

Morning Brief

Daily | Nov. 25, 2022

Today's Outlook:

The US dollar is coming near to a 3-month low after the Fed signaled a lower FFR hike in December. As Wall Street celebrating Thanksgiving holiday, European stock markets continued their gains, with Germany's IFO business climate index surpassed expectations, complementing some optimistic data from France. Data showed that Germany's IFO Business Climate in Nov. has risen to 86.3 (Vs. Oct. 84.5). Additionally, DXY has closed at 105.8, the lowest since last August where the FOMC Meeting was absent that month.

Corporate Bonds

ADHI: Achieve a New IDR19.1 T Contract. PT Adhi Karya (Persero) Tbk (ADHI) actualized the acquisition of new contracts of IDR19.1 trillion, an increase of 51% YoY. Several new contracts obtained by ADHI in October 2022 are a Centralized Domestic Wastewater Management System in Banda Aceh and a Plant Road and Drainage in Karawang, West Java. (Emiten News)

Domestic Issue

Government Prepares Auction for 6 Series Sukuk. The government on November 29, 2022 will again hold an auction of State Sharia Securities (SBSN) or State Sukuk to fulfill part of the financing target in the 2022 State Budget. State - Sharia) new issuance, and five PBS (Project Based Sukuk) series, all of which are reopening. From the auction of the six sukuk series, the government through the Directorate of Sharia Financing, Directorate General of Financing and Risk Management (DJPPR) of the Ministry of Finance set an indicative target of IDR 5 trillion. (emitennews.com)

Recommendation

The Fed's policy discourse is more relaxed, investors respond mixed. SUN Benchmarks moved mixed, with FR90 recording a yield decline of up to 14 bps to 6.44%. Investors are watching the news that the Fed will reduce the pace of raising its benchmark interest rate in the future.

PRICE OF BENCHMARK SERIES

FR0090 : -14.5 Bps to 95.02 (6.44%)
FR0091 : +0.3 Bps to 96.04 (6.95%)
FR0093 : -8.1 Bps to 95.05 (6.91%)
FR0092 : -0.5 Bps to 100.27 (7.09%)

FR0086 : -11.2 Bps to 96.89 (6.53%)
FR0087 : -5.7 Bps to 96.97 (6.98%)
FR0083 : -2.7 Bps to 102.02 (7.29%)
FR0088 : -2.4 Bps to 92.00 (7.18%)

CDS of Indonesia Bonds

CDS 2yr: -4.12% to 40.47
CDS 5yr: -6.01% to 98.93
CDS 10yr: -3.19% to 162.58

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.97%	-0.07%
USDIDR	15,688	-0.06%
KRWIDR	11.60	0.28%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,194.06	0.00	0.00%
S&P 500	4,027.26	0.00	0.00%
FTSE 100	7,466.60	1.36	0.02%
DAX	14,539.56	111.97	0.78%
Nikkei	28,383.09	267.35	0.95%
Hang Seng	17,660.90	137.09	0.78%
Shanghai	3,089.31	(7.60)	-0.25%
KOSPI	2,441.33	23.32	0.96%
EIDO	23.24	0.00	0.00%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,755.2	5.6	0.32%
Crude Oil (\$/bbl)	77.94	(3.01)	-3.72%
Coal (\$/ton)	347.35	0.90	0.26%
Nickel LME (\$/MT)	26,293	271.0	1.04%
Tin LME (\$/MT)	22,028	(166.0)	-0.75%
CPO (MYR/Ton)	4,040	(65.0)	-1.58%

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	2.2%	--	2.7%
23 - Nov.	US	20:30	Initial Jobless Claims	Nov. 19	240K	225K	223K
	US	22:00	U. Of Mich. 1-Yr Inflation	Nov.	4.9%	5.1%	5.1%
	US	22:00	New Home Sales MoM	Oct.	7.5%	-5.5%	-11.0%
Thursday	US	02:00	FOMC Meeting Minutes	Nov. 2	—	—	—
24 - Nov.	GE	16:00	IFO Business Climate	Nov.	86.3	85.0	84.5
	GE	16:00	IFO Current Assessment	Nov.	93.1	93.9	94.2
	GE	16:00	IFO Expectations	Nov.	80.0	77.0	75.9
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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