

# Morning Brief

Daily | Feb. 25, 2022

## Today's Outlook:

### Government Bonds

**Investors Watching US Sanctions on Russia.** Market participants responded to the decision of the President of the United States (US) Joe Biden to target the Russian government securities market, as a harsh sanction for the initial invasion of Ukraine, causing the Government Bonds (SUN) market to move mixed yesterday. Investors are also watching the reactions of world leaders after Russia launched a full-scale invasion of Ukraine. The US president has again announced new sanctions that will make it harder for Russia to import technological equipment.

### Corporate Bonds

**Pefindo: idAAA(sy) Rating for Pegadaian Bonds and Sukuk.** PT Pemeringkat Efek Indonesia (Pefindo) maintains the ratings for the Shelf-Registered Bond V Year 2022 and idAAA(sy) for the Shelf-Registered Sukuk Mudharabah II Year 2022 from PT Pegadaian. The rating validity period starts from February 8, 2022 until February 1, 2023. (Kontan)

### Domestic Issue

**Realization of Cigarette Excise Revenue Reaches 6.19%.** The Ministry of Finance (Kemenkeu) noted that the realization of cigarette excise revenue in January 2022 reached IDR 17.54 trillion or fulfilled the target of excise revenue this year of 6.19%. Cigarette excise revenue also doubled, namely 98.6% YoY from the same period last year. This increase was due to the overflow of payments from tobacco excise duty (CHT) in 2021, which was later paid this year. (Kontan)

### Recommendation

**Investors Avoid Risky Assets.** The increasing intensity of the conflict between Russia and Ukraine, caused almost all currencies to weaken against the US dollar. The rupiah exchange rate weakened 0.37% to IDR 14,391/USD in the spot market. Meanwhile, Bank Indonesia's JISDOR exchange rate also weakened, depreciating by 0.11% to the level of IDR 14,371/USD. On the other hand, euro zone bond yields fell sharply on Thursday as the launch of Russia's all-out invasion of Ukraine boosted safe-haven assets. The German 10Y bond yield, the benchmark for the euro area, fell 10 bps to 0.11%. This figure is the biggest daily decline since the peak of the coronavirus pandemic in March 2020.

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	5.02%	3.51%
FX Reserve (USD bn)	141.30	144.90	Current Acc (USD bn)	1.40	4.97
Trd Balance (USD bn)	0.93	1.02	Govt. Spending Yoy	5.25%	0.62%
Exports Yoy	25.31%	35.30%	FDI (USD bn)	3.59	4.70
Imports Yoy	36.77%	47.93%	Business Confidence	104.82	105.33
Inflation Yoy	2.18%	1.87%	Cons. Confidence*	119.60	118.30

## PRICE OF BENCHMARK SERIES

FR0090 : +1.3 Bps to 99.04 (5.33%)  
FR0091 : +1.8 Bps to 99.03 (6.50%)  
FR0093 : +0.5 Bps to 98.99 (6.47%)  
FR0092 : +0.3 Bps to 102.45 (6.89%)

FR0086 : +1.8 Bps to 100.81 (5.27%)  
FR0087 : -0.2 Bps to 100.26 (6.46%)  
FR0083 : -0.1 Bps to 105.33 (6.97%)  
FR0088 : +0.5 Bps to 99.21 (6.33%)

## CDS of Indonesia Bonds

CDS 2yr: +6.84% to 39.96  
CDS 5yr: +8.65% to 107.29  
CDS 10yr: +5.20% to 181.16

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.52%	0.02%
USDIDR	14,383	0.31%
KRWIDR	11.96	-0.43%

## Global Indices

Index	Last	Chg.	%
Dow Jones	33,223.83	92.07	0.28%
S&P 500	4,288.70	63.20	1.50%
FTSE 100	7,207.38	(290.80)	-3.88%
DAX	14,052.10	(579.26)	-3.96%
Nikkei	25,970.82	(478.79)	-1.81%
Hang Seng	22,901.56	(758.72)	-3.21%
Shanghai	3,429.96	(59.19)	-1.70%
KOSPI	2,648.80	(70.73)	-2.60%
EIDO	24.00	(0.11)	-0.46%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,903.9	(5.1)	-0.27%
Crude Oil (\$/bbl)	92.81	0.71	0.77%
Coal (\$/ton)	239.50	1.80	0.76%
Nickel LME (\$/MT)	24,725	329.50	1.35%
Tin LME (\$/MT)	44,935	552.00	1.24%
CPO (MYR/Ton)	6,453	471.0	7.87%

## Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Friday</b>	ID	10:00	BoP Current Account Balance	4Q21	USD1,400Mn	USD1,770Mn	USD4,970Mn
18 - Feb.	US	22:00	Existing Home Sales	Jan.	6.50Mn	6.10Mn	6.18Mn
	US	22:00	Existing Home Sales MoM	Jan.	6.7%	-1.3%	-3.8%
	US	22:00	Leading Index	Jan.	-0.3%	0.2%	0.8%
	US	22:00	Leading Index	Jan.	-0.3%	0.2%	0.8%
<b>Monday</b>	GE	14:00	PPI YoY	Jan.	25.0%	24.4%	24.2%
21 - Feb.	GE	14:00	PPI MoM	Jan.	2.2%	1.5%	5.0%
	EC	16:00	Markit Eurozone Manufacturing PMI	Feb.	58.4	58.7	58.7
	UK	16:30	Markit UK Manufacturing PMI	Feb.	57.3	57.0	57.3
	UK	16:30	Markit UK Manufacturing PMI	Feb.	57.3	57.0	57.3
<b>Tuesday</b>	GE	16:00	IFO Business Climate	Feb.	98.9	96.5	96.0
22 - Feb.	GE	16:00	IFO Expectations	Feb.	99.2	96.2	95.8
	US	21:45	Markit US Manufacturing PMI	Feb.	57.5	56.0	55.5
	US	21:45	Markit US Manufacturing PMI	Feb.	57.5	56.0	55.5
<b>Wednesday</b>	EC	17:00	CPI YoY	Jan.	5.1%	5.1%	5.0%
23 - Feb.	EC	17:00	CPI MoM	Jan.	0.3%	0.3%	0.3%
	US	19:00	MBA Mortgage Applications	Feb.	-13.1%	--	-5.4%
	US	19:00	MBA Mortgage Applications	Feb.	-13.1%	--	-5.4%
<b>Thursday</b>	US	20:30	Initial Jobless Claims	Feb.	232k	235k	248k
24 - Feb.	US	20:30	GDP Annualized QoQ	4Q21	7.0%	7.0%	6.9%
	US	22:00	New Home Sales	Jan.	801k	803k	839k
	US	22:00	New Home Sales	Jan.	801k	803k	839k
<b>Friday</b>	US	20:30	Personal Income	Jan.		-0.3%	0.3%
25 - Feb.	US	20:30	Personal Spending	Jan.		1.2%	-0.6%
	US	20:30	Durable Goods Orders	Jan.		0.6%	-0.7%
	US	22:00	U. of Mich. Sentiment	Feb.		61.7	61.7
	US	22:00	U. of Mich. Sentiment	Feb.		61.7	61.7

Source: Bloomberg

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