

Content

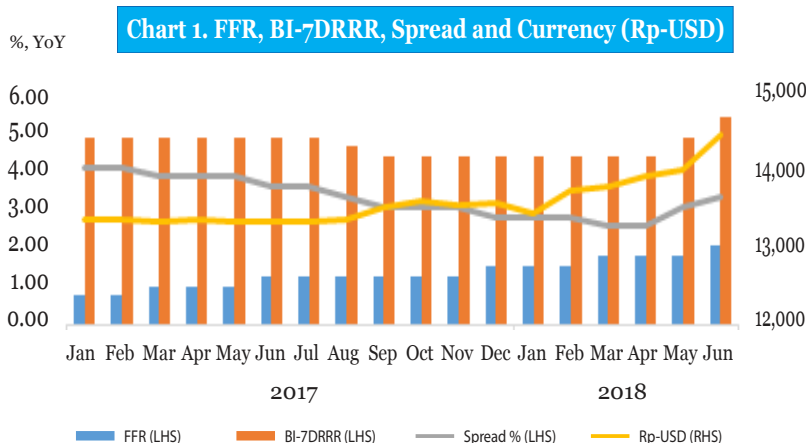
The Depreciation of Rupiah and The Competitiveness of Indonesian Production

Introduction

Following the succession of the US Federal Reserve (The Fed) chairmanship from Janet Yellen to Jerome Powell in February 2018, the Fed has aggressively raised interest rate resulting in the global financial shock (taper tantrum). Indonesia is not spared of this shock as reflected in the pressure on its currency. Accordingly, Bank Indonesia (BI) responded by raising its policy rate and intervening in the foreign exchange market. While such measures have temporarily dampened the pressures, we are of the view that they might not be adequate given the weaknesses of the competitiveness of Indonesia's export products, which have contributed to the persistent current account deficit.

Depreciation of the Rupiah

We see the depreciation of the rupiah was accounted for by both the external and internal factors. From the external side, the tapering off of the US monetary policy through a more aggressive Fed fund rate hikes had reduced the differential between domestic and foreign rates rendering domestic asset portfolios less attractive particularly to foreign investors, which triggered more capital outflow. Such an adverse impact, however, prevailed almost throughout the world.



Source: Fed Reserve and Bank Indonesia (2018)

From the internal side, we view Indonesia's current account deficit, which has persisted in the past few years in tandem with the primary deficit in the national budget (APBN) also played a role. The current account deficit calls for foreign financing, which mostly comprises portfolio investment. Regarding the fiscal deficit, though a major portion is financed by long term foreign investment, a small part is in the form of short term, which is vulnerable to the risk of reversal. Apparently, these factors have exacerbated the depreciation of the rupiah.

Continued to page 2

01 Analysis

- The Depreciation of Rupiah and The Competitiveness of Indonesian Production
- Wireless Telecommunications: Strengthening The Business Model Of Data-Driven Services

04 Local Government

- Revenue Budget Flexibility Of The Provincial Government In Indonesia (2)

05 Window

- Creditworthiness Academy
- PEFINDO Conducted Internal Auditor Certification Training: Awareness & Internal Audit ISO 9001:2015

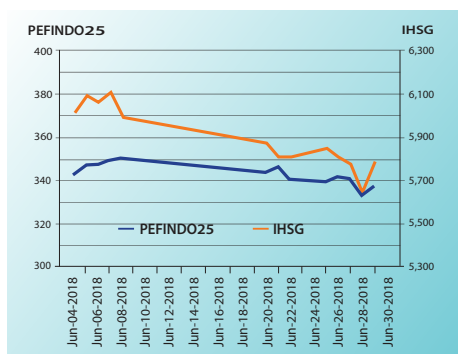
06 Bond Market

- How High Medium Term Notes (MTN) Has Grown

07 Rating Publication

- Companies & Bonds Rated by PEFINDO

index PEFINDO25 2018



Get Our Other Publications

PEFINDO Rating Highlights

Published every 6 months. Including a rating report from active companies rated.



PEFINDO Sectoral Review

Published every 2 months. Containing economic, monetary, bond markets, sectoral review, and company review.

To subscribe, contact :
Marketing Team : 62 21 72782380



Dr. Sjamsul Arifin, M.A.
PRESIDENT COMMISSIONER OF PT PEFINDO

In fact, Indonesia's economic fundamentals are sound as reflected in the economic growth of 5.06% (yoy) in QI 2018 and inflation of 3.44% (yoy) at the end of QI 2018 and 3.12% at the end of QII 2018. However, the current account deficit widened from 0.89% in QI2017 to 2.15% of the GDP in QI 2018, reflecting the weakness in the competitiveness of Indonesia's export products.

Indonesia's Competitiveness

There are several publications showing the cross country comparison of competitiveness, namely: (i) the Global Competitiveness Index (GCI) from the World Economic Forum (WEF); (ii) the Ease of Doing Business Index by the World Bank; (iii) the Industrial Development Report by the United Nations Industrial Development (Unido); and (iv) the Global Manufacturing Competitiveness Index by Deloitte. Based on these indicators, relative to a number of the ASEAN countries, Indonesia consistently scores below Malaysia and Thailand, while higher than the Philippines. Vietnam's rank varies, with WEF and Unido ranking it below Indonesia, while the World Bank and Deloitte placing it above Indonesia.

With respect to the composition of Indonesia's exports, it can be seen that it is still dominated by commodity-based products. This export structure is very different from Malaysia's, which mainly consists of electronic products (accounting for 36.7% of total exports in 2017), or Thailand with heavy

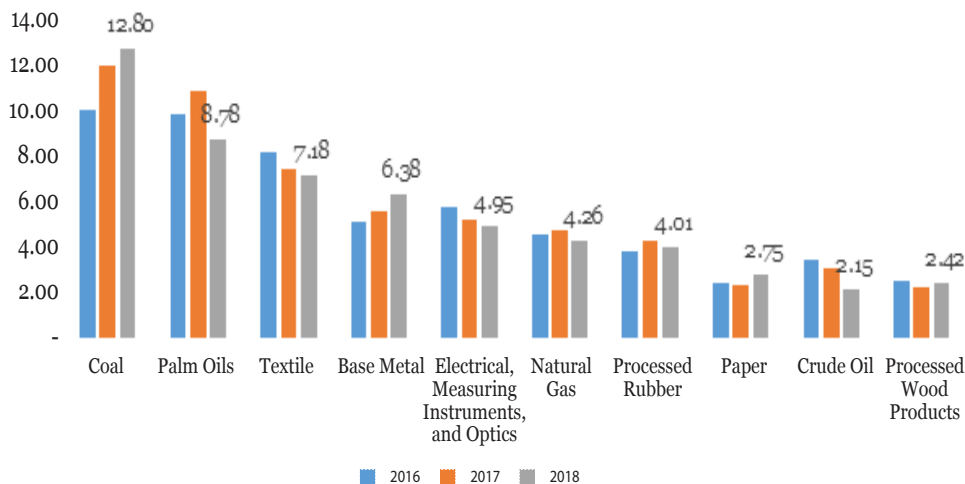
equipment (17%) and electronics (14.4%), and even when compared to the Philippines and Vietnam, which have electronic products constituting 44.8% and 38.1% of their respective total exports in 2017.

Conclusion and Recommendations

Taking into account that the depreciation of the rupiah is affected by both the external and internal factors, we view that BI's response to address the shock by increasing interest rates and intervention in the foreign currency market should be boosted by strengthening the real sector, particularly in the competitiveness of exports. While the findings of the global competitive report showed some improvements in Indonesia's standings over the last few years, it is still the lowest among its neighbors. The low competitiveness of the country's exports can be seen by the dominance of commodity-based products.

Indeed, over-reliance on commodities would be disadvantageous for the economy in the future because: (i) it limits the competitiveness of higher tech industries; (ii) it limits the potential for value-added creation; (iii) it has lower job absorption; and, (iv) it is vulnerable to price fluctuations. Accordingly, moving forward we recommend bolstering competitiveness particularly through promoting investment in human capital and technology as this will not only support the resilience of the rupiah against heightening volatility of the global economy but also accelerate economic growth. ●

Chart 2. Indonesia's Main Exports



Source: BPS, (2018)

Wireless Telecommunications: Strengthening The Business Model Of Data-Driven Services



Aulia Ikhsan
ECONOMIC RESEARCH ANALYST

PEFINDO is of the view that the wireless telecommunications industry will be stable in the medium term. We expect data-driven services to be the key driver, supported by a favorable environment including increasing smartphone penetration, improved affordability of higher data plans, and emerging mobile app-based services.

In Indonesia, data traffic has grown exponentially over the past few years, and we expect this trend to continue over the medium term (exhibit 1). From around 58 petabytes (PB) in 2011, data traffic has reached 3.8 exabytes (EB). With a relatively low base of data consumption, data traffic will potentially reach 19.5 EB by 2021, according to the World Cellular Information Service (WCIS). By 2016, data usage per connection per month in Indonesia was still around 379 megabytes (MB), below India (852 MB), Malaysia (3.1 GB), and Thailand (3.6 GB).

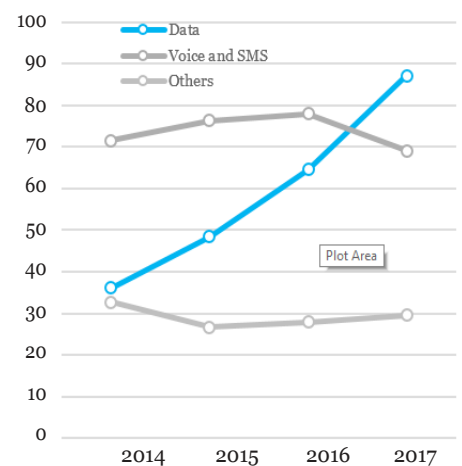
In line with the rapid growth of data consumption, over the longer term, we expect mobile data and over-the-top (OTT) content services (such as WhatsApp and Line) to cannibalize legacy voice and short message service (SMS) services. As a result, data revenue is projected to continue to increase and contribute considerably to telecommunication

Chart 2. Data Revenue Per Megabyte (Rp/MB)



Source: Company's report

Chart 3. Revenue* Breakdown of Listed Operators (IDR Trillion)



*Cumulative revenue for TLKM, ISAT, EXCL and FREN
Source: Company's reports

operators' revenue. But, on the other hand, increasing data services will also encourage increasingly fierce competition among players. This will result in a decline in revenue per byte. Thus, we expect that operators will depend more on data volume to increase revenue.

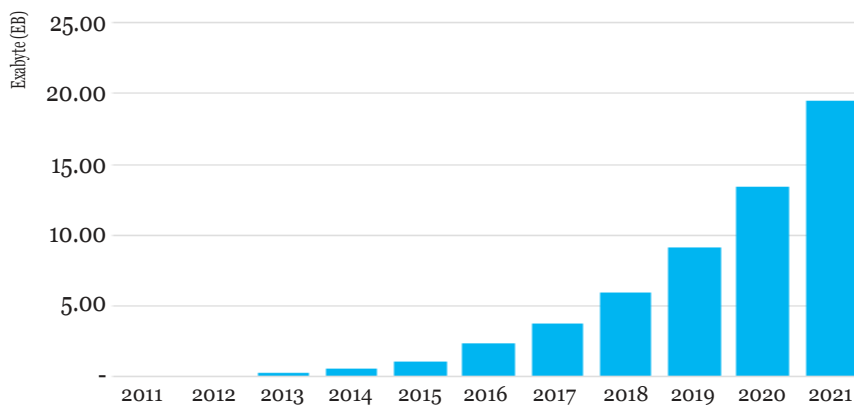
However, in the short-term, we view the cannibalization may have less impact on the revenue. Telecommunications operators are likely to raise the price of legacy services as competition in the segment has cooled off. And, higher revenue from regions where legacy services still dominate (particularly

outside Java) should subsidize the negative impact of their declining usage in Java.

To meet the demand growth, telecommunication operators should maintain their network expansion momentum. The auction of the 2100 MHz and 2300 MHz spectrum bands in October 2017 will likely drive high capex as operators intensify network expansion. As we see, in addressing the bottlenecks in network utilization, telecommunication operators continue to roll out networks, particularly for 4G base transceiver stations (BTS). We note that the listed operators added 109,956 BTS from 2016-2017, of which 50,274 BTS carry 4G technology. Going forward, we expect operators to increase their 4G network rollout to keep up with data traffic growth and increasing demand for higher connection speeds.

In term of rivalry, we project competition to be tighter in the short-term, and we expect the additional spectrum from the latest auction to prompt the winner to adapt a more aggressive pricing strategy to optimize the capacity utilization. This, in turn, allows operators to become more aggressive on pricing. As a result, since the auction winner focuses on the lower middle segment, we expect the per-byte revenue from this segment will suffer more than from the upper segment. ●

Chart 1. Data Traffic Growth In Indonesia



Source: WCIS, Sarana Menara Nusantara Tbk's presentation

* More can read in Indonesia Sectoral Review Magazine, April 2018 edition



M. Try Satria Pranata
MUNICIPAL ANALYST

Revenue Budget Flexibility
Of The Provincial Government In Indonesia (2)

The revenue structures of the local governments in Indonesia consists of local generated revenue (*pendapatan asli daerah* or PAD), transfer revenue from central government/other local governments, and other legitimate revenues. In analyzing the revenue budget flexibility, PEFINDO focuses on the ratio of PAD to total revenue. PAD reflects the revenue that could be pursued by the local government independently, without the needs to rely on other entities. In the following analysis, we will use the Budget Realization Report (*Laporan Realisasi Anggaran* or LRA) data from the entire 34 provincial governments in the budget year of 2016.

PAD consists of local tax revenue, local retribution revenue, investment revenue from separated assets, and other legitimate PADs. Local tax revenue is the most dominant contributor to PAD, with the contribution of all provinces on average at 80.5% of total PAD in 2016. The vehicle tax (*Pajak Kendaraan Bermotor* or PKB) is one of the main contributors to local tax revenue, with the contribution on average of 30.0% of local tax revenue or 26.7% of total PAD. Therefore, we also analyze the PKB tax rates in each province.

We also analyze the sales of local assets (*Barang Milik Daerah* or BMD) and divestments of local-owned enterprises (*Badan Usaha Milik Daerah* or BUMD) to total revenue. We need to view the flexibility of the local government in doing both as an alternative source of PAD.

The PAD to Total Revenue Ratio

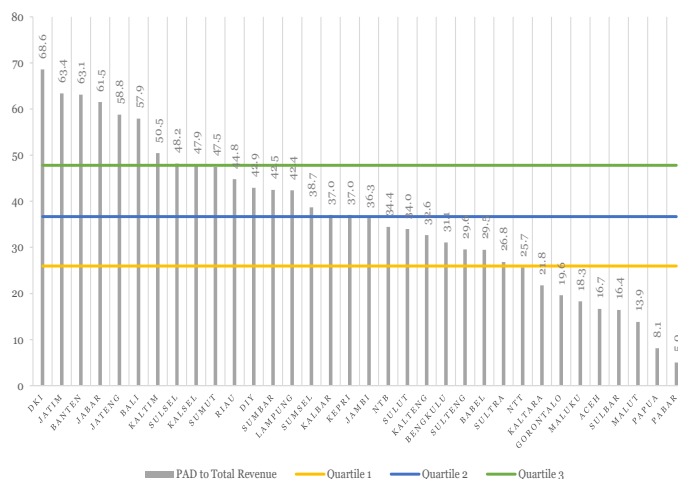
Based on the LRA of 34 provinces in the budget year of 2016, the PAD to total revenue ratio on average was 36.8% with the median of 36.7%. We noted that DKI Jakarta had the highest ratio of PAD to total revenue at 68.6%, followed by East Java (63.4%), Banten (63.1%), West Java (61.5%), and other five provinces that exceeded the third quartile distribution of 47.8%. These 9 provinces can be viewed as the provinces with a relatively more flexible revenue budget compared to other provinces.

DKI Jakarta has a relatively high potential PAD compared to other provinces due to the high number of vehicles. It

reflected from the high contribution of vehicle-based taxes to local tax revenue, that is PKB of 22.60% and Duty of Ownership Transfer on Vehicle (*Bea Balik Nama Kendaraan Bermotor* or BBNKB) of 15.83%. In addition, DKI Jakarta is the only province that has the authority to collect regency/city taxes, which is reflected from the regency/city tax contribution to local tax revenue, that is Land and Building Tax – Rural and Urban Areas (*Pajak Bumi Bangunan – Perdesaan dan Perkotaan* or PBB-P2) of 22.17% and Duty of Right Acquisition on Land and Building (*Bea Perolehan Hak atas Tanah dan Bangunan* or BPHTB) of 12.38%. DKI Jakarta has not received the transfer revenue of General Allocation Fund (*Dana Alokasi Umum* or DAU), which makes it more independent to the central government. Meanwhile, the other three provinces with the ratio exceeding 60% are provinces in Java, which has a very high number of vehicles, as the basis of PKB's and BBNKB's tax objects.

We also noted that West Papua had the lowest ratio at 5.0%, followed by Papua (8.1%), North Maluku (13.9%), and other six provinces with lower than the first quartile distribution of 26.0%. These nine provinces can be viewed as the provinces with a relatively inflexible revenue budget compared to other provinces. These three provinces in the eastern part of Indonesia are heavily dependent on the transfer revenue in the forms of Special Autonomy Fund (*Dana Otonomi Khusus* or *Otsus*) and DAU with a relatively lower source of PAD compared to other provinces.

PAD To Total Revenue [%]



The PKB Tax Rate

PKB's tax rates are progressive rates, in which the second and more vehicle ownerships are subject to higher rates. PKB's rates are regulated under the Act No. 28 Year 2009 concerning Local Taxes and Local Retributions (*Pajak Daerah dan Retribusi Daerah* or PDRD Act), in which the rates are in the range of 1%-2% for the first vehicle ownership and 2%-10% for the second and more vehicle ownership. There are rates exemptions for public transportations, ambulance, firefighter, vehicles for social-religious activity, government, military/police, and heavy equipments.

The local tax rates need to be stipulated by each local government through Local Regulation (*Peraturan Daerah* or Perda), but are prohibited to exceed beyond the allowed range. Since the enactment of PDRD Act in 2009, there were at least seven provinces that have raised PKB's tax rates: North Sumatra, West Sumatra, Riau Islands, DKI Jakarta, Bali, West Nusa Tenggara, and Papua. Meanwhile, there were at least four provinces that have lowered PKB's tax rates: South Sulawesi, Gorontalo, Maluku, and West Papua.

This reflects how dynamic the PKB's tax rates were, where each province has its own consideration to settle its PKB's tax rates as long as they are still under the allowed range. In our analysis, local governments that have the flexibility to raise tax rates are considered to be more flexible than others that could not. In contrast, local governments that lowered tax rates are considered less flexible due to the potential decrease of PAD in the short-term, although the lower tax rates are certainly intended to increase the PAD in the long-term through the increase of tax base of vehicles.

Sales on BMD and Divestments of BUMD

The sales on BMD and divestments of BUMD

in 34 provinces in the budget year of 2016 were insignificant. It is reflected by the ratio of sales and divestments to total revenue on average of 0.04%, with the highest ratio of 0.76% by DKI Jakarta. In 2016, only 25 provinces sold their BMD, while there was no province divesting its BUMD. This explained that the sales on BMD and divestments of BUMD could not become a reliable alternative source of PAD. In our analysis, it has no effect on revenue budget flexibility. ●



Creditworthiness Academy

World Bank organizes a Creditworthiness Academy on 23rd to 26th of July, 2018 at Hotel Pullman Jakarta. This activity is a hands-on-learning program that teaches leaders on fundamentals of creditworthiness and municipal finance. The topic covers enabling environment and options for financing: revenue management and enhancement, expenditure control and asset maintenance, capital investment planning, debt management, and scoping out options for financing.

Mr. Salyadi Saputra as President Director of PT PEFINDO became Panellist in a discussion entitled Private Sector Perspectives on Local / Municipal Creditworthiness.

In the discussion is explained about municipality rating and rating methodology of Local Government in order to issue Municipal Bond.

The Academy will be an entry point into the initiative to design and provide a comprehensive, hands-on, and long-term support to local government achieving its goal through strengthening the financial performance, improving the “demand” side of financing by planning/developing sound projects, and improving the “supply” side of financing by engaging with investors. ●

PEFINDO Conducted Internal Auditor Certification Training: Awareness & Internal Audit ISO 9001: 2015

On July 18-20, 2018 at Harris fx Sudirman, Jakarta, as a continuous effort of PEFINDO in improving customer service and satisfaction, PEFINDO implements ISO 9001: 2015 that renews the previous quality management system, ISO 9001: 2008. Regarding its implementation, PEFINDO conducts an internal training for its employees to obtain information and knowledge on ISO 9001: 2015. A course of basic audit concepts, audit cycle and audit objectives, also internal audit success indicators ISO 9001: 2015 were delivered by trainers from SUCOFINDO, as one of the leading management system certification companies in Indonesia, towards 13 representatives of PEFINDO. After the conduction of this internal training, it is expected that the division representatives could understand the role of internal audit as well as the techniques and methods of an effective audit in accordance with ISO 9001: 2015 quality management system. ●



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 High Medium Term Notes (MTN)

Has Grown

Ahmad Nasrudin

ECONOMIC RESEARCH ANALYST

”

We estimate that a higher interest rate environment could also contribute to limit the number of new issuance. The cost of expansion will become more expensive and the MTN coupon will also get higher in the next few months.

The emergence of various default cases involving MTN issuers has prompted regulators to review the regulations related to this capital market instrument. This is to encourage a healthier and credible capital market for all parties, not just issuers, but also investors, industry, and regulators.

So, why does this instrument become ever more important and how big has it grown?

As we can see, a growing economy is driving increasing demand for financing. Not only from banks, access to funding from the capital market is also increasing. One of the instruments currently favored by the company is MTN. Evidently, in the last three years, the value of MTN issuance has increased from IDR4.9 trillion in 2015 to IDR21.6 trillion in 2017. Until the first half of 2018, the issuance of MTN has reached IDR16.2 trillion, which we projected to reach IDR26.6 trillion for the full year.

Not only in terms of value of issuance, the number of companies to issue MTN also continues to grow. In 2015, there were 16 companies issuing MTN, and the number increased more than doubled in 2017 to 37 companies. For the first half of 2018, there were 26 companies issuing MTN.

MTN issuers vary and are less concentrated on the financial sector. Based on our database, the non-financial sector accounted for 73.8% of the total issuance of MTN in 2017 and 73.5% for issuance during 1H2018. By 2017, the pulp and paper and property industries dominated, by IDR4.7 trillion (21.6%) and IDR3.8 trillion (17.6%), respectively.

MTN becomes a good alternative in addition to corporate bonds. First, the issuance is not through open bidding and the percentage of coupon could be negotiable and at certain point, it does not always have benchmark to the government bond yield.

Second, the stable economic growth around 5% indicates that real sector expansion is still far from strong growth. Therefore, companies opt to issue MTN to meet their funding needs in term of value and tenor (smaller value than corporate bond and with short to medium term of maturity).

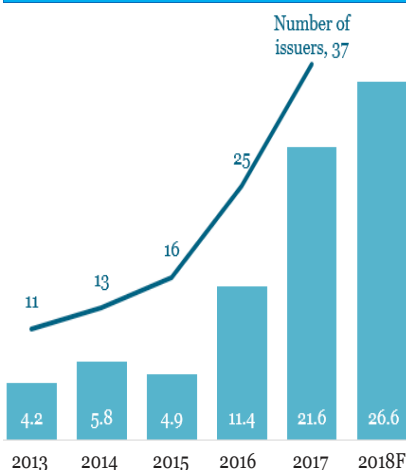
Third, the issuance process is relatively easy because the issuer simply appoints the arranger to issue MTN with negotiable fee. MTN does not require an effective statement from OJK, not required to be registered in KSEI and listed on the IDX, and it is not mandatory to be rated.

However, with increasing default cases during 2017-2018, we estimate the regulator will be more stringent overseeing the issuance of MTN. Recently, regulators issue a regulation that forces mutual funds to use minimum of AA-rated MTN as an underlying asset. Since most of the MTNs issued are rated below AA (about 70% of issuance throughout 2016-2017), this policy will also have a substantial effect on the new issuance.

In addition, we estimate that a higher interest rate environment could contribute to limit the number of new issuance. The cost of expansion will become more expensive and the MTN coupon will also get higher in the next few months. Therefore, although during the first half of 2018 new MTN issuance has jumped 156.9% over the same period last year, we view that the issuance will be more moderate in the second half of 2018. ●

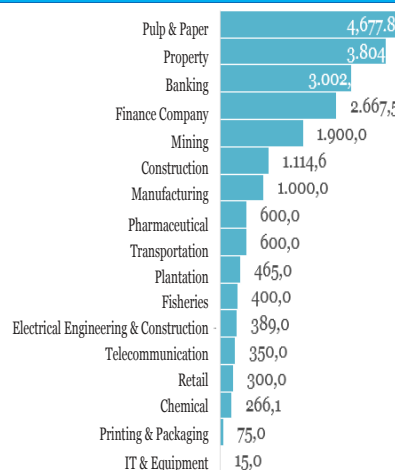
Historical Trend of MTN Issuance In Indonesia

Number of Issuers (Company) and Issuance Value (In IDR Trillion)



Source: KSEI, PEFINDO database

Issuance By Sector In 2017 (In IDR Billion)





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	Stable
3	Adira Dinamika Multi Finance Tbk. Shelf Registration Bond Year 2013, 2014, 2015, 2016, 2017, and 2018 Shelf Registration Sukuk Mudharabah Year 2016, 2017, and 2018	idAAA	Stable
4	Adonai Pialang Asuransi Shelf Registration Subordinated Bond Year 2012	idAAA(sy)	-
5	Agung Podomoro Land Tbk. Shelf Registration Bond Year 2014 and 2015	idBBB	Stable
6	AKR Corporindo Tbk. Bond Year 2012 Shelf Registration Bond Year 2017	idAA-	Positive
7	Andalan Finance Indonesia	idAA-	-
8	Aneka Tambang Tbk. Shelf Registration Bond Year 2011	idA-	Stable
9	Angkasa Pura I (Persero) Bond Year 2016 Sukuk Ijarah Year 2016	idBBB+	Stable
10	Angkasa Pura II (Persero) Bond Year 2016	idAAA	Stable
11	Asahimas Flat Glass Tbk.	idAAA(sy)	-
12	Astra Sedaya Finance	idAAA	Stable
13	Asuransi Bhakti Bhayangkara	idAAA	Stable
14	Asuransi Binagriya Upakara	idBBB	Stable
15	Asuransi Brinjin Sejahtera Artamakmur	idBBB+	Stable
16	Asuransi Jiwa Inhealth Indonesia	idA	Stable
17	Asuransi Kredit Indonesia (Persero)	idAA	Stable
18	Asuransi Tugu Kresna Pratama	idAA+	Stable
19	Asuransi Umum BCA	idBBB+	Stable
20	Bali Towerindo Sentra Tbk. MTN Year 2017	idAA	Stable
21	Bank BNI Syariah	idBBB+	Stable
22	Bank BRI Syariah Tbk.	idAA+	Stable
23	Bank Bukopin Tbk. Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2015 and 2017	idA	Stable
24	Bank Capital Indonesia Tbk. Subordinated Bond Year 2014, 2015, and 2017	idBBB+	Stable
25	Bank Central Asia Tbk.	idBBB-	-
26	Bank CIMB Niaga Tbk. Shelf Registration Bond Year 2013, 2016, and 2017	idAAA	Stable
27	Bank Danamon Indonesia Tbk.	idAAA	Stable
28	Bank DKI Shelf Registration Bond Year 2016	idAA-	Stable
29	Bank Ganesha Tbk.	idAA-	-
30	Bank Kesejahteraan Ekonomi Subordinated Bond Year 2016	idBBB+	Stable
31	Bank Mandiri (Persero) Tbk. Shelf Registration Bond Year 2016 and 2017	idBBB-	-
32	Bank Mandiri Taspen	idAAA	Stable
33	Bank Mayapada Internasional Tbk. Subordinated Bond Year 2013 Subordinated Bond Year 2014 Shelf Registration Subordinated Bond Year 2017	idAA	Stable
34	Bank Maybank Indonesia Tbk. Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2011 and 2012 Shelf Registration Subordinated Bond Year 2014 and 2016 Shelf Registration Sukuk Mudharabah Year 2016 and 2017	idBBB+	-
35	Bank Mega Tbk.	idAAA	Stable
36	Bank Muamalat Indonesia Tbk. MTN Syariah Year 2017 Subordinated MTN Syariah Year 2017	idA+	Stable
37	Bank Negara Indonesia (Persero) Tbk. Shelf Registration Bond Year 2017	idA	Credit Watch with Negative Implication
38	Bank OCBC NISP Tbk. Shelf Registration Bond Year 2016, 2017, and 2018	idA(sy)	-
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	idBBB+(sy)	-
40	Bank Pembangunan Daerah Jawa Barat dan Banten Tbk. Shelf Registration Bond Year 2017 Shelf Registration Subordinated Bond Year 2017	idAAA	Stable
41	Bank Pembangunan Daerah Jawa Tengah Subordinated Bond Year 2015 MTN Year 2017 MTN Syariah Mudharabah Year 2017	idAAA	Stable
42	Bank Pembangunan Daerah Jawa Timur Tbk.	idAA-	Stable
43	Bank Pembangunan Daerah Kalimantan Timur dan Kalimantan Utara	idA+	Stable
44	Bank Pembangunan Daerah Nusa Tenggara Timur Bond Year 2011	idA	Stable
45	Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat Shelf Registration Bond Year 2016 Sukuk Mudharabah Year 2016	idA	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	Stable
47	Bank Permata Tbk. Shelf Registration Subordinated Bond Year 2013 Shelf Registration Subordinated Bond Year 2014 Subordinated Bond Year 2012	idA-	-
48	Bank Rakyat Indonesia (Persero) Tbk. Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idAAA(sy)	-
49	Bank Rakyat Indonesia Agroniaga Tbk. Bond Year 2017	idAAA+	Stable
50	Bank Resona Perdana MTN Year 2016	idAA	Stable
51	Bank Sahabat Sampoerna	idAA	Stable
52	Bank Sumitomo Mitsui Indonesia MTN	idAA-	Stable
53	Bank Sumut Subordinated Bond Year 2011	idAAA	Stable
54	Bank Syariah Mandiri Sukuk Subordinasi Mudharabah Year 2016	idA-	Stable
55	Bank Tabungan Negara (Persero) Tbk. Bond Year 2010 and 2011 Shelf Registration Bond Year 2012, 2013, 2015, 2016, and 2017	idAA+(sy)	Stable
56	Bank Victoria International Tbk. Subordinated Bond Year 2012 and 2013 Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2017 and 2018	idAA+	Stable
57	Bank Woori Saudara Indonesia 1906 Tbk. Subordinated Bond Year 2012	idBBB+	Stable
58	Barata Indonesia (Persero) MTN Year 2017	idBBB	Stable
59	Batavia Prosperindo Finance Tbk. Shelf Registration Bond Year 2017 and 2018	idBBB	Stable
60	BCA Finance Shelf Registration Bond Year 2016	idBBB	Stable
61	Brantas Abipraya (Persero)	idAAA	Stable
62	Bumi Serpong Damai Tbk. Shelf Registration Bond Year 2012 and 2016	idBBB+	Stable
63	Bussan Auto Finance Bond Year 2017 and 2018	idAA-	Stable
64	Century Tokyo Leasing Indonesia MTN Year 2016	idAA	Stable
65	Chandra Asri Petrochemical Tbk. Bond Year 2016 Shelf Registration Bond Year 2017 and 2018	idAA-(cg)	Stable
66	Chandra Sakti Utama Leasing Bond Year 2017	idAA-	Stable
67	CIMB-Principal Asset Management	idA	Stable
68	Clipan Finance Indonesia Tbk. MTN Year 2018	idA-	Stable
69	CSM Corporatama	idAA-	Stable
70	Danareksa (Persero) Shelf Registration Bond Year 2014	idBBB+	Stable
71	Duta Anggada Realty Tbk.	idA	Stable
72	Express Transindo Utama Tbk. Bond Year 2014	idBBB+	Negative
73	Fast Food Indonesia Tbk. Bond Year 2016	idSD	-
74	Federal International Finance Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idD	-
75	Finansia Multi Finance MTN Year 2017	idAA	Stable
76	Garuda Indonesia (Persero) Tbk. Shelf Registration Bond Year 2013	idBBB+	Stable
77	Global Mediacom Tbk. Shelf Registration Bond Year 2017 Shelf Registration Sukuk Ijarah Year 2017	idBBB+	Stable
78	Graha Informatika Nusantara MTN Year 2016	idA+	Stable
79	Heksa Solution Insurance	idA+(sy)	-
80	Hutama Karya (Persero) Bond Year 2013 Shelf Registration Bond Year 2016 and 2017	idBBB	Stable
81	Impact Pratama Industri Tbk. Bond Year 2016	idBBB+	Stable
82	Indofood Sukses Makmur Tbk. Bond Year 2014 and 2017	idA-	Stable
83	Indomobil Finance Indonesia Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idAA+	Stable
84	Indonesia Infrastructure Finance Bond Year 2016	idA	Stable
85	Indonesia Power	idAAA	Stable
86	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	Stable
87	Industri Kereta Api (Persero) MTN Year 2017	idAAA(sy)	-

No	Company	Rating	Outlook
88	Infrastruktur Bisnis Sejahtera	idBBB+	Stable
89	INKA Multi Solusi MTN Syariah Mudharabah Year 2017	idBBB+ idBBB+(sy)	Stable -
90	Inti Banqun Sejahtera Tbk.	idA-	Stable
91	Intiland Development Tbk. Bond Year 2013 and 2016	idBBB+ idBBB+	Stable -
92	J Resources Nusantara MTN Year 2017 and 2018	idA idA	Stable -
93	Jamkrida Banten	idBBB-	Stable
94	Jamkrida Jabar	idBBB	Stable
95	Jasa Marga (Persero) Tbk. Bond Year 2010 Shelf Registration Bond Year 2013 and 2014	idAA idAA idAA	Stable - -
96	Jasa Raharja (Persero)	idAAA	Stable
97	Kereta Api Indonesia (Persero) Bond Year 2017	idAAA idAAA	Stable -
98	KIK EBA (Asset Backed Securities) KIK EBA Danareksa BTN - KPR BTN Class A KIK EBA Danareksa Indonesia Power PLN 1-EBA Class A KIK EBA Mandiri JSMR01 Class A 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) idAAA idAAA idAAA idAAA idAAA idAAA	- - - - - - - - -
99	Kimia Farma (Persero) Tbk. MTN Year 2017 and 2018	idAA- idAA-	Stable -
100	Koperasi Simpan Pinjam Nusantara	idBBB	Stable
101	Lautan Luas Tbk. Shelf Registration Bond Year 2017	idA- idA-	Stable -
102	Lembaga Pembiayaan Ekspor Indonesia Shelf Registration Bond Year 2011, 2014, 2015, 2016, 2017, and 2018 MTN Year 2016 Shelf Registration Sukuk Mudharabah Year 2018	idAAA idAAA idAAA(sy)	Stable - -
103	Lembaga Penjamin Simpanan	idAAA	Stable
104	Len Industri (Persero) MTN Year 2017	idBBB- idBBB-	Stable -
105	Mandala Multifinance Tbk.	idA	Stable
106	Mandiri Tunas Finance Shelf Registration Bond Year 2015, 2016, and 2017	idAA+ idAA+	Stable -
107	Marga Lingkar Jakarta Bond Year 2017	idAAA(sf)	-
108	Maskapai Reasuransi Indonesia Tbk.	idAA-	Stable
109	Mayora Indah Tbk. Bond Year 2012 Shelf Registration Bond Year 2017 and 2018	idAA idAA idAA	Stable - -
110	Medco Energi Internasional Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 MTN Year 2016	idA+ idA+ idA+	Stable - -
111	Medco Power Indonesia	idA	Stable
112	Mega Auto Finance	idA-	Stable
113	Mega Central Finance	idA-	Stable
114	Mitra Adiperkasa Tbk. Shelf Registration Bond Year 2014	idAA- idAA-	Stable -
115	Mitra Bisnis Keluarga Ventura	idBBB+	Stable
116	Mitsubishi UFJ Lease & Finance Finance MTN Year 2015 and 2016	idAAA(cg)	-
117	MNC Guna Usaha Indonesia MTN Year 2017 and 2018	idBBB(cg)	-
118	MNC Kapital Indonesia Tbk. Shelf Registration Bond Year 2013 and 2018	idBBB idBBB	Stable -
119	MNC Pictures MTN Syariah Ijarah Year 2018	idBBB+ idA+(sy)(cg)	Stable -
120	Modernland Realty Tbk. Shelf Registration Bond Year 2015	idA- idA-	Stable -
121	Mora Telematika Indonesia Bond Year 2017	idA	Stable
122	NH Korindo Sekuritas Indonesia	idA	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 and 2018	idAA+ idAA+	Stable -
127	Pabrik Gula Rajawali I MTN Year 2018	idA- idA-	Stable -
128	Panorama Sentrawisata Tbk. Shelf Registration Bond Year 2013 MTN Year 2018	idA- idA- idA-	Stable - -
129	Pegadaian (Persero) Bond Year 2003 and 2009 Shelf Registration Bond Year 2011, 2012, 2013, 2014, 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)	idAA	Stable
132	Pembangunan Jaya Ancol Tbk. Shelf Registration Bond Year 2016 and 2018	idAA- idAA-	Negative -
133	Pembangunan Perumahan (Persero) Tbk. Shelf Registration Bond Year 2015 Perpetual Bond	idA+ idA+ idA-	Stable - -

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