

# Morning Brief

Daily | Oct. 29, 2021

## Today's Outlook:

### Government Bonds

**Profit Taking Ahead of US GDP Data.** All benchmark Government Securities (SUN) recorded a yield increase of more than 1 bps yesterday. The US Gross Domestic Product (GDP) Annualized QoQ data for the 3Q21 period was at the level of 2%, or lower than the market projection of 2.6%. Meanwhile, yesterday's market movement was in the midst of the positive sentiment of a decline in the UST10Y yield. Earlier, the UST10Y yield fell more than 9 bps to 1.54%, compared to the weekend's 1.63%. On the other hand, yesterday's profit taking was also in line with the depreciation of the rupiah which was approaching the level of IDR 14,200/USD.

### Corporate Bonds

**ISAT: Net Profit Reaches IDR 5.8 Trillion.** PT Indosat Tbk (ISAT) posted revenue of IDR 23.06 trillion during the first nine months of 2021, the realization grew by 11.96% YoY. In detail, cellular revenue, which contributed 81.5% of total revenue, increased by 10.33% YoY to IDR 18.79 trillion. In terms of the bottom line, ISAT posted a profit for the period attributable to owners of the parent entity of IDR 5.8 trillion, or inversely proportional to the same period the previous year which recorded a net loss of IDR 457.5 billion. (Kontan)

### Domestic Issue

**New SBN Issuance 55.2% Of Target.** Data from the Ministry of Finance (Kemenkeu) shows that the realization of the issuance of Government Securities (SBN) until the end of September 2021 is IDR 666.7 trillion, minus 15.7% YoY. This achievement is only equivalent to 55.2% of the net SBN issuance target throughout 2021 of IDR 1,207.3 trillion. (Kontan)

### Recommendation

**US GDP sentiment.** Market participants have the opportunity to respond negatively to US economic growth which is below market expectations. Today's movement, investors are also still watching the pressure on the rupiah exchange rate.

## 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)	146.90	144.80	Current Acc (USD bn)	(2.20)	(1.00)
Trd Balance (USD bn)	4.37	4.74	Govt. Spending Yoy	8.06%	2.96%
Exports Yoy	47.64%	64.10%	FDI (USD bn)	6.61	4.92
Imports Yoy	40.31%	55.26%	Business Confidence	104.82	105.33
Inflation Yoy	1.60%	1.59%	Cons. Confidence*	95.50	77.30

## PRICE OF BENCHMARK SERIES

FR0086 (5yr): +1.3 Bps to 101.71 (5.06%)  
FR0087 (10yr): +1.5 Bps to 102.43 (6.15%)  
FR0088 (15yr): +1.2 Bps to 99.81 (6.26%)  
FR0083 (20yr): +1.0 Bps to 105.18 (6.99%)

FR0090 (5.5yr): -1.2 Bps to 101.05 (4.90%)  
FR0091 (10.5yr): +0.9 Bps to 102.75 (6.01%)  
FR0092 (20.6yr): +2.9 Bps to 103.09 (6.84%)

## CDS of Indonesia Bonds

CDS 2yr: +1.25% to 30.37  
CDS 5yr: +1.40% to 79.97  
CDS 10yr: +1.05% to 144.60

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.03%	0.01%
USDIDR	14,173	0.00%
KRWIDR	12.12	0.07%

## Global Indices

Index	Last	Chg.	%
Dow Jones	35,730.48	239.79	0.68%
S&P 500	4,596.42	44.74	0.98%
FTSE 100	7,249.47	(3.80)	-0.05%
DAX	15,696.33	(9.48)	-0.06%
Nikkei	28,820.09	(278.15)	-0.96%
Hang Seng	25,555.73	(73.01)	-0.28%
Shanghai	3,518.42	(43.89)	-1.23%
KOSPI	3,009.55	(15.94)	-0.53%
EIDO	23.87	(0.05)	-0.21%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,798.9	2.1	0.12%
Crude Oil (\$/bbl)	82.81	0.15	0.18%
Coal (\$/ton)	168.70	(11.60)	-6.43%
Nickel LME (\$/MT)	19,412	(679.0)	-3.38%
Tin LME (\$/MT)	35,390	(2032.0)	-5.43%
CPO (MYR/Ton)	4,929	(37.0)	-0.75%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Friday</b>	UK	15:30	Markit UK PMI Manufacturing	Oct.	57.7	56.0	57.1
<i>22 - Oct.</i>	GE	14:30	Markit/ BME Germany Manufacturing	Oct.	58.2	56.6	58.4
	EC	15:00	Markit Eurozone Manufacturing	Oct.	58.5	57.1	58.6
	US	20:45	Markit US Manufacturing PMI	Oct.	59.2	60.5	60.7
<b>Monday</b>	GE	15:00	IFO Expectations	Oct.	95.4	96.6	97.3
<i>25 - Oct.</i>	GE	15:00	IFO Current Assessment	Oct.	100.1	99.4	100.4
	GE	15:00	IFO Business Climate	Oct.	97.7	98.0	98.8
<b>Tuesday</b>	US	21:00	New Home Sales	Sept.	800k	756k	740k
<i>26 - Oct.</i>	US	21:00	Conf. Board Consumer Confidence	Oct.	113.8	108.0	109.3
<b>Wednesday</b>	EC	15:00	M3 Money Supply YoY	Sept.	7.4%	7.4%	7.9%
<i>27 - Oct.</i>	US	18:00	MBA Mortgage Applications	Oct.	0.3%	—	-6.3%
	US	19:30	Wholesale Inventories MoM	Sept.	1.1%	1.0%	1.2%
	US	19:30	Durable Goods Orders	Sept.	-0.4%	-1.1%	1.8%
<b>Thursday</b>	GE	19:00	CPI MoM	Oct.	0.5%	0.4%	0.0%
<i>28 - Oct.</i>	GE	19:00	CPI YoY	Oct.	4.5%	4.4%	4.1%
	US	19:30	Initial Jobless Claims	Oct.	281k	289k	290k
	US	19:30	GDP Annualized QoQ	3Q21	2.0%	2.6%	6.7%
<b>Friday</b>	US	19:30	Personal Income	Sept.		0.0%	0.2%
<i>29 - Oct.</i>	US	19:30	Personal Spending	Sept.		0.5%	0.8%
	US	20:45	MNI Chicago PMI	Oct.		64.2	64.7
	US	21:00	U. Of Mich. Sentiment	Oct.		71.4	71.4

Source: Bloomberg

## Research Division

### Head of Research

**Anggaraksa Arismunandar**

Equity Strategy

T +62 21 5088 ext. 9134

E [anggaraksa@nhsec.co.id](mailto:anggaraksa@nhsec.co.id)

### Senior Technical Analyst

**Dimas Wahyu Putra Pratama**

Technical

T +62 21 5088 ext 9131

E [dimas.wahyu@nhsec.co.id](mailto:dimas.wahyu@nhsec.co.id)

### Economist

**Arief Machrus**

Macroeconomics, Banking

T +62 21 5088 ext 9127

E [arief.machrus@nhsec.co.id](mailto:arief.machrus@nhsec.co.id)

### Analyst

**Ajeng Kartika Hapsari**

Property, Construction, Cement

T +62 21 5088 ext 9130

E [ajeng@nhsec.co.id](mailto:ajeng@nhsec.co.id)

### Analyst

**Putu Chantika**

Consumer, Retail

T +62 21 5088 ext 9129

E [putu.chantika@nhsec.co.id](mailto:putu.chantika@nhsec.co.id)

### Analyst

**Glenn Samuael Tanuwidjaja**

Telco, Mining

T +62 21 5088 ext 9128

E [glenn.samuael@nhsec.co.id](mailto:glenn.samuael@nhsec.co.id)

### Research Support

**Jasmine Kusumawardani**

T +62 21 5088 ext 9132

E [jasmine.kusumawardani@nhsec.co.id](mailto:jasmine.kusumawardani@nhsec.co.id)

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## PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

**Head Office :**

District 8 Treasury Tower 51<sup>st</sup> Fl. Unit A, SCBD Lot.28

Jl. Jendral Sudirman Kav. 52-53

Jakarta Selatan 12190

Telp : +62 21 50889100

**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

**Branch Office Surabaya:**

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

**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

**Branch Office Denpasar:**

Ruko Griya Alamanda No.9

Jl. Cok Agung Tresna

Denpasar

Indonesia

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Jakarta