

# Morning Brief

Daily | Oct. 24, 2022

## Today's Outlook:

**Dovish the Fed, closes FFR 2022 at 4.5%.** For the rest of the year, the Fed could consider a smaller FFR hike (Surv. +50Bps) in December, after talk of a +75Bps hike to 4% in November. Meanwhile, selective Risk-On occurred in the bond market, the yield of short tenor UST2Y fell 10 bps to a level below 4.5%. On the other hand, expectations of the Dovish Fed pressured the Safe Haven USD indicator, DXY dropped to 111 points after approaching its high of 114 points.

## Corporate Bonds

**Tower Bersama Issues IDR 1 Trillion Bonds.** PT Tower Bersama Infrastructure Tbk. (TBIG) announced that it has completed the issuance of Shelf-Registered Bonds V Phase V Year 2022 in the IDR 15 trillion bond program. In more detail, the total issuance of TBIG V Phase V Bonds is IDR 1.0 trillion at a fixed interest rate of 5.25% for a 370-day tenor. Meanwhile, the use of funds from this offering will be used to partially repay the financial obligations of the Company's subsidiaries, in particular the USD 375 million revolving loan facility from existing credit facilities. (Bisnis Indonesia)

## Domestic Issue

**The Mainstay Sector to Pursue Tax Deposit Target.** The government said that the mainstay sectors of tax revenue in the rest of 2022 are the mining, industrial, trade, and transportation sectors. Sectors that indeed had good tax deposit performance. As of September 2022, the government has pocketed a total tax revenue of IDR 1,310.5 trillion, reaching 88.30% of the government's target which is IDR 1,485.0 trillion. (Kontan)

## Recommendation

**Investors eyed on Eurozone and US manufacturing data,** amid the risk of a global economic recession in 2023. Based on a Bloomberg survey, S&P Global Eurozone Mfg. PMI Oct. projected to register a deeper contraction, or to be at the level of 47.9 (Vs. Sept. 48.4). Meanwhile, S&P Global US Mfg. PMI is projected to continue to expand, or to be at level 51 (Vs. Sept. 52) in the same period. Market sentiment this week is dominated by the release of external economic data.

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.75%	4.25%	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

## PRICE OF BENCHMARK SERIES

FR0090 : +16.4 Bps to 91.82 (7.29%)  
FR0091 : +13.2 Bps to 91.65 (7.62%)  
FR0093 : +11.5 Bps to 88.90 (7.64%)  
FR0092 : +14.8 Bps to 94.88 (7.63%)

FR0086 : +21.9 Bps to 94.88 (7.19%)  
FR0087 : +8.4 Bps to 93.16 (7.62%)  
FR0083 : +1.1 Bps to 99.65 (7.53%)  
FR0088 : -18.5 Bps to 89.95 (7.43%)

## CDS of Indonesia Bonds

CDS 2yr: +1.00% to 71.05  
CDS 5yr: +1.60% to 159.19  
CDS 10yr: +0.64% to 230.24

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.51%	0.04%
USDIDR	15,573	0.48%
KRWIDR	10.87	0.06%

## Global Indices

Index	Last	Chg.	%
Dow Jones	31,082.56	748.97	2.47%
S&P 500	3,752.75	86.97	2.37%
FTSE 100	6,969.73	25.82	0.37%
DAX	12,730.90	(36.51)	-0.29%
Nikkei	26,890.58	(116.38)	-0.43%
Hang Seng	16,211.12	(69.10)	-0.42%
Shanghai	3,038.93	3.88	0.13%
KOSPI	2,213.12	(4.97)	-0.22%
EIDO	23.64	0.38	1.63%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,657.7	29.7	1.82%
Crude Oil (\$/bbl)	85.05	0.54	0.64%
Coal (\$/ton)	390.00	(1.95)	-0.50%
Nickel LME (\$/MT)	21,949	(247.0)	-1.11%
Tin LME (\$/MT)	18,484	(864.0)	-4.47%
CPO (MYR/Ton)	4,101	5.0	0.12%



## Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	EC	15:00	S&P Global Eurozone Mfg. PMI	Oct. P		47.9	48.4
24 - Oct.	US	20:45	S&P Global US Manufacturing PMI	Oct. P		51.0	52.0
	US	20:45	S&P Global US Services PMI	Oct. P		49.6	49.3
	US	20:45	S&P Global US Composite PMI	Oct. P		49.3	49.5
<b>Tuesday</b>	US	21:00	Conf. Board Consumer Confidence	Oct.		105.7	108.0
25 - Oct.	—	—	—	—	—	—	—
<b>Wednesday</b>	US	18:00	MBA Mortgage Applications	Oct. 21		--	-4.5%
26 - Oct.	US	19:30	Wholesale Inventories MoM	Sept. P		1.0%	1.3%
	US	19:30	Retail Inventories MoM	Sept.		1.2%	1.4%
	US	21:00	New Home Sales	Sept.		581K	685K
<b>Thursday</b>	US	19:30	GDP Annualized QoQ	3Q A		2.3%	-0.6%
27 - Oct.	US	19:30	Durable Goods Orders	Sept. P		0.6%	-0.2%
	US	19:30	Personal Consumption	3Q A		0.8%	2.0%
	US	19:30	Initial Jobless Claims	Oct. 22		225K	214K
<b>Friday</b>	US	19:30	Personal Income	Sept.		0.4%	0.3%
28 - Oct.	US	19:30	Personal Spending	Sept.		0.4%	0.4%
	US	21:00	U. of Mich. 1Y Inflation	Oct. F		--	5.1%
	US	21:00	U. of Mich. 5-10Y Inflation	Oct. F		2.9%	2.9%

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 51<sup>st</sup> 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

**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

Telp : +62 411 361 5255

**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

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