

Morning Brief

Daily | Aug. 10, 2022

Today's Outlook:

Government Wins IDR 10.6 Trillion Sukuk Auction. Investors are again interested in Sukuk auction, record entry bid of IDR 30.8 Trillion. This amount is more than the bids entered in the previous Sukuk auction, amounting to IDR 10.7 trillion. Furthermore, the government won IDR 10.6 trillion in the state sukuk auction this time.

Corporate Bonds

TBIG Issues IDR 2.2 Trillion Bonds. PT Tower Bersama Infrastructure Tbk. (TBIG) will issue Shelf-Registered Bonds V Phase IV 2022 with a principal amount of IDR 2.2 trillion. The bonds are part of the Shelf-Registered Bonds V which is targeted to raise funds to reach IDR 15 trillion. Meanwhile, prior to the issuance of the IDR 2.2 trillion bonds, the Company had issued IDR 4.85 trillion in the framework of the Sustainable Bonds V. (Bisnis Indonesia)

Domestic Issue

BI Survey Predicts Retail Sales to Rise in July. The Retail Sales Survey (SPE) of Bank Indonesia (BI) estimates that retail sales performance will increase in July 2022, mainly supported by increased sales of the clothing sub-group, motor vehicle fuel group, and spare parts and accessories. This increase is reflected in the July 2022 Real Sales Index (IPR) estimate at 204.9 or an increase of 8.7% YoY. (AntaraNews)

Recommendation

Survey: Trade Balance Surplus Declines. The absence of the August FOMC Meeting has made investors focus on positive domestic economic data. Meanwhile, Rupiah has also consistently strengthened below the psychological level of IDR15,000/USD in August. Meanwhile, a Bloomberg survey projects Indonesia's July Trade Balance surplus to shrink to +USD3.6 billion (Vs. Jun. +USD5.1 billion) as global commodity prices sag. The survey also projects July exports YoY to grow +37.5% (Vs. Jun. +40.7%), but July imports YoY is projected to grow +26.3% (Vs. Jun. 21.9%).

PRICE OF BENCHMARK SERIES

FR0090 : -2.7 Bps to 95.00 (6.37%)
FR0091 : -3.0 Bps to 95.01 (7.09%)
FR0093 : -1.9 Bps to 94.52 (6.97%)
FR0092 : -3.5 Bps to 99.60 (7.16%)

FR0086 : -3.7 Bps to 97.65 (6.22%)
FR0087 : +1.6 Bps to 96.90 (6.98%)
FR0083 : -4.1 Bps to 101.84 (7.31%)
FR0088 : 0.0 Bps to 90.27 (7.38%)

CDS of Indonesia Bonds

CDS 2yr: -6.05% to 46.94
CDS 5yr: +15.23% to 112.07
CDS 10yr: +1.54% to 181.02

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.11%	-0.03%
USDIDR	14,853	-0.17%
KRWIDR	11.39	-0.01%

Global Indices

Index	Last	Chg.	%
Dow Jones	32,774.41	(58.13)	-0.18%
S&P 500	4,122.47	(17.59)	-0.42%
FTSE 100	7,488.15	5.78	0.08%
DAX	13,534.97	(152.72)	-1.12%
Nikkei	27,999.96	(249.28)	-0.88%
Hang Seng	20,003.44	(42.33)	-0.21%
Shanghai	3,247.43	10.50	0.32%
KOSPI	2,503.46	10.36	0.42%
EIDO	23.80	0.09	0.38%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,794.3	5.3	0.30%
Crude Oil (\$/bbl)	90.50	(0.26)	-0.29%
Coal (\$/ton)	384.50	13.50	3.64%
Nickel LME (\$/MT)	21,561	(124.0)	-0.57%
Tin LME (\$/MT)	24,426	126.0	0.52%
CPO (MYR/Ton)	4,119	48.0	1.18%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	5.44%	5.01%
FX Reserve (USD bn)	132.20	136.40	Current Acc (USD bn)	0.20	4.97
Trd Balance (USD bn)	5.09	2.90	Govt. Spending Yoy	-5.24%	-7.74%
Exports Yoy	40.68%	27.00%	FDI (USD bn)	5.67	4.70
Imports Yoy	21.98%	30.74%	Business Confidence	104.82	105.33
Inflation Yoy	4.94%	4.35%	Cons. Confidence*	123.20	128.20

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	ID	10:00	Foreign Reserves	Jul.	USD132.20Bn	--	USD136.40Bn
<i>5 - Aug.</i>	ID	11:00	GDP QoQ / YoY	2Q22	3.72%/5.44%	3.47% / 5.17%	-0.95% / 5.01%
	GE	13:00	Industrial Production MoM	Jun.	0.4%	-0.3%	-0.1%
Monday	ID	--	Consumer Confidence Index	Jul.		--	128.2
<i>8 - Aug.</i>	--	--	--	--	--	--	--
Tuesday	--	--	--	--	--	--	--
<i>9 - Aug.</i>	--	--	--	--	--	--	--
Wednesday	US	18:00	MBA Mortgage Applications	Aug. 5		--	1.2%
<i>10 - Aug.</i>	US	19:30	CPI MoM	Jul.		0.2%	1.3%
	US	19:30	CPI Ex. Food and Energy MoM	Jul.		0.5%	0.7%
	US	19:30	CPI YoY	Jul.		8.8%	9.1%
Thursday	US	19:30	PPI Ex. Food and Energy YoY	Jul.		--	8.2%
<i>11 - Aug.</i>	US	19:30	PPI Final Demand MoM	Jul.		0.3%	1.1%
	US	19:30	PPI Ex. Food and Energy MoM	Jul.		0.4%	0.4%
	US	19:30	PPI Final Demand YoY	Jul.		10.3%	11.3%
Friday	UK	13:00	GDP QoQ	2Q		-0.1%	0.8%
<i>12 - Aug.</i>	UK	13:00	GDP YoY	2Q		3.0%	8.7%
	US	19:30	Import Price Index MoM	Jul.		-0.9%	0.2%
	US	21:00	U. Of Mich. Sentiment	Aug. P		52.0	51.5

Source: Bloomberg

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