

Morning Brief

Daily | Apr. 20, 2022

Today's Outlook:

The Surplus in the Trade Balance Supports the SUN Market. Indonesia's trade performance which recorded a surplus of USD 4.53 billion (Vs. Cons. USD 3 billion), surpassing the previous month which recorded a surplus of USD 3.83 billion, supporting the movement of the Government Bond (SUN) market yesterday. Market participants also anticipate BI's Dovish stance, maintaining the April BI Seven Days Reverse Repo Rate at 3.50%. On the other hand, yesterday's SUN movement was in the midst of the 10-year US Treasury yield approaching the psychological level of 3%.

Corporate Bonds

Pefindo Receives Bond Mandate of IDR 66.87 Trillion. PT Pemeringkat Efek Indonesia (Pefindo) has received a rating mandate for bonds or corporate bonds worth IDR 66.87 trillion. Investors need to pay close attention to the impact of commodity prices on these companies. From the commodity sector, the outlook is still good by looking at global demand and supply. However, on the other hand, this commodity condition will have an impact on other sectors that use raw materials for related commodities for raw materials and energy. (Bisnis Indonesia)

Domestic Issue

BI Cuts RI's Economic Growth Projection. Bank Indonesia (BI) cut its projection for domestic economic growth in 2022, to be in the range of 4.5% YoY to 5.3% YoY. This projection, lower the previous forecast of 4.7% YoY to 5.5% YoY. This decline, in line with depressed global growth, comes amid escalating geopolitical tensions between Russia and Ukraine. (Kontan)

Recommendation

Sentiment for Economic Growth Revision. Market players are watching Bank Indonesia (BI) cut its projection for domestic economic growth in 2022, to the range of 4.5%-5.3% YoY (Vs. Prev. 4.7%-5.5% YoY). This projection is in line with the projected lower world economic growth. The International Monetary Fund (IMF) cut its projections for world economic growth in 2022 and 2023, each to only grow 3.6% YoY. This figure is lower than January 2022 projections of 4.4% YoY and 3.8% YoY.

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)	139.10	141.40	Current Acc (USD bn)	1.40	4.97
Trd Balance (USD bn)	4.53	3.82	Govt. Spending Yoy	5.25%	0.62%
Exports Yoy	44.36%	34.14%	FDI (USD bn)	3.59	4.70
Imports Yoy	30.85%	25.43%	Business Confidence	104.82	105.33
Inflation Yoy	2.64%	2.06%	Cons. Confidence*	111.00	113.10

PRICE OF BENCHMARK SERIES

FR0090 : +2.6 Bps to 96.54 (5.93%)
FR0091 : +0.2 Bps to 95.81 (6.96%)
FR0093 : -0.5 Bps to 95.72 (6.82%)
FR0092 : +0.6 Bps to 98.73 (7.24%)

FR0086 : +1.3 Bps to 99.42 (5.66%)
FR0087 : +1.4 Bps to 97.58 (6.86%)
FR0083 : +0.0 Bps to 102.48 (7.25%)
FR0088 : +2.1 Bps to 95.74 (6.71%)

CDS of Indonesia Bonds

CDS 2yr: +4.95% to 43.86
CDS 5yr: -7.51% to 92.51
CDS 10yr: +3.87% to 176.19

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.98%	0.00%
USDIDR	14,344	-0.07%
KRWIDR	11.60	-0.33%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,911.20	499.51	1.45%
S&P 500	4,462.21	70.52	1.61%
FTSE 100	7,601.28	(15.10)	-0.20%
DAX	14,153.46	(10.39)	-0.07%
Nikkei	26,985.09	185.38	0.69%
Hang Seng	21,027.76	(490.32)	-2.28%
Shanghai	3,194.03	(1.50)	-0.05%
KOSPI	2,718.89	25.68	0.95%
EIDO	24.50	(0.24)	-0.97%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,950.1	(28.8)	-1.46%
Crude Oil (\$/bbl)	102.56	(5.65)	-5.22%
Coal (\$/ton)	321.00	11.90	3.85%
Nickel LME (\$/MT)	33,768	593.0	1.79%
Tin LME (\$/MT)	43,090	47.0	0.11%
CPO (MYR/Ton)	6,463	143.0	2.26%

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	US	19:30	Empire Manufacturing	Apr.	24.6	1.0	-11.8
15 - Apr.	US	20:15	Industrial Production MoM	Mar.	0.9%	0.4%	0.5%
Monday	CH	09:00	Industrial Production YoY	Mar.	5.0%	4.0%	4.3%
18 - Apr.	ID	11:00	Trade Balance	Mar.	\$4,529Mn	\$3,053Mn	\$3,834Mn
	ID	11:00	Exports YoY	Mar.	44.36%	24.65%	34.19%
	ID	11:00	Imports YoY	Mar.	30.85%	18.45%	25.43%
Tuesday	ID	14:20	Bank Indonesia 7D Reverse Repo Rate	Apr.	3.50%	3.50%	3.50%
19 - Apr.	US	19:30	Building Permits	Mar.	1,873k	1,820k	1,865k
	US	19:30	Housing Starts	Mar.	1,793k	1,740k	1,788k
Wednesday	GE	13:00	PPI YoY	Mar.		--	25.9%
20 - Apr.	GE	13:00	PPI MoM	Mar.		--	1.4%
	US	18:00	MBA Mortgage Applications	Apr.		--	-1.3%
	US	21:00	Existing Home Sales	Mar.		5.77Mn	6.02Mn
Thursday	EC	16:00	CPI YoY	Mar.		--	7.5%
21 - Apr.	EC	16:00	CPI MoM	Mar.		--	2.5%
	US	19:30	Initial Jobless Claims	Apr.		--	--
Friday	US	20:45	S&P Global US Manufacturing PMI	Apr.		57.8	58.8
22 - Apr.	US	20:45	S&P Global US Service PMI	Apr.		58.6	58.0
	US	20:45	S&P Global US Composite PMI	Apr.		--	57.7

Source: Bloomberg

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