

Morning Brief

Today's Outlook:

Government Bonds

Investors Interested in Attractive Yield FR0092. Market participants are interested in FR0092, which still offers high yields of up to 7.20%. This investor interest is in line with the signal of a recession in the US bond market, where the inversion of the US Treasury yield series UST2Y to UST10Y was formed again for the third time last week.

Corporate Bonds

PTPP: Offer IDR 909.5 Billion Bonds. PT PP (Persero) Tbk (PTPP) plans to issue debt securities totaling IDR 909.5 billion. Meanwhile, the debt securities consist of PTPP II 2022 Shelf-Registered Bonds III, valued at IDR 544.5 billion and PTPP Sustainable Sukuk Mudharabah I Phase II 2022 valued at IDR 365 billion. (Emiten News)

Domestic Issue

Cigarette Excise Revenue Reaches 26.56%. Tobacco Excise Revenue (CHT) in the last three years has always exceeded the target, or on average, has met 105.2% of the target each year. This positive thing is influenced by the development of the number of cigarette production, the CHT tariff policy and the steps of controlling illegal cigarettes. This year, until March 2022, CHT revenues have reached IDR 56.84 trillion or 26.5% of the target of the State Budget (APBN) in 2022. (Kontan)

Recommendation

US Recession Signal. Market participants are still watching the recession signal coming from the US government bond market, as well as rising crude oil prices which could trigger higher inflation. Yield inversion persists in the US bond market between the US Treasury series UST2Y and UST10Y, seen as an indicator of a US recession in the next two years or so. Investors remain concerned about the Ukraine crisis, which has led to a spike in commodity prices that exacerbated the already high inflation outlook. Meanwhile, US factory orders fell in February, due to ongoing raw material shortages. The US Commerce Department said that factory orders fell 0.5% in February.

PRICE OF BENCHMARK SERIES

FR0090 : +3.9 Bps to 97.88 (5.64%)
FR0091 : +0.6 Bps to 97.39 (6.73%)
FR0093 : +0.2 Bps to 97.23 (6.66%)
FR0092 : -1.2 Bps to 99.19 (7.20%)

FR0086 : +2.1 Bps to 100.25 (5.42%)
FR0087 : -0.1 Bps to 98.58 (6.71%)
FR0083 : -0.2 Bps to 102.23 (7.27%)
FR0088 : -0.1 Bps to 96.73 (6.60%)

CDS of Indonesia Bonds

CDS 2yr: -3.81% to 26.97
CDS 5yr: -9.59% to 76.62
CDS 10yr: -4.18% to 147.01

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.75%	0.01%
USDIDR	14,355	-0.09%
KRWIDR	11.82	-0.01%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,921.88	103.61	0.30%
S&P 500	4,582.64	36.78	0.81%
FTSE 100	7,558.92	21.02	0.28%
DAX	14,518.16	71.68	0.50%
Nikkei	27,736.47	70.49	0.25%
Hang Seng	22,502.31	462.76	2.10%
Shanghai	3,282.72	0.00	0.00%
KOSPI	2,757.90	18.05	0.66%
EIDO	25.04	0.24	0.97%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,932.7	7.1	0.37%
Crude Oil (\$/bbl)	103.28	4.01	4.04%
Coal (\$/ton)	264.00	5.25	2.03%
Nickel LME (\$/MT)	33,245	22.0	0.07%
Tin LME (\$/MT)	44,155	(612.0)	-1.37%
CPO (MYR/Ton)	5,692	126.0	2.26%

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	2.64%	2.06%	Cons. Confidence*	113.10	119.60

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	ID	07:30	S&P Global PMI Mfg	Mar.	51.3	—	51.2
<i>1 - Apr.</i>	ID	09:00	CPI MoM	Mar.	0.66%	0.60%	-0.02%
	ID	09:00	CPI YoY	Mar.	2.64%	2.55%	2.06%
	US	21:00	ISM Manufacturing	Mar.	57.1	59.0	58.6
Monday	GE	13:00	Trade Balance	Feb.	11.4Bn	10.1Bn	3.2Bn
<i>4 - Apr.</i>	GE	13:00	Exports SA MoM	Feb.	6.4%	1.5%	-3.0%
	US	21:00	Factory Orders	Feb.	-0.5%	-0.6%	1.5%
	US	21:00	Durable Goods Orders	Feb.	-2.1%	-2.2%	-2.2%
Tuesday	US	19:30	Trade Balance	Feb.		-USD88.6Bn	-USD89.7Bn
<i>5 - Apr.</i>	US	20:45	S&P Global US Services PMI	Mar.		58.9	58.9
	US	20:45	S&P Global US Composite PMI	Mar.		--	58.5
	US	21:00	ISM Services Index	Mar.		58.6	56.5
Wednes- day	CH	08:45	Caixin China PMI Composite	Mar.		--	50.1
<i>6 - Apr.</i>	CH	08:45	Caixin China PMI Services	Mar.		--	50.2
	EC	16:00	PPI YoY	Feb.		--	30.6
	US	18:00	MBA Mortgage Applications	Apr.		--	-6.8%
Thursday	US	01:00	FOMC Meeting Minutes	Mar.		--	--
<i>7 - Apr.</i>	ID	10:00	Foreign Reserves	Mar.		--	USD141.40Bn
	GE	13:00	Industrial Production SA MoM	Feb.		0.7%	2.7%
	EC	16:00	Retail Sales MoM	Feb.		--	0.2%
Friday	ID	--	Consumer Confidence Index	Mar.		--	113.1
<i>8 - Apr.</i>							

Source: Bloomberg

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