

Morning Briefing

Today's Outlook:

US MARKET SENTIMENT: December S&P 500 Global US Manufacturing PMI, December S&P Global Services PMI

ASIA MARKETS: Beijing's affirmation of its recent policy shifts and plans to boost growth, following a high-profile meeting Thursday, appeared to have fallen short of investors' expectations. Most other Asia-Pacific markets also fell, tracking Wall Street declines following a hotter-than-expected producer price inflation reading.

EUROPE MARKETS: European markets closed lower Friday as investors reacted to disappointing data prints from two of the region's largest economies. The pan-European Stoxx 600 provisionally closed 0.62% lower, also recording a weekly loss after three weeks in the green. Friday's downbeat mood followed unexpected declines in both U.K. GDP and key export data from Germany. The U.K. economy contracted by an estimated 0.1% on a monthly basis, the ONS said Friday, with officials attributing the downturn to a decline in production output. Economists polled by news agency Reuters had projected a 0.1% rise in GDP in October.

CURRENCY & FIXED INCOME: The dollar index, which measures the currency against six others, was up 0.037% at 107, set for a weekly gain of nearly 1%, its biggest in a month. The dollar headed for its best weekly performance in a month on Friday, as investors priced in the possibility of the Federal Reserve cutting rates more slowly next year, while sterling fell after a surprise contraction in UK economic activity.

- The U.S. currency rose against the yen after reports that the Bank of Japan could forgo a rate hike at its meeting next week. The dollar rose 0.69% to 153.695 yen, its highest since late November. The yen has been the worst performer this week against the dollar, which has gained 2% on the Japanese currency.

- The euro pared earlier losses against the dollar and rose 0.26% to USD1.04945. The European Central Bank on Thursday cut rates by 25 basis points and kept the door open to further easing.

COMMODITIES: Oil prices climbed about 2% on Friday to settle at a three-week high, on expectations that additional sanctions on Russia and Iran could tighten supplies and that lower interest rates in Europe and the U.S. could boost fuel demand. Brent futures rose USD1.08, or 1.5%, to settle at USD74.49 a barrel. U.S. West Texas Intermediate crude rose USD1.27, or 1.8%, to settle at USD71.29. That was Brent's highest close since Nov. 22 and put the contract up 5% for the week. WTI posted a 6% gain for the week and closed at its highest since Nov. 7. European Union ambassadors agreed to impose a 15th package of sanctions on Russia this week over its war against Ukraine, targeting its shadow tanker fleet. The U.S. is considering similar moves.

- Gold prices fell on Friday after bullion hit a more than five-week high in the previous session and as the U.S. dollar gained, but prices were on track for a weekly rise on expectations of a Federal Reserve rate cut next week. Spot gold was down 1.1% at USD2,652.29 per ounce, as the U.S. dollar was steady at its highest in more than two weeks. Bullion hit its highest since Nov. 6 on Thursday, and has risen over 0.8% so far for the week. Underpinned by easing monetary policies, robust central bank buying, and safe-haven demand, gold has shattered multiple record peaks this year.

Domestic News

Multifinance Bond Issuance Reaches IDR 30.52 Trillion, Here's the Prospect in 2025

PT Pemeringkat Efek Indonesia (Pefindo) stated that until November 2024, the issuance of debt securities or bonds by the financing company industry or multifinance has reached IDR 30.52 trillion. Head of the Economic Research Division of Pefindo Suhindarto explained that for the trend itself, this year the issuance value from the multifinance sector is relatively lower compared to last year. Where, as of the end of November 2024, issuance from the multifinance sector was IDR 30.52 trillion, which was relatively lower compared to 2023, which could reach around IDR 32 trillion. "Indeed, in December 2024, based on our monitoring there will be 1 more multifinance company that will issue, but the value will not make the total higher than last year," said Suhindarto when contacted by Kontan, Friday (13/12). However, he said that the multifinance sector is still the sector that issues the largest corporate debt this year. Which distribution reaches 23.4% of the total issuance nationally. Suhindarto explained that the relatively lower issuance of corporate debt this year was due to several things, the first is that interest rates are still relatively high, and the second is the prospect of demand which is still depressed. According to him, these two factors are the main factors that ultimately make the financing needs of the multifinance sector not as large as last year. He said that the decrease in the benchmark interest rate in September 2024 only made the benchmark interest rate at the same level as at the beginning of the year, namely at 6%, which is higher than in 2023. Meanwhile, Suhindarto predicted that the prospect of debt issuance from the multifinance sector will be in good condition in 2025. For this reason, Pefindo hopes that debt issuance from the multifinance sector will be greater next year. (Emiten News)

Corporate News

ZINC: Kapuas Prima Reveals Payment of Bond Debt, This is the Value

PT Kapuas Prima Coal Tbk (ZINC) reported that it has made the 10th amortization payment for Bond I Year 2018 Series E on Thursday, December 14, 2024. The payment was made to the account of PT Kustodian Sentral Efek Indonesia (KSEI) with a value of IDR 1.66 billion. ZINC President Director, Harjanto Widjaja, in his statement, explained that this payment is part of the company's obligations for bonds issued on December 26, 2018. The bonds have a principal value of IDR 14.99 billion, with an interest rate of 17.8% per annum, and are scheduled to mature on August 13, 2025. This step was taken to demonstrate the company's commitment to fulfilling its obligations on time and maintaining its credibility in the financial market. (Emiten News)

Recommendation

US10YT continued its rebound back above its resistance of 4.183%. It is approaching dynamic resistance MA50 of 4.286-4.292%, and NHKSI is of the opinion it will reverse its current uptrend and is projected to reach the support range of 4.13-4.116%.

ID10YT has broken above and re-entered into its rising wedge pattern resistance of 6.925-7.080%. Therefore, we anticipate a swift correction downward to the targeted support of 6.519%.

PRICE OF BENCHMARK SERIES

FRO090 : 96.264 (-0.03%)

FRO091 : 96.512 (-0.21%)

FRO092 : 100.243 (-0.06%)

FRO094 : 96.597 (-0.02%)

FRO086 : 98.202 (-0.01%)

FRO087 : 97.606 (-0.09%)

FRO083 : 103.784 (-0.12%)

FRO088 : 94.041 (-0.11%)

CDS of Indonesia Bonds

CDS 2yr: +2.46% to 34.820

CDS 5yr: +1.73% to 73.032

CDS 10yr: +1.77% to 122.455

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.02%	0.04%
USDIDR	15,995	0.44%
KRWIDR	11.15	0.03%

Global Indices

Index	Last	Chg.	%
Dow Jones	43,828.06	(86.06)	-0.20%
S&P 500	6,051.09	(0.16)	0.00%
FTSE 100	8,300.33	(11.43)	-0.14%
DAX	20,405.92	(20.35)	-0.10%
Nikkei	39,470.44	(378.70)	-0.95%
Hang Seng	19,971.24	(425.81)	-2.09%
Shanghai	3,391.88	(69.62)	-2.01%
Kospi	2,494.46	12.34	0.50%
EIDO	19.86	(0.32)	-1.59%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2,648.2	(32.5)	-1.21%
Crude Oil (\$/bbl)	71.29	1.27	1.81%
Coal (\$/ton)	130.75	(1.75)	-1.32%
Nickel LME (\$/MT)	15,862	(306.0)	-1.89%
Tin LME (\$/MT)	29,097	(437.0)	-1.48%
CPO (MYR/Ton)	4,906	(15.0)	-0.30%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	6.00%	6.00%	Real GDP	4.95%	5.05%
FX Reserve (USD bn)	150.24	151.20	Current Acc (USD bn)	-2.15	-3.02
Trd Balance (USD bn)	2.48	3.26	Govt. Spending Yoy	4.62%	1.42%
Exports Yoy	10.25%	6.44%	FDI (USD bn)	7.45	4.89
Imports Yoy	17.49%	8.55%	Business Confidence	104.82	104.30
Inflation Yoy	1.55%	1.71%	Cons. Confidence*	125.90	121.10

Date	Country	Hour Jakarta	Event	Actual	Period	Consensus	Previous
Monday	US	20.30	Empire Manufacturing	-	Dec	10.0	31.2
16 – December	US	21.45	S&P Global US Manufacturing PMI	-	Dec P	49.5	49.7
Tuesday	US	20.30	Retail Sales Advance MoM	-	Nov	0.5%	0.4%
17 – December	US	21.15	Industrial Production MoM	-	Nov	0.3%	-0.3%
Wednesday	US	19.00	MBA Mortgage Applications	-	Dec 13	-	5.4%
18 – December	US	20.30	Housing Starts	-	Nov	1343k	1311k
	US	20.30	CPI MoM	-	Nov	2.7%	2.6%
Thursday	US	20.30	Initial Jobless Claims	-	Dec 14	229k	242k
19 – December	US	20.30	GDP Annualized QoQ	-	3Q T	2.8%	2.8%
	US	22.00	Leading Index	-	Nov	-0.1%	-0.4%
	US	22.0	Existing Home Sales	-	Nov	4.08m	3.96m
Friday	US	20.30	Personal Income	-	Nov	0.4%	0.6%
20 – December	US	20.30	Personal Income	-	Nov	0.5%	0.4%
	US	22.00	University of Michigan Sentiment	-	Dec F	74.0	74.0

Source: Bloomberg, NHKSI Research

United States 10 Years Treasury



Indonesia 10 Years Treasury



Research Division

Head of Research

Liza Camelia Suryanata

Equity Strategy, Macroeconomics,
Technical
T +62 21 5088 ext 9134

Analyst

Axell Ebenhaezer

Mining, Property
T +62 21 5088 ext 9133
E Axell.Ebenhaezer@nhsec.co.id

Analyst

Ezaridho Ibnutama

Consumer Goods, Poultry, Healthcare
T +62 21 5088 ext 9126
E ezaridho.ibnutama@nhsec.co.id

Analyst

Richard Jonathan Halim

Technology, Transportation
T +62 21 5088 ext 9128
E Richard.jonathan@nhsec.co.id

Analyst

Leonardo Lijuwardi

Banking, Infrastructure
T +62 21 5088 ext 9127
E leonardo.lijuwardi@nhsec.co.id

Research Support

Amalia Huda Nurfalih

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

JAKARTA (HEADQUARTER):

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

Jl. Jendral Sudirman Kav. 52-53

Jakarta Selatan 12190

Telp : +62 21 5088 9102

Branch Office BSD:

ITC BSD Blok R No.48

Jl. Pahlawan Seribu Serpong

Tangerang Selatan 15311

Indonesia

Telp : +62 21 509 20230

Branch Office Makassar:

Jl. Gunung Latimojong No.120A

Makassar

Indonesia

Branch Office Bandung:

Paskal Hypersquare Blok A1

Jl. Pasirkaliki No 25-27

Bandung 40181

Indonesia

Branch Office Bandengan (Jakarta Utara):

Jl. Bandengan Utara Kav. 81

Blok A No.02, Lt 1

Jakarta Utara 14440

Indonesia

Telp : +62 21 6667 4959

Branch Office Kamal Muara (Jakarta Utara):

Rukan Exclusive Mediterania

Blok F No.2

Jakarta Utara 14470

Indonesia

Telp : +62 24 844 6878

Branch Office Pekanbaru:

Sudirman City Square

Jl. Jend. Sudirman Blok A No.7

Pekanbaru

Indonesia

Telp : +62 761 801 1330

Branch Office Denpasar:

Jl. Cok Agung Tresna

Ruko Griya Alamanda No. 9

Renon Denpasar, Bali 80226

Indonesia

Telp : +62 361 209 4230

A Member of NH Investment & Securities Global Network

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