

Morning Brief

Daily | Nov. 26, 2021

Today's Outlook:

Government Bonds

Early Interest Rate Increase. Market participants responded negatively to speculations of an accelerated increase in the Fed Funds Rate (FFR). Previously, the release of the minutes of the Fed's meeting showed several central bank officials supported an early FFR increase. Currently, market participants are watching whether inflation, which continues to hold at high levels, will prompt other major central banks, including the Fed, to raise interest rates sooner than planned.

Corporate Bonds

Adira Finance bonds achieve idAAA rating. PT Pemeringkat Efek Indonesia (Pefindo) affirmed its idAAA rating for Adira Finance's IDR 58.0 billion Shelf-Registered Bond IV Phase IV Year 2019 Series B worth IDR 58.0 billion. Then the idAAA(sy) rating for Sustainable Sukuk Mudharabah III Phase III Year 2019 Series B worth IDR 55.0 billion, both of which will mature on January 23, 2022. Pefindo said the company is ready to pay off the bonds and the sukuk are supported by cash and equivalent funds. cash amounting to IDR 1.6 trillion at the end of September 2021. (Kontan)

Domestic Issue

The State Budget Deficit Decreased 3.29% Until October. The Ministry of Finance reported that the State Revenue and Expenditure Budget deficit until October 2021 reached IDR 548.9 trillion. Meanwhile, this deficit is equivalent to 3.29% of Gross Domestic Product (GDP). This deficit is better than the same period last year, which reached IDR 764.8 trillion or 4.67% of GDP. (Kontan)

Recommendation

The Fed's Policy Outlook Presses Rupiah. The movement of the rupiah exchange rate over the weekend will still be depressed by the sentiment of the Fed's policy outlook. The release of the reference inflation data which is considered relatively high, gives a signal that the Fed will take the policy of increasing the FFR more quickly.

PRICE OF BENCHMARK SERIES

FR0086 (5yr): -0.4 Bps to 101.89 (5.01%)
FR0087 (10yr): +0.2 Bps to 102.21 (6.17%)
FR0088 (15yr): +0.2 Bps to 100.20 (6.22%)
FR0083 (20yr): +0.5 Bps to 106.13 (6.90%)

FR0090 (5.5yr): +0.1 Bps to 101.21 (4.86%)
FR0091 (10.5yr): +1.0 Bps to 102.49 (6.04%)
FR0092 (20.6yr): +0.2 Bps to 103.91 (6.76%)

CDS of Indonesia Bonds

CDS 2yr: +0.65% to 30.71
CDS 5yr: -0.18% to 80.25
CDS 10yr: +0.51% to 144.64

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.06%	0.01%
USDIDR	14,268	0.07%
KRWIDR	12.00	-0.16%

Global Indices

Index	Last	Chg.	%
Dow Jones	35,804.38	(9.42)	-0.03%
S&P 500	4,701.46	10.76	0.23%
FTSE 100	7,310.37	24.05	0.33%
DAX	15,917.98	39.59	0.25%
Nikkei	29,499.28	196.62	0.67%
Hang Seng	24,740.16	54.66	0.22%
Shanghai	3,584.18	(8.52)	-0.24%
KOSPI	2,980.27	(14.02)	-0.47%
EIDO	23.67	(0.07)	-0.29%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,788.9	0.2	0.01%
Crude Oil (\$/bbl)	78.39	(0.11)	-0.14%
Coal (\$/ton)	158.60	(2.55)	-1.58%
Nickel LME (\$/MT)	20,044	405.0	2.06%
Tin LME (\$/MT)	38,429	(24.0)	-0.06%
CPO (MYR/Ton)	4,927	11.0	0.22%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	3.51%	7.07%
FX Reserve (USD bn)	145.46	146.90	Current Acc (USD bn)	4.50	(2.20)
Trd Balance (USD bn)	5.73	4.37	Govt. Spending Yoy	0.66%	8.03%
Exports Yoy	53.35%	47.64%	FDI (USD bn)	4.77	6.61
Imports Yoy	51.06%	40.31%	Business Confidence	104.82	105.33
Inflation Yoy	1.66%	1.60%	Cons. Confidence*	113.40	95.50

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday 19 - Nov.	ID	10:00	BoP Current Account Balance	3Q21	\$4,500Mn	\$3,200Mn	-\$2,200Mn
	—	—	—	—	—	—	—
Monday 22 - Nov.	US	22:00	Existing Home Sales	Oct.	6.34Mn	6.20Mn	6.29Mn
	EC	22:00	Consumer Confidence	Nov.	-6.8	-5.5	-4.8
Tuesday 23 - Nov.	EC	16:00	Markit Eurozone Manufacturing	Nov.	58.6	57.4	58.3
	UK	16:00	Markit PMI Manufacturing	Nov.	58.2	57.3	57.8
	US	21:45	Markit Manufacturing PMI	Nov.	59.1	59.1	58.4
Wednesday 24 - Nov.	US	20:30	GDP Annualized QoQ	3Q21	2.1%	2.2%	2.0%
	US	20:30	Durable Goods Orders	Oct.	-0.5%	0.2%	-0.3%
	US	22:00	U. of Mich. Sentiment	Nov.	67.4	66.9	66.8
	US	22:00	New Home Sales	Oct.	745k	800k	800k
Thursday 25 - Nov.	US	02:00	FOMC Meeting Minutes	Nov.	—	—	—
	—	—	—	—	—	—	—
Friday 26 - Nov.	EC	16:00	M3 Money Supply YoY	Oct.	—	—	7.4%
	—	—	—	—	—	—	—

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

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