

Morning Brief

Daily | May 19, 2022

Today's Outlook:

The trade balance surplus in line with export growth, with imports being maintained, became a positive catalyst for yesterday's trade. Benchmark SUN closed mixed, with yields on FR0093 and FR0092 at around 7.45%. The movement of the SUN market is in the midst of the depreciation of the rupiah which is approaching the psychological level of IDR 14,700. For the record, April's trade balance surplus was worth USD 7.5 billion. This surplus, can increase the Cadex April which had fallen to USD 135.7 billion. Meanwhile, this April surplus exceeded market expectations of +USD 4 billion, and March +USD 4.5 billion.

Corporate Bonds

BMTR Adds Sukuk Ijarah Guarantee. PT Global Mediacom Tbk (BMTR) obtained shareholder approval to add a Sukuk Ijarah guarantee in the form of the issuer's shares in MSIN so that the next Sukuk Ijarah guarantee is in the form of the issuer's shares in MSIN. Meanwhile, the addition of the Ijarah sukuk guarantee is to provide convenience for bond and sukuk holders. (Okezone)

Domestic Issue

Government to Ban Bauxite and Tin Exports. The Minister of Investment/Head of the Investment Coordinating Board (BKPM) revealed that the government plans to ban the export of bauxite and tin in 2022. The prohibition is an interpretation of the directives from the President of the Republic of Indonesia to build downstream and new, renewable and environmentally friendly energy-based industries. In addition, the ban on exports of mining and mineral commodities also had a positive impact on the trade balance. One of them with China. (Kontan)

Recommendation

Rupiah Depreciation Colors SUN Market. Today's SUN trading was again colored by the movement of the rupiah which closed lower yesterday at the level of IDR 14,688/USD. 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. BI will hold a Board of Governors Meeting next week.

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

PRICE OF BENCHMARK SERIES

FR0090 : -7.3 Bps to 93.63 (6.66%)
FR0091 : -0.1 Bps to 93.48 (7.31%)
FR0093 : +0.1 Bps to 89.91 (7.49%)
FR0092 : -0.7 Bps to 96.56 (7.45%)

FR0086 : -8.3 Bps to 95.82 (6.73%)
FR0087 : +0.7 Bps to 94.41 (7.37%)
FR0083 : +2.6 Bps to 97.14 (7.79%)
FR0088 : +0.2 Bps to 89.71 (7.44%)

CDS of Indonesia Bonds

CDS 2yr: +3.18% to 53.71
CDS 5yr: +0.29% to 104.25
CDS 10yr: +2.34% to 198.50

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.33%	-0.01%
USDIDR	14,688	0.26%
KRWIDR	11.60	0.96%

Global Indices

Index	Last	Chg.	%
Dow Jones	31,490.07	(1164.52)	-3.57%
S&P 500	3,923.68	(165.17)	-4.04%
FTSE 100	7,438.09	(80.26)	-1.07%
DAX	14,007.76	(178.18)	-1.26%
Nikkei	26,911.20	251.45	0.94%
Hang Seng	20,644.28	41.76	0.20%
Shanghai	3,085.98	(7.72)	-0.25%
KOSPI	2,625.98	5.54	0.21%
EIDO	23.26	(0.32)	-1.36%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,816.6	1.4	0.08%
Crude Oil (\$/bbl)	109.59	(2.81)	-2.50%
Coal (\$/ton)	412.00	(1.65)	-0.40%
Nickel LME (\$/MT)	26,159	(247.0)	-0.94%
Tin LME (\$/MT)	33,019	(1046.0)	-3.07%
CPO (MYR/Ton)	6,134	18.0	0.29%

Global & Domestic Economic Calendar

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		--	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%
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