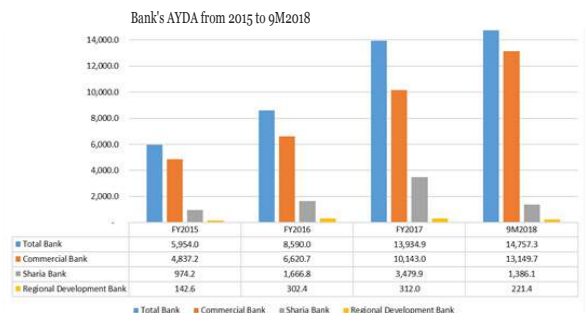
AYDA in 24 commercial banks observed by PEFINDO increased by 71.4% CAGR in the past four years (2013–2017) to IDR10.1 trillion as of FY2017, while as of 9M2018 it was IDR13.1 trillion. Amid increasing AYDA figures, the NPL ratio continued to weaken to 3.0% as of 9M2018 from 2.8% as of FY2017. This may reflect room for improvement for commercial banks in

their loan origination process and in determining collateral value and liquidity to secure loan facilities. Nevertheless, the AYDA is considered to be manageable as it represents less than 1% of the total loan portfolio.

Contrary to commercial banks, AYDA in five sharia banks in PEFINDO's portfolio decreased substantially to IDR1.4 trillion as of 9M2018 from IDR3.5 trillion as of FY2017. This was mainly due to a significant asset sales transaction by one sharia bank in our portfolio, which sold its assets, including its loans and AYDA. During this period, the NPF of those banks also improved to 4.0% from 6.2%. However, we note the AYDA portion in sharia banks was much higher at 3.9% of the banks' total financing as of 9M2018. AYDA in 10 BPDs also decreased to IDR221.4 billion from IDR312.0 billion as of FY2017, although much higher than FY2013 at only IDR5.5 billion. In the past few years, BPDs have been forced to increase their productive loan segment in line with their purpose of establishment to support regional development and economic activities. However, this was not followed by adequate infrastructure and risk management capabilities, resulting in increasing NPL in the productive loan segment, particularly in the investment loans segment which increased to 7.3% as of 9M2018 and FY2017, respectively, from 5.7% as of FY2013.

PEFINDO is of the view that banks should have clear strategies and specific action plans in managing their AYDA, rather than piling them up to improve their non-performing loans ratio. Banks must optimize their assets to be productive in order to serve their obligations to depositors or lenders, while AYDA is a non-productive asset so does not produce yields, and the amount can be lower due to depreciation. Good AYDA management will optimize a bank's productive assets and reduce the potential burden from AYDA in the form of high provision expenses, declining value, and higher capital charges, which may adversely affect its capitalization profile. ●

Chart 1. Bank AYDA in PEFINDO's Portfolio (in billion rupiah)



Source: Bank published financial statements, processed by PEFINDO



M. Try Satria Pranata
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Rating Indicator: Regional Economy

The regional economy is one of the indicators analyzed by PEFINDO to determine the credit rating of local government in Indonesia. We analyze four factors: income level, diversification of the economy, economic growth prospect, and socioeconomic and demographic profiles.

The regional income level is the main factor in our analysis, reflected by the Gross Regional Domestic Product (GRDP) per capita, also complemented by the GRDP contribution to the Gross Domestic Product (GDP). The other three factors are qualitative measures that could support or constrain the assessment of the regional economy indicator. In the following analysis, we will use the simulation based on the economic data of Indonesia and 34 provinces in 2018 from the Statistics Indonesia (Badan Pusat Statistik/BPS).

Income level

GRDP per capita is an indicator that describes the potential strength of the local government's revenue (as tax bases) and the potential needs for public services that are the local government responsibilities. PEFINDO set a threshold for the strength of regional income level (from very weak to very strong) based on the GRDP per capita and reviewed the threshold periodically to be relevant with Indonesia's economic growth.

Based on BPS data in 2018, Indonesia's GDP per capita, which is equal to the weighted average of GRDP per capita, was IDR56.00 million. We noted that DKI Jakarta had the highest GRDP per capita of IDR248.31 million, followed by East Kalimantan (IDR174.88 million) and North Kalimantan (IDR120.13 million). Meanwhile, Maluku had the lowest GRDP per capita of IDR16.61 million, followed by East Nusa Tenggara (IDR18.45 million) and West Nusa Tenggara (IDR24.71 million).

DKI Jakarta was also the highest contributor to GDP, with GRDP of IDR2,559.17 trillion or 17.3% of GDP, followed by East Java of IDR2,189.78

trillion (14.8%), West Java of IDR1,962.33 trillion (13.2%), and Central Java of IDR1,268.70 trillion (8.6%). Meanwhile, Maluku was also the lowest contributor to the GDP, with GRDP of only IDR29.47 trillion (0.2%), followed by North Maluku of IDR36.50 trillion (0.3%) and Gorontalo of IDR37.74 trillion (0.3%).

The regions in Indonesia have special characteristics. The regions that contribute the most to GDP are usually regions that also have a huge population, such as the provinces in Java, resulting in a lower GRDP per capita compared to regions with lower contribution to GDP but have lower population. For example, East Java with a population of 39.5 million people had a GRDP per capita of IDR55.44 million, West Java of IDR40.31 million (48.7 million people), and Central Java of IDR36.78 million (34.5 million people). On the contrary, East Kalimantan had a GRDP per capita of IDR174.88 million with a GRDP of IDR638.12 trillion and a population of only 3.7 million people, and North Kalimantan had a GRDP per capita of IDR120.13 million with a GRDP of IDR86.06 trillion and a population of only 720 thousand people.

Although it has a relatively low GRDP per capita, certain regions are very significant contributors to the Indonesia's economy. Likewise, although the GRDP contribution to GDP is relatively small, certain regions have a very high GRDP per capita. PEFINDO's analysis accommodates these special characteristics by conducting an economic assessment based on GRDP per capita complemented by the GRDP contribution to GDP.

Diversification of the economy

Diversification of the economic structure illustrates the potential volatility of tax base and resilience of potential pressures from a particular economic sector. A well-diversified economic structure with strength in several sectors is usually less exposed to an economic downturn, compared to an economy with high exposure to a single dominant sector.

Economic diversification assessment is measured based on GRDP and employment distribution per sector. Based on BPS

data in 2018, Indonesia's GDP distribution was relatively diversified with the manufacturing sector of 19.86%, followed by the wholesale and retail trade sector (13.02%), agriculture, forestry, and fisheries sector (12.81%), and construction sector (10.53%). The GDRP distribution in each region will vary depending on the characteristics of each region.

Economic growth prospect

The economic growth prospect is measured from the trend of economic growth, including inflation rate, investments (domestic and foreign), and export performance. It is also supported by the assessment of regional competitive advantages, such as natural resources, strategic location, proximity to key market, employment opportunities, educational offering, healthcare, and tax structure.

In addition, the state of infrastructure development supports the economic growth expectation. The availability and quality of public infrastructure, such as airports, ports, railroads, highways, toll roads, and industrial and commercial estates, are important factors to accommodate public services to the population, which will affect the economic activity.

Socioeconomic and demographic profiles

We also assess the socioeconomic and demographic profiles that can affect the expenditure requirements of the local governments. Poor regional profiles, with high unemployment rate, high poverty rate, high dependency ratio, and low average years of school, will raise pressure to the local government to allocate more budget to solve the problems. It can affect the expenditure budgetary flexibility of a local government, which can reduce the expenditure allocation in other activities, including debt service.

The analysis of the four factors will be assessed in term of the influence of economic factors on the ability of local governments to obtain revenues and to identify the expenditure needs. It will also affect the ability of the local government to fulfill the medium and long term debt service. ●

GRDP per Capita (IDR Million)	Province	No	Province	GRDP (IDR Trillion)
248.31	DKI Jakarta	1	DKI Jakarta	2,559.17
174.88	East Kalimantan	2	East Java	2,189.78
120.13	North Kalimantan	3	West Java	1,962.23
56.00	INDONESIA		INDONESIA	14,837.40
24.71	NTB	32	Gorontalo	37.74
18.45	NTT	33	North Maluku	36.50
16.61	Maluku	34	Maluku	29.47

PEFINDO Rating Press Release



PEFINDO's press release was held on February 19, 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 last quarter of 2018 and early period of 2019. Rating activities of financing companies and banks, conducted by PEFINDO during the period of October 1, 2018 - December 31, 2018, amounted to 25 rating activities, and 12 rating activities for the period of January 1, 2019 - February 18, 2019, consisting of various sectors in financial services and Asset-Backed Securities (EBA).

Niken Indriarsih explained rating activities in the corporate (non-financial institution) rating division during the second session of the event. Rating activities covered several sectors, including manufacturing, chemical, food & beverage, plantation, property, cement, telecommunications, mining contractor, oil & gas, fishery,

and fertilizer, making the total corporate ratings of 21 entities.

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

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Breaking Down Foreign Investment In Indonesia Corporate Debt Securities

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Indonesia corporate debt is relatively small, but it was growing to IDR424.4 trillion in 2018 from IDR223.5 trillion in 2014. Economic activity is growing at a stable rate, driving funding demand for business expansion or loan refinancing.

Potential demand for corporate debt securities is huge. Based on our research, we estimate that the total managed funds of domestic investors reached IDR3,307 trillion by September 2018. Only 12.0% (IDR394.8 trillion) was allocated in the corporate bond market. Mutual fund and pension fund have dominated the market with IDR113.0 trillion (28.6%) and IDR86.8 trillion (22.0%), respectively. Investors still prefer stock and government bond as their main portfolio.

Indonesia corporate debt instrument is less liquid than government bonds. Daily transaction

value was just IDR1.4 trillion in 2018, much lower than IDR20.3 trillion in the government market. Short-term and medium-term tenor (1, 3, and 5-year tenors) mostly dominate the market, accounting for around 70% of the outstanding debt.

liquid and limited tenor havemade foreign investors reluctant to invest in the corporate

bond. Their total investment was only 7.7% of total outstanding corporate debt instrument or around IDR31.8 trillion as of January 2019. Around IDR29.0 trillion was allocated in the corporate bond, IDR2.8 trillion in the medium-term notes, and the remaining IDR41 billion in sukuk (table 1).

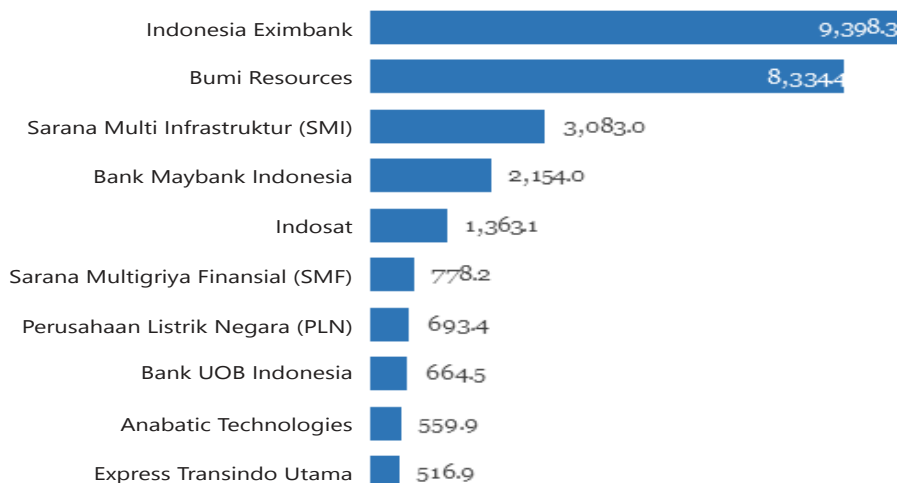
Foreign investments are spread among the private and state-owned companies. The two largest investments of foreigner in corporate debt securities were in Indonesia Eximbank (IDR9.4 trillion) and Bumi Resources (IDR8.3 trillion).●

Table 1. Foreign Investment In Indonesia Corporate Debt Securities (IDR Billion)

Investors	Corporate Bond	Medium Term Notes	Sukuk	Total
Company	9,976	401	17	10,393
Bank	6,190	251	24	6,465
Mutual Fund	1,437	-	-	1,437
Securities Company	274	270	-	544
Insurance	91	300	-	391
Pension Fund	101	-	-	101
Individual	86	12	0	98
Foundation	-	-	-	-
Other	10,847	1,516	-	12,363
Total	29,001	2,750	41	31,791

Source: KSEI

Chart 1. Foreign Ownership of Corporate Debt Securities by Issuers (IDR Billion)



Source: KSEI



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 idAAA(sy)	Stable
4	Adonai Pialang Asuransi	idBBB	Stable
5	Agung Podomoro Land Tbk. Shelf Registration Bond Year 2014 and 2015	idA-	Stable
6	AKR Corporindo Tbk. Bond Year 2012 Shelf Registration Bond Year 2017	idAA- idAA-	Positive
7	Andalan Finance Indonesia	idA-	Negative
8	Aneka Tambang Tbk. Shelf Registration Bond Year 2011	idA-	Stable
9	Angkasa Pura I (Persero) Bond Year 2016 Sukuk Ijarah Year 2016	idAAA idAAA(sy)	Stable
10	Angkasa Pura II (Persero) Bond Year 2016 Shelf Registration Bond Year 2018	idAAA idAAA	Stable
11	ASDP Indonesia Ferry (Persero)	idAA	Stable
12	Astra Sedaya Finance	idAAA	Stable
13	Asuransi Bangun Askrida	idA+	Stable
14	Asuransi Binagriya Upakara	idBBB+	Stable
15	Asuransi Bringin Sejahtera Artamakmur	idA	Stable
16	Asuransi Central Asia	idA+	Stable
17	Asuransi Jasa Indonesia (Persero)	idAA	Stable
18	Asuransi Jiwa Taspen	idA+	Stable
19	Asuransi Kredit Indonesia (Persero)	idAA+	Stable
20	Asuransi Sinar Mas	idAA+	Stable
21	Asuransi Tri Pakarta	idA	Stable
22	Asuransi Tugu Kresna Pratama	idBBB+	Stable
23	Asuransi Umum BCA	idAA	Stable
24	Bali Towerindo Sentra Tbk. MTN Year 2017	idBBB+ idBBB+	Stable
25	Bank BNI Syariah	idAA+	Stable
26	Bank BNP Paribas Indonesia	idAAA	Stable
27	Bank Bukopin Tbk. Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2015 and 2017	idBBB+ idBBB	Stable
28	Bank Capital Indonesia Tbk. Subordinated Bond Year 2014, 2015, and 2017	idBBB+ idBBB-	Stable
29	Bank Central Asia Tbk. Shelf Registration Subordinated Bond Year 2018	idAAA	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 idAAA(sy)	Stable
31	Bank Danamon Indonesia Tbk.	idAAA	Stable
32	Bank DKI Shelf Registration Bond Year 2016	idAA-	Stable
33	Bank Kesejahteraan Ekonomi Subordinated Bond Year 2016	idBBB+ idBBB-	Negative
34	Bank Mandiri (Persero) Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 Subordinated MTN Year 2018	idAAA idAAA	Stable
35	Bank Mayapada Internasional Tbk. Subordinated Bond Year 2013 Subordinated Bond Year 2014 and 2018 Shelf Registration Subordinated Bond Year 2017	idA- idBBB+ idBBB idBBB	Negative
36	Bank Maybank Indonesia Tbk. Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2014 and 2016 Shelf Registration Sukuk Mudharabah Year 2016 and 2017	idAAA idAAA idAA+ idAAA idAAA(sy)	Stable
37	Bank Negara Indonesia (Persero) Tbk. Shelf Registration Bond Year 2017 Subordinated MTN Year 2018	idAAA idAAA	Stable
38	Bank OCBC NISP Tbk. Shelf Registration Bond Year 2016, 2017, and 2018	idAAA idAAA	Stable
39	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 idAA idAA-	Stable
40	Bank Panin Dubai Syariah Tbk.	idA+	Stable
41	Bank Pembangunan Daerah Jawa Barat dan Banten Tbk. Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2017	idAA- idAA-	Stable
42	Bank Pembangunan Daerah Jawa Tengah Subordinated Bond Year 2015 MTN Year 2017 MTN Syariah Mudharabah Year 2017	idAA- idA idAA- idAA-(sy)	Stable
43	Bank Pembangunan Daerah Kalimantan Timur dan Kalimantan Utara	idA	Stable
44	Bank Pembangunan Daerah Nusa Tenggara Timur Shelf Registration Bond Year 2018	idA	Negative
45	Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat Shelf Registration Bond Year 2016 and 2018 Sukuk Mudharabah Year 2016	idA+ idA+(sy)	Stable

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

No	Company	Rating	Outlook
91	Industri Kereta Api (Persero) MTN Year 2017	idA-	Negative
92	INKA Multi Solusi MTN Syariah Mudharabah Year 2017	idBBB	Negative
93	Intiland Development Tbk. Bond Year 2016	idBBB+	Stable
94	J Resources Nusantara MTN Year 2017 and 2018	idA	Stable
95	Jakarta Lingkar Baratsatu Bond Year 2018	idA+	Stable
96	Jamkrida Jabar	idBBB	Stable
97	Jasa Marga (Persero) Tbk. Bond Year 2010 Shelf Registration Bond Year 2014	idAA	Stable
98	Jasa Raharja (Persero)	idAAA	Stable
99	Kapuas Prima Coal Tbk. Bond Year 2018	idBBB	Stable
100	Kereta Api Indonesia (Persero) Bond Year 2017	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-BTN01 Class A EBA-SP SMF-BTN02 Class A EBA-SP SMF-BTN03 Class A EBA-SP SMF-BTN04 Class A EBA-SP SMF-BMRI01 Class A	idAAA idAAA(sf) idAAA(sf) idAA+(sf)(cg) idAAA idAAA idAAA idAAA idAAA	- - - - - - - - -
102	Kimia Farma (Persero) Tbk. MTN Year 2017 and 2018	idAA-	Stable
103	Lautan Luas Tbk. Shelf Registration Bond Year 2017	idA-	Stable
104	Lembaga Pembiayaan Ekspor Indonesia Shelf Registration Bond Year 2014, 2015, 2016, 2017, and 2018 MTN Year 2016 Shelf Registration Sukuk Mudharabah Year 2018	idAAA idAAA idAAA(sy)	Stable Stable Stable
105	Lembaga Penjamin Simpanan	idAAA	Stable
106	Lontar Papyrus Pulp and Paper Industry MTN Year 2017 Sukuk Mudharabah Year 2018	idA+	Stable
107	Mandala Multifinance Tbk. Shelf Registration Bond Year 2018	idA	Negative
108	Mandiri Tunas Finance Shelf Registration Bond Year 2015, 2016, 2017, and 2019	idAA+	Stable
109	Marga Lingkar Jakarta Bond Year 2017	idAAA(sf)	-
110	Maskapai Reasuransi Indonesia Tbk.	idAA-	Stable
111	Mayora Indah Tbk. Bond Year 2012 Shelf Registration Bond Year 2017 and 2018	idAA idAA	Stable Stable
112	Medco Energi Internasional Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 MTN Year 2016	idA+	Stable
113	Medco Power Indonesia Bond Year 2018 Sukuk Wakalah Year 2018	idA idA(sy)	Stable Stable
114	Mitra Adiperkasa Tbk. Shelf Registration Bond Year 2014	idAA	Stable
115	Mitsubishi UFJ Lease & Finance Finance MTN Year 2016	idAAA(cg)	-
116	MNC Guna Usaha Indonesia MTN Year 2017 and 2018	idBBB(cg)	-
117	MNC Kapital Indonesia Tbk. Shelf Registration Bond Year 2018	idBBB idBBB	Stable Stable
118	MNC Pictures MTN Syariah Ijarah Year 2018	idA+(sy)(cg)	-
119	Modernland Realty Tbk. Shelf Registration Bond Year 2015	idA-	Stable
120	Mora Telematika Indonesia Bond Year 2017	idA	Stable
121	Nindya Karya (Persero) MTN Year 2017	idBBB+	Stable
122	Nippon Indosari Corpindo Tbk. Shelf Registration Bond Year 2015	idBBB+	Stable
123	Nusa Surya Ciptadana	idAA-	Stable
124	Oto Multiartha Bond Year 2017 and 2018	idAA+	Stable
125	Pabrik Gula Rajawali I MTN Year 2018	idA-	Stable
126	Panorama Sentrawisata Tbk. MTN Year 2018	idA-	Stable
127	Pegadaian (Persero) Bond Year 2009 Shelf Registration Bond Year 2011, 2012, 2013, 2014, 2015, 2017, and 2018 MTN Syariah Mudharabah Year 2018	idAAA idAAA idAAA idAAA(sy)	Stable Stable Stable Stable
128	Pelabuhan Indonesia I (Persero) Bond Year 2016	idAA	Stable
129	Pelabuhan Indonesia IV (Persero) Bond Year 2018	idAA	Stable
130	Pembangunan Jaya Ancol Tbk. Shelf Registration Bond Year 2016 and 2018	idAA-	Negative
131	Pembangunan Perumahan (Persero) Tbk. Shelf Registration Bond Year 2015 and 2018 Perpetual Bond	idA+	Stable
132	Penjaminan Infrastruktur Indonesia (Persero)	idAAA	Stable

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