

Morning Brief

Daily | Nov. 23, 2022

Today's Outlook:

Investors are interested in FR96. Investors are interested in FR96, book entry offers of up to IDR 10.3 Trillion, the highest compared to other series which is in the range of IDR 537 Billion to IDR 8.8 Trillion. Investors are interested in FR96 which has the potential to become a 10-year SUN Benchmark in 2023. Meanwhile, of the total incoming bids worth IDR 30.3 Trillion, the Government won IDR 22.9 Trillion, supported by a number of positive domestic economic data.

Corporate Bonds

WSKT: Rights Issue IDR 3.98 Trillion. PT Waskita Karya (Persero) Tbk. (WSKT) will conduct a rights issue in early December 2022 with IDR 3 trillion coming from government injections and IDR 980 billion from the public portion. This is done after the company has successfully implemented 8 streams of financial restructuring since 2021, the government will provide State Capital Participation (PMN) back in the amount of IDR 3 trillion for the completion of several toll roads. (Bisnis Indonesia)

Domestic Issue

BI's Budget Is Predicted to Have a Deficit in 2023. Bank Indonesia (BI) seeks to bring the rupiah exchange rate in 2023 to the target midpoint at IDR15.070 per USD. The BI governor stated that these efforts require extra work, thus affecting BI's budget. Furthermore, BI estimates that BI's annual budget in 2023 will experience a deficit of IDR19.99 trillion. The deficit mainly comes from the policy budget deficit, which is IDR33.15 trillion. (Kontan)

Recommendation

The lack of market sentiment made **investors start to anticipate the FOMC Meeting Minutes**. Investors are, again, looking forward to the signal from the Fed officials to gain more information about the US Central Bank in the FOMC Meeting Minutes.

PRICE OF BENCHMARK SERIES

FR0090 : -9.8 Bps to 94.01 (6.72%)
FR0091 : -3.7 Bps to 95.65 (7.01%)
FR0093 : -1.4 Bps to 94.25 (7.00%)
FR0092 : -3.2 Bps to 99.86 (7.13%)

FR0086 : -2.5 Bps to 96.26 (6.74%)
FR0087 : -0.1 Bps to 96.18 (7.11%)
FR0083 : -0.5 Bps to 101.48 (7.34%)
FR0088 : -0.0 Bps to 91.80 (7.20%)

CDS of Indonesia Bonds

CDS 2yr: -2.87% to 44.30
CDS 5yr: -1.57% to 112.00
CDS 10yr: -2.29% to 174.38

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.04%	-0.03%
USDIDR	15,698	-0.10%
KRWIDR	11.57	-0.23%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,098.10	397.82	1.18%
S&P 500	4,003.58	53.64	1.36%
FTSE 100	7,452.84	75.99	1.03%
DAX	14,422.35	42.42	0.29%
Nikkei	28,115.74	170.95	0.61%
Hang Seng	17,424.41	(231.50)	-1.31%
Shanghai	3,088.94	3.90	0.13%
KOSPI	2,405.27	(14.23)	-0.59%
EIDO	23.22	0.27	1.18%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,740.3	2.2	0.13%
Crude Oil (\$/bbl)	80.95	0.91	1.14%
Coal (\$/ton)	347.15	(3.85)	-1.10%
Nickel LME (\$/MT)	26,022	1039.0	4.16%
Tin LME (\$/MT)	22,194	1035.0	4.89%
CPO (MYR/Ton)	4,004	149.0	3.87%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.25%	4.75%	Real GDP	5.72%	5.44%
FX Reserve (USD bn)	130.20	130.80	Current Acc (USD bn)	4.02	4.97
Trd Balance (USD bn)	5.67	4.99	Govt. Spending Yoy	-2.88%	-7.74%
Exports Yoy	12.30%	20.28%	FDI (USD bn)	5.14	4.70
Imports Yoy	17.44%	22.02%	Business Confidence	104.82	105.33
Inflation Yoy	5.71%	5.95%	Cons. Confidence*	120.30	117.20

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH	08:15	1Y Loan Prime Rate	Nov. 21	3.65%	3.65%	3.65%
21 - Nov.	CH	08:15	5Y Loan Prime Rate	Nov. 21	4.30%	4.30%	4.30%
	GE	14:00	PPI MoM	Oct.	-4.3%	0.6%	2.3%
	GE	14:00	PPI YoY	Oct.	34.5%	42.1%	45.8%
Tuesday	—	—	—	—	—	—	—
22 - Nov.	—	—	—	—	—	—	—
Wednesday	US	19:00	MBA Mortgage Applications	Nov. 18		--	2.7%
23 - Nov.	US	20:30	Initial Jobless Claims	Nov. 19		225K	222K
	US	22:00	U. Of Mich. 1-Yr Inflation	Nov.		5.1%	5.1%
	US	22:00	New Home Sales MoM	Oct.		-5.5%	-10.0%
Thursday	US	02:00	FOMC Meeting Minutes	Nov. 2		--	--
24 - Nov.	GE	16:00	IFO Business Climate	Nov.		85.0	84.3
	GE	16:00	IFO Current Assessment	Nov.		93.8	94.1
	GE	16:00	IFO Expectations	Nov.		77.0	75.6
Friday	GE	14:00	Private Consumption QoQ	3Q		0.3%	0.3%
25 - Nov.	GE	14:00	Government Spending QoQ	3Q		0.9%	2.3%
	GE	14:00	GDP QoQ	3Q F		0.3%	0.3%
	GE	14:00	GDP YoY	3Q F		1.1%	1.1%

Source: Bloomberg

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