

Morning Brief

Daily | Dec. 28, 2022

Today's Outlook:

US Index was mixed with DJI up by 0.11%, yet the S&P500 and Nasdaq pulled back even more after the Christmas break. This was triggered by USDT10Y bond yields that went upside to nearly 11bps at 3.85%, as well as the release of US Goods Trade Balance (Nov.) economic data, which deficit narrowed to USD83.35 billion (vs. USD98.8 billion). Meanwhile, the US property market also showed that house prices fell below the rising mortgage interest rate. Towards the end of the year, US market participants seem to remain Wait & See ahead of the Fed's meeting minutes and the announcement of employment data, which is planned to be released next week.

Corporate Bonds

BCAP : Offers IDR450 Billion Bonds. PT MNC Kapital Indonesia Tbk (BCAP) will offer IDR450 billion in phase I bonds, which is a part of the sustainability bond III with a target of IDR750 billion. Phase I for the sustainability bond III came with three series. Series A has a duration of 370 days, series B has a term of three years, and series C has a five-year term. The first interest payment is on April 5, 2023, and the last interest payment, along with its due date, is: January 15, 2024, for series A, January 5, 2026, for series B, and January 5, 2028, for series C. (Emiten News)

Domestic Issue

Government Issues a Ban on Cigarette Bars Sales

The government issued Presidential Decree (Keppres) of the Republic Indonesia Number 25 of 2022, one of which contains a ban on the sale of cigarette bars. President Joko Widodo said that this ban is intended to maintain the health of all people, which other countries had already implemented the ban. The Ministry of Health also stated that the Presidential Decree is necessary to reduce the increasing rate of teenage smokers (age 10-18).

Recommendation

The long-awaited Santa Clause Rally has finally happened, with the JCI breaking the MA10/6850 resistance and apparently, it is heading to the next resistance, MA50, in the 6900-7000 area; thus, the NHKSI Research's prediction about the JCI that might be able to close in the 7000-7100 range by the end of 2022 is becoming more feasible. Even though the foreign Net Sell posted IDR2.22 trillion on the equity market last week, it still recorded a Net Foreign Buy (all market) of IDR63.64 trillion YTD.

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.50%	5.25%	Real GDP	5.72%	5.44%
FX Reserve (USD bn)	134.00	130.20	Current Acc (USD bn)	4.02	4.97
Trd Balance (USD bn)	4.97	5.67	Govt. Spending Yoy	-2.88%	-7.74%
Exports Yoy	5.58%	12.30%	FDI (USD bn)	5.14	4.70
Imports Yoy	-1.89%	17.44%	Business Confidence	104.82	105.33
Inflation Yoy	5.42%	5.71%	Cons. Confidence*	119.10	120.30

PRICE OF BENCHMARK SERIES

FR0090	: 96.14 (6.16%)
FR0091	: 96.48 (6.89%)
FR0093	: 96.62 (6.74%)
FR0092	: 100.26 (7.10%)
FR0086	: 98.05 (6.16%)
FR0087	: 97.71 (6.87%)
FR0083	: 103.15 (7.18%)
FR0088	: 92.77 (7.09%)

CDS of Indonesia Bonds

CDS 2yr:	-0.27 to 37.50
CDS 5yr:	-1.17% to 104.50
CDS 10yr:	+0.06% to 170.89

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.93%	-0.01%
USDIDR	15,663	0.19%
KRWIDR	12.32	0.50%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,241.56	37.63	0.11%
S&P 500	3,829.25	(15.57)	-0.40%
FTSE 100	7,473.01	3.73	0.05%
DAX	13,995.10	54.17	0.39%
Nikkei	26,447.87	42.00	0.16%
Hang Seng	19,593.06	(86.16)	-0.44%
Shanghai	3,095.57	30.01	0.98%
KOSPI	2,332.79	15.65	0.68%
EIDO	22.54	0.12	0.54%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,813.7	15.5	0.86%
Crude Oil (\$/bbl)	79.53	(0.03)	-0.04%
Coal (\$/ton)	400.50	(0.60)	-0.15%
Nickel LME (\$/MT)	29,547	307.0	1.05%
Tin LME (\$/MT)	23,934	4.0	0.02%
CPO (MYR/Ton)	4,100	270.0	7.05%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	US	20:30	Wholesale Inventories MoM	Nov		0.4%	0.5%
27 - Dec.	US	21:00	FHFA House Price Index MoM	Oct		-0.7%	0.1%
	US	22:30	Dallas Fed Manf. Activity	Dec		-16.0	-14.4
	CZ	15:00	Business Confidence	Dec		--	4.5
	CZ	15:00	Consumer Confidence Index	Dec		--	-30.8
	CH	08:30	Industrial Profits YTD YoY	Nov		--	-3.0%
	CH	08:30	Industrial Profits YoY	Nov		--	--
Wednesday	US	22:00	Richmond Fed Manufact. Index	Dec		-11	-9
28 - Dec.	US	22:00	Pending Home Sales MoM	Nov		-1.2%	-4.6%
	SW	14:00	Trade Balance	Nov		--	-9.5 B
	AS	16:00	Unicredit Bank Austria Manufac. PMI	Dec		--	46.6
Thursday	US	20:30	Initial Jobless Claims	Dec 24		--	216K
29 - Dec.	US	20:30	Continuing Claims	Dec 17		--	1,672K
	EC	16:00	M3 Money Supply YoY	Nov		5.0%	5.1%
	SV	16:30	CPI YoY	Dec		--	10.0%
	SV	16:30	CPI MoM	Dec		--	0.9%
Friday	US	21:45	MNI Chicago PMI	Dec		40.0	37.2
30 - Dec.	NE	12:30	Retail Sales YoY	Nov		--	2.9%
	AS	15:00	PPI YoY	Nov		--	18.4%
	SP	15:00	CPI YoY	Dec P		--	6.8%

Source: Bloomberg

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