

# Morning Brief

Daily | Mar. 23, 2022

## Today's Outlook:

### Government Bonds

**FR0091 Leads Yield Increase.** The yield on the benchmark 10-year government bonds (SUN) series FR0091 rose more than 4 bps to 6.72%. This increase also indicates an inversion of yields with the 15-year benchmark FR0093, which recorded yields at the level of 6.65%. The increase in world oil prices and UST yields became negative sentiment in yesterday's trade. Yield UST10Y was up 14bps to 2.30% in early trading. Market participants are also re-evaluating the risks from the Ukraine conflict, and the Fed's aggressive actions to anticipate rising inflation.

### Corporate Bonds

**WOMF: Offer IDR 800 Billion Bonds.** PT Wahana Ottomitra Multiartha Tbk (WOMF) plans to issue IDR 800 billion worth of bonds with a target fund raised of IDR 5 trillion. These bonds are offered in two series, namely Series A with a principal amount of IDR 335 billion, 4.25% interest and a tenor of 370 days and Series B offered for IDR 465 billion with an interest of 6.30% and a tenor of three years. (Emiten News)

### Domestic Issue

**BI: No More Burden Sharing in 2023.** Bank Indonesia (BI) emphasized that burden sharing will end this year, referring to Law (UU) No. 2 of 2020. Meanwhile, throughout 2021, BI has purchased Government Securities (SBN) in the primary market amounting to IDR 358.32 trillion. Meanwhile, this year, until March 15, 2022, BI has purchased SBN in the primary market for IDR 8.76 trillion for the national economic recovery program and purchases are made through the main auction mechanism and greenshoe option (GSO). (Kontan)

### Recommendation

**FFR Increases 50 Bps.** Market participants are watching the Fed's aggressive efforts to control inflation. The Fed believes that US inflation is too high, and this central bank has the opportunity to raise the Fed Funds Rate (FFR) by more than 25 bps per increase. Market participants project an FFR of 50 bps in the near term, after last week's increase of 25 bps to 0.25%-0.50%.

## 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)	141.40	141.30	Current Acc (USD bn)	1.40	4.97
Trd Balance (USD bn)	3.82	0.93	Govt. Spending Yoy	5.25%	0.62%
Exports Yoy	34.14%	25.31%	FDI (USD bn)	3.59	4.70
Imports Yoy	25.43%	36.77%	Business Confidence	104.82	105.33
Inflation Yoy	2.06%	2.18%	Cons. Confidence*	113.10	119.60

## PRICE OF BENCHMARK SERIES

FR0090 : +1.6 Bps to 98.05 (5.57%)  
FR0091 : +4.2 Bps to 97.43 (6.72%)  
FR0093 : -1.1 Bps to 97.36 (6.65%)  
FR0092 : +0.5 Bps to 99.76 (7.14%)

FR0086 : +1.1 Bps to 100.21 (5.43%)  
FR0087 : +1.2 Bps to 98.54 (6.71%)  
FR0083 : +1.4 Bps to 102.17 (7.28%)  
FR0088 : +0.7 Bps to 96.83 (6.59%)

## CDS of Indonesia Bonds

CDS 2yr: -0.02% to 42.10  
CDS 5yr: +2.63% to 99.48  
CDS 10yr: -0.22% to 160.82

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.75%	0.04%
USDIDR	14,357	0.12%
KRWIDR	11.78	-0.07%

## Global Indices

Index	Last	Chg.	%
Dow Jones	34,807.46	254.47	0.74%
S&P 500	4,511.61	50.43	1.13%
FTSE 100	7,476.72	34.33	0.46%
DAX	14,473.20	146.23	1.02%
Nikkei	27,224.11	396.68	1.48%
Hang Seng	21,889.28	667.94	3.15%
Shanghai	3,259.86	6.18	0.19%
KOSPI	2,710.00	23.95	0.89%
EIDO	24.56	0.11	0.45%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,921.7	(14.2)	-0.73%
Crude Oil (\$/bbl)	109.27	(0.70)	-0.64%
Coal (\$/ton)	328.90	(0.50)	-0.15%
Nickel LME (\$/MT)	28,299	(3,080.0)	-9.82%
Tin LME (\$/MT)	41,755	(550.0)	-1.30%
CPO (MYR/Ton)	5,967	193.0	3.34%

# Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Friday</b>	US	21:00	Existing Home Sales	Feb.	6.02Mn	6.10Mn	6.49Mn
18 - Mar.	US	21:00	Existing Home Sales MoM	Feb.	-7.2%	-6.2%	6.6%
<b>Monday</b>	—	—	—	—	—	—	—
21 - Mar.	—	—	—	—	—	—	—
<b>Tuesday</b>	—	—	—	—	—	—	—
22 - Mar.	—	—	—	—	—	—	—
<b>Wednesday</b>	US	18:00	MBA Mortgage Applications	Mar.		--	-1.2%
23 - Mar.	US	21:00	New Home Sales	Feb.		815k	801k
	US	21:00	New Home Sales MoM	Feb.		1.8%	-4.5%
<b>Thursday</b>	GE	15:30	Markit Germany Manufacturing	Mar.		54.0	58.4
24 - Mar.	US	19:30	Current Account Balance	4Q21		-\$217.8Bn	-\$214.8Bn
	US	19:30	Initial Jobless Claims	Mar.		--	214k
	US	19:30	Durable Goods Orders	Feb.		-0.6%	1.6%
<b>Friday</b>	GE	16:00	IFO Business Climate	Mar.		93.9	98.9
25 - Mar.	GE	16:00	IFO Expectations	Mar.		--	99.2
	US	21:00	Pending Home Sales	Feb.		0.1%	-5.7%
	US	21:00	U. Of Mich. Sentiment	Mar.		59.7	59.7

Source: Bloomberg

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