

Morning Brief

Daily | Feb. 9, 2022

Today's Outlook:

Government Bonds

Investors Respond to Cadev Decline. Bank Indonesia (BI) recorded that foreign exchange reserves (Cadev) in January 2022 were worth USD 141.3 billion, or lower than the previous month of USD 144.9 billion. In addition to payment of foreign debt, the decline in cadev was also influenced by the policy of banning coal exports for the January 2022 period. Yesterday, the government won the IDR 11 trillion Sukuk auction, out of a total of IDR 29.4 trillion in bids. Meanwhile, the government won all the series offered, namely: SPNS 09082022, PBS031, PBS032, PBS029, PBS034, and PBS033.

Corporate Bonds

BBTN: Net Profit Soared 48.3%. PT Bank Tabungan Negara Tbk (BBTN) recorded a net profit growth of 48.3% in 2021 to IDR 2.37 trillion. This growth was in line with the increase in Net Interest Income by 44.7% and Net Interest Margin increasing to 3.99%. (Kontan)

Domestic Issue

Government Extends PPnBM Incentive for Motor Vehicles. The government has continued to support the automotive sector through the extension of the Government-borne Luxury Goods Sales Tax (PPnBM DTP) incentives for motorized vehicles. This is stated in PMK Number 5/PMK.010/22 concerning Sales Tax on Luxury Goods, on the Delivery of Taxable Goods Classified as Luxury in the form of Certain Motorized Vehicles borne by the Government for Fiscal Year 2022. This PMK is stipulated on February 2, 2022. (Kontan)

Recommendation

Yield UST10Y Touch 1.96%. The record trade deficit has become a negative sentiment for the United States (US) bond market. The US trade deficit surged to a record high in 2021 as imports rose sharply amid stockpiles of goods by companies to meet strong domestic demand. The trade deficit increased 27.0% last year to an all-time high of USD 859.1 billion. Meanwhile, the deficit was recorded at USD 676.7 billion in 2020. Yesterday, the yield on UST10Y touched the level of 1.96% before finally closing at the level of 1.91%. The survey on US inflation data to be released this week estimates that the price index level will remain above 7%.

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)	4.50	(1.97)
Trd Balance (USD bn)	1.02	3.51	Govt. Spending Yoy	5.25%	0.62%
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	2.18%	1.87%	Cons. Confidence*	118.30	118.50

PRICE OF BENCHMARK SERIES

FR0090 : +0.9 Bps to 99.36 (5.26%)
FR0091 : +1.2 Bps to 99.14 (6.49%)
FR0093 : +0.0 Bps to 99.28 (6.44%)
FR0092 : +0.7 Bps to 101.96 (6.94%)

FR0086 : -0.9 Bps to 100.91 (5.25%)
FR0087 : +1.2 Bps to 99.74 (6.53%)
FR0083 : -0.2 Bps to 105.06 (7.00%)
FR0088 : -0.3 Bps to 99.01 (6.35%)

CDS of Indonesia Bonds

CDS 2yr: -2.41% to 35.59
CDS 5yr: -1.78% to 95.56
CDS 10yr: -1.78% to 166.11

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.49%	0.03%
USDIDR	14,397	0.12%
KRWIDR	11.99	-0.20%

Global Indices

Index	Last	Chg.	%
Dow Jones	35,462.78	371.65	1.06%
S&P 500	4,521.54	37.67	0.84%
FTSE 100	7,567.07	(6.40)	-0.08%
DAX	15,242.38	35.74	0.24%
Nikkei	27,284.52	35.65	0.13%
Hang Seng	24,329.49	(250.06)	-1.02%
Shanghai	3,452.63	23.05	0.67%
KOSPI	2,746.47	1.41	0.05%
EIDO	23.73	0.06	0.25%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,825.9	5.5	0.30%
Crude Oil (\$/bbl)	89.36	(1.96)	-2.15%
Coal (\$/ton)	224.75	8.75	4.05%
Nickel LME (\$/MT)	23,201	(196.50)	-0.84%
Tin LME (\$/MT)	43,021	119.00	+0.28%
CPO (MYR/Ton)	5,449	(87.0)	-1.57%

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	GE	14:00	Factory Orders MoM	Dec.	2.8%	0.3%	3.6%
4 - Feb.	EC	17:00	Retail Sales MoM	Dec.	-0.3%	-0.9%	1.0%
	US	20:30	Change in Nonfarm Payrolls	Jan.	467k	125k	510k
	US	20:30	Unemployment Rate	Jan.	4.0%	3.9%	3.9%
	US	20:30	Unemployment Rate	Jan.	4.0%	3.9%	3.9%
Monday	CH	08:45	Caixin China PMI Services	Jan.	51.4	50.5	53.1
7 - Feb.	ID	11:00	GDP YoY	4Q21	5.02%	4.81%	3.51%
	ID	11:00	GDP QoQ	4Q21	1.06%	1.01%	1.55%
	GE	14:00	Industrial Production MoM	Dec.	-0.3%	0.5%	-0.2%
	GE	14:00	Industrial Production MoM	Dec.	-0.3%	0.5%	-0.2%
Tuesday	ID	10:00	Foreign Reserves	Jan.	USD141.3Bn	—	USD144.90Bn
8 - Feb.	US	20:30	Trade Balance	Dec.	-USD80.7Bn	-USD83.0Bn	-USD79.3Bn
	US	20:30	Trade Balance	Dec.	-USD80.7Bn	-USD83.0Bn	-USD79.3Bn
Wednesday	GE	14:00	Trade Balance	Dec.		—	12.0 Bn
9 - Feb.	GE	14:00	Exports MoM	Dec.		—	1.7%
	US	19:00	MBA Mortgage Applications	Feb.		—	12.0%
	US	22:00	Wholesale Inventories MoM	Dec.		2.0%	2.1%
	US	22:00	Wholesale Inventories MoM	Dec.		2.0%	2.1%
Thursday	ID	14:20	Bank Indonesia 7DRRR	Feb.		3.50%	3.50%
10 - Feb.	US	20:30	CPI MoM	Jan.		0.5%	0.5%
	US	20:30	CPI YoY	Jan.		7.3%	7.0%
	US	20:30	Initial Jobless Claims	Feb.		—	238k
	US	20:30	Initial Jobless Claims	Feb.		—	238k
Friday	ID	—	Consumer Confidence Index	Jan.		—	118.3
11 - Feb.	UK	14:00	GDP QoQ	4Q21		—	1.1%
	UK	14:00	Industrial Production MoM	Dec.		—	1.0%
	US	22:00	U. of Mich. Sentiment	Feb.		67.3	67.2
	US	22:00	U. of Mich. Sentiment	Feb.		67.3	67.2

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

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

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

Branch Office Surabaya:

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

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

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