

Morning Brief

Daily | Dec. 27, 2021

Today's Outlook:

Government Bonds

Weekend Sun Market Mixed. Developments regarding the Omicron variant and the granting of emergency permits for Pfizer's Covid-19 drugs, are providing energy for financial markets ahead of the Christmas period. Investors also got a breath of fresh air from various early data indicating that Omicron is no more dangerous than the previous Covid-19 variant. The Government Bond (SUN) market closed mixed at the weekend, with yields on FR0087 falling nearly 3 bps compared to the previous day.

Corporate Bonds

Pefindo: idAAA rating for LPEI Bonds. PT Pemeringkat Efek Indonesia (Pefindo) has affirmed its idAAA rating for the 2017 Series C Shelf-Registered Bond III Phase IV of the Indonesian Export Financing Agency or Indonesia Eximbank. The IDR 748 billion bonds will mature on February 23, 2022. LPEI's readiness to repay the bonds, supported by liquid assets in the form of current accounts with Bank Indonesia and other banks, as well as placements with other banks, amounted to IDR 15.6 trillion at the end of September 2021.

Domestic Issue

Realization of Tax Revenue 97.37%. The Directorate General of Taxes (DGT) of the Ministry of Finance reports, As of December 22, 2021, the realization of tax revenues was recorded at IDR 1,197.27 trillion or 97.37% of the target in the 2021 State Revenue and Expenditure Budget (APBN). A total of 97 Tax Service Offices (KPP) has succeeded in achieving the tax revenue target of more than 100% of the target. (Kontan)

Recommendation

Last Week of Trading 2021. The sentiment of the Omicron variant still makes investors cautious and hinders the movement of the stock market, which generally moves up at the end of the year. Meanwhile, entering the last week of trading in 2021, market participants will expect window dressing to be able to drive the movement of the domestic stock market again.

PRICE OF BENCHMARK SERIES

FR0086 : -1.8 Bps to 101.65 (5.06%)
FR0087 : -2.6 Bps to 101.22 (6.32%)
FR0088 : +0.1 Bps to 100.04 (6.24%)
FR0083 : -0.0 Bps to 104.80 (7.02%)

FR0090 : -1.3 Bps to 100.94 (4.91%)
FR0091 : -1.9 Bps to 100.95 (6.24%)
FR0092 : +0.5 Bps to 102.81 (6.86%)

CDS of Indonesia Bonds

CDS 2yr: -1.57% to 29.13
CDS 5yr: -0.96% to 76.26
CDS 10yr: -1.30% to 138.07

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.34%	-0.03%
USDIDR	14,221	-0.20%
KRWIDR	11.97	-0.14%

Global Indices

Index	Last	Chg.	%
Dow Jones	35,950.56	196.67	0.55%
S&P 500	4,725.78	29.22	0.62%
FTSE 100	7,372.10	(1.24)	-0.02%
DAX	15,756.31	162.84	1.04%
Nikkei	28,782.59	(15.78)	-0.05%
Hang Seng	23,223.76	30.12	0.13%
Shanghai	3,618.05	(25.29)	-0.69%
KOSPI	3,012.43	14.26	0.48%
EIDO	22.97	(0.08)	-0.35%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,817.3	8.5	0.47%
Crude Oil (\$/bbl)	73.72	0.96	1.32%
Coal (\$/ton)	165.50	0.45	0.27%
Nickel LME (\$/MT)	20,045	24.0	0.12%
Tin LME (\$/MT)	39,260	361.0	0.93%
CPO (MYR/Ton)	4,649	171.0	3.82%

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)	145.90	145.46	Current Acc (USD bn)	4.50	(1.97)
Trd Balance (USD bn)	3.51	5.74	Govt. Spending Yoy	0.66%	8.03%
Exports Yoy	49.70%	53.35%	FDI (USD bn)	4.77	6.52
Imports Yoy	52.62%	51.06%	Business Confidence	104.82	105.33
Inflation Yoy	1.75%	1.66%	Cons. Confidence*	118.50	113.40

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	—	—	—	—	—	—	—
<i>24 - Dec.</i>	—	—	—	—	—	—	—
Monday	—	—	—	—	—	—	—
<i>27 - Dec.</i>	—	—	—	—	—	—	—
Tuesday	—	—	—	—	—	—	—
<i>28 - Dec.</i>	—	—	—	—	—	—	—
Wednesday	EC	16:00	M3 Money Supply YoY	Nov.		7.6%	7.7%
<i>29 - Dec.</i>	US	20:30	Wholesale Inventories MoM	Nov.		1.7%	2.3%
	US	22:00	Pending Home Sales MoM	Nov.		0.5%	7.5%
Thursday	US	20:30	Initial Jobless Claims	Dec.		—	205k
<i>30 - Dec.</i>	US	21:45	MNI Chicago PMI	Dec.		62.2	61.8
Friday	CH	08:00	Non-Manufacturing PMI	Dec.		52.0	52.3
<i>31 - Dec.</i>	CH	08:00	Manufacturing PMI	Dec.		50.0	50.1

Source: Bloomberg

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