

# Morning Brief

Daily | May 17, 2022

## Today's Outlook:

**The affirmation of the 50 bps FFR increase in May**, and April's US inflation remaining high at 8.1% YoY, became negative sentiment for a week. Moreover, the US April Producer Price Index 11% YoY, surpassed the consensus of 10.7%, breaking the opinion of an end to high inflation last March. Over the weekend, benchmark SUN closed mixed, with yield on FR0091 relatively flat at 7.36%.

## Corporate Bonds

**ISAT: Form of Joint Venture.** PT Indosat Tbk (ISAT) formed a joint venture with three companies to develop a data center business. The three companies are PT Aplikasi Lintasarta, PT Starone Mitra Telekomunikasi, and BDX Asia Data Center Holdings Pte. Ltd. The four companies have signed a conditional sale and purchase agreement with an estimated transaction value of IDR 3.3 trillion. (Kontan)

## Domestic Issue

**Cadev April 2022 Dropped To USD 135.7 Billion.** Indonesia's foreign exchange reserves (Cadev) at the end of April 2022 were recorded at USD 135.7 billion, or decreased by USD 3.4 billion compared to the previous month. The decline in Cadev was influenced by the need for payment of government foreign debt and the anticipated need for foreign currency liquidity in line with increasing economic activity. (Kontan)

## Recommendation

**Survey: BI 7DRRR remains at 3.50%.** Investors are starting to pay attention to a Bloomberg survey which projects that BI will hold the BI 7DRRR in May at the level of 3.50% in the BI RDG on Tuesday (24/05). This is in contrast, with FFR which has risen 75 bps to date, and is projected to rise 50 bps in June. Last week, the rupiah also depreciated to the level of IDR 14,625/USD. This week, investors are looking forward to the release of April trade balance data which is projected to have a surplus of +USD 4.2 billion (Vs. Mar. +USD 4.5 billion), 6.5% MoM lower.

## PRICE OF BENCHMARK SERIES

FR0090 : -3.4 Bps to 93.10 (6.79%)  
FR0091 : -1.6 Bps to 93.11 (7.36%)  
FR0093 : +9.5 Bps to 90.39 (7.44%)  
FR0092 : +0.4 Bps to 96.05 (7.50%)

FR0086 : -4.7 Bps to 95.27 (6.89%)  
FR0087 : -8.5 Bps to 94.12 (7.42%)  
FR0083 : +18.7 Bps to 97.43 (7.76%)  
FR0088 : +5.2 Bps to 89.83 (7.42%)

## CDS of Indonesia Bonds

CDS 2yr: -4.03% to 54.72  
CDS 5yr: -15.04% to 108.60  
CDS 10yr: -3.15% to 201.92

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.40%	-0.01%
USDIDR	14,597	0.27%
KRWIDR	11.32	-0.80%

## Global Indices

Index	Last	Chg.	%
Dow Jones	32,223.42	26.76	0.08%
S&P 500	4,008.01	(15.88)	-0.39%
FTSE 100	7,464.80	46.65	0.63%
DAX	13,964.38	(63.55)	-0.45%
Nikkei	26,547.05	119.40	0.45%
Hang Seng	19,950.21	51.44	0.26%
Shanghai	3,073.75	(10.54)	-0.34%
KOSPI	2,596.58	(7.66)	-0.29%
EIDO	23.26	(0.02)	-0.09%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,824.1	12.4	0.68%
Crude Oil (\$/bbl)	114.20	3.71	3.36%
Coal (\$/ton)	402.50	9.65	2.46%
Nickel LME (\$/MT)	26,549	(713.0)	-2.62%
Tin LME (\$/MT)	33,866	496.0	1.49%
CPO (MYR/Ton)	6,369	27.0	0.43%

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	5.01%	3.51%
FX Reserve (USD bn)	135.70	139.10	Current Acc (USD bn)	1.40	4.97
Trd Balance (USD bn)	4.53	3.82	Govt. Spending Yoy	-7.74%	5.25%
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	3.47%	2.64%	Cons. Confidence*	113.10	111.00

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	CH	09:00	Industrial Production YoY	Apr.	-2.9%	0.5%	5.0%
<i>16 - May</i>	CH	09:00	Retail Sales YoY	Apr	-11.1%	-6.6%	-3.5%
<b>Tuesday</b>	ID	11:00	Trade Balance	Apr.		\$4,000Mn	\$4,529Mn
<i>17 - May</i>	ID	11:00	Exports YoY	Apr.		40.09%	44.36%
	ID	11:00	Imports YoY	Apr.		34.99%	30.85%
	US	19:30	Retail Sales Advance MoM	Apr.		1.0%	0.7%
<b>Wednesday</b>	EC	16:00	CPI YoY	Apr. F		7.5%	7.4%
<i>18 - May</i>	US	18:00	MBA Mortgage Applications	May 13		--	2.0%
	US	19:30	Building Permits	Apr.		1,825k	1,870k
	US	19:30	Housing Starts	Apr.		1,770k	1,793k
<b>Thursday</b>	US	19:30	Initial Jobless Claims	May 14		--	203k
<i>19 - May</i>	US	21:00	Existing Home Sales	Apr.		5.66Mn	5.77Mn
	US	21:00	Leading Index	Apr.		0.0%	0.3%
<b>Friday</b>	GE	13:00	PPI YoY	Apr.		29.5%	30.9%
<i>20 - May</i>	GE	13:00	PPI MoM	Apr.		-0.2%	4.9%

Source: Bloomberg

## Research Division

### Senior Technical Analyst

**Dimas Wahyu Putra Pratama**

Technical

T +62 21 5088 ext 9131

E [dimas.wahyu@nhsec.co.id](mailto:dimas.wahyu@nhsec.co.id)

### Economist

**Arief Machrus**

Macroeconomics, Banking

T +62 21 5088 ext 9127

E [arief.machrus@nhsec.co.id](mailto:arief.machrus@nhsec.co.id)

### Analyst

**Cindy Alicia**

Consumer, Healthcare

T +62 21 5088 ext 9129

E [cindy.alicia@nhsec.co.id](mailto:cindy.alicia@nhsec.co.id)

### Research Support

**Jasmine Kusumawardani**

Editor & Translator

T +62 21 5088 ext 9132

E [jasmine.kusumawardani@nhsec.co.id](mailto: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

Member of Indonesia Stock Exchange

**Head Office :**

District 8 Treasury Tower 51<sup>st</sup> 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

Telp : +62 761 801 133

**Branch Office Surabaya:**

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

Telp : +62 31 9914 1344

**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

Telp : +62 22 8606 1012

**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