

Indonesia

Total local currency (LCY) bonds outstanding in Indonesia reached IDR1,154.8 trillion (US\$119 billion) in 1Q13, expanding 5.9% quarter-on-quarter (q-o-q) and 13.9% year-on-year (y-o-y). Growth in the government bond market outpaced growth in the corporate bond sector on a q-o-q basis, as the government typically frontloads its issuance for the year.

Table 1: Size and Composition of the LCY Bond Market in Indonesia

	Outstanding Amount (billion)						Growth Rate (%)			
	1Q12		4Q12		1Q13		1Q12		1Q13	
	IDR	US\$	IDR	US\$	IDR	US\$	q-o-q	y-o-y	q-o-q	y-o-y
Total	1,013,454	111	1,090,055	111	1,154,804	119	2.0	(1.6)	5.9	13.9
Government	858,644	94	902,594	92	958,369	98	1.4	(5.5)	6.2	11.6
Central Govt. Bonds	760,580	83	820,266	84	861,515	88	5.1	12.7	5.0	13.3
Central Bank Bills	98,064	11	82,328	8	96,854	10	(20.4)	(58.0)	17.6	(1.2)
Corporate	154,810	17	187,461	19	196,435	20	5.3	27.8	4.8	26.9

() = negative, LCY = local currency, q-o-q = quarter-on-quarter, y-o-y = year-on-year.

Notes:

1. Calculated using data from national sources.

2. Bloomberg LP end-of-period LCY-US\$ rates are used.

3. Growth rates are calculated from an LCY base and do not include currency effects.

4. The total stock of non-tradable bonds as of end-March 2013 stood at IDR274.7 trillion.

Source: Bank Indonesia, Indonesia Debt Management Office, Indonesia Stock Exchange, and Bloomberg LP.

Corporate bond issuance fell 31.5% q-o-q, but rose 38.1% y-o-y, in 1Q13. New corporate bond issues in 1Q13 were once again dominated by banking and financial institutions.

Table 2: Notable LCY Corporate Issuance in 1Q13

Corporate Issuers	Coupon Rate (%)	Issued Amount (IDR billion)
Bank OCBC NISP		
370-day bond	6.40	973
2-year bond	6.90	529
3-year subordinated bond	7.40	1,498
Adira Dinamika Multifinance		
370-day bond	6.85	439
2-year bond	7.30	157
3-year bond	7.85	553
5-year bond	8.90	851
370-day <i>Sukuk Mudharabah</i>	6.85	66
2-year <i>Sukuk Mudharabah</i>	7.30	27
3-year <i>Sukuk Mudharabah</i>	7.85	286
Bank Tabungan Negara		
10-year bond	7.90	2,000
Medco Energi International		
5-year bond	8.85	1,500
Astra Sedaya Finance		
370-day bond	6.75	350
3-year bond	7.75	1,120
Sarana Multigriya Finansial		
370-day bond	6.80	160
3-year bond	7.30	123
5-year bond	7.60	736
7-year bond	7.80	100

LCY = local currency.

Note: *Sukuk Mudharabah* are Islamic bonds backed by a profit-sharing scheme from a business venture or partnership.

Source: Indonesia Stock Exchange.

LCY bonds outstanding among the top 34 corporate bond issuers in Indonesia reached IDR161.6 trillion, representing 82.2% of total corporate bonds outstanding in 1Q13. The top three LCY corporate bond issuers remained the same as in 4Q12.

Table 3: Top 34 Issuers of LCY Corporate Bonds in Indonesia

Issuers	Outstanding Amount		State-Owned	Listed Company	Type of Industry
	LCY Bonds (IDR billion)	LCY Bonds (US\$ billion)			
1. PLN	14,208.10	1.46	Yes	No	Energy
2. Adira Dinamika Multifinance	11,800.00	1.21	No	Yes	Finance
3. Indosat	9,150.00	0.94	No	Yes	Telecommunications
4. Bank Tabungan Negara	9,150.00	0.94	Yes	Yes	Banking
5. Indonesia Eximbank	9,134.00	0.94	Yes	No	Banking
6. Astra Sedaya Finance	9,009.50	0.93	No	No	Finance
7. Bank Pan Indonesia	8,500.00	0.87	No	Yes	Banking
8. Federal International Finance	7,378.50	0.76	No	No	Finance
9. Bank Internasional Indonesia	7,000.00	0.72	No	Yes	Banking
10. Bank CIMB Niaga	6,480.00	0.67	No	Yes	Banking
11. Bank Tabungan Pensiunan Nasional	5,300.00	0.54	No	Yes	Banking
12. Jasa Marga	5,000.00	0.51	Yes	Yes	Toll Roads, Airports, and Harbors
13. Perum Pegadaian	4,513.50	0.46	Yes	No	Finance
14. Medco-Energi International	4,486.50	0.46	No	Yes	Petroleum and Natural Gas
15. Bank Permata	4,250.00	0.44	No	Yes	Banking
16. Sarana Multigriya Finansial	4,021.00	0.41	Yes	No	Finance
17. Bank OCBC NISP	3,880.00	0.40	No	Yes	Banking
18. Indofood Sukses Makmur	3,610.00	0.37	No	Yes	Food and Beverages
19. Bank Mandiri	3,500.00	0.36	Yes	Yes	Banking
20. Telekomunikasi Indonesia	3,000.00	0.31	Yes	Yes	Telecommunications
21. Antam	3,000.00	0.31	Yes	Yes	Petroleum and Natural Gas
22. Bank Danamon Indonesia	2,800.00	0.29	No	No	Banking
23. BCA Finance	2,430.00	0.25	No	No	Finance
24. Bank Jabar Banten	2,400.00	0.25	No	Yes	Banking
25. Agung Podomoro Land	2,400.00	0.25	No	Yes	Property, Real Estate, and Building Construction
26. Indomobil Finance Indonesia	2,225.00	0.23	No	No	Finance
27. Bank Rakyat Indonesia	2,000.00	0.21	Yes	Yes	Banking
28. Toyota Astra Financial Services	1,905.00	0.20	No	No	Finance
29. BFI Finance Indonesia	1,530.00	0.16	No	Yes	Finance
30. Surya Semesta Internusa	1,500.00	0.15	No	Yes	Property, Real Estate, and Building Construction
31. Japfa	1,500.00	0.15	No	Yes	Animal Feed
32. Bank Bukopin	1,500.00	0.15	No	Yes	Banking
33. AKR Corporindo	1,500.00	0.15	No	Yes	Chemicals
34. Adhi Karya	1,500.00	0.15	Yes	Yes	Property, Real Estate, and Building Construction
Total Top 34 LCY Corporate Issuers	161,561.10	16.60			
Total LCY Corporate Bonds	196,434.60	20.18			
Top 34 as % of Total LCY Corporate Bonds	82.2%	82.2%			

LCY = local currency.

Notes:

1. Data as of end-March 2013.

2. State-owned firms are defined as those in which the government has more than a 50% ownership stake.

Source: *AsianBondsOnline* calculations based on Indonesia Stock Exchange data.