

Morning Brief

Daily | September 12, 2023

Today's Outlook:

- **Nasdaq led the US stock market gains by rising 1.14%** on the back of a 10% jump in Tesla's share price after Morgan Stanley upgraded the electric car maker to "overweight" from "equal-weight," saying its Dojo supercomputer could boost the company's market value by nearly USD 600 billion. The markets are also looking forward to Apple's iPhone 15 launch due Tuesday, ahead of inflation data (Aug.) announcement later on Wednesday at around 19:30 Western Indonesia Time, where indeed the US Consumer Price Index (CPI) both on a monthly and annual basis is predicted to rise from the previous period due to an increase in household & food costs. Following this inflation data, traders see a 93% chance that the central bank will hold its interest rates at current levels at its September meeting, while chances of another rate cut in November stand at 57%, according to the CME FedWatch Tool. Fed officials have entered a blackout period, during which they usually do not make public comments, until the policy decision outcome on Sept. 20.

- **China reported a massive increase in credit disbursed during August**, reaching CNY 1360 billion, higher than the forecast of CNY 1200 billion and far greater than July's CNY 345.9 billion. This raised hopes that the economy of the world's second largest country would be able to move more vigorously. In contrast, Indonesia recorded weak car, motorcycle and retail sales in July & August despite the GIIAS 2023 event in Jakarta on August 10-20.

- **From Europe**, the UK employment data will be released later this afternoon, followed by the German ZEW Economic Sentiment (Sept.).

- **Commodities: Gold prices rose in Monday's trading (11/09/23)**, as the US Dollar fell ahead of this week's Inflation data, while Copper prices rose sharply as while copper prices rose sharply as Chinese inflation data showed some signs of improvement. The yellow metal was nursing a steep loss from last week, as concerns over sticky inflation and higher-for-longer U.S. rates pushed the dollar to a near six-month high.

Corporate News

Tower Bersama (TBIG) Repays Principal and Interest on Maturing Bonds PT Tower Bersama Infrastructure Tbk (TBIG) plans to pay off the principal and interest of its maturing bonds in the near future. TBIG CFO / Corporate Secretary, Helmy Yusman Santoso, in a written statement quoted on Monday (11/9), said the company had paid off the principal and interest of TBIG Sustainable Bond IV Phase I Year 2022 series - B on September 8, 2023. "The principal amounted to IDR 469 billion and the interest was IDR 9.38 billion. We have already paid it because the maturity date of this bond is September 8, 2023," he said. For information, TBIG's bonds have an interest rate of 8% and have been rated AA+ (idn) by PT Fitch Ratings Indonesia. (Bareksa)

Domestic Issue

The Government Holds an Auction of Government Sharia Securities (SBSN) The government will hold an auction of rupiah-denominated Government Sharia Securities (SBSN) or Government Sukuk on Tuesday (12/9). Based on the announcement of the Directorate General of Debt Management of the Ministry of Finance, the government set an indicative target of IDR 6 trillion. There will be six series of SBSN auctioned on September 12, 2023, consisting of the SPN-S series (Sharia Treasury Bills) and PBS (Project Based Sukuk). The proceeds will be used to fulfill part of the financing target in the 2023 State Budget. The auction will open on Tuesday (12/9) at 09.00 WIB and close at 11.00 WIB. The auction settlement date is on Thursday, September 14, 2023. (Data Indonesia)

Recommendation

US10YT seems a bit nervous when it comes to encountering Resistance from the previous High yield level of 4.366%. ADVISE: AVERAGE UP should be done after breaking that level. TARGET: upper channel around 4.530%.

ID10YT continues to climb and potentially leads to Resistance from the previous High level around 6.70% - 6.748% yield in this short-term bullish trend. If the level is able to be broken, it opens the way for ID10YT to continue the yield increase to the psychological level of 7.0% yield; up to TARGET from the pattern at 7.057% - 7.085%. ADVISE: AVERAGE UP accordingly.

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	5.75%	Real GDP	5.17%	5.03%
FX Reserve (USD bn)	137.70	137.50	Current Acc (USD bn)	-1.90	3.00
Trd Balance (USD bn)	1.31	3.46	Govt. Spending Yoy	10.62%	3.99%
Exports Yoy	-18.03%	-21.18%	FDI (USD bn)	4.86	5.14
Imports Yoy	-8.32%	-18.35%	Business Confidence	104.82	105.33
Inflation Yoy	3.27%	3.08%	Cons. Confidence*	125.20	125.20

PRICE OF BENCHMARK SERIES

FR0090 : 96.80 (-0.03%)
FR0091 : 98.93 (-0.28%)
FR0094 : 97.55 (0.00%)
FR0092 : 103.50 (-1.38%)

FR0086 : 98.32 (-0.02%)
FR0087 : 99.67 (-0.06%)
FR0083 : 107.05 (-0.30%)
FR0088 : 99.23 (-0.06%)

CDS of Indonesia Bonds

CDS 2yr: -1.88% to 33.58

CDS 5yr: -1.42% to 79.18

CDS 10yr: -1.71% to 139.89

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.60%	0.05%
USDIDR	15,325	0.00%
KRWIDR	11.51	0.13%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,663.72	87.13	0.25%
S&P 500	4,487.46	29.97	0.67%
FTSE 100	7,496.87	18.68	0.25%
DAX	15,800.99	56.24	0.36%
Nikkei	32,467.76	(139.08)	-0.43%
Hang Seng	18,096.45	(105.62)	-0.58%
Shanghai	3,142.78	26.06	0.84%
Kospi	2,556.88	9.20	0.36%
EIDO	22.95	0.23	1.01%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,922.3	3.2	0.17%
Crude Oil (\$/bbl)	87.29	(0.22)	-0.25%
Coal (\$/ton)	158.00	1.75	1.12%
Nickel LME (\$/MT)	20,485	433.0	2.16%
Tin LME (\$/MT)	25,803	230.0	0.90%
CPO (MYR/Ton)	3,713	(117.0)	-3.05%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH		Money Supply M2 YoY	Aug	10.6%	10.7%	10.7%
11 – Sep	JP	06:50	Money Stock M2 YoY	Aug	2.5%	—	2.4%
	JP	06:50	Money Stock M3 YoY	Aug	1.9%	—	1.9%
	JP	13:00	Machine Tool Orders YoY	Aug P	-17.6%	—	-19.7%
Tuesday	GE	16:00	ZEW Survey Expectations	Sep		-15.1	-12.3
12 – Sep	GE	16:00	ZEW Survey Current Situation	Sep		-76.9	-71.3
Wednesday	US	18:00	MBA Mortgage Applications	Sep 8		—	-2.9%
13 – Sep	US	19:30	CPI MoM	Aug		0.5%	0.2%
	US	19:30	CPI YoY	Aug		3.6%	3.2%
	KR	06:00	Unemployment rate SA	Aug		2.9%	2.8%
	JP	06:00	PPI YoY	Aug		3.3%	3.6%
Thursday	US	19:30	Retail Sales Advance MoM	Aug		0.1%	0.7%
14 – Sep	US	19:30	PPI Final Demand MoM	Aug		0.4%	0.3%
	US	19:30	Initial Jobless Claims	Sep 9		—	216K
	JP	06:50	Core Machine Orders MoM	Jul		-0.9%	2.7%
	JP	11:30	Industrial Production MoM	Jul F		—	-2.0%
Friday	US	19:30	Empire Manufacturing	Sep		-10.7	-19.0
15 – Sep	US	20:15	Industrial Production MoM	Aug		0.1%	1.0%
	US	21:00	U. of Mich. Sentiment	Sep P		69.4	69.5
	CH	09:00	Industrial Production YoY	Aug		3.8%	3.7%
	CH	09:00	Retail Sales YoY	Aug		3.0%	2.5%
	ID	09:00	Trade Balance	Aug		\$1640m	\$1310m
	JP	11:30	Tertiary Industry Index MoM	Jul		0.4%	-0.4%

Source: Bloomberg, NHKSI Research

United States 10 Years Treasury

Published on Investing.com, 12/Sep/2023 - 0:19:40 GMT. Powered by TradingView.
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Indonesia 10 Years Treasury

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