

Morning Brief

Daily | Dec. 14, 2022

Today's Outlook:

Petrol prices fell 2% MoM, putting pressure on US inflation. On a monthly basis, US Inflation Headline in Nov. was only 0.1% MoM (Vs. Oct. 0.4% MoM) or recorded an annual inflation rate of 7.2% YoY (Vs. Oct. 7.7% YoY). The decreasing inflation is raising expectations of an increase in the Dec. FFR for only +50 Bps (Vs. +75 Bps) to the Upper Bound level of 4.50%, as well as suppressing the yield of UST2Y and UST10Y down to the level 4.22% and 3.50%, respectively.

Corporate Bonds

PTPP: Still Aim Government Projects Next Year. PT PP (Persero) Tbk (PTPP) is still aiming for the acquisition of new contracts from government and State Owned Enterprise (BUMN) projects in 2023. The Company stated that the new contract's target in 2023 is still in the finalization stage and internal preparation. However, in terms of the targets to be achieved, the Company is still aiming for projects from the State Budget, BUMN's Capex, and several private companies. Additionally, one of the strategies implemented next year is to remain selective in finding new contracts. (Kontan)

Domestic Issue

IKN Development Budget Reaches IDR20 Trillion. The development budget of Nusantara Capital City (IKN) is still following what has been agreed, or around IDR20 trillion in 2023, with a total of IDR47 trillion. Previously, the Minister of Public Works and Public Housing (PUPR) said that the infrastructure development auction implemented in the IKN's Central Government Core Area (KIPP), especially in the 1A zone, has 25 activities worth IDR15.08 trillion. (Kontan)

Recommendation

Crude oil rose by 3%, both Brent and WTI, along with the hope of the US recession not falling deeper or happening within the long term. Investors are returned to be Risk-On for their risk assets, causing Wall Street to increase as US Inflation Headline sloped again. Today's SUN market movement, amid investors' focus on waiting for the Fed's decision in response to the US inflation.

PRICE OF BENCHMARK SERIES

FR0090 : +2.7 Bps to 96.07 (6.16%)
FR0091 : +0.2 Bps to 96.25 (6.92%)
FR0093 : +1.4 Bps to 95.62 (6.85%)
FR0092 : +0.3 Bps to 100.05 (7.12%)

FR0086 : +4.6 Bps to 97.58 (6.31%)
FR0087 : +3.6 Bps to 97.47 (6.90%)
FR0083 : -1.1 Bps to 103.00 (7.19%)
FR0088 : +7.1 Bps to 92.17 (7.16%)

CDS of Indonesia Bonds

CDS 2yr: -9.19% to 33.94
CDS 5yr: -3.63% to 96.12
CDS 10yr: -7.25% to 158.64

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.95%	0.00%
USDIDR	15,657	0.19%
KRWIDR	12.02	0.55%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,108.64	103.60	0.30%
S&P 500	4,019.65	29.09	0.73%
FTSE 100	7,502.89	56.92	0.76%
DAX	14,497.89	191.26	1.34%
Nikkei	27,954.85	112.52	0.40%
Hang Seng	19,596.20	132.57	0.68%
Shanghai	3,176.33	(2.72)	-0.09%
KOSPI	2,372.40	(0.62)	-0.03%
EIDO	22.96	0.20	0.88%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,810.8	29.4	1.65%
Crude Oil (\$/bbl)	75.39	2.22	3.03%
Coal (\$/ton)	404.50	4.25	1.06%
Nickel LME (\$/MT)	28,287	(1231.0)	-4.17%
Tin LME (\$/MT)	24,644	694.0	2.90%
CPO (MYR/Ton)	3,886	149.0	3.99%

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

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	—	—	—	—	—	—	—
12 - Dec.	—	—	—	—	—	—	—
Tuesday	GE	14:00	CPI MoM	Nov.	-0.5%	-0.5%	-0.5%
13 - Dec.	GE	14:00	CPI YoY	Nov.	10.0%	10.0%	10.0%
	US	20:30	CPI MoM	Nov.	0.1%	0.3%	0.4%
	US	20:30	CPI YoY	Nov.	7.1%	7.3%	7.7%
Wednesday	EC	17:00	Industrial Production MoM	Oct.		-1.2%	0.9%
14 - Dec.	EC	17:00	Industrial Production YoY	Oct.		--	4.9%
	US	19:00	MBA Mortgage Applications	Dec. 9		--	--
Thursday	US	02:00	FOMC Rate Decision (Lower/Upper)	Dec.		4.25% / 4.50%	3.75% / 4.00%
15 - Dec.	ID	11:00	Trade Balance	Nov.		\$4.05Bn	\$5.67Bn
	ID	11:00	Exports YoY	Nov.		10.05%	12.30%
	ID	11:00	Imports YoY	Nov.		10.10%	17.44%
Friday	—	—	—	—	—	—	—
16 - Dec.	—	—	—	—	—	—	—

Source: Bloomberg

Research Division

Head of Research

Liza Camelia Suryanata

Equity Strategy, Technical

T +62 21 5088 ext 9134

E liza.camelia@nhsec.co.id

Economist

Arief Machrus

Macroeconomics, Banking

T +62 21 5088 ext 9127

E arief.machrus@nhsec.co.id

Analyst

Cindy Alicia

Consumer, Healthcare

T +62 21 5088 ext 9129

E cindy.alicia@nhsec.co.id

Research Support

Amalia Huda Nurfalah

Editor & Translator

T +62 21 5088 ext 9132

E amalia.huda@nhsec.co.id

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

District 8 Treasury Tower 51st Fl. Unit A, SCBD Lot.28

Jl. Jendral Sudirman Kav. 52-53

Jakarta Selatan 12190

Telp : +62 21 50889100

Fax : +62 21 50889101

Branch Office BSD:

ITC BSD Blok R No.48

Jl. Pahlawan Seribu Serpong

Tangerang Selatan 15322

Indonesia

Telp : +62 21 5316 2049

Branch Office Medan :

Jl. Timor No 147

Medan, Sumatera Utara 20234

Indonesia

Telp : +62 614 156500

Fax : +62 614 568560

Branch Office Semarang:

Jl. MH Thamrin No. 152

Semarang 50314

Indonesia

Telp : +62 24 844 6878

Fax : +62 24 844 6879

Branch Office Jakarta Utara:

Jl. Bandengan Utara Kav. 81

Blok A No.02, Lt 1

Jakarta Utara 14440

Indonesia

Telp : +62 21 6667 4959

Fax : +62 21 6667 4960

Branch Office Pekanbaru:

Sudirman City Square

Jl. Jend. Sudirman Blok A No.7

Pekanbaru

Indonesia

Branch Office Surabaya:

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

Branch Office Makassar:

Jl. Gunung Latimojong No.120A

Makassar

Indonesia

Telp : +62 411 361 5255

Branch Office Bandung:

Paskal Hypersquare Blok A1

Jl. Pasirkaliki No 25-27

Bandung 40181

Indonesia

Branch Office Denpasar:

Ruko Griya Alamanda No.9

Jl. Cok Agung Tresna

Denpasar

Indonesia

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta