

ULASAN MAKROEKONOMI

Kondisi makro ekonomi di bulan Februari tetap menunjukkan ketahanan. Inflasi meningkat +0.28% MoM, mencapai level +2.98% YoY. Kontributor inflasi datang dari makanan, minuman, dan tembakau. Seiring dengan penurunan harga-harga transportasi, angka inflasi ini tercatat di level +2.76% YoY, lebih rendah dari bulan sebelumnya +2.88% YoY. Pola inflasi bulan Februari ini mirip dengan bulan sebelumnya, dimana harga-harga pangan yang berfluktuasi dan harga transportasi menunjukkan penurunan seiring usainya musim liburan.

Bank Indonesia memotong suku bunga acuan 25bps ke level 4.75% di bulan Februari. Selain itu, beberapa kebijakan akomodatif juga ikut diluncurkan. Salah satu yang terbaru adalah penurunan GWM perbankan dari 8% ke 4% yang berlaku mulai 16 Maret untuk dana pihak ketiga denominasi mata uang asing, dan penurunan GWM 50bps untuk DPK mata uang asing di perbankan yang memiliki lini bisnis ekspor impor, berlaku mulai 1 April. Kebijakan ini diperkirakan menambah likuiditas sistem keuangan senilai USD3.4 miliar. Sebagai tambahan BI juga dapat meningkatkan intervensi untuk menjaga nilai tukar di pasar spot baik melalui DNDF (Domestic Non Deliverable Forward) maupun obligasi pemerintah, dan memperlebar cakupan transaksi dasar untuk lindung nilai. Kami juga melihat masih ada ruang bagi Bank Indonesia untuk memotong kembali suku bunga acuan.

MACROECONOMY REVIEW

Indonesia macro economy remained resilient in February. CPI was up by +0.28% MoM, reaching annual inflation of +2.98% YoY. Main contribution came from food, beverage and tobacco. As transportation component shows a decline, core inflation came in at +2.76% YoY, lower from +2.88% in the previous month. The inflation pattern in February is similar to that in the previous month with volatile food and declining transportation as the holiday season was over.

Bank Indonesia cut the 7DRRR by 25bps to 4.75% in February. In addition, it launched a number of accommodative policies. The most recent one is a cut in reserve requirement to 4% from 8% for foreign-currency-denominated third party funds in banks starting 16 March and 50bps cut in reserve requirement for foreign-currency-denominated third party funds in banks engaging in exports/ imports starting 1 April. This is expected to add USD3.4b liquidity in the system. In addition, the central bank will intensify its three-layer intervention to guard the currency: In the spot market, through the Domestic Non-Deliverable Forward (DNDF) as well as the government bond. BI will also widen the coverage from underlying transactions for hedging. We see room for a rate cut in the near future.



SAHAM

Penyebaran COVID-19 terus meningkat, menekan pasar. IHSG terkoreksi -8.6% MoM, lebih dalam dibandingkan pasar negara berkembang dan pasar global. MSCI Emerging Market turun -5.3% sementara MSCI World turun -2.9%. Seluruh sektor di IHSG terkoreksi, dengan sektor semen & aneka industri (-14.5%) dan sektor agrikultur (-13.2%) turun terdalam. Investor asing membukukan penjualan bersih USD340 juta. Setelah menguat di bulan Januari, nilai tukar Rupiah di bulan Februari terdepresiasi -4.6% melebihi mata uang lainnya di kawasan Asia Tenggara.

Pemerintah dan bank sentral global meluncurkan stimulus untuk menepis dampak negatif ekonomi dari penyebaran COVID-19. Bank sentral Amerika Serikat melakukan penurunan darurat suku bunga sebesar 50bps, dimana untuk pertama kalinya sejak 2008 penurunan suku bunga dilakukan di luar jadwal. Penurunan ini diumumkan beberapa jam setelah menteri-menteri keuangan dan bank sentral negara G7 melakukan pernyataan bersama untuk menopang ekonomi dan menjaga stabilitas. Kami percaya pemotongan suku bunga akan diikuti oleh berbagai bank sentral lain.

EQUITY

The COVID-19 outbreak continues, putting pressure on the market. The Jakarta Composite Index was down -8.6% MoM, deeper compared to the decline in emerging market and global stock market. MSCI Emerging Market was down -5.3% while MSCI World declined -2.9%. All sectors of the JCI were down, with cement & miscellaneous sector (-14.5%) and agriculture sector (-13.2%) fell the most. Foreign investors recorded net outflow of USD340m. Following strong performance in January, Rupiah depreciated -4.6% in February, underperforming other currencies in South East Asia.

Central Banks and governments across the globe pour in stimulus to counter the negative effect of the outbreak to the economy. The Fed did an emergency rate cut of 50bps, the first intermeeting rate cut since 2008. The cut was announced just hours following a joint statement of finance ministers and central banks of the G-7 countries pledging further actions to support the economy and maintaining stability. We believe the rate cut will be followed by other central banks.

SAHAM

Walaupun di negara lain mulai meningkat, penyebaran COVID-19 di China sendiri sudah menunjukkan stabilisasi. Atas dasar hal itu, aktivitas produksi diekspektasi dapat mulai berjalan normal secara gradual, dan rantai pasokan global dapat berangsur pulih. Seiring stabilisasi penyebaran, kepercayaan investor meningkat dan dapat lebih baik menganalisa dampak riil wabah ini bagi ekonomi Indonesia dan juga laba korporasi. Investor dapat melihat bahwa penurunan IHSG yang sangat dalam dibandingkan pasar saham lain sesungguhnya tidak berdasar. Indonesia adalah negara yang ekonominya berorientasi domestik dengan ketergantungan yang kecil pada perdagangan dan pariwisata. Untuk kuartal pertama kami perkirakan pertumbuhan PDB akan lebih rendah dari kuartal sebelumnya, akibat lemahnya komponen investasi dan perdagangan. Namun kondisi ini akan diikuti dengan pemulihan gradual seiring stabilisasi wabah, perbaikan rantai pasokan global, implementasi kebijakan fiskal & moneter akomodatif yang akan meminimalisir dampak negatif pada ekonomi dan pasar saham. Kami terus percaya perekonomian Indonesia akan tetap positif dan kami tetap optimis akan daya tarik jangka panjang investasi Indonesia.

EQUITY

Although still increasing in the rest of the world, number of COVID-19 cases in China has started to stabilize. As such, production activities are expected to start normalizing gradually, and global supply chain to recover progressively. As the outbreak starts to stabilize, investors will gain more confidence and will have clearer analysis on the real impacts on the Indonesia economy and corporate earnings. Investors will see that it is unjustifiable that the JCI has been corrected deeper compared to other stock markets in Asia despite Indonesia being a domestic oriented economy with much less dependence on trade and tourism. For 1Q20 we expect a slowdown in GDP growth compared to previous quarter, partly due to weak trade and investment. This will be followed by gradual recovery as the virus outbreak stabilizes and global supply chain improves. Accommodative fiscal and monetary policies globally will help mitigate the negative impacts on the economy and the stock market. We continue to believe that exposure to Indonesia economies will likely remain positive and we stay optimistic on the enduring appeal of long-term investment in Indonesia.

OBLIGASI

Di tengah penyebaran COVID-19 yang semakin memburuk dalam 2 bulan pertama tahun ini, pasar obligasi Indonesia di bulan Februari tetap menunjukkan ketahanannya, dengan indeks BINDO mencatat kenaikan 0.12% MoM atau 2.45% YTD. Ketahanan pasar ditopang oleh tingginya permintaan terhadap lelang SBN terakhir yang mencapai rekor tertinggi dengan tingkat permintaan IDR127.12 triliun, dimana 19% permintaan datang dari investor asing. Sebelumnya di awal bulan, pasar terlihat cukup rentan seiring merebaknya COVID-19 ke berbagai benua. China sempat menerapkan pembatasan kerja di beberapa propinsi dan kota. Walaupun kekhawatiran sempat sedikit mereda atas berita pengembangan vaksin Remdesivir, namun setelah diketahui ternyata belum ada obat yang terbukti efektif mengatasi penyebaran virus ini, pasar obligasi kembali berfluktuasi dan akhirnya mencatat kinerja positif walaupun minim dan jauh lebih rendah dibandingkan kinerja bulan Januari. Kekuatan pasar obligasi dan nilai tukar Rupiah juga ditopang oleh sentimen positif kenaikan peringkat Indonesia menjadi BBB+ dari Japan Credit Rating Agency di akhir bulan Januari.

FIXED INCOME

Despite the spread of COVID-19 worsened in the last 2 months, Indonesia bond market remained resilient in February with Bloomberg Indonesia Local Sovereign Index as its proxy increased 0.12% MoM or 2.45% YTD. The resilient market was supported by the demand from the latest SBN auction which broke the record with incoming bids at 127.12T, highest demand to date with 19% of bids coming from foreign investors. Initially, the market struggled in the beginning of February, with the number of people affected by the COVID-19 rising and spreading broadly across the continent. The People's Republic of China which applied working restrictions on several provinces and cities in China, has eased its restrictions after the progress of Remdesivir, a possible new coronavirus vaccine. However, as there was no significant sign of effective treatment for the coronavirus outbreak, the Indonesia bond market agitated, recorded a positive yet slower performance compared to January. The strength in both bond market and Rupiah was also driven by positive sentiment on Indonesia credit rating upgrade to BBB+ by Japan Credit Rating Agency at the end of January.

OBLIGASI

Investor asing mencatat penjualan bersih senilai IDR28.9 triliun, sehingga persentase kepemilikan turn menjadi 37.09% dibandingkan bulan sebelumnya 38.65%. Perbankan komersial masih mencatatkan pembelian bersih senilai IDR5.31 triliun namun secara persentase turun dari 20.24% menjadi 20.15%. Bank Indonesia tetap mempertahankan posisi, secara signifikan menambah kepemilikan sebesar IDR54.31 triliun dengan kenaikan persentase dari 10.62% menjadi 12.39%. Asuransi dan dana pensiun mencatat pembelian bersih senilai IDR5.76 triliun, namun persentase kepemilikannya turun dari 17.11% ke 17.07%. Kepemilikan reksa dana sedikit turun dari 4.68% menjadi 4.61% setelah mencatatkan penjualan bersih senilai IDR0.31 triliun.

Kurva imbal hasil membentuk pola bear steepening. Imbal hasil obligasi tenor pendek 2 tahun turun signifikan 34 bps dalam satu bulan, sementara imbal hasil obligasi tenor 5 tahun naik 8bps. Imbal hasil obligasi tenor menengah 10 tahun naik 29bps dan tenor 15 tahun naik 35bps. Untuk tenor panjang 20 tahun imbal hasil naik 16bps dan tenor 30 tahun naik 13bps.

TENOR	28 Feb 2020	31 Jan 2020	CHANGES (bps)
2yr	5.20	5.54	-34
5yr	6.10	6.02	8
10yr	6.91	6.65	26
15yr	7.46	7.17	29
20yr	7.51	7.35	16
30yr	7.68	7.55	13

FIXED INCOME

Foreign investors booked a net sell of IDR 28.90 trillion in February, hence foreign ownership decreased to 37.09% of total outstanding tradable government bonds from 38.65% in the previous month. Commercial banks as one of the local investors added IDR5.31 trillion from their accounts yet their ownership percentage declined to 20.15% from 20.24% previously. Bank Indonesia maintained their position, significantly adding their holdings by IDR54.31 trillion to 12.39% from 10.62%. In spite of the fact that insurance and pension funds booked a net buy totaling IDR5.76 trillion, their holdings dropped to 17.07% from 17.11%. Meanwhile mutual funds' ownerships fell to 4.61% from 4.68%, recorded a net sell amounting IDR0.31 trillion.

The yield curve showed a bear steepening pattern in February. The 2-year bond yield significantly dropped by 34bps, while the 5-year bond yield increased by 8bps in a month. The medium term bonds, namely the 10-year bond yield jumped 29bps and the 15-year yield rose by 35bps. Following the other series, the yield on the longer end series also rose, with the 20-year tenure lifted by 16bps and the 30-year tenure increased by 13bps.

