

# Morning Brief

Daily | Mar. 13, 2023

## Today's Outlook:

Market participants are on edge over the Silicon Valley Bank collapse, which is the biggest financial collapse since the 2008 financial crisis; the Fed's campaign to fight inflation has exposed vulnerabilities in the financial system that could grow if it ratchets up its rate hikes. Treasury yields extended their slide for a second day; the threat of contagion effect from this heated issue made investors hunt for safe-haven assets, making Gold prices jump 2.1% to USD 1868.79 / ounce. The price of the benchmark 10-year US Treasury rose 61/32 to yield 3.6892% from 3.923% on Thursday. While the price of the 30-year bond rose 101/32 putting the yield at 3.6899%, from 3.87% the previous position.

Meanwhile, the labor data that market participants have been waiting for was released mixed last Friday, where US Nonfarm Payrolls (Feb.) recorded new job additions in the government sector of 311k, higher than the forecast of 205k but down considerably from the surprising Jan. period of 504k. The Unemployment Rate (Feb.) also rose to 3.6% (from the previous month's 3.4%). The economic data has actually eased concerns that the Fed will raise rates by 50bps at next week's FOMC Meeting, after Jerome Powell's hawkish comments last week. Financial markets are pricing in a 42.5% probability of a 50bps rate hike, and a 57.5% probability of a 25bps hike in order to tame the Inflation rate to the Fed Funds Rate target at the upcoming FOMC Meeting on 21-22 March.

Complementing the crucial economic data for the March 21-22 FOMC Meeting decision makers, next Tuesday the US Inflation figure (Feb.) will be released, where economists expect inflation to ease to 6% YoY and 0.4% MoM (from 6.4% YoY & 0.5% MoM in the last position). Thus, the US Dollar weakened against a number of major world currencies, bringing the US Dollar index (DXY) down by 0.65%, with the Euro gained 0.54%.

## Corporate News

**Indomobil Finance Issues IDR 1.28 Trillion Bonds for Financing Business** PT Indomobil Finance Indonesia will issue IDR 1.28 trillion bonds. Indomobil Finance Sustainable Bonds V Phase II Year 2023 is part of Indomobil Finance Sustainable Bonds V with a total value of IDR 5 trillion. Indomobil Finance has issued the first phase of bonds worth IDR 600 billion in July 2022. In this second phase, Indomobil Finance will issue bonds in three series. Series A bonds have a principal value of IDR 918 billion. The bonds with a tenor of 370 days offer a fixed interest rate of 6.25%. Series B bonds have a principal value of IDR 279.58 billion. Bonds with a 3-year tenor offer a fixed interest rate of 7.5% per annum. Series C bonds have a principal value of IDR 86.32 billion. Bonds with a 5-year tenor offer a fixed interest rate of 7.75% per year. The bond issuance prospectus states that Indomobil will use all proceeds from the bond issuance after deducting issuance costs for working capital in financing motor vehicles and heavy equipment as the company's business activities. (Kontan)

## Domestic Issue

**Three New Bonds Entered, IDXRecords Total Issuance of IDR 21.02 T Throughout 2023** The Indonesia Stock Exchange (IDX) recorded total bond and sukuk emissions throughout 2023 worth IDR 21.02 trillion. The amount of emissions is divided into 18 emissions from 17 issuers. IDX Corporate Secretary, Yulianto Aji Sadono revealed that as for the total bond and sukuk emissions recorded on the IDX amounted to 520 emissions with an outstanding nominal value of IDR 454.04 trillion and USD 47.5 million, issued by 127 issuers. Meanwhile, Government Securities (SBN) recorded on the IDX amounted to 187 series with a nominal value of IDR 5,449.14 trillion and USD 452.11 million. Then, for Asset-Backed Securities (EBA) there are 8 emissions worth IDR 3.27 trillion. (Investor Id)

## Recommendation

**US10YT** formed a Doji after dropping sharply to the MA50/3.701 Support area, leading to speculation that there will be a trend reversal (minor trend). However, this Doji needs to be confirmed by a green candle the next day, with a closing above the nearest Resistance: 3.752% yield, before paving the way towards MA10 & MA20 Resistance, which is currently around 3.90% yield. ADVISE: Speculative Buy, Average Up accordingly.

**ID10YT** yield drop to the first Support: MA10 / 6.965% has not broken the ongoing short-term uptrend at all. ADVISE: increase caution if MA10 Support is broken, then yield will fall further towards MA20 Support / yield 6.863%.

## 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)	3.87	3.89	Govt. Spending Yoy	-4.77%	-2.88%
Exports Yoy	16.37%	6.58%	FDI (USD bn)	5.27	5.14
Imports Yoy	1.27%	-6.61%	Business Confidence	104.82	105.33
Inflation Yoy	5.47%	5.28%	Cons. Confidence*	122.40	123.00

## PRICE OF BENCHMARK SERIES

FR0090 : 95.16 (6.49%)  
FR0091 : 96.64 (6.89%)  
FR0093 : 96.20 (6.79%)  
FR0092 : 99.81 (7.14%)

FR0086 : 97.19 (6.52%)  
FR0087 : 98.14 (6.81%)  
FR0083 : 103.48 (7.14%)  
FR0088 : 93.70 (6.99%)

## CDS of Indonesia Bonds

CDS 2yr: +5.12% to 41.29  
CDS 5yr: +6.17% to 100.22  
CDS 10yr: +4.12% to 172.50

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.96%	-0.06%
USDIDR	15,450	0.16%
KRWIDR	11.66	-0.09%

## Global Indices

Index	Last	Chg.	%
Dow Jones	31,909.64	(345.22)	-1.07%
S&P 500	3,861.59	(56.73)	-1.45%
FTSE 100	7,748.35	(131.63)	-1.67%
DAX	15,427.97	(205.24)	-1.31%
Nikkei	28,143.97	(479.18)	-1.67%
Hang Seng	19,319.92	(605.82)	-3.04%
Shanghai	3,230.08	(46.02)	-1.41%
Kospi	2,394.59	(24.50)	-1.01%
EIDO	22.11	(0.09)	-0.41%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,868.3	37.2	2.03%
Crude Oil (\$/bbl)	76.68	0.96	1.27%
Coal (\$/ton)	185.25	5.25	2.92%
Nickel LME (\$/MT)	22,684	(585.0)	-2.51%
Tin LME (\$/MT)	22,912	(439.0)	-1.88%
CPO (MYR/Ton)	4,093	(112.0)	-2.66%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b> 13 - Mar.	CH	—	Money Supply M2 YoY	Feb		12.5%	12.6%
	CH	—	FDI YTD YoY	Feb		—	14.5%
<b>Tuesday</b> 14 - Mar.	US	19:30	CPI MoM	Feb		0.4%	0.5%
	US	19:30	CPI YoY	Feb		6.0%	6.4%
	KR	04:00	Import Price Index YoY	Feb		—	1.7%
	KR	04:00	Export Price Index YoY	Feb		—	-1.3%
<b>Wednesday</b> 15 - Mar.	US	19:30	PPI Final Demand MoM	Feb		0.3%	0.7%
	US	19:30	Retail Sales Advance MoM	Feb		0.2%	3.0%
	ID	—	Trade Balance	Feb		\$2,999Mn	\$3,870Mn
	ID	—	Exports YoY	Feb		4.50%	16.37%
	ID	—	Imports YoY	Feb		9.74%	1.27%
	CH	09:00	Industrial Production YTD YoY	Feb		2.6%	3.6%
	CH	09:00	Retail Sales YTD YoY	Feb		3.5%	-0.2%
<b>Thursday</b> 16 - Mar.	US	19:30	Initial Jobless Claims	Mar 11		—	211K
	US	19:30	Continuing Claims	Mar 4		—	1,718K
	US	19:30	Housing Starts	Feb		1,310K	1,309K
	ID	14:20	Bank Indonesia 7D Reverse Repo	Mar 15		5.75%	5.75%
<b>Friday</b> 17 - Mar.	US	20:15	Industrial Production MoM	Feb		0.5%	0.0%
	US	21:00	Leading Index	Feb		-0.2%	-0.3%
	US	21:00	U. of Mich. Sentiment	Mar P		67.0	67.0

Source: Bloomberg

## United States 10 Years Treasury



## Indonesia 10 Years Treasury



## Research Division

### Head of Research

**Liza Camelia Suryanata**

Equity Strategy, Technical

T +62 21 5088 ext 9134

E liza.camelia@nhsec.co.id

### Analyst

**Cindy Alicia Ramadhania**

Consumer, Healthcare

T +62 21 5088 ext 9129

E cindy.alicia@nhsec.co.id

### Analyst

**Leonardo Lijuwardi**

Banking, Infrastructure

T +62 21 5088 ext 9127

E leonardol.lijuwardi@nhsec.co.id

### Research Support

**Amalia Huda Nurfalah**

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

Member of Indonesia Stock Exchange

**Head Office :**

District 8 Treasury Tower 51<sup>st</sup> Fl. Unit A, SCBD Lot.28

Jl. Jendral Sudirman Kav. 52-53

Jakarta Selatan 12190

Telp : +62 21 50889100

Fax : +62 21 50889101

**Branch Office BSD:**

ITC BSD Blok R No.48

Jl. Pahlawan Seribu Serpong

Tangerang Selatan 15322

Indonesia

Telp : +62 21 5316 2049

**Branch Office Medan :**

Jl. Timor No 147

Medan, Sumatera Utara 20234

Indonesia

Telp : +62 614 156500

Fax : +62 614 568560

**Branch Office Semarang:**

Jl. MH Thamrin No. 152

Semarang 50314

Indonesia

Telp : +62 24 844 6878

Fax : +62 24 844 6879

**Branch Office Jakarta Utara:**

Jl. Bandengan Utara Kav. 81

Blok A No.02, Lt 1

Jakarta Utara 14440

Indonesia

Telp : +62 21 6667 4959

Fax : +62 21 6667 4960

**Branch Office Pekanbaru:**

Sudirman City Square

Jl. Jend. Sudirman Blok A No.7

Pekanbaru

Indonesia

**Branch Office Surabaya:**

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

**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 Denpasar:**

Ruko Griya Alamanda No.9

Jl. Cok Agung Tresna

Denpasar

Indonesia

**A Member of NH Investment & Securities Global Network**

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