

Morning Brief

Daily | Dec. 7, 2021

Today's Outlook:

Government Bonds

Rupiah Depreciation Hits Market Early Week. The rupiah exchange rate weakened to the level of IDR 14,447/USD, before finally closing at the level of IDR 14,438/USD. In addition, market participants are also waiting for the release of data on Foreign Exchange Reserves (Cadev) for the period of November, which will be released today. For the record, October Cadev worth USD 145.5 billion or 0.9% lower than the previous month. From the external side, market participants will continue to anticipate the impact of the Fed's plan to accelerate the tapering policy.

Corporate Bonds

BVIC: Pay IDR 14.7 Billion Bond Coupon. PT Bank Victoria International Tbk. (BVIC) will pay coupons for the 14th Shelf-Registered and Sub-Shelf Bonds Phase II Year 2018 Series B on Monday (6/12). BVIC will pay coupon bonds with securities code BVIC01BCN2 with an interest rate of 10.3%. Meanwhile, the amount of bonds is worth IDR 200 billion and gross bond interest is IDR 5.15 billion. BVIC will also pay coupons BVIC01SBCN2 with an interest rate of 11%. The total amount of bonds is IDR 350 billion and gross bond interest is IDR 9.625 billion. (Bisnis Indonesia)

Domestic Issue

Cash Turnover Reaches IDR 115.2 Trillion. Bank Indonesia (BI) has prepared a cash supply of IDR 115.2 trillion to meet people's needs ahead of Christmas and New Year's 2022. This amount is down 2.6% compared to last year's cash requirement of IDR 118.3 trillion. The projection of the need for currency is based on estimates of community needs. (Kontan)

Recommendation

Investors Await Cadev Data. The easing of concerns about the impact of the Covid-19 variant of the Omicron has again raised investor optimism. On the other hand, the yield on the 10-year US Treasury rose again above the 1.4% level; after a slump last week. Bank Indonesia is scheduled to release the position of Cadev Indonesia for the period November 2021; after last recorded at USD 145.5 billion in the previous month.

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%	-0.71%
FX Reserve (USD bn)	145.46	146.90	Current Acc (USD bn)	4.50	(1.06)
Trd Balance (USD bn)	5.73	4.37	Govt. Spending Yoy	0.66%	2.34%
Exports Yoy	53.35%	47.64%	FDI (USD bn)	4.77	4.95
Imports Yoy	51.06%	40.31%	Business Confidence	104.82	105.33
Inflation Yoy	1.75%	1.66%	Cons. Confidence*	113.40	77.30

PRICE OF BENCHMARK SERIES

FR0086 (5yr): +2.6 Bps to 101.32 (5.15%)
FR0087 (10yr): +1.5 Bps to 100.62 (6.40%)
FR0088 (15yr): +1.6 Bps to 99.62 (6.28%)
FR0083 (20yr): +5.7 Bps to 103.73 (7.13%)

FR0090 (5.5yr): +1.8 Bps to 100.99 (4.91%)
FR0091 (10.5yr): +4.4 Bps to 100.68 (6.28%)
FR0092 (20.6yr): +5.5 Bps to 101.57 (6.97%)

CDS of Indonesia Bonds

CDS 2yr: -1.65% to 32.93
CDS 5yr: -0.16% to 86.66
CDS 10yr: -1.26% to 152.87

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.30%	0.04%
USDIDR	14,438	0.28%
KRWIDR	12.21	-0.07%

Global Indices

Index	Last	Chg.	%
Dow Jones	35,227.03	646.95	1.87%
S&P 500	4,591.67	53.24	1.17%
FTSE 100	7,232.28	109.96	1.54%
DAX	15,380.79	210.81	1.39%
Nikkei	27,927.37	(102.20)	-0.36%
Hang Seng	23,349.38	(417.31)	-1.76%
Shanghai	3,589.31	(18.13)	-0.50%
KOSPI	2,973.25	4.92	0.17%
EIDO	23.34	0.26	1.13%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,778.7	(4.6)	-0.26%
Crude Oil (\$/bbl)	69.49	3.23	4.87%
Coal (\$/ton)	144.60	(6.90)	-4.55%
Nickel LME (\$/MT)	20,030	77.0	0.39%
Tin LME (\$/MT)	39,335	351.0	0.90%
CPO (MYR/Ton)	4,750	100.0	2.15%

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	US	20:30	Unemployment Rate	Nov.	4.2%	4.5%	4.6%
3 - Dec.	US	22:00	Factory Orders	Oct.	1.0%	0.5%	0.2%
	US	22:00	Durable Goods Orders	Oct.	-0.4%	-0.5%	-0.5%
Monday	GE	14:00	Factory Orders MoM	Oct.	-6.9%	-0.3%	1.3%
6 - Dec.	—	—	—	—	—	—	—
Tuesday	ID	10:00	Foreign Reserves	Nov.		—	\$145.46Bn
7 - Dec.	CH	—	Trade Balance	Nov.		\$83.60Bn	\$84.54Bn
	EC	17:00	GDP QoQ	3Q21		2.2%	2.2%
	US	20:30	Trade Balance	Oct.		-\$66.8Bn	-\$80.9Bn
Wednesday	ID	—	Consumer Confidence Index	Nov.		—	113.4
8 - Dec.	US	19:00	MBA Mortgage Applications	Dec.		—	-7.2%
Thursday	CH	08:30	CPI YoY	Nov.		2.5%	1.5%
9 - Dec.	CH	08:30	PPI YoY	Nov.		12.1%	13.5%
	US	20:30	Initial Jobless Claims	Dec.		—	222k
	US	22:00	Wholesale Inventories MoM	Oct.		—	2.2%
Friday	UK	14:00	Industrial Production MoM	Oct.		—	-0.4%
10 - Dec.	UK	14:00	Manufacturing Production MoM	Oct.		—	-0.1%
	US	20:30	CPI MoM	Nov.		0.7%	0.9%
	US	22:00	U. of Mich. Sentiment	Dec.		68.0	67.4

Source: Bloomberg

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