

Morning Brief

Daily | Apr. 10, 2023

Today's Outlook:

Wall Street's main index closed last week in positive territory after going through quite volatile trading on Thursday (06/04/23), as the release of economic data Initial Jobless Claims came out at 228 thousand, which was higher than the estimate of 200 thousand, although still lower than the previous period of 246 thousand. On the Good Friday holiday, the Nonfarm Payrolls (Mar.) figure was also announced at 236k (successfully lower than forecast and previous), although it has not shifted the Unemployment Rate (Mar.) at 3.5% (compared to forecast and previous 3.6%).

Foreign investors' ownership share in Rupiah Government Securities (SBN) increased to IDR 821.19 trillion as of April 5, 2023. The amount consists of Government Securities (SUN) amounting to IDR 793 trillion and Government Sharia Securities (SBSN) worth IDR 28.18 trillion. Today, market participant in Indonesia will await the Foreign Exchange Reserves (Mar.) report; while Japanese investors will await their Current Account (Feb.) & Household Confidence (Mar.) data.

Corporate News

PLN to Pay Off IDR 316 Billion Bond Principal PT Perusahaan Listrik Negara (PLN) will pay off its IDR 316.7 billion bond principal. The principal payment of the bonds will mature on May 6, 2023. According to the company's official statement on information disclosure, the bonds paid are the PLN Phase III Sustainable Bonds VII Series A issued on April 21, 2020. The bond tenor is 3 years and the interest rate is fixed at 7.92% per year. PT PLN Corporate Secretary Alois Wishnuhardana said that the principal payment of the bonds was allocated from the revenue of electricity sales from customers. In his statement, Alois also said that the company will pay off the principal of the bonds no later than the maturity date, May 6, 2023. (Katadata)

Domestic Issue

Auction of Government Bonds (SUN) April 11, 2023, IDR 25.5 Trillion Target The Directorate General of Financing and Risk Management of the Ministry of Finance (DJPPR Kemenkeu) will conduct another auction of Government Bonds (SUN) on Tuesday, (11/4/2023) to meet part of the financing target in the 2023 State Budget. There are seven series that will be auctioned, namely the SPN03230712 (New Issuance), SPN12240411 (New Issuance), FR0095 (Reopening), FR0096 (Reopening), FR009 (Reopening), FR0097 (Reopening) and FR0089 (Reopening) series. Based on the official website of the Ministry of Finance's DJPPR, the yields offered vary from 6.375% to 7.125% with tenors of 5 to 28 years. Additionally, the government set an indicative target of IDR 17 trillion, while the maximum target is IDR 25.5 trillion. (Bisnis)

Recommendation

US10YT will soon attempt to break MA10 & MA20 Resistance in the yield range: 3.412-3.452%, while maintaining a Support yield of 3.30-3.27%. ADVISE: Wait & See; Buy on Break Out, or Buy on Weakness.

ID10YT is still immersed in its downtrend yield and is about to test a fairly complicated Resistance full of MA Resistance in the yield range: 6.776-6.828%. It is also possible that it will test the Support at around 6.65%. ADVISE: Wait & See, or Buy on Weakness.

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)	140.30	139.40	Current Acc (USD bn)	4.54	4.02
Trd Balance (USD bn)	3.88	3.87	Govt. Spending Yoy	-4.77%	-2.88%
Exports Yoy	4.51%	16.37%	FDI (USD bn)	5.27	5.14
Imports Yoy	-4.32%	1.27%	Business Confidence	104.82	105.33
Inflation Yoy	4.97%	5.47%	Cons. Confidence*	122.40	123.00

PRICE OF BENCHMARK SERIES

FR0090 : 96.22 (6.20%)
FR0091 : 98.34 (6.62%)
FR0093 : 97.80 (6.61%)
FR0092 : 101.59 (6.97%)

FR0086 : 98.21 (6.16%)
FR0087 : 99.78 (6.53%)
FR0083 : 104.77 (7.01%)
FR0088 : 95.25 (6.80%)

CDS of Indonesia Bonds

CDS 2yr: -0.27% to 35.08
CDS 5yr: +0.42% to 94.12
CDS 10yr: -0.30% to 160.38

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.67%	-0.03%
USDIDR	14,913	-0.08%
KRWIDR	11.31	-0.55%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,485.29	2.57	0.01%
S&P 500	4,105.02	14.64	0.36%
FTSE 100	7,741.56	78.62	1.03%
DAX	15,597.89	77.72	0.50%
Nikkei	27,518.31	45.68	0.17%
Hang Seng	20,331.20	56.61	0.28%
Shanghai	3,327.65	15.02	0.45%
Kospi	2,490.41	31.18	1.27%
EIDO	23.62	0.18	0.77%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2,007.9	(12.8)	-0.63%
Crude Oil (\$/bbl)	80.70	0.09	0.11%
Coal (\$/ton)	193.75	(4.25)	-2.15%
Nickel LME (\$/MT)	22,800	94.0	0.41%
Tin LME (\$/MT)	24,308	61.0	0.25%
CPO (MYR/Ton)	3,794	(29.0)	-0.76%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	10:00	Foreign Reserves	Mar	—	—	\$140.30B
10– Apr.	JP	06:50	BoP Current Account Balance	Feb	¥ 2,378.2B	—	-¥1,976.6B
Tuesday	CH	08:30	CPI YoY	Mar	1.1%	1.0%	1.0%
11– Apr.	CH	08:30	PPI YoY	Mar	-2.5%	-1.4%	-1.4%
	ID	11:00	Consumer Confidence Index	Mar	—	—	122.4
Wednesday	US	19:30	CPI YoY	Mar	5.2%	6.0%	6.0%
12– Apr.	CH	—	Trade Balance	Mar	\$42.00B	—	\$78.01B
Thursday	US	01:00	Monthly Budget Statement	Mar	—	—	-\$192.6B
13– Apr.	US	01:00	FOMC Meeting Minutes	Mar 22	—	—	—
	US	19:30	Initial Jobless Claims	Apr 8	—	—	—
	US	19:30	Continuing Claims	Apr 1	—	—	—
	US	19:30	PPI Final Demand MoM	Mar	—	—	—
Friday	US	19:30	Retail Sales Advance MoM	Mar	-0.4%	-0.4%	-0.4%
14– Apr.	US	19:30	Industrial Production MoM	Mar	0.3%	0.0%	0.0%
	US	21:00	U. of Mich. Sentiment	Apr P	64.0	62.0	62.0

Source: Bloomberg, NHKSI Research

United States 10 Years Treasury



Indonesia 10 Years Treasury



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