

Morning Brief

Daily | Dec. 9, 2022

Today's Outlook:

Weekly jobless claims rose, pushing the number of unemployed to a 10-month-high and raising hopes that the FFR hike would soon slow down. Amid a high inflation and interest rates era, data shows that US Initial Jobless Claims ended Dec. 3, had as many as 230K claims (+1.8% Wow), with Continuing Claims ending on Nov. 26 rose to 1.7 claims, the highest level since Feb. 2022. On the other hand, economists digest this relatively biased unemployment claims data happened, as it approaches the holiday season, and companies tend to temporarily close or slow hiring, which may indicate that the US labor market remains solid.

Corporate Bonds

EXCL: Will Carry Out a Right Issue. PT XL Axiata Tbk (EXCL) will carry out a right issue by offering 2,403,755,889 new shares or 18.31% of the issued and fully-paid up capital with a nominal value of IDR100/share and an exercise price of IDR2,080 per share. Additionally, from this right issue, EXCL will raise funds of IDR4,999,812,249.120. (Emiten News)

Domestic Issue

Consumer Confidence Declined in November. Consumer Confidence declined in November 2022. Bank Indonesia (BI) noted that the Consumer Confidence Index (CCI) in the reporting month was 11.91, lower than 120.3 in October 2022. More detail, the Consumer Expectation Index was recorded at 127.9 or decreased compared to the previous month, which was 128.3. Even the Current Economic Condition Index is recorded at 110.3, lower than 112.3 in October 2022. (Kontan)

Recommendation

Consumer Optimism Colors SUN Market. Although Indonesia's Consumer Confidence Index in Nov. slightly decreased to 119.1 (vs. Oct. 120.3) amid efficiency policy sentiment among several startups, this level is still far from the optimistic area (>100). The consumer optimism survey was mainly supported by the productive age of 20-30, who are confident with income expectations and employment availability.

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)	134.00	130.20	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	5.42%	5.71%	Cons. Confidence*	119.10	120.30

PRICE OF BENCHMARK SERIES

FR0090 : +0.5 Bps to 96.07 (6.16%)
FR0091 : -3.0 Bps to 96.17 (6.93%)
FR0093 : +4.1 Bps to 95.55 (6.86%)
FR0092 : +2.0 Bps to 100.16 (7.10%)

FR0086 : +5.3 Bps to 97.81 (6.23%)
FR0087 : -0.3 Bps to 97.57 (6.89%)
FR0083 : -0.5 Bps to 102.71 (7.22%)
FR0088 : +24.8 Bps to 92.75 (7.09%)

CDS of Indonesia Bonds

CDS 2yr: -2.52% to 38.42
CDS 5yr: -1.21% to 102.93
CDS 10yr: -1.82% to 175.56

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.97%	-0.03%
USDIDR	15,621	-0.11%
KRWIDR	11.85	0.24%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,781.48	183.56	0.55%
S&P 500	3,963.51	29.59	0.75%
FTSE 100	7,472.17	(17.02)	-0.23%
DAX	14,264.56	3.37	0.02%
Nikkei	27,574.43	(111.97)	-0.40%
Hang Seng	19,450.23	635.41	3.38%
Shanghai	3,197.35	(2.27)	-0.07%
KOSPI	2,371.08	(11.73)	-0.49%
EIDO	22.85	0.18	0.79%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,789.1	2.9	0.16%
Crude Oil (\$/bbl)	71.46	(0.55)	-0.76%
Coal (\$/ton)	395.50	(10.15)	-2.50%
Nickel LME (\$/MT)	29,725	(1716.0)	-5.46%
Tin LME (\$/MT)	24,625	319.0	1.31%
CPO (MYR/Ton)	3,943	(26.0)	-0.66%

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH	08:45	Caixin China PMI Composite	Nov.	47.0	--	48.3
5 - Dec.	CH	08:45	Caixin China PMI Services	Nov.	46.7	48.0	48.4
	US	22:00	Factory Orders	Oct.	1.0%	0.7%	0.3%
	US	22:00	Durable Goods Orders	Oct.	1.1%	1.0%	1.0%
Tuesday	GE	14:00	Factory Orders MoM	Oct.	0.8%	0.1%	-2.9%
6 - Dec.	US	20:30	Trade Balance	Oct.	-\$78.2Bn	-\$80.0Bn	-\$74.1Bn
Wednesday	ID	10:00	Foreign Reserves	Nov.	\$134.0.Bn	--	\$130.20Bn
7 - Dec.	CH	--	Exports YoY	Nov.	-8.7%	-3.9%	-0.3%
	CH	--	Imports YoY	Nov.	-10.6%	-7.1%	-0.7%
	US	19:00	MBA Mortgage Applications	Dec.	-1.9%	--	-0.8%
Thursday	ID	--	Consumer Confidence Index	Nov.	119.1	--	120.3
8 - Dec.	US	20:30	Initial Jobless Claims	Dec.	230K	230K	226K
Friday	US	20:30	PPI Final Demand MoM	Nov.		0.2%	0.2%
9 - Dec.	US	20:30	PPI Final Demand YoY	Nov.		7.1%	8.0%
	US	22:00	U. Of Mich. 1 Yr Inflation	Dec.		--	4.9%
	US	22:00	U. Of Mich. 5-10 Yr Inflation	Dec.		--	3.0%

Source: Bloomberg

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