

# Morning Brief

## Today's Outlook:

US & European markets managed to close last week in positive territory, as Treasury yields consolidated and investors digested a number of economic data, which managed to slightly erase global concerns over the rising interest rate trend that is likely to last until the end of the year. The S&P Global Composite PMI (Feb.) released last Friday concluded that US economic is entering an expansionary zone at 50.1 (an increase from the previous month's 46.8); supported by high growth in Services PMI (Feb.) at 50.6 (exceeding forecast of 50.5 & Jan. data at 46.8). US Treasuries halted its rally as the 10-year yield left the 4%, dropping to 3.960%, from Thursday's high of 4.091%. The 2-year yield, also contracted 4.3 bps to 4.859%.

The expansion in Eurozone business activity was also reflected in their Composite PMI (Feb.) figure, which crept up to 52 (vs. the previous 50.3); as was noticeable in PMI growth in France, Germany, and the UK. Germany's Trade Balance (Jan.) managed to pocket a surplus of EUR 16.7 billion, much higher than the EUR 11 billion forecast or the previous month's EUR 10 billion. However, Eurozone government bond yields are still hovering around yearly highs after their CPI data boosted market expectations that the ECB will bring the benchmark interest rate peak to 4%. The benchmark 10-year German government bond is at 2.688%, the highest level since 2011.

Asian stock markets were also green on the back of optimism for China's economic growth as reflected in the Caixin Services PMI data (Feb.) which rose to 55 (stronger than forecast 54.7 & Jan. position at 52.9). Japan managed to tame its Inflation rate to 3.3% YoY (Feb.) from 4.3% (Jan.), a 40-year high.

## Corporate News

**A Subsidiary of Sarana Menara Nusantara Issues IDR 2.9 Trillion Bonds** PT Sarana Menara Nusantara Tbk (TOWR), through its subsidiary, PT Profesional Telekomunikasi Indonesia (PRTL) or known as Protelindo, issued Protelindo Phase III Sustainable Bonds in 2023 with a principal amount of IDR 2.9 trillion. Based on information disclosure to the Indonesia Stock Exchange (IDX) on Sunday (5/3/2023), these bonds consist of two series. For details, the amount of the series of bonds offered is IDR 2.76 trillion with a fixed interest rate of 6.35% per year. The term of series A bonds is 370 calendar days from the date of issuance. Meanwhile, the amount of series B bonds offered by this subsidiary of Sarana Menara Nusantara is IDR 145.35 billion with a fixed interest rate of 6.60% per year. The term of series B bonds is three years from the date of issuance. After deducting issuance costs, all funds obtained from the proceeds of the ongoing public offering of Protelindo Sustainable Bonds III Phase II Year 2023 will be used to pay off and partially repay the company's bank debt. (Liputan6)

## Domestic Issue

**IDX: IDR 16.73 T in Bond and Sukuk Issuances Throughout 2023** The Indonesia Stock Exchange (IDX) recorded that in 2023, there were 14 bond and sukuk issuances from 13 issuers worth IDR 16.73 trillion. With this listing, the total bond and sukuk emissions recorded on the IDX are 516, with an outstanding nominal value of IDR 450.86 trillion and USD 47.5 million, issued by 126 issuers. The amount of Government Securities (SBN) listed on the IDX is 188 series with a nominal value of IDR 5,436.54 trillion and USD 452.11 million. There are also 8 EBA issuances worth IDR 3.27 trillion. (Investor Id)

## Recommendation

**US10YT** stopped its rally and left the 4% psychological level around the first Support, MA10/3.956%. The Bearish Engulfing Candle that occurred in the resistance (psychological) area at the time of RSI Overbought is very likely to indicate a further pullback toward the second Support: MA20 / 3,886-3,956; However, there is no significant risk that will end this short-term Uptrend. ADVISE: set your Trailing Stop, and take profit accordingly.

**ID10YT** rallied steadily through the 7% psychological resistance to 7.083%, the highest yield so far this year. Although the RSI has entered the Overbought territory, the Uptrend looks strong; therefore, it is not urgent to take profit yet. There is a high probability that ID10YT will head towards its TARGET yield in the 7,189-7,202 area as an upside result of the PARALLEL CHANNEL pattern (blue) downtrend break. ADVISE: set your Trailing Stop, and let your profit run.

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	5.75%	Real GDP	5.01%	5.72%
FX Reserve (USD bn)	139.40	137.20	Current Acc (USD bn)	4.54	4.02
Trd Balance (USD bn)	3.87	3.89	Govt. Spending Yoy	-4.77%	-2.88%
Exports Yoy	16.37%	6.58%	FDI (USD bn)	5.27	5.14
Imports Yoy	1.27%	-6.61%	Business Confidence	104.82	105.33
Inflation Yoy	5.28%	5.51%	Cons. Confidence*	123.00	119.90

## PRICE OF BENCHMARK SERIES

FR0090 : 95.31 (6.44%)  
FR0091 : 96.82 (6.85%)  
FR0093 : 97.00 (6.70%)  
FR0092 : 100.07 (7.12%)

FR0086 : 97.19 (6.51%)  
FR0087 : 98.22 (6.79%)  
FR0083 : 103.45 (7.15%)  
FR0088 : 96.35 (6.67%)

## CDS of Indonesia Bonds

CDS 2yr: -5.77% to 35.68  
CDS 5yr: -3.04% to 90.85  
CDS 10yr: -4.68% to 153.70

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.98%	0.02%
USDIDR	15,300	0.13%
KRWIDR	11.77	1.28%

## Global Indices

Index	Last	Chg.	%
Dow Jones	33,390.97	387.40	1.17%
S&P 500	4,045.64	64.29	1.61%
FTSE 100	7,947.11	3.07	0.04%
DAX	15,578.39	250.75	1.64%
Nikkei	27,927.47	428.60	1.56%
Hang Seng	20,567.54	138.08	0.68%
Shanghai	3,328.39	17.74	0.54%
Kospi	2,432.07	4.22	0.17%
EIDO	22.61	(0.21)	-0.92%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,856.5	20.6	1.12%
Crude Oil (\$/bbl)	79.68	1.52	1.94%
Coal (\$/ton)	188.90	(4.10)	-2.12%
Nickel LME (\$/MT)	24,597	202.0	0.83%
Tin LME (\$/MT)	24,750	180.0	0.73%
CPO (MYR/Ton)	4,352	58.0	1.35%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b> 6 - Mar.	US	22:00	Factory Orders	Jan	-1.5%		1.8%
	US	22:00	Durable Good Orders	Jan F	—		-4.5%
	KR	06:00	CPI YoY	Feb	5.0%		5.2%
<b>Tuesday</b> 7 - Mar.	CH	—	Exports YTD YoY	Feb	-9.3%		16.1%
	CH	—	Imports YTD YoY	Feb	-5.3%		—
	CH	—	Trade Balance YTD	Feb	\$80.85B		\$109.54B
	CH	—	Foreign Reserves	Feb	\$3,160.0B		\$3,184.4B
	ID	10:00	Foreign Reserves	Feb	—		\$139.40B
	KR	06:00	GDP YoY	4Q P	1.4%		1.4%
<b>Wednesday</b> 8 - Mar.	US	20:30	Trade Balance	Jan	-\$69.0B		-\$67.4B
	ID	—	Consumer Confidence Index	Feb	—		123.0
	JP	06:50	BoP Current Account Balance	Jan	-¥742.9B		¥33.4B
	JP	06:50	Trade Balance BoP Basis	Jan	-¥2,918.0B		¥
	GE	14:00	Retail Sales MoM	Jan	2.5%		-5.3%
<b>Thursday</b> 9 - Mar.	US	20:30	Initial Jobless Claims	Mar 4	—		190K
	US	20:30	Continuing Claims	Feb 25	—		1,655K
	CH	08:30	CPI YoY	Feb	2.0%		2.1%
	CH	08:30	PPI YoY	Feb	-1.4%		-0.8%
	CH	—	Money Supply M2 YoY	Feb	12.5%		12.6%
	JP	06:50	GDP Annualized SA QoQ	4Q F	0.8%		0.6%
<b>Friday</b> 10 - Mar.	US	20:30	Change in Nonfarm Payrolls	Feb	215K		517K
	US	20:30	Unemployment Rate	Feb	3.4%		3.4%

Source: Bloomberg

## United States 10 Years Treasury



## Indonesia 10 Years Treasury



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