

Morning Brief

Daily | Sept. 30, 2022

Today's Outlook:

SUN Benchmarks were mixed amid the depreciation of the rupiah, which was approaching the level of USD15,300/USD. Market participants are also paying close attention to the discourse of the BoE's QE worth GBP65B, or the BoE to intervene to buy UK30Y Gilts worth GBP5Bn per day until 14 October.

Corporate Bonds

WSKT: Strengthen Trans Jabar Capital. PT Waskita Karya (Persero) Tbk (WSKT) strengthened the capital of Trans Jabar Toll (TJT) IDR90.77 billion. This was done through the company's subsidiary Waskita Toll Road (WTR) by absorbing 181,552 shares issued by TJT. With the increase in capital from WTR to TJT, it is expected to maximize TJT's business performance. (Emiten News)

Domestic Issue

Next Year's Tax Revenue is Targeted at IDR 2,463 Trillion. The government targets tax revenues in 2023 to reach IDR 2,463 trillion. This target shot 28% of the tax revenue target in 2022 which amounted to IDR 1,924.9 trillion. The target is stated in the Law on the State Revenue and Expenditure Budget (APBN) 2023. This tax revenue target even reached a record high compared to previous years. (Kontan)

Recommendation

Tax revenues grew 28%, amid the risk of an economic recession in a number of Indonesia's trading partner countries. In closing 3Q22, investors are watching the government's decision to target 2023 tax revenues of IDR 2,463 trillion (+28% YoY). The highest record of tax revenue is divided into IDR 1.718 Trillion of Tax Revenue, IDR 303.2 Trillion of Customs and Excise Revenue, and IDR 441.4 Trillion of Non-Tax State Revenue. This target is also in the midst of normalizing the prices of a number of Indonesian export commodities, which makes the 2023 Windfall profit not as high as in 2022.

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	3.75%	Real GDP	5.44%	5.01%
FX Reserve (USD bn)	132.20	132.20	Current Acc (USD bn)	0.41	4.97
Trd Balance (USD bn)	5.76	4.22	Govt. Spending Yoy	-5.24%	-7.74%
Exports Yoy	30.15%	32.03%	FDI (USD bn)	4.28	4.70
Imports Yoy	32.81%	39.86%	Business Confidence	104.82	105.33
Inflation Yoy	4.69%	4.94%	Cons. Confidence*	124.70	123.20

PRICE OF BENCHMARK SERIES

FR0090 : -5.6 Bps to 93.79 (6.73%)
FR0091 : +0.1 Bps to 93.13 (7.39%)
FR0093 : -1.9 Bps to 92.16 (7.24%)
FR0092 : +0.6 Bps to 96.37 (7.47%)

FR0086 : +0.1 Bps to 96.15 (6.74%)
FR0087 : -2.5 Bps to 94.77 (7.34%)
FR0083 : +2.7 Bps to 100.54 (7.44%)
FR0088 : -9.3 Bps to 91.00 (7.29%)

CDS of Indonesia Bonds

CDS 2yr: +5.93% to 78.07
CDS 5yr: +1.79% to 163.65
CDS 10yr: +4.94% to 239.61

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.42%	0.00%
USDIDR	15,263	0.00%
KRWIDR	10.60	0.08%

Global Indices

Index	Last	Chg.	%
Dow Jones	29,225.61	(458.13)	-1.54%
S&P 500	3,640.47	(78.57)	-2.11%
FTSE 100	6,881.59	(123.80)	-1.77%
DAX	11,975.55	(207.73)	-1.71%
Nikkei	26,422.05	248.07	0.95%
Hang Seng	17,165.87	(85.01)	-0.49%
Shanghai	3,041.21	(3.86)	-0.13%
KOSPI	2,170.93	1.64	0.08%
EIDO	23.45	(0.42)	-1.76%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,660.5	0.6	0.03%
Crude Oil (\$/bbl)	81.23	(0.92)	-1.12%
Coal (\$/ton)	435.75	(0.25)	-0.06%
Nickel LME (\$/MT)	22,348	543.0	2.49%
Tin LME (\$/MT)	20,523	(205.0)	-0.99%
CPO (MYR/Ton)	3,342	116.0	3.60%

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	US	20:45	S&P Global US Manufacturing PMI	Sept. P	51.8	51.0	51.5
23 - Sept.	US	20:45	S&P Global US Services PMI	Sept. P	49.2	45.5	43.7
	US	20:45	S&P Global US Composite PMI	Sept. P	49.3	46.1	44.6
Monday	GE	15:00	IFO Business Climate	Sept.	84.3	87.0	88.6
26 - Sept.	GE	15:00	IFO Current Assessment	Sept.	94.5	96.0	97.5
	GE	15:00	IFO Expectations	Sept.	75.2	79.0	80.5
	US	21:30	Dallas Fed Manf. Activity	Sept.	-17.2	-9.0	-12.9
Tuesday	US	19:30	Durable Goods Orders	Aug. P	-0.2%	-0.3%	-0.1%
27 - Sept.	US	21:00	Conf. Board Consumer Confidence	Sept.	108.0	104.6	103.6
	US	21:00	New Home Sales	Aug.	685K	500K	532K
	US	21:00	New Home Sales MoM	Aug.	28.8%	-2.2%	-8.6%
Wednesday	US	18:00	MBA Mortgage Applications	Sept. 23	-3.7%	--	3.8%
28 - Sept.	US	19:30	Wholesale Inventories MoM	Aug. P	1.3%	0.4%	0.6%
	US	21:00	Pending Home Sales MoM	Aug.	-2.0%	-0.5%	-0.6%
	US	21:00	Pending Home Sales NSA YoY	Aug.	-22.5%	-24.5%	-22.2%
Thursday	US	19:30	GDP Annualized QoQ	2Q T	-0.6%	-0.6%	-0.6%
29 - Sept.	US	19:30	Personal Consumption	2Q T	2.0%	1.5%	1.5%
	US	19:30	GDP Price Index	2Q T	9.0%	8.9%	8.9%
	US	19:30	Core PCE QoQ	2Q T	4.7%	4.4%	4.4%
Friday	US	19:30	Personal Income	Aug.		0.3%	0.2%
30 - Sept.	US	19:30	Personal Spending	Aug.		0.2%	0.1%
	US	20:45	MNI Chicago PMI	Sept.		51.8	52.2
	US	21:00	U. Of Mich. Sentiment	Sept. F		59.5	59.5

Source: Bloomberg

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