

Morning Brief

Today's Outlook:

Government Bonds

Incoming Bid Downtrend, and Fair Yield to Close Auction for SUN 1Q21. Today's auction will be the last auction for Government Securities (SUN) for the 1Q21 period. Throughout 2021, the initial SUN auction on January 5, 2021 recorded incoming bids worth IDR 97.2 trillion. Then, the incoming bids began to fall at the SUN auction in mid-January 2021, which was worth only IDR 55.3 trillion, before finally recording a record low of IDR 40 trillion in 2021 at the SUN auction in mid-March. On the other hand, taking into account the reasonable yield on government securities in the secondary market and maintaining cost of funds, NHKSI Research projects that the government will remain selective in winning the auction this time. Apart from inflation in Indonesia, this week market players are watching data on the consumer confidence index, jobless claims and the Purchasing Manager Index.

Corporate Bonds

Astra Sedaya Releases IDR 2.5 Trillion Bonds. Astra Sedaya Finance plans to issue bonds worth IDR 2.5 trillion, which is part of the Sustainable Bond V worth IDR 10 trillion. In 2020, the company has issued the first part of the bonds with a value of IDR 1.5 trillion. Meanwhile, the Shelf Registration Bond V Phase II will be issued in two phases. Series A was issued with a principal value of IDR 891.97 billion, an interest rate of 4.85% and a tenor of 370 days. Meanwhile, the Series B issued reached IDR 1.6 trillion, with an interest rate of 6.35% and a 36-month tenor. The company has received an AAA rating from the Indonesian Securities Rating Agency (Pefindo) for the issuance of these bonds. The company has set the bond offering period on April 8-12 2021. Electronic distribution on April 15, 2021 and listing on the Indonesia Stock Exchange on April 16, 2021. (Investor Daily)

Domestic Issue

The Directorate General of Taxation Mapped the Potential of Two Types of Taxpayers.

The Directorate General (Ditjen) of Taxes of the Ministry of Finance (Kemenkeu) will map the taxpayers (WP) High Wealth Individual (HWI) along with their business groups and WP for transfer pricing indications. The 2021 State Budget (APBN) report shows that during January-February 2021 the realization of tax revenue was IDR 146.1 trillion, or a contraction of 4.8% YoY. This achievement has only reached 11.9% of the final 2021 target of IDR 1,229.6 trillion. As for the HWI WP, specifically there are several taxpayers who have high tax potential. For example, online media content creators, namely Youtuber, are influencers classified as HWI. (Kontan)

Recommendation

Investors Expect More Attractive Yields. This expectation will color today's SUN auction. The government is offering series FR0086, FR0087, FR0088, FR0083, and FR0089; and SPN12210701 (Reopening) and SPN12220331 (New Issuance). As for the previous review of SUN auction, both the results of the SUN auction (16/03) and the Green Shoe Option auction (17/03), in total did not meet the minimum indicative target set by the government of IDR 30 trillion.

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	-2.19%	-5.32%
FX Reserve (USD bn)	138.80	138.00	Current Acc (USD bn)	0.80	(2.94)
Trd Balance (USD bn)	2.01	1.96	Govt. Spending Yoy	1.76%	-6.90%
Exports Yoy	8.56%	12.24%	FDI (USD bn)	4.26	4.56
Imports Yoy	14.86%	-6.49%	Business Confidence	104.82	105.33
Inflation Yoy	1.38%	1.55%	Cons. Confidence*	85.80	84.90

PRICE OF BENCHMARK SERIES

FR0086 (5yr): +2.0 Bps to 98.58 (5.82%)
FR0087 (10yr): +1.5 Bps to 98.53 (6.70%)
FR0088 (15yr): +1.2 Bps to 96.79 (6.58%)
FR0083 (20yr): +1.5 Bps to 100.30 (7.46%)

FR0081 (4yr): -1.3 Bps to 102.80 (5.73%)
FR0082 (9yr): +1.4 Bps to 101.87 (6.72%)
FR0080 (14yr): +0.6 Bps to 102.70 (7.19%)

CDS of Indonesia Bonds

CDS 2yr: +1.24% to 32.16
CDS 5yr: +0.97% to 87.35
CDS 10yr: +0.77% to 153.28

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.73%	0.01%
USDIDR	14,445	0.19%
KRWIDR	12.76	-0.01%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,171.37	98.49	0.30%
S&P 500	3,971.09	(3.45)	-0.09%
FTSE 100	6,736.17	(4.42)	-0.07%
DAX	14,817.72	68.78	0.47%
Nikkei	29,384.52	207.82	0.71%
Hang Seng	28,338.30	1.87	0.01%
Shanghai	3,435.30	16.97	0.50%
KOSPI	3,036.04	(4.97)	-0.16%
EIDO	22.65	(0.38)	-1.65%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,712.2	(20.3)	-1.17%
Crude Oil (\$/bbl)	61.56	0.59	0.97%
Coal (\$/ton)	93.00	(2.40)	-2.52%
Nickel LME (\$/MT)	16,216	(173.0)	-1.06%
Tin LME (\$/MT)	25,350	(225.0)	-0.88%
CPO (MYR/Ton)	3,747	55.0	1.49%

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday <i>30 - Mar</i>	US	21:00	Conf. Board Consumer Confidence	Mar		96	91.3
Wednesday <i>31 - Mar</i>	CH	08:00	Manufacturing PMI	Mar		51.2	50.6
	UK	13:00	GDP YoY	4Q20			-7.80%
	US	18:00	MBA Mortgage Applications	Mar			-2.50%
Thursday <i>01 - Apr</i>	ID	07:30	Markit Indonesia PMI Mfg	Mar			50.9
	CH	08:45	Caixin China PMI Mfg	Mar		51.3	50.9
	ID	11:00	CPI YoY	Mar		1.42%	1.38%
	EC	15:00	Markit Eurozone Manufacturing PMI	Mar		62.4	62.4
	UK	15:30	Markit UK PMI Manufacturing SA	Mar			57.9
	US	20:45	Markit US Manufacturing PMI	Mar			59
Friday <i>02 - Apr</i>	US	19:30	Unemployment Rate	Mar		6.00%	6.20%

Research Division

Head of Research

Anggaraksa Arismunandar

Market Strategy, Economy, Misc. Industry

T +62 21 5088 ext. 9134

E anggaraksa@nhsec.co.id

Senior Technical Analyst

Dimas Wahyu Putra Pratama

Technical

T +62 21 5088 ext

E dimas.wahyu@nhsec.co.id

Analyst

Arief Machrus

Banking, Fixed Income

T +62 21 5088 ext 9127

E arief.machrus@nhsec.co.id

Analyst

Ajeng Kartika Hapsari

Property, Construction, Cement

T +62 21 5088 ext 9130

E ajeng@nhsec.co.id

Analyst

Putu Chantika

Consumer, Retail

T +62 21 5088 ext 9129

E putu.chantika@nhsec.co.id

Analyst

Restu Pamungkas

Telco, Tower, Toll road, Poultry

T +62 21 5088 ext 9133

E restu.pamungkas@nhsec.co.id

Research Support

Jasmine Kusumawardani

T +62 21 5088 ext 9132

E jasmine.kusumawardani@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

Head Office :

District 8 Treasury Tower 51st 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

Fax : +62 21 5316 1687

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

Telp : +62 761 801 133

Branch Office Surabaya:

Spazio Tower Lt. 10, Unit S05

Jl. Mayjen Yono Suwoyo

Surabaya 60226

Indonesia

Telp : +62 31 9914 1344

Branch Office Makassar:

Jl. Gunung Latimojong No.120A

Makassar

Indonesia

Telp : +62 411 361 5255

Branch Office Bandung:

Paskal Hypersquare Blok A1

Jl. Pasirkaliki No 25-27

Bandung 40181

Indonesia

Telp : +62 22 8606 1012

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