

Morning Brief

Daily | Nov. 15, 2022

Today's Outlook:

The fading of the US inflation effect and a lack of new sentiments affect Wall Street to weaken. As for Brainard's signal that the Fed might slow the pace of FFR hikes and hold the Wall Street pressure. Market movements earlier in the week ahead of the producer-level inflation data that will release on Tuesday local time. Based on a Bloomberg survey, the PPI of US Final Demand Oct. is projected to be at the level of 8.3% YoY (Vs. Sept. 8.5% YoY).

Corporate Bonds

WIKA: Face IDR 27.96 Billion Loss. PT Wijaya Karya Tbk (WIKA) recorded a loss attributable to owners of the parent entity worth IDR27.96 billion, in contrast to the 3Q21 period, which recorded a profit of IDR107.36 billion. Additionally, 3Q22 net revenue rose by 9.81% to IDR12.79 trillion compared to the same period in the previous year, IDR11.64 trillion. (Emiten News)

Domestic Issue

The Government Targets to Reduce Carbon Emissions by Up to 32%. Through the Ministry of Energy and Mineral Resources, the government conveyed that the target of reducing carbon emissions is up to 32% by 2030. Minister of Energy and Mineral Resources, Arifin Tasrif, said that the government continues to be committed to keeping the global average temperature increase below 1.5 degrees Celcius following the agreement stated in the Paris Agreement in 2015. (Kontan)

Recommendation

Wait and See ahead of Trade Balance Data. Based on a Bloomberg survey, Indonesia's Trade Balance Oct. is projected to record a surplus of +USD4.5 billion (Vs. Sept. +USD4.9 billion) as exports are projected to grow lower or 13.5% YoY (Vs. Sept. 20.3% YoY), but with Imports growing higher by 24% YoY (Vs. Sept. 22% YoY) in the same period.

PRICE OF BENCHMARK SERIES

FR0090 : -3.5 Bps to 93.42 (6.87%)
FR0091 : +1.0 Bps to 95.39 (7.05%)
FR0093 : +12.8 Bps to 94.62 (6.96%)
FR0092 : -19.3 Bps to 100.58 (7.06%)

FR0086 : +0.2 Bps to 95.79 (6.90%)
FR0087 : -4.4 Bps to 95.55 (7.22%)
FR0083 : -10.8 Bps to 100.28 (7.47%)
FR0088 : -28.9 Bps to 91.63 (7.22%)

CDS of Indonesia Bonds

CDS 2yr: -2.51% to 41.41
CDS 5yr: -1.52% to 104.35
CDS 10yr: -2.07% to 165.44

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.07%	0.00%
USDIDR	15,518	0.15%
KRWIDR	11.70	-0.42%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,536.70	(211.16)	-0.63%
S&P 500	3,957.25	(35.68)	-0.89%
FTSE 100	7,385.17	67.13	0.92%
DAX	14,313.30	88.44	0.62%
Nikkei	27,963.47	(300.10)	-1.06%
Hang Seng	17,619.71	294.05	1.70%
Shanghai	3,083.40	(3.89)	-0.13%
KOSPI	2,474.65	(8.51)	-0.34%
EIDO	23.37	(0.38)	-1.60%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,771.4	0.2	0.01%
Crude Oil (\$/bbl)	85.87	(3.09)	-3.47%
Coal (\$/ton)	330.35	3.55	1.09%
Nickel LME (\$/MT)	26,925	976.0	3.76%
Tin LME (\$/MT)	21,315	991.0	4.88%
CPO (MYR/Ton)	4,112	(175.0)	-4.08%

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*	120.30	117.20

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	—	—	—	—	—	—	—
14 - Nov.	—	—	—	—	—	—	—
Tuesday	ID	11:00	Trade Balance	Oct.		\$4,500Mn	\$4,990Mn
15 - Nov.	ID	11:00	Exports / Imports YoY	Oct.		13.50% / 24.00%	20.28% / 22.02%
	US	20:30	PPI Final Demand MoM / YoY	Oct.		0.5% / 8.3%	0.4% / 8.5%
	US	20:30	PPI Core MoM / YoY	Oct.		0.4% / 7.2%	0.3% / 7.2%
Wednesday	US	19:00	MBA Mortgage Applications	Nov. 11		--	-0.1%
16 - Nov.	US	20:30	Retail Sales Advance MoM	Oct.		0.9%	0.0%
	US	21:15	Industrial Production MoM	Oct.		0.2%	0.4%
	US	21:15	Capacity Utilization	Oct.		80.4%	80.3%
Thursday	ID	14:20	BI 7DRR	Nov. 17		5.25%	4.75%
17 - Nov.	US	20:30	Housing Starts	Oct.		1,420K	1,439K
	US	20:30	Building Permits	Oct.		1,517K	1,564K
	US	20:30	Initial Jobless Claims	Nov. 12		--	225K
Friday	ID	10:00	BoP Current Account Balance	3Q22		\$2,500Mn	\$3,900Mn
18 - Nov.	US	22:00	Existing Home Sales	Oct.		4.37Mn	4.71Mn
	US	22:00	Existing Home Sales	Oct.		-7.3%	-1.5%
	US	22:00	Leading Index	Oct.		-0.4%	-0.4%

Source: Bloomberg

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