

Morning Brief

Daily | Nov. 10, 2022

Today's Outlook:

Government securities market is moving mixed, amid a number of sentiments. Domestically, the domestic economy still responded positively to the realization of domestic economic growth in 3Q22 which grew by 5.72% YoY. As for the external side, investors continue to watch the results from the U.S. Midterms that are tight, have the opportunity to make changes to the map of political power in the US Congress, which will make it difficult to ratify drastic policy changes.

Corporate Bonds

TLKM: Win the Selection of 2.1 GHz Band Usage. PT Telkom Indonesia (Persero) Tbk (TLKM), through its subsidiary, Telkomsel, officially became the winner in the Selection of 2.1 G.Hz Radio Frequency Band User for the Implementation of Cellular Mobile Networks 2022, which was organized by the Ministry of Communication and Informatics Republic of Indonesia. Additionally, the spectrum addition will be optimized to improve network capacity and quality, encourage the acceleration of 4G/LTE infrastructure, and expand 5G coverage. (Emiten News)

Domestic Issue

Sri Mulyani Projected Economic Slowdown in 4Q22. Finance Minister, Sri Mulyani, estimated that Indonesia's economic growth in 4Q22 will be slower than in 3Q22, reaching 5.72%. This happens due to the economic cycle which usually slows down at the end of the year, as well as the high base effect in 4Q21 which grew by 5.02%. However, the Ministry of Finance predicts that the economic growth rate in the whole of 2022 will remain in the range of 5%-5.3%. (CNN Indonesia)

Recommendation

Investors are looking forward to the release of US inflation data. Today's SUN market moves, ahead of the release of inflation data, which will provide new clues about the Fed's monetary policy measures. Based on a Bloomberg Survey, US Headline Inflation Oct. projected at 7.9% YoY (Vs. Sept. 8.2%).

PRICE OF BENCHMARK SERIES

FR0090 : +0.8 Bps to 92.56 (7.11%)
FR0091 : -7.9 Bps to 93.58 (7.32%)
FR0093 : -11.6 Bps to 94.10 (7.02%)
FR0092 : -9.7 Bps to 99.37 (7.18%)

FR0086 : -0.0 Bps to 95.40 (7.03%)
FR0087 : -4.1 Bps to 94.32 (7.42%)
FR0083 : -1.1 Bps to 98.85 (7.61%)
FR0088 : 0.0 Bps to 88.50 (7.62%)

CDS of Indonesia Bonds

CDS 2yr: +3.53% to 50.83
CDS 5yr: +1.65% to 124.10
CDS 10yr: +2.95% to 194.02

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.35%	-0.09%
USDIDR	15,661	-0.24%
KRWIDR	11.47	1.23%

Global Indices

Index	Last	Chg.	%
Dow Jones	32,513.94	(646.89)	-1.95%
S&P 500	3,748.57	(79.54)	-2.08%
FTSE 100	7,296.25	(9.89)	-0.14%
DAX	13,666.32	(22.43)	-0.16%
Nikkei	27,716.43	(155.68)	-0.56%
Hang Seng	16,358.52	(198.79)	-1.20%
Shanghai	3,048.17	(16.33)	-0.53%
KOSPI	2,424.41	25.37	1.06%
EIDO	23.31	(0.25)	-1.06%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,706.7	(5.7)	-0.33%
Crude Oil (\$/bbl)	85.83	(3.08)	-3.46%
Coal (\$/ton)	324.75	(14.25)	-4.20%
Nickel LME (\$/MT)	24,688	676.0	2.82%
Tin LME (\$/MT)	19,817	158.0	0.80%
CPO (MYR/Ton)	4,198	(163.0)	-3.74%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.75%	4.25%	Real GDP	5.72%	5.44%
FX Reserve (USD bn)	130.20	130.80	Current Acc (USD bn)	0.41	4.97
Trd Balance (USD bn)	4.99	5.76	Govt. Spending Yoy	-2.88%	-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	5.71%	5.95%	Cons. Confidence*	117.20	124.70

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	10:00	Foreign Reserves	Oct.	\$130.20Bn	--	\$130.80Bn
7 - Nov.	ID	11:00	GDP QoQ	3Q22	1.81%	1.71%	3.72%
	ID	11:00	GDP YoY	3Q22	5.72%	5.60%	5.45%
	CH	--	Imports YoY	Oct.	-0.7%	0.0%	0.3%
Tuesday	ID	--	Consumer Confidence Index	Oct.	120.3	--	117.2
8 - Nov.	EC	17:00	Retail Sales MoM	Sept.	0.4%	0.4%	0.0%
	EC	17:00	Retail Sales YoY	Sept.	-0.6%%	-1.1%	-1.4%
Wednesday	CH	08:30	PPI YoY	Oct.	-1.3%	-1.5%	0.9%
9 - Nov.	CH	08:30	CPI YoY	Oct.	2.1%	2.4%	2.8%
	US	19:00	MBA Mortgage Applications	Nov. 4	-0.1%	--	-0.5%
	US	22:00	Wholesale Inventories MoM	Sept.	0.6%	0.8%	0.8%
Thursday	US	20:30	CPI Headline MoM / YoY	Oct.		0.7% / 8.0%	0.4% / 8.2%
10 - Nov.	US	20:30	CPI Core MoM / YoY	Oct.		0.5% / 6.6%	0.6% / 6.6%
	US	20:30	Initial Jobless Claims	Nov. 5		--	217K
	US	20:30	Continuing Claims	Oct. 29		--	1,485K
Friday	GE	14:00	CPI MoM	Oct.		0.9%	0.9%
11 - Nov.	GE	14:00	CPI YoY	Oct.		10.4%	10.4%
	US	22:00	U. Of Mich. Sentiment	Nov.		59.6	59.9

Source: Bloomberg

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