

Morning Brief

Daily | May 20, 2022

Today's Outlook:

Rupiah Depreciation Still Colors SUN Market. In early trading yesterday, the rupiah had depreciated to the level of IDR 14,738/USD. The depreciation of the rupiah, ahead of the BI RDG next week, is projected to keep the BI 7DRRR at the level of 3.50% in May. The rupiah depreciation cannot be separated from the Hawkish Fed's stance in raising its benchmark interest rate. Currently, investors are looking forward to how BI will respond to the FFR hike.

Corporate Bonds

BBTN: Get Funding Worth USD 100 Million. PT Bank Tabungan Negara (Persero) Tbk (BBTN) received support from the Japan International Cooperation Agency (JICA), Citi Bank and BCA worth a total of USD 100 million or equivalent to IDR 1.4 trillion (Exchange rate of IDR 14,000). Meanwhile, the company will use the loan facility to support people's housing financing by successfully constructing a million houses. (Kontan)

Domestic Issue

Foreign Debt Drops To IDR 6,049 Trillion. Bank Indonesia (BI) recorded Indonesia's External Debt (ULN) of USD 411.5 billion or IDR 6,049 trillion (assuming an exchange rate of IDR 14,700 per US dollar) in 1Q22. The external debt position decreased compared to 4Q21 which reached USD 415.7 billion or IDR 6,110 trillion. This development was due to a decline in the external debt position of the public sector (government and central bank) and the private sector. (CNN Indonesia)

Recommendation

Survey: BoP Current Account Balance Surplus. Economic data BoP Current Account Balance Surplus 1Q22 which is projected a surplus of +USD 918 million (Vs. 4Q21 +USD 1.4 billion) is a positive sentiment for SUN trading this weekend. Investors are also keeping an eye on the BI 7DRRR survey for the period of May, which is projected to remain at its lowest level.

PRICE OF BENCHMARK SERIES

FR0090 : -1.5 Bps to 93.70 (6.65%)
FR0091 : -1.7 Bps to 93.59 (7.29%)
FR0093 : -0.7 Bps to 89.98 (7.49%)
FR0092 : +0.4 Bps to 96.52 (7.46%)

FR0086 : -13.8 Bps to 96.28 (6.59%)
FR0087 : -0.1 Bps to 94.42 (7.37%)
FR0083 : -4.9 Bps to 97.59 (7.74%)
FR0088 : +1.4 Bps to 89.60 (7.45%)

CDS of Indonesia Bonds

CDS 2yr: +2.50% to 55.06
CDS 5yr: +5.38% to 109.86
CDS 10yr: +2.17% to 202.81

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.31%	-0.01%
USDIDR	14,733	0.31%
KRWIDR	11.52	-0.66%

Global Indices

Index	Last	Chg.	%
Dow Jones	31,253.13	(236.94)	-0.75%
S&P 500	3,900.79	(22.89)	-0.58%
FTSE 100	7,302.74	(135.35)	-1.82%
DAX	13,882.30	(125.46)	-0.90%
Nikkei	26,402.84	(508.36)	-1.89%
Hang Seng	20,120.68	(523.60)	-2.54%
Shanghai	3,096.97	10.99	0.36%
KOSPI	2,592.34	(33.64)	-1.28%
EIDO	23.66	0.40	1.72%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,841.9	25.3	1.39%
Crude Oil (\$/bbl)	112.21	2.62	2.39%
Coal (\$/ton)	412.10	0.10	0.02%
Nickel LME (\$/MT)	28,231	2072.0	7.92%
Tin LME (\$/MT)	34,230	1211.0	3.67%
CPO (MYR/Ton)	6,072	(62.0)	-1.01%

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)	7.56	4.53	Govt. Spending Yoy	-7.74%	5.25%
Exports Yoy	47.76%	44.36%	FDI (USD bn)	3.59	4.70
Imports Yoy	21.97%	30.85%	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
Monday	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%
Tuesday	ID	11:00	Trade Balance	Apr.	\$7,560Mn	\$4,000Mn	\$4,535Mn
<i>17 - May</i>	ID	11:00	Exports YoY	Apr.	47.76%	40.09%	44.36%
	ID	11:00	Imports YoY	Apr.	21.97%	34.99%	30.85%
	US	19:30	Retail Sales Advance MoM	Apr.	0.9%	1.0%	1.4%
Wednesday	EC	16:00	CPI YoY	Apr. F	7.4%	7.5%	7.4%
<i>18 - May</i>	US	18:00	MBA Mortgage Applications	May 13	-11.0%	--	2.0%
	US	19:30	Building Permits	Apr.	1,819k	1,814k	1,870k
	US	19:30	Housing Starts	Apr.	1,724k	1,756k	1,728k
Thursday	US	19:30	Initial Jobless Claims	May 14	218k	200k	197k
<i>19 - May</i>	US	21:00	Existing Home Sales	Apr.	5.61Mn	5.64Mn	5.75Mn
	US	21:00	Leading Index	Apr.	-0.3%	0.0%	0.1%
Friday	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

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

Editor & Translator

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

Fax : +62 21 5316 1687

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