

Morning Briefing

Today's Outlook:

MARKET SENTIMENT : We start off the week with **US Core Retail Sales and Retail Sales in February**. Both data sets declined monthly in January. Domestically, Indonesia's Trade Balance will also be in focus in the beginning of the week with Exports anticipated to increase 9.1% YoY and Imports stagnating at 0.6% YoY. Trade Balance may decrease by USD 1 bn to USD 2.45 bn (vs USD 3.45 in Jan-2025).

FIXED INCOME & CURRENCY : U.S. Treasury yields rose on Friday as investors digested new consumer sentiment data that points to greater inflation expectations. The benchmark 10-year Treasury yield was 4 basis points higher at 4.318%. The 2-year Treasury yield was up 7 basis points at 4.023%. One basis point is equal to 0.01% and yields move inversely to prices. The dollar index, which measures the greenback against a basket of currencies including the yen and the euro, fell 0.1% to 103.72. It is on track for the second straight week of losses.

- The euro rose 0.3% to \$1.082. The euro gained broadly on Friday after German parties agreed on a fiscal deal that could boost defence spending and revive growth in Europe's largest economy. The dollar weakened against the euro but rose against the Swiss franc and the yen, underpinned by the likelihood the U.S. government will avert a shutdown over the weekend, extending gains as data showed inflation expectations picked up, suggesting the Federal Reserve will likely be patient cutting interest rates.

- Against the Japanese yen, the dollar strengthened 0.6% to 148.63 and was up this week. Japanese companies agreed to raise wages by 5.46% this year, topping both last year's preliminary and final figures and likely marking the highest pay hike in 34 years. The data is one important input into the Bank of Japan's decision making. Economists and markets see the central bank standing pat at its meeting next week as policymakers gauge global risks.

EUROPE : European markets closed higher on Friday after German lawmakers reportedly came closer to agreeing on reforming the country's so-called debt brake rule. Multiple media reports said Friday that Germany's likely next chancellor Friedrich Merz had won support from the Greens party to hike public borrowing to allow an increase in defense spending. The motion, which requires a change to the German constitution, needs backing from two-thirds of the lawmakers elected to the country's parliament.

ASIA : Asia-Pacific markets mostly rose on Friday despite a plunge in all three benchmarks in the U.S. over the previous session amid concern about President Donald Trump's tariff plans. The moves in Asia-Pacific come after another escalation in the developing trade war, with Trump threatening to enact 200% tariffs on all alcoholic products coming from the European Union in retaliation for the bloc's 50% tariff on whiskey. Trump on Thursday said, "I'm not going to bend at all" regarding tariffs.

COMMODITIES : OIL prices rebounded by 1% on Friday to end the week nearly unchanged as investors weighed the diminishing prospects of a quick end to the Ukraine war that could bring back more Russian energy supplies to Western markets. Brent crude futures settled 70 cents, or 1%, higher at \$70.58 a barrel, after falling 1.5% in the previous session. U.S. West Texas Intermediate crude (WTI) closed at \$67.18 a barrel, up 63 cents, or 1%, after losing 1.7% on Thursday. Both benchmarks ended the week little changed from last Friday, when Brent settled at \$70.36 and WTI at \$67.04.

USD/IDR is currently within a long-term uptrend channel. However, it has recently formed a negative RSI divergence while also failing to breakout of its nearest resistance at 16,468. NHKSI Research sees this Wednesday (19-Mar) as a pivotal moment for the Rupiah as Bank Indonesia announces its decision for the 7DRRR (Currently: 5.75%).

Global News

US Secretary of State Ready to Negotiate New Trade Deals After Tariffs Take Effect

The United States plans to open bilateral talks with various countries on new trade deals after imposing tariffs on its major trading partners. This was revealed by US Secretary of State Marco Rubio on Sunday (16/3/2025), after US President Donald Trump threatened to impose a 200% tariff on imports of wine, cognac and other alcoholic beverages from Europe. The new tariffs widen tensions in a global trade war that has roiled financial markets and raised fears of a recession. Rubio emphasized that the US will respond to countries that apply tariffs against it. "This is a global policy. Not just against Canada, Mexico, or the European Union, but against all parties," he said as quoted by Reuters, Monday (17/3/2025). According to him, after these tariffs are imposed, the US has the potential to start bilateral negotiations with various countries to design a new trade agreement that is fairer and benefits both parties. "From this new, more equitable and reciprocal foundation, we can enter into trade discussions with countries around the world," he explained. While Rubio did not provide specific details on the format of the deal, he emphasized that the US would reset the trade "baseline" for fairer treatment. "We can't maintain the status quo. We will define new rules, and if other countries want to negotiate, we are ready to discuss it, however, the current trade situation cannot be allowed to continue," he concluded. (Bisnis)

Corporate News

BMTR: Pefindo Releases Hary Tanoe (BMTR) Issuer's Bonds Due in 2025

PT Pemeringkat Efek Indonesia (Pefindo) announced that the bonds issued by PT Global Mediacom Tbk (BMTR) will mature in the near future: Continuous Bonds IV Phase II Year 2024 Series A (rated idA+) worth IDR300.2 billion due July 1, 2025, Continuous Sukuk IV Phase II Year 2024 Series A (rated idA+(sy)) worth IDR381.7 billion due July 1, 2025, Continuous Bonds III Phase I Year 2022 Series B (rated idA+) worth IDR217.8 billion due July 5, 2025, Continuous Sukuk III Phase I Year 2022 Series B (rated idA+(sy)) worth IDR269.6 billion due on July 5, 2025. BMTR plans to pay off the maturing debt using external funds," wrote Pefindo's announcement on Friday (3/14). It was explained that the company is in the process of issuing new debt securities which will be realized in the near future. In addition, BMTR also recorded a consolidated cash balance of around IDR 1.5 trillion at the end of September 2024. (Emiten News)

Recommendation

US10YT elevated 1.17% to 4.320%. 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 went up by 0.37% to 6.981% which is the nearest dynamic resistance MA200(red). It is believed most investors are worried of the implications from the launching for Indonesia's Sovereign Wealth Fund Danantara.

PRICE OF BENCHMARK SERIES

FRO090 : 97.358 (-0.04%)

FRO091 : 97.714 (-0.06%)

FRO092 : 100.846 (-0.04%)

FRO094 : 97.061 (+0.01%)

FRO086 : 99.102 (+0.00%)

FRO087 : 98.807 (-0.11%)

FRO083 : 104.126 (-0.03%)

FRO088 : 94.945 (+0.01%)

CDS of Indonesia Bonds

CDS 2yr: +1.75% to 37.510

CDS 5yr: +1.56% to 79.728

CDS 10yr: +1.55% to 127.950

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.94%	0.02%
USDIDR	16.425	-0.12%
KRWIDR	11.30	-0.29%

Global Indices

Index	Last	Chg.	%
Dow Jones	40.813.57	(537.36)	-1.30%
S&P 500	5.521.52	(77.78)	-1.39%
FTSE 100	8.542.56	1.59	0.02%
DAX	22.567.14	(109.27)	-0.48%
Nikkei	36.790.03	(29.06)	-0.08%
Hang Seng	23.462.65	(137.66)	-0.58%
Shanghai	3.358.73	(13.20)	-0.39%
Kospi	2.573.64	(1.18)	-0.05%
EIDO	16.73	(0.14)	-0.83%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2.989.2	54.4	1.85%
Crude Oil (\$/bbl)	66.55	(1.13)	-1.67%
Coal (\$/ton)	101.05	(0.45)	-0.44%
Nickel LME (\$/MT)	16.506	(135.0)	-0.81%
Tin LME (\$/MT)	35.900	2478.0	7.41%
CPO (MYR/Ton)	4.539	52.0	1.16%

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)	-1.15	-2.15
Trd Balance (USD bn)	3.45	2.24	Govt. Spending Yoy	4.17%	1.42%
Exports Yoy	4.68%	4.78%	FDI (USD bn)	5.12	7.45
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	US	19.30	Empire Manufacturing	-	Mar	-2.0	5.7
17 – March	US	19.30	Retail Sales Advance MoM	-	Feb	0.7%	-0.9%
Tuesday	US	19.30	Housing Starts	-	-	1380k	1366k
18 – March	US	20.15	Industrial Production MoM	-	Feb	0.2%	0.5%
Wednesday	US	18.00	MBA Mortgage Applications	-	Mar 14	-	1.0%
19 – March							
Thursday	US	01.00	FOMC Rate Decision (Upper Bound)	-	Mar 19	4.50%	4.50%
20 – March	US	19.30	Initial Jobless Claims	-	Mar 15	-	220k
	US	21.00	Leading Index	-	Feb	-0.2%	-0.3%
	US	21.00	Existing Home Sales	-	Feb	3.93m	4.08m
Friday	-	-	-	-	-	-	-
21 – 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

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 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

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

A Member of NH Investment & Securities Global Network

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