

Morning Brief

Daily | Sept. 29, 2021

Today's Outlook:

Government Bonds

FR0091 Weighted Average Yield Increases 13 Bps. The 10-year benchmark SUN recorded a weighted average yield of 6.12% at yesterday's auction. This figure is 13 bps higher than the previous SUN auction in mid-September 2021. This volatility is in line with speculation that the UST10Y yield on the same tenor is projected to penetrate the 1.5% level, or the highest level since June 2021. Projected US inflation remains high, raising concerns that the Fed will raise its benchmark interest rate sooner than market expectations.

Corporate Bonds

Bank Victoria Ready to Pay Bond Interest. PT Bank Victoria International Tbk. (BVIC) submitted the plan to pay the 17th Shelf-Registered Bonds and Subordinated Bonds I Year 2017 of IDR 9.1 billion on October 11, 2021. Meanwhile, the interest rate is set at 10.3% for the Shelf-Registered Bonds and 11% for the Subordinated Bonds. (Bisnis Indonesia)

Domestic Issue

Banggar: The 2022 Tax Revenue Target is IDR 1,510 Trillion. The Budget Agency (Banggar) of the DPR RI has agreed on a tax revenue target of IDR 1,510 trillion, or IDR 3.1 trillion higher than the tax target proposed in the 2022 State Revenue and Expenditure Budget Draft (RAPBN) of IDR 1,506.9 trillion. The increase in tax revenue targets was obtained from the optimization of tax revenues of IDR 2.08 trillion and the results of optimizing customs and excise revenues of IDR 1 trillion. (Kontan)

Recommendation

UST10Y Yield Increase Sentiment. Investors' focus will be more focused on developments from global markets such as the movement of US Treasury yields, amid the sluggish domestic sentiment. In the short term, market participants can keep a close eye on the wide volatility of FR0087 and FR0091.

PRICE OF BENCHMARK SERIES

FR0086 (5yr): +0.8 Bps to 101.22 (5.19%)
FR0087 (10yr): +4.0 Bps to 101.38 (6.30%)
FR0088 (15yr): +2.2 Bps to 99.08 (6.34%)
FR0083 (20yr): +0.4 Bps to 105.01 (7.01%)

FR0090 (5.8yr): -1.8 Bps to 100.02 (5.11%)
FR0091 (10.8yr): +1.2 Bps to 101.40 (6.19%)
FR0092 (21yr): +3.5 Bps to 102.89 (6.86%)

CDS of Indonesia Bonds

CDS 2yr: +4.72% to 34.15
CDS 5yr: +3.22% to 82.68
CDS 10yr: +3.60% to 143.84

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.20%	0.01%
USDIDR	14,273	0.14%
KRWIDR	12.05	-0.54%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,299.99	(569.38)	-1.63%
S&P 500	4,352.63	(90.48)	-2.04%
FTSE 100	7,028.10	(35.30)	-0.50%
DAX	15,248.56	(325.32)	-2.09%
Nikkei	30,183.96	(56.10)	-0.19%
Hang Seng	24,500.39	291.61	1.20%
Shanghai	3,602.22	19.39	0.54%
KOSPI	3,097.92	(35.72)	-1.14%
EIDO	20.97	(0.19)	-0.90%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,734.0	(16.2)	-0.92%
Crude Oil (\$/bbl)	75.29	(0.16)	-0.21%
Coal (\$/ton)	198.45	4.10	2.11%
Nickel LME (\$/MT)	18,564	(382.0)	-2.02%
Tin LME (\$/MT)	35,803	703.0	2.00%
CPO (MYR/Ton)	4,447	53.0	1.21%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	7.07%	-0.74%
FX Reserve (USD bn)	144.80	137.34	Current Acc (USD bn)	(2.20)	(1.00)
Trd Balance (USD bn)	4.74	2.59	Govt. Spending Yoy	8.06%	2.96%
Exports Yoy	64.10%	29.32%	FDI (USD bn)	6.61	4.92
Imports Yoy	55.26%	44.44%	Business Confidence	104.82	105.33
Inflation Yoy	1.60%	1.52%	Cons. Confidence*	77.30	80.20

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	GE	15:00	IFO Expectations	Sept.	97.3	96.5	97.5
<i>24 - Sept.</i>	GE	15:00	IFO Business Climate	Sept.	98.8	99.0	99.4
	US	21:00	New Home Sales	Aug.	740k	715k	708k
Monday	EC	15:00	M3 Money Supply YoY	Aug.	7.9%	7.7%	7.6%
<i>27 - Sept.</i>							
Tuesday	GE	13:00	Gfk Consumer Confidence	Oct.	0.3	-1.5	-1.2
<i>28 - Sept.</i>							
Wednesday	UK	15:30	Mortgage Approvals	Aug.		—	75.2k
<i>29 - Sept.</i>							
Thursday	CH	08:00	Manufacturing PMI	Sept.		—	50.1
<i>30 - Sept.</i>	CH	08:45	Caixin China PMI Mfg	Sept.		—	49.2
	UK	13:00	GDP YoY	2Q		—	22.2%
	GE	19:00	CPI YoY	Sept.		4.0%	3.9%
Friday	ID	07:30	Markit Indonesia PMI Mfg	Sept.		—	43.7
<i>1 - Oct.</i>	ID	11:00	CPI YoY	Sept		—	1.59%
	UK	13:00	Markit UK PMI Mfg SA	Sept		—	56.3

Source: Bloomberg

Research Division

Head of Research

Anggaraksa Arismunandar

Equity Strategy

T +62 21 5088 ext. 9134

E anggaraksa@nhsec.co.id

Senior Technical Analyst

Dimas Wahyu Putra Pratama

Technical

T +62 21 5088 ext 9131

E dimas.wahyu@nhsec.co.id

Economist

Arief Machrus

Macroeconomics, Banking

T +62 21 5088 ext 9127

E arief.machrus@nhsec.co.id

Analyst

Ajeng Kartika Hapsari

Property, Construction, Cement

T +62 21 5088 ext 9130

E ajeng@nhsec.co.id

Analyst

Putu Chantika

Consumer, Retail

T +62 21 5088 ext 9129

E putu.chantika@nhsec.co.id

Analyst

Glenn Samuael Tanuwidjaja

Telco, Mining

T +62 21 5088 ext 9128

E glenn.samuael@nhsec.co.id

Research Support

Jasmine Kusumawardani

T +62 21 5088 ext 9132

E jasmine.kusumawardani@nhsec.co.id

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

District 8 Treasury Tower 51st Fl. Unit A, SCBD Lot.28

Jl. Jendral Sudirman Kav. 52-53

Jakarta Selatan 12190

Telp : +62 21 50889100

Fax : +62 21 50889101

Branch Office BSD:

ITC BSD Blok R No.48

Jl. Pahlawan Seribu Serpong

Tangerang Selatan 15322

Indonesia

Telp : +62 21 5316 2049

Fax : +62 21 5316 1687

Branch Office Medan :

Jl. Timor No 147

Medan, Sumatera Utara 20234

Indonesia

Telp : +62 614 156500

Fax : +62 614 568560

Branch Office Semarang:

Jl. MH Thamrin No. 152

Semarang 50314

Indonesia

Telp : +62 24 844 6878

Fax : +62 24 844 6879

Branch Office Jakarta Utara:

Jl. Bandengan Utara Kav. 81

Blok A No.02, Lt 1

Jakarta Utara 14440

Indonesia

Telp : +62 21 6667 4959

Fax : +62 21 6667 4960

Branch Office Pekanbaru:

Sudirman City Square

Jl. Jend. Sudirman Blok A No.7

Pekanbaru

Indonesia

Telp : +62 761 801 133

Branch Office Surabaya:

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

Telp : +62 31 9914 1344

Branch Office Makassar:

Jl. Gunung Latimojong No.120A

Makassar

Indonesia

Telp : +62 411 361 5255

Branch Office Bandung:

Paskal Hypersquare Blok A1

Jl. Pasirkaliki No 25-27

Bandung 40181

Indonesia

Telp : +62 22 8606 1012

Branch Office Denpasar:

Ruko Griya Alamanda No.9

Jl. Cok Agung Tresna

Denpasar

Indonesia

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta