

Morning Brief

Daily | Oct. 18, 2022

Today's Outlook:

Investors are still digesting domestic economic data. SUN Benchmarks recorded an increase in yields at the beginning of the week. Yield FR91 rose more than 6bps to 7.41%. The movement of the SUN market was in the midst of the release of a number of domestic economic data, such as: Trade Balance, Exports and Imports. The SUN market pressure is also amid the wait and see attitude of investors ahead of the BI RDG on Wednesday and Thursday tomorrow.

Corporate Bonds

WIKA: Obtained a New Contract. PT Wijaya Karya Tbk (WIKA) obtained a new contract worth IDR 19 trillion up to September 2022. The obtained contract reflects 44.63% of the new contract's total target WIKA aimed this year. Most new contracts are infrastructure projects, followed by Engineering Procurement, Construction (EPCC), and building projects with precast and steel structure industries for the rest. (Kontan)

Domestic Issue

Indonesia Trade Balance Surplus Reaches USD 4.99 Billion. The Central Bureau of Statistics reported that the export value in September 2022 reached USD 24.80 billion, while the import value was only USD 19.81 billion. Thus, Indonesia's trade balance recorded a surplus of USD 4.99 billion in September 2022. However, Indonesia's trade balance in September was still lower than the achievement in August 2022, which reached USD 5.71 billion. (Kompas)

Recommendation

Coal and CPO again support the performance of non-oil and gas exports. Indonesia's Trade Balance for the September period recorded a surplus of +USD4.9B (Vs. Aug. +USD5.7B). The trade balance performance which returned to surplus, maintained the resilience of the domestic economy in facing external risks.

PRICE OF BENCHMARK SERIES

FR0090 : +7.7 Bps to 92.88 (6.99%)
FR0091 : +6.3 Bps to 92.99 (7.41%)
FR0093 : +8.2 Bps to 90.90 (7.39%)
FR0092 : +4.7 Bps to 97.06 (7.41%)

FR0086 : +2.0 Bps to 95.81 (6.86%)
FR0087 : +8.1 Bps to 94.08 (7.46%)
FR0083 : +3.1 Bps to 100.02 (7.49%)
FR0088 : +22.3 Bps to 88.50 (7.61%)

CDS of Indonesia Bonds

CDS 2yr: -2.35% to 71.78
CDS 5yr: -0.54% to 159.16
CDS 10yr: -2.15% to 233.21

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.44%	0.06%
USDIDR	15,488	0.42%
KRWIDR	10.79	-0.07%

Global Indices

Index	Last	Chg.	%
Dow Jones	30,185.82	550.99	1.86%
S&P 500	3,677.95	94.88	2.65%
FTSE 100	6,920.24	61.45	0.90%
DAX	12,649.03	211.22	1.70%
Nikkei	26,775.79	(314.97)	-1.16%
Hang Seng	16,612.90	25.21	0.15%
Shanghai	3,084.94	12.96	0.42%
KOSPI	2,219.71	7.16	0.32%
EIDO	22.83	0.27	1.20%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,650.1	5.6	0.34%
Crude Oil (\$/bbl)	85.46	(0.15)	-0.18%
Coal (\$/ton)	392.15	(0.35)	-0.09%
Nickel LME (\$/MT)	21,541	(236.0)	-1.08%
Tin LME (\$/MT)	19,645	(285.0)	-1.43%
CPO (MYR/Ton)	3,887	21.0	0.54%

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)	130.80	132.20	Current Acc (USD bn)	0.41	4.97
Trd Balance (USD bn)	4.99	5.76	Govt. Spending Yoy	-5.24%	-7.74%
Exports Yoy	20.28%	30.15%	FDI (USD bn)	4.28	4.70
Imports Yoy	22.02%	32.81%	Business Confidence	104.82	105.33
Inflation Yoy	5.95%	4.69%	Cons. Confidence*	117.20	124.70

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	11:00	Trade Balance	Sept.	%4.9Bn	\$4.8Bn	\$5.7Bn
17 - Oct.	ID	11:00	Exports YoY	Sept.	20.28%	28.60%	30.03%
	ID	11:00	Imports YoY	Sept.	22.02%	33.40%	32.81%
	US	19:30	Empire Manufacturing	Oct.	-9.1	-4.3	-1.5
Tuesday	CH	09:00	Industrial Production YoY	Sept.		4.9%	4.2%
18 - Oct.	CH	09:00	GDP YoY	3Q22		3.5%	0.4%
	CH	09:00	Retail Sales YoY	Sept.		3.2%	5.4%
	US	20:15	Industrial Production MoM	Sept.		-0.1%	-0.2%
Wednesday	EC	16:00	CPI YoY	Sept. F		10.0%	9.1%
19 - Oct.	US	18:00	MBA Mortgage Applications	Oct. 14		--	-2.0%
	US	19:30	Building Permits	Sept.		1,550K	1,542K
	US	19:30	Housing Starts	Sept.		1,488K	1,575K
Thursday	ID	14:20	Bank Indonesia 7D Reverse Repo	Oct. 20		4.63%	4.25%
20 - Oct.	US	19:30	Initial Jobless Claims	Oct. 15		--	228K
	US	21:00	Existing Home Sales	Sept.			
	US	21:00	Leading Index	Sept.		-0.3%	-0.3%
Friday	—	—	—	—	—	—	—
21 - Oct.	—	—	—	—	—	—	—

Source: Bloomberg

Research Division

Head of Research

Liza Camelia Suryanata

Equity Strategy, Technical

T +62 21 5088 ext 9134

E liza.camelia@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

Amalia Huda Nurfalah

Editor & Translator

T +62 21 5088 ext 9132

E amalia.huda@nhsec.co.id

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PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

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

Branch Office Surabaya:

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

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

Branch Office Denpasar:

Ruko Griya Alamanda No.9

Jl. Cok Agung Tresna

Denpasar

Indonesia

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Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
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