

Morning Brief

Daily | Jan. 20, 2022

Today's Outlook:

Government Bonds

Investors Interested in Attractive Yield FR0092. Yesterday, the benchmark 20-year government bonds (SUN) recorded another 1bps decrease in yield. Compared to other benchmark series, which recorded an increase in yield between 1.7 bps to 2.5 bps. Yesterday's SUN market movement was in the midst of the conservative attitude of market players ahead of the results of today's Bank Indonesia (BI) Board of Governors (RDG) meeting, as well as the Fed meeting scheduled for next week.

Corporate Bonds

BMRI: Disburse IDR 35 Trillion KUR. PT Bank Mandiri Tbk (BMRI) has distributed People's Business Credit (KUR) of IDR 35 trillion in 2021 which was distributed to 371,182 debtors. Meanwhile, the distribution of KUR is dominated by the production sector with a composition of about 58.46% of the total distribution of KUR Bank Mandiri. (Kontan)

Domestic Issue

Regional Funds IDR 113 Trillion Settled in the Bank. The Minister of Finance (Menkeu) stated that the funds deposited in the regions were IDR 113.38 trillion as of December 2021, or the highest in the last 3 years. In fact, the Minister of Finance hopes that the transfer of funds to the regional government can reduce the economic impact caused by the COVID-19 pandemic. On the other hand, the central government did not cut transfers to the regions on a large scale in order to optimize it. (CNN Indonesia)

Recommendation

RDG results. In addition to the observed increase in US Treasury yields, market players are keeping an eye on BI sentiment, which is scheduled to release the results of the RDG this afternoon. Investors will pay close attention to the direction of monetary policy going forward. Based on a Bloomberg survey, BI is projected to maintain the BI Seven Days Reverse Repo Rate (BI 7DRRR) in January 2022 at 3.50%, or the same level since February 2021.

PRICE OF BENCHMARK SERIES

FR0090 : +1.7 Bps to 99.66 (5.19%)
FR0091 : +2.5 Bps to 99.74 (6.40%)
FR0093 : +1.9 Bps to 99.67 (6.40%)
FR0092 : -0.9 Bps to 101.30 (7.00%)

FR0086 : +3.9 Bps to 100.92 (5.25%)
FR0087 : +0.5 Bps to 100.01 (6.49%)
FR0083 : +1.4 Bps to 104.64 (7.04%)
FR0088 : +1.0 Bps to 99.13 (6.34%)

CDS of Indonesia Bonds

CDS 2yr: -2.71% to 29.91
CDS 5yr: -1.94% to 86.10
CDS 10yr: -2.27% to 156.49

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.42%	0.02%
USDIDR	14,363	0.17%
KRWIDR	12.06	0.08%

Global Indices

Index	Last	Chg.	%
Dow Jones	35,028.65	(339.82)	-0.96%
S&P 500	4,532.76	(44.35)	-0.97%
FTSE 100	7,589.66	26.11	0.35%
DAX	15,809.72	37.16	0.24%
Nikkei	27,467.23	(790.02)	-2.80%
Hang Seng	24,127.85	15.07	0.06%
Shanghai	3,558.18	(11.73)	-0.33%
KOSPI	2,842.28	(21.96)	-0.77%
EIDO	23.08	0.05	0.22%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,840.5	26.8	1.48%
Crude Oil (\$/bbl)	86.96	1.53	1.79%
Coal (\$/ton)	180.45	(1.40)	-0.77%
Nickel LME (\$/MT)	23,355	1282.50	5.81%
Tin LME (\$/MT)	42,292	992.00	2.40%
CPO (MYR/Ton)	5,124	90.0	1.79%

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)	144.90	145.90	Current Acc (USD bn)	4.50	(1.97)
Trd Balance (USD bn)	1.02	3.51	Govt. Spending Yoy	0.66%	8.03%
Exports Yoy	35.30%	49.70%	FDI (USD bn)	4.77	6.52
Imports Yoy	47.93%	52.62%	Business Confidence	104.82	105.33
Inflation Yoy	1.87%	1.75%	Cons. Confidence*	118.30	118.50

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	CH	—	Trade Balance	Dec.	\$94.46Bn	\$73.95Bn	\$71.71Bn
<i>14 - Jan.</i>	US	20:30	Retail Sales Advance MoM	Dec.	-1.9%	-0.1%	0.3%
	US	21:15	Industrial Production MoM	Dec.	-0.1%	0.2%	0.5%
	US	22:00	U. of Mich. Sentiment	Jan.	68.6	70.0	70.6
Monday	ID	11:00	Trade Balance	Dec.	\$1,020Mn	\$3,129Mn	\$3,510Mn
<i>17 - Jan.</i>	ID	11:00	Export YoY	Dec.	35.30%	40.70%	49.70%
	ID	11:00	Import YoY	Dec.	47.93%	39.40%	52.62%
	CH	09:00	GDP YoY	4Q21	4.0%	3.3%	4.9%
Tuesday	UK	14:00	Claimant Count Rate	Dec.	4.7%	--	4.9%
<i>18 - Jan.</i>	UK	14:00	Jobless Claims Change	Dec.	-43.3k	--	-49.8k
	GE	17:00	ZEW Survey Expectations	Jan.	51.7	32.0	29.9
	US	20:30	Empire Manufacturing	Jan.	-0.7	25.0	31.9
Wednesday	GE	14:00	CPI MoM	Dec.	0.5%	0.5%	0.5%
<i>19 - Jan.</i>	US	19:00	MBA Mortgage Applications	Jan.	2.3%	--	1.4%
	US	20:30	Building Permits	Dec.	1,873k	1,703k	1,717k
	US	20:30	Housing Starts	Dec.	1,702k	1,650k	1,679k
Thursday	ID	--	Bank Indonesia 7D Reverse Repo Rate	Jan		3.50%	3.50%
<i>20 - Jan.</i>	GE	14:00	PPI MoM	Dec.		0.8%	0.8%
	US	20:30	Initial Jobless Claims	Jan.		225k	230k
	US	22:00	Existing Home Sales	Dec.		6.43Mn	6.46Mn
Friday	EC	22:00	Consumer Confidence	Jan.		-8.7	-8.3
<i>21 - Jan.</i>	US	22:00	Leading Index	Dec.		0.8%	1.1%

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

Cindy Alicia

Consumer, Healthcare

T +62 21 5088 ext 9129

E cindy.alicia@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

Fax : +62 21 6667 4960

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

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