

Morning Briefing

Daily | February 24, 2025

Today's Outlook:

US MARKET: New U.S. data sparked concern among investors over a slowing economy and sticky inflation, leading them in search of safer assets. Losses intensified into the close as traders feared staying long into a weekend that could bring another barrage of headlines from the Trump administration, which has proposed a flurry of tariffs and other market-moving policy changes since taking charge a month ago.

MARKET SENTIMENT : Eurozone's Januay Inflation number will be posted on Monday with the forecasted result to be stagnant at 2.5% YoY (Prev: 2.5% YoY)

FIXED INCOME AND CURRENCY : U.S. Treasury yields were sharply lower on Friday as investors ran for cover in the middle of a stock market sell-off, while concern over the health of the economy grew. The 10-year Treasury yield dropped about 7 basis point to 4.427%, and the 2-year Treasury yield was lower by more than 6 basis point at 4.202%. One basis point is equal to 0.01%, and yields and prices move in opposite directions. The U.S. dollar rose against a broad range of currencies on Friday including the euro, sterling and those tied to commodities such as the Australian dollar, as investors consolidated positions ahead of the weekend, looked to more inflation data next week and kept an eye on tariff headlines.

- In afternoon trading, the euro stumbled against the dollar after a series of business activity surveys showed a sharp contraction in early February in France and only mild improvement in Germany - the euro zone's traditional twin engines of growth. It was last down 0.4% at \$1.0461, on track for its largest daily fall since early February.

ASIAN MARKET : Japan's inflation rate in January climbed to 4%, hitting its highest level since January 2023. Core inflation — which excludes prices of fresh food — rose to 3.2%, beating Reuters expectations of 3.1%.

- Investors will continue keeping an eye on the Japanese yen, which strengthened to a more than two-month high of 150.52 per U.S. dollar on Thursday amid bets of more rate hikes by the Bank of Japan this year. The currency is currently trading at 150.22 against the greenback.

COMMODITIES : OIL prices settled down more than \$2 a barrel on Friday, posting a weekly decline as investors grappled with a fading Middle East risk premium alongside uncertainty about a potential peace deal in Ukraine. Brent futures settled down \$2.05, or 2.68%, to \$74.43 a barrel, while U.S. West Texas Intermediate crude settled down \$2.08, or 2.87%, to \$70.40. Brent settled 0.4% down on the week, while U.S. crude futures posted a 0.5% weekly loss. Investors also continued to weigh an uptick in U.S. crude oil stockpiles, reported on Thursday, as seasonal maintenance at refineries led to lower processing, the Energy Information Administration said. U.S. energy firms this week added oil and natural gas rigs for a fourth week in a row to the highest level since June, energy services firm Baker Hughes said in a report on Friday. GOLD shed 0.1% to \$2,935.75 an ounce. Bullion has gained around 1.7% this week after rising to a record \$2,954.69 on Thursday. Gold prices eased on Friday as investors booked profits from the previous session's record high, but were set for an eighth straight weekly gain, driven by strong safe-haven demand amid concerns over U.S. President Donald Trump's tariff plans.

Domestic News

Prabowo Reportedly Appoints Rosan, Pandu and Dony Oskaria as Danantara Executives

Indonesia's 8th President Prabowo Subianto will release the Danantara Investment Management Agency (BPI) tomorrow, February 24, 2025. The head of state is rumored to have appointed the administrators of the investment institution. Based on information compiled by Bisnis, Prabowo has reportedly chosen Investment Minister and BKM Rosan Roslani as the CEO of BPI Danantara. Rosan replaces Muliaman Darmansyah Hadad, who was appointed by Prabowo as Head of BPI Danantara on October 22, 2024. Rosan's replacement with Muliaman was widely circulated after the ratification of the BUMN Bill into law on February 4, 2025. In fact, previously Rosan's position was rumored to be supervisor or chairman at BPI Danantara. Muliaman is informed to be the Deputy Chairman of the Supervisory Board, while the head of the supervisory board in accordance with the new BUMN Law is directly held by the Minister of BUMN, currently held by Erick Thohir. The Minister of Finance Sri Mulyani is a supervisory member. In accordance with the structure in the BUMN Law, there are two executive positions under BPI CEO Danantara, namely the Chief Operating Officer (COO) who oversees the BUMN Operational Holding and the Chief Investment Officer (CIO) who controls the BUMN Investment Holding. Pandu Patria Sjahrir, who is also the nephew of the Chairman of the National Economic Council (DEN), is rumored to be the CIO, while the COO position is held by Doni Oskaria, Deputy Minister of SOEs. (Bisnis)

Corporate News

ADCP: Enough Cash, ADCP Ready to Pay Off Maturity Bonds of IDR 102 Billion

Adhi Commuter Properti (ADCP) has bonds maturing IDR 102 billion. The debt securities are Bonds II of 2022 Series B. The bonds rated idBBB will mature on May 24 2025. Based on the scenario, the company plans to pay off the maturing debt securities using a mixture of internal and external funds, including the proceeds from the company's corporate action plan. As of September 30 2024, the company's cash position was recorded at IDR 174 billion. Adhi Commuter Properti (ADCP) has maturing bonds of IDR 102 billion. The debt securities are Bonds II of 2022 Series B. The bonds rated idBBB will mature on May 24 2025. Based on the scenario, the company plans to pay off the maturing debt securities using a mixture of internal and external funds, including the proceeds from the company's corporate action plan. As of September 30 2024, the company's cash position was recorded at IDR 174 billion. (Emiten News)

Recommendation

US10YT appears to have reverted from its previous uptrend into a downtrend as DOGE makes more significant cuts to US Government bureaucracy, making waves of confidence from investors. US10YT has dropped below 4.470%, leading to 4.40% for a fairly critical Support test. Wait for developments from the US market regarding Trump's Tariff policy to determine where the yield will move.

ID10YT has found solid ground for bottoming yield in the range of 6.761%. It seems that Sideways' position this time is more or less oriented towards tariff policy & the US central bank, therefore the same Wait & See position also applies until there are further developments.

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	5.75%	Real GDP	5.02%	4.95%
FX Reserve (USD bn)	156.08	155.70	Current Acc (USD bn)	-2.15	-3.02
Trd Balance (USD bn)	3.45	2.24	Govt. Spending Yoy	4.17%	1.42%
Exports Yoy	4.68%	4.78%	FDI (USD bn)	7.45	4.89
Imports Yoy	-2.67%	11.07%	Business Confidence	104.82	104.30
Inflation Yoy	0.76%	1.57%	Cons. Confidence*	127.20	127.70

PRICE OF BENCHMARK SERIES

FR0090 : 97.469 (+0.05%)

FR0091 : 98.121 (-0.22%)

FR0092 : 101.146 (-0.14%)

FR0094 : 96.640 (+0.00%)

FR0086 : 99.095 (+0.01%)

FR0087 : 99.279 (-0.24%)

FR0083 : 104.374 (-0.12%)

FR0088 : 95.096 (-0.19%)

CDS of Indonesia Bonds

CDS 2yr: +0.94% to 33.705

CDS 5yr: +2.08% to 69.099

CDS 10yr: +0.61% to 116.935

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.78%	-0.00%
USDIDR	16.305	-0.15%
KRWIDR	11.37	-0.07%

Global Indices

Index	Last	Chg.	%
Dow Jones	43.428.02	(748.63)	-1.69%
S&P 500	6.013.13	(104.39)	-1.71%
FTSE 100	8.659.37	(3.60)	-0.04%
DAX	22.287.56	(27.09)	-0.12%
Nikkei	38.776.94	98.90	0.26%
Hang Seng	23.477.92	900.94	3.99%
Shanghai	3.379.11	28.33	0.85%
Kospi	2.654.58	0.52	0.02%
EIDO	17.60	(0.24)	-1.35%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2.936.1	(2.9)	-0.10%
Crude Oil (\$/bbl)	70.40	(2.08)	-2.87%
Coal (\$/ton)	102.00	(1.50)	-1.45%
Nickel LME (\$/MT)	15.517	(148.0)	-0.94%
Tin LME (\$/MT)	33.677	281.0	0.84%
CPO (MYR/Ton)	4.664	22.0	0.47%

Date	Country	Hour Jakarta	Event	Actual	Period	Consensus	Previous
Monday	-	-	-	-	-	-	-
24 – February							
Tuesday	-	-	-	-	-	-	-
25 – February							
Wednesday	US	19.00	MBA Mortgage Applications	-	Feb 21	-	-6.6%
26 – February	US	22.00	New Home Sales	-	Jan	678k	698k
Thursday	US	20.30	GDP Annualized QoQ	-	4Q S	2.3%	2.3%
27 – February	US	20.30	Initial Jobless Claims	-	Feb 22	-	219k
	US	22.00	Durable Goods Orders	-	Jan P	1.8%	-2.2%
Friday	US	20.30	Personal Income	-	Jan	0.3%	0.4%
28 – February	US	20.30	Personal Spending	-	Jan	0.2%	0.7%
	US	20.30	Wholesale Inventories MoM	-	Jan P	-	-0.5%
	US	21.45	MNI Chicago PMI	-	Feb	-	39.5

Source: Bloomberg, NHKSI Research

United States 10 Years Treasury



Indonesia 10 Years Treasury



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