

Morning Briefing

Daily | March 10, 2025

Today's Outlook:

US MARKET: Market was whipsawed by developments out of Washington, D.C., with negotiations on tariffs between the U.S., Mexico and Canada playing out throughout the week. In an interview that aired Sunday, President Donald Trump responded to a question on Fox News about the possibility of a recession by saying the economy was going through "a period of transition." The political turbulence could continue this week, with a heavy dose of economic data adding to the list of potential market-moving events. The New York Fed survey of consumer expectations is due out on Monday, and it will pair with the University of Michigan consumer sentiment reading on Friday.

MARKET SENTIMENT : Japan's 4Q24 GDP results will be released on Monday. Indonesia will be churning out Februari number for Car Sales, Motorbike Sales, and Consumer Confidence

FIXED INCOME & CURRENCY : Treasury yields advanced Friday as investors digested a February nonfarm payrolls report that showed weaker-than-expected jobs growth and the latest commentary from Federal Reserve Chair Jerome Powell. The benchmark 10-year Treasury yield climbed about 2 basis points to 4.303%. The 2-year Treasury yield rose more than 2 basis points at 3.987%. One basis point is equal to 0.01% and yields and prices move in opposite directions. The dollar index has fallen 3.5% this week, on track for its worst weekly performance since November 2022. It fell 0.4% on Friday to 103.72, after earlier sliding to its lowest since early November.

EUROPE: European markets closed lower Friday, rounding off a volatile week marked by whipsawing policy on U.S. tariffs, the latest rate cut from the European Central Bank, German fiscal reforms and a regional defense spending boost. Investors were also reacting to key jobs data out of the U.S., which showed nonfarm payrolls rose by a less-than-expected 151,000 in February.

- The euro continued its winning ways, poised for its best week in 16 years with a gain of 4.6% against the dollar, boosted by Germany's game-changing fiscal reforms. It hit another four-month peak of \$1.0888 after the jobs data. It last traded at \$1.0863, up 0.7% .

ASIA : Asia-Pacific markets fell on Friday, with yields on long-term Japanese government bonds hitting levels not seen since the 2008 financial crisis. The moves in Asia markets mirrored losses on Wall Street after U.S. President Donald Trump's tariff concessions failed to calm investors. Traders were also worried by economic data from the U.S., which raised alarm that Trump's policies could hinder the U.S. economy. The Federal Reserve's Beige Book and the Institute for Supply Management's manufacturing reading both indicated fear of rising input costs because of the tariffs. Back in Asia, customs data showed China's exports in the January to February period rose 2.3% in U.S. dollar terms from a year earlier, significantly undershooting expectations of a 5% increase in a Reuters poll.

- Against the Japanese currency, the greenback slid 0.2% against the yen to 147.65 yen , after earlier falling to a five-month low of 147.05 yen.

COMMODITIES : OIL prices were up on Friday but retreated from session highs after U.S. President Donald Trump threatened sanctions on Russia if it fails to reach a cease-fire with Ukraine. Trump said in a post on Truth Social that he was "strongly considering" sanctions on Russian banks and tariffs on Russian products because its armed forces continue attacks in Ukraine. In early trade, Brent jumped as high as \$71.40, while WTI hit \$68.22 after Russia's Deputy Prime Minister Alexander Novak told reporters that the OPEC+ producer group will go ahead with its April increase but may then consider other steps, including reducing production. GOLD fell 0.1% to \$2,906.04 an ounce as of 01.46 p.m. (1846 GMT). Bullion has gained about 1.7% so far this week, as U.S. President Donald Trump's ever-shifting tariff policies fanned uncertainty. Gold prices eased on Friday but were poised for a weekly gain due to safe-haven inflows and a U.S. jobs report revealing lower-than-expected job growth in February, suggesting that the Federal Reserve is on track to cut interest rates this year.

Domestic News

Government Aims for IDR 10 Trillion from Sukuk Auction Next Tuesday

The government on Tuesday, March 11, 2025 will hold another auction of State Sharia Securities (SBSN) or State Sukuk to meet part of the financing target in the 2025 State Budget. The SBSN series to be auctioned are the SPN-S series (Surat Perbendaharaan Negara - Syariah) and PBS (Project Based Sukuk) There are seven series of State Sukuk that will be auctioned, namely the SPNS01092025 series (reopening), SPNS08122025 series (new issuance), PBS003 series (reopening), PBS030 series (reopening), PBS034 series (reopening), PBS039 series (reopening), and PBS038 series (reopening). The SPNS01092025 and SPNS08122025 series provide a discount, while the PBS003 series provides a coupon of 6%, PBS030 series at 5.875%, PBS034 at 6.5%, PBS039 series at 6.625%, and PBS038 series at 6.875%. The auction will be held on March 11, 2025, while the settlement is on March 13, 2025. The underlying assets of the auction are projects/activities in the 2025 State Budget and State Property. Of the seven series of SBSN or State Sukuk auctioned, the Ministry of Finance set an indicative target of IDR 10 trillion with a maximum target of IDR 20 trillion. (Emiten News)

Corporate News

ADMF: Adira Finance Stops Sustainable Public Offering VI of 2023 Bonds

PT Adira Dinamika Multi Finance Tbk or Adira Finance (ADMF) said that it has stopped the Sustainable Public Offering (PUB) VI Bonds Year 2023 with a remaining ceiling of IDR 383.007 billion. Launching the disclosure of information from the Indonesia Stock Exchange (IDX), Friday (7/3) Director of Adira Finance Sylvanus Gani Kukuh Mendrofa explained that on the same occasion the company also terminated the Public Offering of Sustainable Sukuk Mudharabah V Adira Finance Year 2023 whose entire ceiling had been used. "The termination of the remaining target funds that were not collected was carried out in consideration of the new Sustainable Public Offering," Gani said in his official statement, Friday (7/3). This decision is expected to maximize the potential of funding sources to meet the company's financing growth needs in the future. For information, the PUB Sustainable Bond VI Adira Finance Phase I Year 2023 and PUB Sustainable Sukuk Mudharabah V Adira Finance Phase I Year 2023 have been declared effective on June 27, 2023. (Kontan)

Recommendation

US10YT jumped by 0.63% to 4.309%. America's benchmark bond yield reverted from its previous uptrend into a downtrend as Trump continues his tariff policies and trade war on other global powerhouses despite economists point to a high likelihood of the country entering a recession by the end of 2025.

ID10YT has a measely correction of 0.26% to 6.869% after recoiling back below its resistance of 6.898%, and the next resistance to be tested is 7.022%. It is believed most investors are worried of the implications from the launching for Indonesia's Sovereign Wealth Fund Danantara.

PRICE OF BENCHMARK SERIES

FR0090 : 97.395 (+0.00%)

FR0091 : 97.831 (+0.00%)

FR0092 : 100.889 (-0.03%)

FR0094 : 97.061 (+0.01%)

FR0086 : 99.121 (-0.01%)

FR0087 : 98.980 (+0.01%)

FR0083 : 104.197 (+0.06%)

FR0088 : 95.026 (+0.15%)

CDS of Indonesia Bonds

CDS 2yr: -0.31% to 36.435

CDS 5yr: -0.16% to 77.265

CDS 10yr: -0.29% to 124.945

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.86%	-0.01%
USDIDR	16.313	-0.80%
KRWIDR	11.29	0.12%

Global Indices

Index	Last	Chg.	%
Dow Jones	43.006.59	485.60	1.14%
S&P 500	5.842.63	64.48	1.12%
FTSE 100	8.755.84	(3.16)	-0.04%
DAX	23.081.03	754.22	3.38%
Nikkei	37.418.24	87.06	0.23%
Hang Seng	23.594.21	652.44	2.84%
Shanghai	3.341.97	17.76	0.53%
Kospi	2.558.13	29.21	1.16%
EIDO	17.05	0.59	3.58%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2.919.4	1.5	0.05%
Crude Oil (\$/bbl)	66.31	(1.95)	-2.86%
Coal (\$/ton)	104.10	2.60	2.56%
Nickel LME (\$/MT)	15.901	(82.0)	-0.51%
Tin LME (\$/MT)	31.706	127.0	0.40%
CPO (MYR/Ton)	4.417	68.0	1.56%

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

Date	Country	Hour Jakarta	Event	Actual	Period	Consensus	Previous
Monday	-	-	-	-	-	-	-
10 – March							
Tuesday	-	-	-	-	-	-	-
11 – March							
Wednesday	US	18.00	MBA Mortgage Applications	-	Mar 07	-	1.0%
12 – March	US	19.30	CPI MoM	-	Feb	0.3%	0.5%
	US	19.30	CPI YoY	-	Feb	2.9%	3.0%
Thursday	US	20.30	Initial Jobless Claims	-	Mar 8	227k	221k
13 – March	US	22.00	PPI Final Demand MoM	-	Feb	0.3%	0.4%
Friday	US	21.00	University of Michigan Sentiment	-	Mar P	63.5	64.7
14 – March							

Source: Bloomberg, NHKSI Research

United States 10 Years Treasury



Indonesia 10 Years Treasury



Research Division

Head of Research

Ezaridho Ibnutama

Macroeconomics, Consumer Goods,
Poultry, Healthcare

T +62 21 5088 ext 9126

E ezaridho.ibnutama@nhsec.co.id

Analyst

Leonardo Lijuwardi

Banking, Infrastructure

T +62 21 5088 ext 9127

E leonardo.lijuwardi@nhsec.co.id

Analyst

Axell Ebenhaezer

Mining, Property

T +62 21 5088 ext 9133

E Axell.Ebenhaezer@nhsec.co.id

Research Support

Amalia Huda Nurfalah

Editor & Translator

T +62 21 5088 ext 9132

E amalia.huda@nhsec.co.id

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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

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Jakarta