

# Morning Brief

Daily | Dec. 30, 2021

## Today's Outlook:

### Government Bonds

**Domestic Omicron Sentiment.** In addition to the lack of sentiment towards the end of the year, the market pressure for Government Securities (SUN) yesterday was influenced by the depreciation of the rupiah. The rupiah exchange rate weakened 0.2%, in line with concerns about the addition of positive cases for the domestic Omicron variant, which reached 68 cases. On the other hand, Indonesia's inflation is projected to be relatively stable and low, potentially supporting the current volatility of the rupiah. Meanwhile, this low inflation projection is in contrast to the relatively high inflation of the United States (US).

### Corporate Bonds

**Bank Sulselbar Lists IDR 1.25 Trillion Bonds.** Continuous Bonds III Bank Sulselbar Phase I 2021 issued by PT BPD South Sulawesi and West Sulawesi began to be listed on the Indonesia Stock Exchange (IDX) today (30/12). The bonds were listed with a total issuance value of IDR 1.25 trillion consisting of two series. Series A which has a principal amount of IDR 630 billion offers a fixed interest rate of 6.45% with a 3-year tenor. Furthermore, Series B has a principal amount of IDR 620 billion with a fixed interest rate of 6.95% and a 5-year tenor. (Bisnis Indonesia)

### Domestic Issue

**Government Sets KUR IDR 373.17 Trillion.** The government has set the 2022 People's Business Credit (KUR) ceiling to be increased to IDR 373.17 trillion, with a fixed interest rate of 6%. This increase takes into account economic growth through Micro, Small and Medium Enterprises (MSMEs), the downward trend in the cost of funds, and the efficiency of the Overhead Cost (OHC) of the KUR interest rate. (Bisnis Indonesia)

### Recommendation

**Rupiah Tends to Weaken.** The movement of the rupiah was again influenced by external sentiment, namely the release of US labor data early next year which is projected to improve. The pressure on the rupiah was also influenced by investor interest in the US dollar, due to the potential for an increase in interest rates in 2022 which is getting closer. In addition, market players are still worried about the development of the Omicron variant, both in Indonesia, the US and Europe.

## 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

## PRICE OF BENCHMARK SERIES

FR0086 : +1.3 Bps to 101.61 (5.07%)  
FR0087 : +0.7 Bps to 101.06 (6.34%)  
FR0088 : +1.0 Bps to 100.17 (6.23%)  
FR0083 : +1.5 Bps to 104.68 (7.03%)

FR0090 : +0.4 Bps to 100.89 (4.92%)  
FR0091 : +1.3 Bps to 100.85 (6.25%)  
FR0092 : +1.1 Bps to 102.64 (6.88%)

## CDS of Indonesia Bonds

CDS 2yr: -0.41% to 29.01  
CDS 5yr: +0.11% to 73.40  
CDS 10yr: -0.32% to 137.66

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.37%	0.01%
USDIDR	14,253	0.18%
KRWIDR	12.01	0.43%

## Global Indices

Index	Last	Chg.	%
Dow Jones	36,488.63	90.42	0.25%
S&P 500	4,793.06	6.71	0.14%
FTSE 100	7,420.69	48.59	0.66%
DAX	15,852.25	(111.45)	-0.70%
Nikkei	28,906.88	(162.28)	-0.56%
Hang Seng	23,086.54	(194.02)	-0.83%
Shanghai	3,597.00	(33.11)	-0.91%
KOSPI	2,993.29	(26.95)	-0.89%
EIDO	23.15	(0.07)	-0.30%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,804.7	(1.5)	-0.08%
Crude Oil (\$/bbl)	76.56	0.58	0.76%
Coal (\$/ton)	149.55	(12.30)	-7.60%
Nickel LME (\$/MT)	20,511	466.50	2.33%
Tin LME (\$/MT)	39,260	0.00	0.00%
CPO (MYR/Ton)	4,695	(77.0)	-1.61%

# Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Friday</b>	—	—	—	—	—	—	—
<i>24 - Dec.</i>	—	—	—	—	—	—	—
<b>Monday</b>	—	—	—	—	—	—	—
<i>27 - Dec.</i>	—	—	—	—	—	—	—
<b>Tuesday</b>	—	—	—	—	—	—	—
<i>28 - Dec.</i>	—	—	—	—	—	—	—
<b>Wednesday</b>	EC	16:00	M3 Money Supply YoY	Nov.	7.3%	7.6%	7.7%
<i>29 - Dec.</i>	US	20:30	Wholesale Inventories MoM	Nov.	1.2%	1.5%	2.3%
	US	22:00	Pending Home Sales MoM	Nov.	-2.2%	0.8%	7.5%
<b>Thursday</b>	US	20:30	Initial Jobless Claims	Dec.		207k	205k
<i>30 - Dec.</i>	US	21:45	MNI Chicago PMI	Dec.		62.0	61.8
<b>Friday</b>	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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