

Morning Briefing

Today's Outlook:

CURRENCY & FIXED INCOME: BITCOIN surges and approaches the USD 100,000 milestone. The world's largest cryptocurrency has gained more than 40% since Donald Trump won the November 5 US election, driven by expectations that his administration will be cryptocurrency-friendly. Bitcoin rose 3.75% to USD 98,005.00. Ethereum rose 8.77% to a price of USD 3,350.80.

- **US DOLLAR** rose in volatile trade as investors assessed the decline in weekly Initial Jobless Claims (actual: 213k vs consensus: 220k, vs previous: 219k) as indicating labor market strength, and comments from 2 Federal Reserve governors regarding the direction of interest rates. The housing market also appeared to be in good health with Existing Home Sales (Oct) data rising above estimates. On the other hand, the Philadelphia Fed Manufacturing Index (Nov) fell below expectations, signaling that one aspect of manufacturing growth that is considered important in the US is still stumbling. Perhaps later tonight's US PMI data from S&P Global will give more direction to US economic growth, as well as how the Univ. of Michigan views inflation expectations. Of Michigan on Inflation & Consumer expectations going forward.

- **Against the Japanese YEN**, the Dollar weakened 0.62% to 154.45 but strengthened 0.29% to 0.887 against the Swiss FRANC. The DOLLAR INDEX (DXY), which measures the greenback's strength over a basket of other major world currencies including the Yen and Euro, rose 0.37% at 107, reaching a 13-month high. As for the Euro, it fell 0.41% to USD 1.0479.

COMMODITIES: OIL prices closed up around 2% after RUSSIA & UKRAINE fired missiles at each other, raising concerns over crude oil supplies. BRENT crude oil rose 1.95% to USD 74.23/barrel, while West Texas Intermediate (US WTI) crude oil rose 2% to USD 70.10.

- **Spot GOLD** prices rose, heading for a fourth consecutive session of gains after hitting a more than week high. Spot gold prices rose 0.8% to USD 2,671.28 per ounce. US gold futures prices closed 0.9% higher at USD 2,674.90.

ASIA & EUROPE MARKETS: JAPAN this morning released the National Core CPI (Oct) figure at 2.3% yoy, 0.1% above forecast but still lower than the previous month. Later in the morning, Japan will soon release its Services PMI (Nov) figures. This economic indicator was released a day after BANK OF JAPAN Governor Kazuo Ueda said the central bank will seriously take into account the Yen's impact on economic growth and prices, a statement that markets took as an indication that the BOJ will raise interest rates soon. As is known, the ultra-low-yielding Yen has been one of the world's worst performing currencies against the Dollar this year, putting an additional burden on import prices. The Dollar has gained 10% against the Yen since the Fed cut interest rates in September. There is speculation that the Yen has been heavily sold in the largest short position in 4 months preparing for a rebound as the BOJ is expected to take more aggressive steps.

- **A number of PMI reports** today dominate the attention of global investors, including from the UK (in addition to waiting for Retail Sales (Oct) reporting which is expected to weaken somewhat from the previous month), GERMANY (including their 3Q GDP report), and not forgetting from the EUROZONE.

INDONESIA: Indonesia's Balance of Payments (BOP) performance in Q3 recorded a surplus of USD 5.9 billion, from a deficit of USD 0.6 billion in Q2/2024. The balance of payments surplus was supported by the increasing capital & financial account surplus. Cadev position increased from USD 140.2 billion at the end of June 2024 to USD 149.9 at the end of Sept. Current account balance recorded a decline in deficit: in Q3/2024, Current Account posted a deficit of USD 2.2 billion (0.6% of GDP); lower than Q2 deficit of USD 3.2 billion (0.9% of GDP). The supporting factors are the growth of non-oil and gas exports along with the increase in commodity prices, as well as the increase in exports in line with the improvement in domestic economic activity.

Domestic News

Prawowo's Ways to Boost State Revenue: Nickel, Tin, and Palm Oil to Enter Simbara

The National Economic Council revealed that a number of commodities such as nickel, tin, bauxite, and palm oil will enter the Mineral and Coal Information System of Ministries / Institutions or Simbara. National Economic Council (DEN) member M. Firman Hidayat explained that since its launch in 2022, Simbara has only covered coal commodities. So far, he claims, Simbara, which integrates information digitally, has succeeded in increasing state revenues both in terms of taxes and PNPB. "So with this system we can monitor the movement of commodities from upstream to downstream, to domestic consumption to exports so as to prevent existing leaks," explained Firman in the National Seminar on Indonesia's Economic Projections 2025 in Central Jakarta, Thursday (21/11/2024). Therefore, the government will expand the commodities that will be included in Simbara, namely nickel, tin, and bauxite. Meanwhile, the government will build a digital system similar to Simbara for palm oil commodities. Firman revealed that the experience of digitizing information systems has helped the government add data that it did not have so far. For information, Simbara is designed as a digital platform that will integrate a series of mineral and coal governance processes from upstream to downstream. Simbara will record information starting from a single identity of taxpayers and payers, the mining licensing process, sales plans, sales verification, exports, clearance processes at the port for transportation or shipment, to fulfillment of PNPB obligations and foreign exchange export proceeds. (Bisnis)

Corporate News

DSSA: Dian Swastatika (DSSA) Releases IDR 3.5T Notes, Interest 6.5-8.62 Percent

PT Dian Swastatika Sentosa Tbk (DSSA) will issue Sustainable Bonds I DSSA Phase III Year 2024 amounting to IDR 2.54 trillion, consisting of three series, namely Series A, B, and C. Each series has a principal of IDR 199.17 billion, IDR 857.52 billion, and IDR 1.62 percent. Each series has a principal of IDR 199.17 billion, IDR 857.52 billion, and IDR 1.48 trillion with fixed interest rates ranging from 6.50% to 8.62%. Meanwhile, DSSA Sustainable Sukuk Mudharabah I Phase III Year 2024 is worth IDR 959.21 billion, consisting of Series A (IDR 199.17 billion), Series B (IDR 366.13 billion), and Series C (IDR 393.91 billion). The ratio or profit sharing offered is equivalent to 6.50% to 8.62%. The proceeds from the bond issuance will be used for various strategic purposes, including 41.7% for partial payment of principal and interest on bank loans, 19.1% for the provision of loans to KMG for the development of data centers worth USD 300 million, and 17.1% for the expansion of EMR's internet services business through the MyRepublic brand. The rest of the funds will be allocated to provide loans to several subsidiaries. (Emiten News)

Recommendation

US10YT narrowly hangs above the first support: MA10 at 4.404% yield, starting to slip slightly out of the lower channel of this yield uptrend that has started since the bottom of early Oct. POTENTIAL: The last tolerance is MA20 Support which is currently at 4.35% yield; if this level is broken down then the confirmation of this yield uptrend is disrupted & result in yield may consolidate further to Target 4.144%. ADVISE: HOLD; WAIT & SEE.

ID10YT: ADVISE: HOLD; WAIT & SEE for further direction. Resistance: 6.95% - 7.0% psychological level. Support: MA10 / 6.853% - 6.821%.

PRICE OF BENCHMARK SERIES

FRO090 : 96.944 (-0.01%)

FRO091 : 97.249 (-0.06%)

FRO092 : 100.746 (-0.09%)

FRO094 : 97.011 (+0.00%)

FRO086 : 98.525 (-0.01%)

FRO087 : 98.215 (-0.09%)

FRO083 : 104.367 (-0.19%)

FRO088 : 95.395 (-0.15%)

CDS of Indonesia Bonds

CDS 2yr: -0.01% to 34.115

CDS 5yr: +0.09% to 73.791

CDS 10yr: +0.01% to 124.950

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.92%	0.02%
USDIDR	15,925	0.38%
KRWIDR	11.36	0.26%

Global Indices

Index	Last	Chg.	%
Dow Jones	43,870.35	461.88	1.06%
S&P 500	5,948.71	31.60	0.53%
FTSE 100	8,149.27	64.20	0.79%
DAX	19,146.17	141.39	0.74%
Nikkei	38,026.17	(326.17)	-0.85%
Hang Seng	19,601.11	(103.90)	-0.53%
Shanghai	3,370.40	2.42	0.07%
Kospi	2,480.63	(1.66)	-0.07%
EIDO	19.86	(0.09)	-0.45%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2,669.7	19.1	0.72%
Crude Oil (\$/bbl)	70.10	1.35	1.96%
Coal (\$/ton)	141.50	0.00	0.00%
Nickel LME (\$/MT)	15,714	(192.0)	-1.21%
Tin LME (\$/MT)	28,750	(276.0)	-0.95%
CPO (MYR/Ton)	4,772	(43.0)	-0.89%

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)	151.23	149.90	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)	4.89	6.03
Imports Yoy	17.49%	8.55%	Business Confidence	104.82	104.30
Inflation Yoy	1.71%	1.84%	Cons. Confidence*	121.10	123.50

Date	Country	Hour Jakarta	Event	Actual	Period	Consensus	Previous
Monday	JP	06.50	Core Machine Orders MoM	-0.7%	Sep	1.5%	-1.9%
18 – November							
Tuesday	US	20.30	Housing Starts	1311k	Oct	1337k	1354k
19 – November							
Wednesday	ID	14.20	BI Rate	6.0%	Nov 20	6.0%	6.0%
20 – November	US	19.00	MBA Mortgage Applications	1.7%	Nov 15	-	0.5%
Thursday	US	20.30	Initial Jobless Claims	-	Nov 16	220k	217k
21 – November	US	22.00	Leading Index	-	Oct	-0.3%	-0.5%
	US	22.00	Existing Home Sales	-	Oct	3.94m	3.84m
Friday	JP	06.30	National CPI YoY	-	Oct	2.3%	2.5%
22 – November	JP	07.30	Jibun Bank Japan PMI Composite	-	Nov P	-	49.6
	US	21.40	S&P Global US Manufacturing PMI	-	Nov P	48.8	48.5
	US	22.00	U. of Michigan Sentiment	-	Nov F	73.5	73.0

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 Nurfalah

Editor & Translator
T +62 21 5088 ext 9132
E amalia.huda@nhsec.co.id

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PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

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

Telp : +62 411 360 4650

Branch Office Bandung:

Paskal Hypersquare Blok A1

Jl. Pasirkaliki No 25-27

Bandung 40181

Indonesia

Telp : +62 22 860 22122

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