

## Content

### The Higher Risk Premia of Indonesia's Financial Market

#### Overview

Indonesia's financial markets have become increasingly integrated, both domestically and internationally. However, the portion of foreign investors' ownership of total securities at Indonesia's financial market of 45.52% in early January 2018 decreased to 43.48% at the third week of April 2018, showing a sign of higher risk premia of Indonesia's financial market. At the mean time, the stocks market (IHSG) had the bearish situation, moved from 6,339.24 on January 2, 2018 to 5,885.34 on April 25, 2018. Thus, the Indonesia's risk free rate (indicated by Indonesia 10-Year Bond Yield) also moved on a bearish situation, from 6.279% to 6.995% for the same period. The bearish circumstances of Indonesia's financial market also show the vulnerability of Indonesia's financial market to the global shocks. In recent days, the hawkish outlook of the Fed rate and the trade war issues have become the main issues.

#### The Financial Market Linkages

The linkages across domestic and global financial markets are increasingly well-understood. Started by the Barsky (1989), Shiller and Beltratti (1992), also Campbell and Ammer (1993), we found how the spillovers across different domestic asset prices often find a positive correlation between stock returns and bond yields. The recent work of Bernanke and Kuttner (2004) also Ehrmann and Fratzscher (2004) found that equity prices react strongly to monetary policy shocks, otherwise, at the same time Rigobon and Sack (2003) also found that monetary policy has been shown to respond to the equity markets.

There have also been various attempts to analyze international spillovers, started by the Engle, Ito and Lin (1990) seminal paper, and Andersen and Bollerslev (1998) who found strong spillovers in foreign exchange markets. Hamao, Masulis and Ng (1990), King, Sentana and Wadhvani (1994), and Lin, Engle and Ito (1994) also detected spillovers of equity markets across countries. The news and information also had spillover effects between stocks market, such as the Finnerty and Friedman (1995) works.

From the linkages between financial markets, we can conclude that the relative risk between assets, especially between stocks and bonds, is an important thing for economic agent to choose and put his/her portfolio. From a theoretical perspective, the relationship between stocks and bonds can be seen in the form of present value, while the increase of future discount rates may result as a fall of the asset present value, reflected by the decreasing prices of the assets. Thus, while incorporating the macroeconomic variables, the "flight to quality" condition also happens if investors tend to move in and/or out of asset as a result of the current market situation and updated risk assessments.

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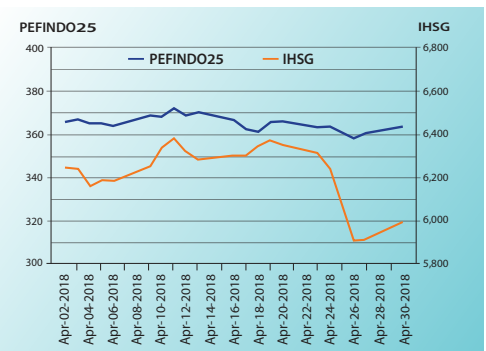
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Published every 2 months. Containing economic, monetary, bond markets, sectoral review, and company review.



**Fikri C. Permana**  
ECONOMIST

**The Increasing Rate of Indonesia Risk Premia**

Nowadays, since the issues of fed rate hike have already increased the yield of US Government Bond (US Bond), at the mean time, the recent situation spillovers to Indonesia by the rallied Indonesia's Government Bond (Indo Bond), in line with other emerging markets. While the US Bond-10 Year exceeded the 3% psychological level on April 25, 2018, the next day (on April 26, 2018) Indonesia Bond-10 Year's yield bounced to 7.14%.

In addition, the "flight to quality" of

Indonesia market has also been driven by the depreciation of Rupiah to US dollar since the end of January 2018.

When the trade war issues began in early January 2018, Rupiah moved from IDR13,545 per USD on January 2, 2018, then appreciated to IDR13,266 per USD on January 25, 2018. However, after the Fed rate hike issue, the Rupiah began to exceed IDR13,700 per USD since February 28, 2018 and reached the highest level to

Rp13,990 per USD on May 4, 2018.

Considering all the situations, we can interpret that the market players see the risk premia of Indonesian economy to be higher than before, although on April 13, 2018 Indonesia sovereign rating was upgraded by Moody's, which theoretically should make the yield decreasing. But the 10-Year Indonesian Bond yield only decreased from 6.583% on April 12, 2018 to 6.570% on April 13, 2018, then began to increase to 6.596% the next day and exceeded 7% level on April 26, 2018.

The higher risk was also shown at Indonesia's stocks market (IHSG), while the higher yield circumstances of

Indonesian Bond followed by the down step of IHSG to 2.81% (dtd) on April 26, 2018. The 7% yield of 10 Year Indonesia Bond, once more, made the foreign investor switched his/her portfolio from the stocks market to the bond market and made the IHSG reaching the lowest level of this year (as of writing) to 5,768.78 on May 4, 2018.



Although Indonesian authorities (fiscal and monetary) still believe that our economic fundamental is strong, but since the foreign investors view that Indonesia has higher risk premia, we will see our financial market to still be under pressure. We hope it does not last long.

The signs of higher risk premia from foreign investors are mainly reflected by the decreasing shares of foreign investors at the the total securities ownership of Indonesia's financial

market. On January 5, 2018, the foreign investors' ownership to the total Indonesia's securities reached 45.52%, then decreased to 45.20% on February 2, 2018, then decreased to 43.48% on April 20, 2018.

In the equity market, the ownership of foreign investors to the total Indonesia equity market decreased from 51.35% on January 5, 2018 to 50.65% on February 2, 2018, then reached 49.22% on April 20, 2018. In the bond

market, the foreign investors' ownership composition also moved from 40.30% on January 5, 2018, then switched their portfolio from equity to bond and made the composition to 41.37%, and as Rupiah depreciated they decreased the investment composition on bond market to 39.57%.

Although Indonesian authorities (fiscal and monetary) still believe that our economic fundamental is strong, but since the foreign investors view that Indonesia has higher risk premia, we will see our financial market to still be under pressure. We hope it does not last long. ●



**Aulia Ikhsan**  
ECONOMIC RESEARCH ANALYST

## General Insurance:

### Maintain Performance Amid Challenging Business Environment

**W**e are of the view that prospects for general insurance and reinsurance business will still be quite challenging this year. Sluggish performance in the core segments will considerably affect the overall growth performance of industry in the short-term. In 2017, gross premium grew only 5.5% (to IDR67.2 trillion). This year,

we expect the percentage to slightly improve, although likely at a single digit. We forecast gross premium would grow at a range of 6%-8%. Prospect of two main segments, i.e. property and auto insurance, will be key driver considering their substantial contributions. In 2017, gross premium from property segment was stagnant at IDR24.9 trillion. Meanwhile, the motor vehicle insurance reported IDR16.9 trillion gross premium in 2017, lower than IDR17.7 trillion in 2016.

Low growth prospect challenged industry's profitability. Low growth has been driving intense competition in the industry, impacting on the stiffer price competition among players. As a result, underwriting result grow at low pace. Industry reported stagnant underwriting result, from IDR13.05 trillion in 2016 to IDR13.66 trillion in 2017.

Although growing positively, the outcome of asset investment can not compensate for a decline in core business. Industry posted an investment return of IDR5.05 trillion, up by 4.14% from IDR4.85 trillion in 2016. The industry also reported investment yield of 6.9% in 2017, lower than 7.4% of its average during 2012-2016. Also, current low interest rate environment might weaken the performance from their portfolio allocation.

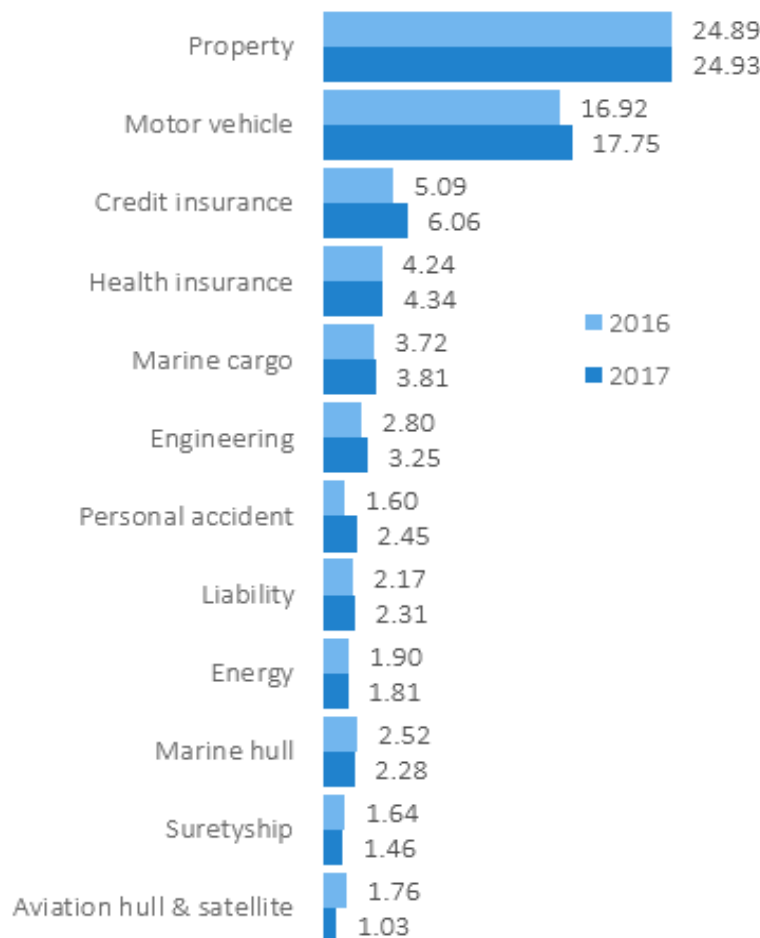
Overall, for full year of 2017, both ratio of return on average assets (ROAA) and return on average equity (ROAE) decreased to 4.0% and 10.1% from previously 4.4% and 11.6%, respectively. At the bottom-line, the industry reported net income of IDR5.7 trillion, down by 3.4% from IDR5.9 trillion in the previous year.

We expect market continuing to consolidate. Barrier to entry in the general insurance industry is relatively

easy and combined with its potential high growth, the industry still attracts investors. Increasing needs to strengthen capital will be the key driver to support market position and to expand the business. On the other side, since the industry still offers potential high growth in the medium to longer term, merger and acquisition (M&A) will continue in line with the arrival of new investors.

Two M&A activities in the last two years were Fairfax Insurance Indonesia and Asuransi Multi Artha Guna (with Asuransi Multi Artha Guna as the surviving entity) as well as the acquisition of Asuransi Asoka Mas by Etiqa Insurance, a subsidiary of Malayan Banking Bhd. In addition, the single presence policy implementation could drive the consolidation in the industry. The latest example was a merger between AXA Life Indonesia and AXA Financial Indonesia (AXA Group) in February 2018. ●

**Sluggishness In The Core Segments  
Gross Premium Written, In IDR Trillion**



\*data covered general insurance and general reinsurance  
Source: AAUI

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



**M. Try Satria Pranata**  
MUNICIPAL ANALYST

## Measuring Maximum Capacity of Local Government Loans

**T**o support its functions, local governments are given the right for financing the local budget (Anggaran Pendapatan dan Belanja Daerah or APBD) with local government loans (or local loans). Considering that local loans have various risks, the limit of local loans is regulated. The instruments used in these limitations are the maximum limit of local loans and the maximum limit of APBD deficits.

Through this article, we will measure the maximum limit of local loans and the maximum limit of APBD deficits under the Government Regulation No. 58 Year 2005 concerning Local Government Financial Management, the Government Regulation No. 30 Year 2011 concerning Local Government Loans, as well as other relevant regulations. The measurements were made on the basis of 2017 fiscal year across all 34 province governments in Indonesia. Certain assumptions can be used to simplify the measurements.

### The Maximum Limit of Local Loans

The maximum limit of local loans is 75% from the realization of general revenues of previous year's APBD (2016 fiscal year), deducted by the remaining loan and the upcoming loan withdrawal. APBD general revenues are all APBD revenues, excluding Special Allocation Funds (Dana Alokasi Khusus or DAK), Emergency Funds, remaining loan funds, and other revenues that are dedicated to finance some specific expenditure.

To measure the maximum capacity of local loans for 2017 fiscal year, we set aside the remaining loan and the remaining loan funds, and assume there is no upcoming loan withdrawal. We also assume there are some mandatory expenditures that limit the uses of revenues, such as employee expenditure, local tax sharing expenditure

to municipalities, and financial aid expenditure to municipalities. These three types of expenditures will be deducted to the measurement for conservatism as we assume these expenditures will have to be spent.

### The Maximum Limit of APBD Deficits

The maximum limit of APBD deficits for each fiscal year is determined by the Minister of Finance considering the fiscal capacity of each province/local government. The maximum limit of APBD deficits for 2017 fiscal year is determined as follows:

1. 5.25% from total revenue budget (fiscal category: very high);
2. 4.25% from total revenue budget (fiscal category: high);
3. 3.25% from total revenue budget (fiscal category: medium);
4. 2.5% from total revenue budget (fiscal category: low).

The maximum limit of APBD deficit is the deficit financed by local loans, excluding local loans financed by other sources of financing. The determination of the fiscal category for 2017 fiscal year refers to the Minister of Finance Regulation No. 132/PMK.07/2016.

If necessary, a local government that requires higher APBD deficit than that determined by the Minister of Finance may submit a request to exceed the maximum limit of APBD deficits to the Minister of Finance c.q. the Director General of Fiscal Balance before the approval of APBD.

### The Cumulative Maximum Limit of Local Loans and APBD Deficits

In addition to limitation for each local government, the Minister of Finance also determines the cumulative maximum limit

The Maximum Limit of Local Loans 2017 FY (IDR Tn)							
Province	±23	±6 - 7	±4 - 5	±2 - 3	±1.5 - 2	±1 - 1.5	±0.5 - 1
DKI	Jabar, Jatim	Aceh, Papua, Jateng	Sumsel, Kaltim, Banten, Sumut, Kalsel	Pabar, Kalteng, Sumsel, Riau, Lampung, Sumbar	Kalbar, Jambi, Sumsel, Kalteng, Riau, Lampung, Sumbar	DIY, NTB, Bali, Kepri, Maluku, NTT, Maluku, NTT, Maluku, Sulteng, Sulut	Sultra, Bengkulu, Babel, Sulbar, Gorontalo

that is applicable to all provinces/local governments in Indonesia. The cumulative maximum limit of local loans for 2017 fiscal year is determined at 0.3% of the projected Gross Domestic Product (GDP) of the 2017 national budget (Anggaran Pendapatan dan Belanja Negara or APBN). The cumulative maximum limit of APBD deficits for 2017 fiscal year is also determined at 0.3% of the projected GDP of the 2017 APBN.

### The Maximum Capacity of Local Loans for 2017 Fiscal Year

Based on Budget Realization Reports (Laporan Realisasi Anggaran or LRA) of 34 provinces for 2016 fiscal year, we noted that DKI Jakarta had the highest maximum limit of local loans, reaching IDR23.50 trillion, followed by East Java (IDR7.32 trillion), West Java (IDR6.00 trillion), and Aceh (IDR5.70 trillion). The lowest maximum limits of local loans are Gorontalo (IDR576.29 billion), West Sulawesi (IDR652.90 billion), and Bangka Belitung Island (IDR800.73 billion).

Based on APBD of 34 provinces for 2017 fiscal year, we noted that DKI Jakarta also had the highest maximum limit of APBD deficits, reaching IDR3.28 trillion, followed by West Java (IDR763.52 billion), East Java (IDR698.32 billion), and Aceh (IDR607.41 billion). The lowest maximum limits of APBD deficits are West Sulawesi (IDR45.35 billion), Gorontalo (IDR45.79 billion), and Maluku (IDR71.50 billion).

The projection of GDP in 2017 APBN is IDR13,699.91 trillion. The cumulative maximum limit of local loans and the cumulative maximum limit of APBD deficits are each determined by 0.3% of projected GDP in 2017 APBN amounting to IDR41.10 trillion.

Referring to the measurement result, we noted that all provinces/local governments in Indonesia for 2017 fiscal year had the cumulative maximum capacity of local loans up to IDR41.10 trillion. It can be utilized by province government within the range of the maximum limit of local loans from IDR576.29 billion to IDR23.50 trillion. The cumulative maximum limit of APBD deficits also reached IDR41.10 trillion. It can be utilized by province government within the range of the maximum limit of APBD deficits from IDR45.35 billion to IDR3.28 trillion. ●

The Maximum Limit of APBD Deficits 2017 FY (IDR Tn)						
Province	±3.2	±0.6 - 0.7	±0.3 - 0.4	±0.2	±0.1	±0.05 - 0.1
DKI	Jabar, Jatim, Kaltim, Pabar, Bali, Kalsel, Kalteng, Lampung, Bengkulu, Maluku, Papua, Aceh, Banten, Sumut, Sumsel, Sumsel, Kalbar, Kepri, Jambi, Gorontalo, Sulbar, Jateng	Riau	Sumut, Sumbar	Sumbar	DIY, Maluku, NTB, NTT, Sulut, Babel, Kaltara, Sulteng, Sultra	

## In House Training Bond Market & Instruments



PEFINDO held an in-house training on April 14-15, 2018, located at ebony room 3, Aryaduta Hotel, Lippo Karawaci, Tangerang . The "In House Training - Bond Market & Instruments" was attended by 25 participants from the divisions of PT Pemeringkat Efek Indonesia (PEFINDO), for instance from the division of marketing and business development, legal and compliance, information technology, human resources and general affairs, internal audit, financial and accounting, quality control, and economic research. This two-day training

covered basic knowledge of Indonesian securities and its relation to macroeconomic, risk and rating of Indonesian securities, valuation and interpretation of Indonesian securities, and also price discovery mechanism and IBPA fair market price information system i.e. BIPS (Bond Information and Pricing Services). ●

## Analyst Meeting Securities

PEFINDO held an analyst meeting on April 27, 2018, at the main meeting room. PEFINDO invited analysts from securities companies and gave information on corporate bond development in the first quarter of 2018, PEFINDO rating activities, rating progress of 2018, submitted by Rating Director of PEFINDO, Mrs. Vonny Widjaja. This activity demonstrates PEFINDO's commitment to socialize the developments that occur in the rating business to its stakeholders. On this occasion, PEFINDO also provided reviews on the development of several main sectors, conducted by Hendro Utomo and Niken Indriarsih. Before the Q & A session, economic outlook was also presented by PEFINDO's economist, Fikri C. Permana. ●



## Newsletter

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## Enjoying Low Cost of Fund, But More Costly For The Next

**Ahmad Nasrudin**  
ECONOMIC RESEARCH ANALYST



*We see the possibility of continued pressure on bond yields coming from increasingly strong negative sentiment.*

**L**ow yield environment attracted more companies to issue bonds in early this year. There were IDR41.1 trillion debt instrument issuances during January-April 2018 or almost half of maturing debt instruments in 2018. Specifically, in April 2018, the bond market reported new issuances of IDR13.5 trillion, higher than the previous month of IDR8.9 trillion.

We view that many issuers harnessed good momentum earlier this year to issue bonds, especially for refinancing needs. Understandably, debt securities that mature this year reached IDR90.7 trillion, comprising of corporate bonds of IDR75.9 trillion, medium term notes of IDR11.2 trillion, and sukuk of IDR3.6 trillion. Meanwhile, the funding need for expansion is expected to be still relatively moderate amid stable growth of the business as reflected in the domestic economic growth (5.06% year on year (YoY) in 1Q2018 vs 5.04% year on year in 1Q2017) and the increase of investment loan (up only by 4.6% year on year in February 2018 to reach IDR1,171.2 trillion). Two sectors that historically dominated the issuance, finance companies and banking, also posted relatively stable lending growth at the range of 7-8%.

Although domestic bond yield started to increase (in line with the sell-off by foreign investors), issuers still enjoyed lower coupon. In March-April 2018, AAA-rated issuers, on average, paid 7.21%-7.31% coupon for their debt instrument issuances of 3-5 years tenor. It was lower than the percentage in the same period of last year.

Cost of issuance has been more expensive. The yield for benchmark tenor of 10-years bond has risen sharply to 6.985% on May 4, 2018 from 6.187% on January 4, 2018. At the same time, the effective yield of corporate bond also increased and reached above 8% (table 1).

For the next few weeks, we view that the cost

of issuance is most likely continuing to rise in line with currently high yield trend, thus may slow down new issuances of corporate bond. We see the possibility of continued pressure on bond yields coming from increasingly strong negative sentiment.

The release of US economic data

showed a positive trend with core inflation increased to 1.9% YoY, as expected by the monetary authorities. Therefore, it should support to further tighten monetary policy. From domestic market, inflation is expected to hike along with seasonal factors, i.e. Ramadhan and Idul Fitri. ●

**Table 1. Average Coupon Paid For New Issuances During March-April 2017 and 2018**

Year	Tenor	A	AA	AAA
2017	3	9.80	9.00	8.43
	5	10.35	9.25	8.70
2018	3	8.38	7.57	7.21
	5	8.83	8.17	7.31

Source: KSEI, database PEFINDO

**Chart 2. Effective Bond Yield For AAA-Rated Issuers**



Source: IBPA, Bloomberg



## companies & bonds rated by PEFINDO

No	Company	Rating	Outlook
1	<b>Adhi Karya (Persero) Tbk.</b> Shelf Registration Bond Year 2012, 2013, and 2017	idA-	Stable
2	<b>Adhi Persada Properti</b> MTN Year 2017	idBBB	Stable
3	<b>Adira Dinamika Multi Finance Tbk.</b> Shelf Registration Bond Year 2013, 2014, 2015, 2016, 2017, and 2018 Shelf Registration Sukuk Mudharabah Year 2015, 2016, 2017, and 2018	idAAA idAAA idAAA(sy)	Stable
4	<b>Adonal Pialang Asuransi</b>	idBBB	Stable
5	<b>Agung Podomoro Land Tbk.</b> Shelf Registration Bond Year 2013, 2014, and 2015	idA-	Stable
6	<b>AKR Corporindo Tbk.</b> Bond Year 2012 Shelf Registration Bond Year 2017	idAA- idAA- idAA-	Positive
7	<b>Andalan Finance Indonesia</b>	idA-	Stable
8	<b>Aneka Tambang Tbk.</b> Shelf Registration Bond Year 2011	idBBB+ idBBB+	Stable
9	<b>Angkasa Pura I (Persero)</b> Bond Year 2016 Sukuk Ijarah Year 2016	idAAA idAAA idAAA(sy)	Stable
10	<b>Angkasa Pura II (Persero)</b> Bond Year 2016	idAAA	Stable
11	<b>Asahimas Flat Glass Tbk.</b>	idA	Stable
12	<b>Astra Sedaya Finance</b> MTN Year 2015	idAAA idAAA	Stable
13	<b>Asuransi Bhakti Bhayangkara</b>	idBBB	Stable
14	<b>Asuransi Binagriya Upakara</b>	idBBB+	Stable
15	<b>Asuransi Bringin Sejahtera Artamakmur</b>	idA	Stable
16	<b>Asuransi Central Asia</b>	idA+	Stable
17	<b>Asuransi Jasa Indonesia (Persero)</b>	idAA	Stable
18	<b>Asuransi Jiwa Inhealth Indonesia</b>	idAA	Stable
19	<b>Asuransi Jiwa Syariah Al Amin</b>	idBBB	Stable
20	<b>Asuransi Kredit Indonesia (Persero)</b>	idAA+	Stable
21	<b>Asuransi Staco Mandiri</b>	idBBB	Stable
22	<b>Asuransi Umum BCA</b>	idAA	Stable
23	<b>Asuransi Tri Pakarta</b>	idA-	Stable
24	<b>Asuransi Tugu Kresna Pratama</b>	idBBB+	Stable
25	<b>Bali Towerindo Sentra Tbk.</b> MTN Year 2017	idBBB+	Stable
26	<b>Bank BNI Syariah</b> Sukuk Mudharabah Year 2015	idAA+	Stable
27	<b>Bank BRI Syariah Tbk.</b>	idAA+(sy)	Stable
28	<b>Bank Bukopin Tbk.</b> Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2015 and 2017	idA+	Negative
29	<b>Bank Capital Indonesia Tbk.</b> Subordinated Bond Year 2014, 2015, and 2017	idA- idBBB+ idBBB-	Stable
30	<b>Bank CIMB Niaga Tbk.</b> Shelf Registration Bond Year 2013, 2016, and 2017	idAAA idAAA	Stable
31	<b>Bank Danamon Indonesia Tbk.</b>	idAAA	Stable
32	<b>Bank DKI</b> Subordinated Bond Year 2011 Shelf Registration Bond Year 2016	idAA- idA+	Stable
33	<b>Bank Ganessa Tbk.</b>	idA-	Stable
34	<b>Bank Kesejahteraan Ekonomi</b> Subordinated Bond Year 2016	idBBB+ idBBB-	Stable
35	<b>Bank Lampung</b>	idA-	Stable
36	<b>Bank Mandiri (Persero) Tbk.</b> Shelf Registration Bond Year 2016 and 2017	idAAA idAAA	Stable
37	<b>Bank Mandiri Taspen</b>	idAA	Stable
38	<b>Bank Mayapada Internasional Tbk.</b> Subordinated Bond Year 2013 Subordinated Bond Year 2014 Shelf Registration Subordinated Bond Year 2017	idA- idBBB+ idBBB+	Stable
39	<b>Bank Maybank Indonesia Tbk.</b> Shelf Registration Bond Year 2017 and 2018 Shelf Registration Subordinated Bond Year 2011 and 2012 Subordinated Bond Year 2011 Shelf Registration Subordinated Bond Year 2014 and 2016 Shelf Registration Sukuk Mudharabah Year 2016 and 2017	idAAA idAAA idAA+ idAA+ idAA- idAAA(sy)	Stable
40	<b>Bank Mega Tbk.</b>	idA+	Stable
41	<b>Bank Muamalat Indonesia Tbk.</b> MTN Syariah Year 2017 Subordinated MTN Syariah Year 2017	idA idA	Credit Watch with Negative Implication
42	<b>Bank Negara Indonesia (Persero) Tbk.</b> Shelf Registration Bond Year 2017	idA(sy) idBBB+(sy)	Stable
43	<b>Bank OCBC NISP Tbk.</b> Shelf Registration Bond Year 2016, 2017, and 2018	idAAA idAAA	Stable
44	<b>Bank Pan Indonesia Tbk.</b> Shelf Registration Bond Year 2016 and 2018 Shelf Registration Subordinated Bond Year 2012 Shelf Registration Subordinated Bond Year 2016 and 2017	idAA idAA idAA- idA+	Stable
45	<b>Bank Pembangunan Daerah Jawa Barat dan Banten Tbk.</b> Shelf Registration Bond Year 2017 Shelf Registration Subordinated Bond Year 2017	idAA- idA	Stable
46	<b>Bank Pembangunan Daerah Jawa Tengah</b> Subordinated Bond Year 2015 MTN Year 2017 MTN Syariah Mudharabah Year 2017	idAA- idA idA- idAA-(sy)	Stable
47	<b>Bank Pembangunan Daerah Jawa Timur Tbk.</b>	idA+	Stable
48	<b>Bank Pembangunan Daerah Kalimantan Timur dan Kalimantan Utara</b>	idA	Stable

No	Company	Rating	Outlook
49	<b>Bank Pembangunan Daerah Nusa Tenggara Timur</b> Bond Year 2011	idA idA	Stable
50	<b>Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat</b> Shelf Registration Bond Year 2016 Sukuk Mudharabah Year 2016	idA+	Stable
51	<b>Bank Pembangunan Daerah Sumatera Barat (Bank Nagari)</b> Subordinated Bond Year 2012 Bond Year 2015 Sukuk Mudharabah Year 2015	idA+ idA+(sy) idA	Stable
52	<b>Bank Permata Tbk.</b> Subordinated Subordinated Bond Year 2013 Shelf Registration Subordinated Bond Year 2014 Subordinated Bond Year 2011 and 2012	idAAA idAA+ idAA- idAA+	Stable
53	<b>Bank QNB Indonesia Tbk.</b>	idAAA	Stable
54	<b>Bank Rakyat Indonesia (Persero) Tbk.</b> Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idAAA idAAA	Stable
55	<b>Bank Rakyat Indonesia Agroniaga Tbk.</b> Bond Year 2017	idAA	Stable
56	<b>Bank Resona Perdania</b> MTN Year 2016	idAA- idAA-	Stable
57	<b>Bank Sahabat Sampoerna</b>	idA	Stable
58	<b>Bank Sumitomo Mitsui Indonesia</b> MTN	idAAA idAAA	Stable
59	<b>Bank Sumut</b> Subordinated Bond Year 2011	idA idA-	Stable
60	<b>Bank Syariah Mandiri</b> Sukuk Subordinated Mudharabah Year 2016	idAA+ idAA-(sy)	Stable
61	<b>Bank Tabungan Negara (Persero) Tbk.</b> Bond Year 2010 and 2011 Shelf Registration Bond Year 2012, 2013, 2015, 2016, and 2017	idAA+ idAA+ idAA+	Stable
62	<b>Bank Victoria International Tbk.</b> Bond Year 2013 Subordinated Bond Year 2012 and 2013 Shelf Registration Bond Year 2017 Shelf Registration Subordinated Bond Year 2017	idA- idA- idBBB+ idA- idBBB	Stable
63	<b>Bank Woori Saudara Indonesia 1906 Tbk.</b> Subordinated Bond Year 2012	idAA+ idAA	Stable
64	<b>Barata Indonesia (Persero)</b> MTN Year 2017	idBBB idBBB	Stable
65	<b>Batavia Prosperindo Finance Tbk.</b> Shelf Registration Bond Year 2016 and 2017	idBBB idBBB	Stable
66	<b>BCA Finance</b> Shelf Registration Bond Year 2016	idAAA idAAA	Stable
67	<b>Brantas Abipraya (Persero)</b>	idBBB+	Stable
68	<b>Bumi Serpong Damai Tbk.</b> Shelf Registration Bond Year 2012, 2013, and 2016	idAA- idAA-	Stable
69	<b>Bussan Auto Finance</b> Bond Year 2017	idAA idAA	Stable
70	<b>Century Tokyo Leasing Indonesia</b> MTN Year 2016	idAA- idAAA(cg)	Stable
71	<b>Chandra Asri Petrochemical Tbk.</b> Bond Year 2016 Shelf Registration Bond Year 2017 and 2018	idAA- idAA- idAA-	Stable
72	<b>Chandra Sakti Utama Leasing</b> Bond Year 2017	idA idA	Stable
73	<b>CIMB-Principal Asset Management</b>	idA-	Stable
74	<b>Clipan Finance Indonesia Tbk.</b> MTN Year 2018	idAA- idAA-	Stable
75	<b>CSM Corporatama</b>	idBBB+	Stable
76	<b>Danareksa (Persero)</b> Shelf Registration Bond Year 2014	idA	Positive
77	<b>Duta Anggada Realty Tbk.</b>	idBBB+	Negative
78	<b>Express Transindo Utama Tbk.</b> Bond Year 2014	idSD idD	-
79	<b>Fast Food Indonesia Tbk.</b> Bond Year 2016	idAA idAA	Stable
80	<b>Federal International Finance</b> Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idAAA idAAA	Stable
81	<b>Finansia Multi Finance</b> MTN Year 2017	idBBB+ idBBB+	Stable
82	<b>Garuda Indonesia (Persero) Tbk.</b> Shelf Registration Bond Year 2013	idBBB+ idBBB+	Stable
83	<b>Gresik Jasatama</b>	idBBB	Stable
84	<b>Global Mediacom Tbk.</b> Shelf Registration Bond Year 2017 Shelf Registration Sukuk Ijarah Year 2017	idA+ idA+ idA+(sy)	Stable
85	<b>Graha Informatika Nusantara</b> MTN Year 2016	idBBB idBBB	Stable
86	<b>Graha Wahana Nusantara</b>	idBB+	Stable
87	<b>Helksa Solution Insurance</b>	idBBB+	Stable
88	<b>Hutama Karya (Persero)</b> Bond Year 2013 Shelf Registration Bond Year 2016 and 2017	idA- idA- idAAA(gg)	Stable
89	<b>Impact Pratama Industri Tbk.</b> Bond Year 2016	idA- idA-	Stable
90	<b>Indofood Sukses Makmur Tbk.</b> Bond Year 2014 and 2017	idAA+ idAA+	Stable
91	<b>Indomobil Finance Indonesia</b> Shelf Registration Bond Year 2015, 2016, 2017, and 2018	idA idA	Stable

No	Company	Rating	Outlook
92	Indonesia Infrastructure Finance Bond Year 2016	idAAA	Stable
93	Indonesia Power	idAAA	Stable
94	Indosat Tbk. Bond Year 2012 Sukuk Ijarah Year 2012 Shelf Registration Bond Year 2014, 2015, 2016, and 2017 Shelf Registration Sukuk Ijarah Year 2014, 2015, 2016, and 2017	idAAA idAAA idAAA(sy) idAAA idAAA(sy)	- - - - -
95	Indosurya Inti Finance	idBBB+	Stable
96	Industri Kereta Api (Persero) MTN Year 2017	idA	Stable
97	Infrastruktur Bisnis Sejahtera	idBBB+	Stable
98	INKA Multi Solusi MTN Syariah Mudharabah Year 2017	idBBB+ idBBB+(sy)	Stable -
99	Inti Bangun Sejahtera Tbk.	idA-	Stable
100	Intiland Development Tbk. Bond Year 2013 and 2016	idBBB+	Stable
101	J Resources Nusantara MTN Year 2017 and 2018	idBBB+	Stable
102	Jamkrida Banten	idA	Stable
103	Jamkrida Jabar	idBBB-	Stable
104	Jasa Marga (Persero) Tbk. Bond Year 2010 Shelf Registration Bond Year 2013 and 2014	idAAA idAAA idAAA	Stable - -
105	Jasa Raharia (Persero)	idAAA	Stable
106	Kereta Api Indonesia (Persero) Bond Year 2017	idAAA	Stable
107	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	- - - - - - - - -
108	Kimia Farma (Persero) Tbk. MTN Year 2017 and 2018	idAA-	Stable
109	Koperasi Simpan Pinjam Nusantara	idBBB	Stable
110	Lautan Luas Tbk. Shelf Registration Bond Year 2013 and 2017	idA-	Stable
111	Lembaga Pembiayaan Ekspor Indonesia Shelf Registration Bond Year 2011, 2014, 2015, 2016, 2017, and 2018 MTN Year 2016	idAAA idAAA idAAA	Stable - -
112	Lembaga Penjamin Simpanan	idAAA	Stable
113	Len Industri (Persero) MTN Year 2017	idBBB idBBB-	Stable -
114	Mandala Multifinance Tbk. Shelf Registration Bond Year 2015	idA	Stable
115	Mandiri Tunas Finance Shelf Registration Bond Year 2014, 2015, 2016, and 2017	idAA+	Stable
116	Marga Lingkar Jakarta Bond Year 2017	idAAA(sf)	-
117	Mayora Indah Tbk. Bond Year 2012 Shelf Registration Bond Year 2017 and 2018	idAA idAA idAA	Stable - -
118	Medco Energi Internasional Tbk. Shelf Registration Bond Year 2016, 2017, and 2018 MTN Year 2016	idA+ idA+ idA+	Stable - -
119	Mega Auto Finance	idA-	Stable
120	Mega Central Finance	idA-	Stable
121	Mitra Adiperkasa Tbk. Shelf Registration Bond Year 2014	idAA-	Stable
122	Mitra Bisnis Keluarga Ventura	idBBB+	Stable
123	Mitsubishi UFJ Lease & Finance MTN Year 2015 and 2016	idAAA(cg)	-
124	MNC Guna Usaha Indonesia MTN Year 2017 and 2018	idBBB(cg)	-
125	MNC Kapital Indonesia Tbk. Shelf Registration Bond Year 2013	idBBB idBBB	Stable -
126	MNC Pictures MTN Syariah Ijarah Year 2018	idBBB+ idA+(sy)(cg)	Stable -
127	Modernland Realty Tbk. Shelf Registration Bond Year 2015	idA-	Stable
128	Mora Telematika Indonesia Bond Year 2017	idA	Stable
129	NH Korindo Sekuritas Indonesia	idA	Stable
130	Nindya Karya (Persero) MTN Year 2017	idBBB+ idBBB+	Stable -
131	Nippon Indosari Corpindo Tbk. Shelf Registration Bond Year 2013 and 2015	idAA- idAA-	Stable -
132	Nusa Surya Ciptadana	idA-	Stable
133	Oto Multiartha Bond Year 2017 and 2018	idAA+ idAA+	Stable -
134	Panorama Sentrawisata Tbk. Shelf Registration Bond Year 2013 and 2015 MTN Year 2018	idA- idA- idA-	Stable - -
135	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 idAAA(sy)	Stable - - -
136	Pelabuhan Indonesia I (Persero) Bond Year 2016	idAA idAA	Stable -

No	Company	Rating	Outlook
137	Pelabuhan Indonesia IV (Persero)	idAA	Stable
138	Pembangunan Jaya Ancol Tbk. Shelf Registration Bond Year 2016	idAA- idAA-	Stable -
139	Pembangunan Perumahan (Persero) Tbk. Shelf Registration Bond Year 2015	idA+ idA+	Stable -
140	Periklanan Nusantara (Persero) MTN I Year 2017	idBBB- idBBB-	Stable -
141	Perkebunan Nusantara III (Persero) MTN Year 2015	idA	Stable
142	Perkebunan Nusantara X Bond Year 2013	idBBB	Stable
143	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(sy) idA	Stable - - -
144	Perum Jaminan Kredit Indonesia (Jamkrindo)	idAA+	Stable
145	Perum Lembaga Penyelenggara Pelayanan Navigasi Penerbangan Indonesia	idAAA	Stable
146	Perum Periklanan Indonesia MTN Year 2017	idBBB+ idBBB+	Stable -
147	Perum Perumnas MTN Year 2015, 2016, and 2017	idBBB+ idBBB+	Stable -
148	Perusahaan Gas Negara Tbk.	idAAA	Stable
149	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 - - -
150	Perusahaan Perseroan (Persero) Telekomunikasi Indonesia Tbk. Bond Year 2010 Shelf Registration Bond Year 2015	idAAA idAAA idAAA	Stable - -
151	Pharos Tbk. MTN Year 2017	idA- idA-	Stable -
152	Pindad (Persero) MTN Year 2017	idA- idA-	Stable -
153	PP Properti Tbk. MTN Year 2016 Bond Year 2016	idBBB idBBB idBBB	Stable - -
154	Pupuk Sriwidjaja Palembang	idAA-	Stable
155	Rajawali Nusantara Indonesia (Persero) MTN Year 2017 Sukuk Ijarah Year 2017	idA- idA-(sy)	Negative -
156	Reasuransi Indonesia Utama (Persero) Mandatory Convertible Bond I Year 2014	idAA idAA-	Stable -
157	Reasuransi Syariah Indonesia	idA+	Stable
158	Rekayasa Industri	idBBB+	Stable
159	Ricobana Abadi MTN Year 2017	idBBB idBBB-	Stable -
160	Sarana Multi Infrastruktur (Persero) Bond Year 2014 Shelf Registration Bond Year 2016 and 2017	idAAA idAAA idAAA	Stable - -
161	Sarana Multigriya Finansial (Persero) Shelf Registration Bond Year 2012, 2013, 2015, 2016, 2017, and 2018 Sukuk Mudharabah Year 2017	idAAA idAAA idAAA(sy)	Stable - -
162	Semen Baturaja (Persero) Tbk. MTN Year 2018	idA	Stable
163	Semen Indonesia (Persero) Tbk. Shelf Registration Bond Year 2017	idAA+ idAA+	Stable -
164	Siantar Top Tbk. Shelf Registration Bond Year 2016	idA idA	Stable -
165	Sumberdaya Sewatama Bond Year 2012 Sukuk Ijarah Year 2012	idBB+ idBB+ idBB+(sy)	Stable - -
166	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 - -
167	Sunprima Nusantara Pembiayaan MTN Year 2017 and 2018	idA idA	Stable -
168	Surya Artha Nusantara Finance MTN Year 2015 Shelf Registration Bond Year 2015, 2016, and 2017	idAA- idAA- idAA-	Stable - -
169	Surya Semesta Internusa Tbk. Shelf Registration Bond Year 2016	idA- idA-	Negative -
170	Suzuki Finance Indonesia	idA	Stable
171	Tiga Pilar Sejahtera Food Tbk. Bond Year 2013 Sukuk Ijarah Year 2013 and 2016	idCCC idCCC idCCC(sy)	Stable - -
172	Timah (Persero) Tbk. Shelf Registration Bond Year 2017 Shelf Registration Sukuk Ijarah Year 2017	idA+ idA+ idA+(sy)	Stable - -
173	Tiphone Mobile Indonesia Tbk. Shelf Registration Bond Year 2015, 2016, and 2017	idA- idA-	Stable -
174	Trimeqah Sekuritas Indonesia Tbk. MTN Year 2018	idA	Stable
175	Verena Multi Finance Tbk. MTN Year 2017	idA- idA-	Stable -
176	Waskita Karya (Persero) Tbk. Shelf Registration Bond Year 2015, 2016, and 2017	idA- idA-	Positive -
177	Wika Realty MTN Year 2015, 2016, and 2017	idBBB+ idBBB+	Stable -