

Monthly Market Review

DPLK Manulife



APRIL 2022

ULASAN MAKROEKONOMI

Indikator makro Indonesia bulan April masih meneruskan tren pemulihan. Perekonomian tumbuh 5% sesuai dengan ekspektasi kami. Pertumbuhan PDB ditopang oleh ekspor yang kuat (+16.2% YoY) dan membaiknya konsumsi rumah tangga (+4.3% YoY), yang mengkompensasi komponen investasi yang tumbuh rendah (+4.1% YoY) dan turunnya belanja pemerintah (-7.7% YoY) akibat penurunan belanja terkait pandemi Covid-19. Seiring dengan mulai dicabutnya berbagai pembatasan, di kuartal selanjutnya konsumsi diperkirakan akan meningkat. Peningkatan konsumsi akan menopang manufaktur (+5.1% YoY di kuartal pertama 2022) dan aktivitas perdagangan baik grosir maupun ritel (+5.7% YoY di kuartal pertama 2022).

Inflasi umum bulan April meningkat ke level 3.5% YoY dari 2.6% bulan sebelumnya, didorong oleh kenaikan harga minyak goreng, ayam dan juga kenaikan 39% harga BBM Pertamina sejak 1 April 2022. Kami memperkirakan inflasi masih akan meningkat jika pemerintah masih menaikkan beberapa harga barang (administered prices). Untuk melindungi daya beli masyarakat berpendapatan rendah, pemerintah akan kembali mendistribusikan bantuan tunai. Bank Indonesia sebelumnya juga mengindikasikan bahwa kenaikan suku bunga akan sangat tergantung pada tekanan inflasi inti.

MACROECONOMY REVIEW

In April Indonesia macro indicators continued showing recovery. Real GDP expanded by 5.0%, inline with our expectations. The GDP growth was driven by strong exports (+16.2% YoY) and improving household consumption (+4.3% YoY), which offset softer investment (+4.1% YoY) and weaker public consumption (-7.7% YoY) resulted from a decline in budget for Covid-19 related fiscal spending. As most Covid-19 restrictions are lifted, consumption is expected to increase in the upcoming quarters. Higher consumption will support manufacturing (+5.1% YoY in 1Q22) and wholesale & retail trade activities (+5.7% YoY in 1Q22).

Headline inflation was up to 3.5% YoY in April, from 2.6% in the previous month, driven by higher prices of cooking oil, chicken as well as an 39% retail price increase of Pertamina effective on 1 April 2022. We believe inflation will be higher especially if the government increases administered prices. To protect purchasing power among low-income households, the government will distribute additional cash aids. Bank Indonesia had previously indicated that the timing of policy rate increases would be dependent on signs of pressure on core inflation.

SAHAM

IHSG naik 2.23% di bulan April, jauh mengungguli kawasan lain (MSCI World -8.43%, MSCI Asia

EQUITY

The Jakarta Composite Index was up 2.23% in April, significantly outperforming other regions

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Pasifik ex Jepang -5.36% dan MSCI Emerging Market -5.75%). Sebagai negara yang diuntungkan oleh kenaikan harga komoditas, neraca perdagangan, neraca berjalan, dan pertumbuhan PDB justru membaik, berkebalikan dengan kondisi makro di berbagai negara lain. Perbaikan kondisi makro dan pandemi yang terkendali meningkatkan minat investor asing, membawa dana masuk sebesar USD2.78 miliar. Rupiah melemah 0.83%, namun masih unggul dibandingkan dengan mata uang kawasan (SGD -2.13%, MYR -3.58%, dan THB -3.01%). Sektor industri (+10.36%), energi (+9.29%) menjadi yang terunggul, sementara konsumen siklikal (-1.41%) menjadi yang terburuk.

Mitigasi pandemi yang efektif, pertumbuhan pendapatan perusahaan yang tinggi, dan IPO pemain besar dalam sektor new economy akan memberikan dukungan bagi pasar, sementara volatilitas berlarut akibat perang dan respons kebijakan, serta mitigasi pandemi yang tidak efektif tetap menjadi risiko utama bagi pasar saham. Peningkatan inflasi masih terkendali di kisaran 4%, jauh lebih rendah dibandingkan inflasi di atas 8% pada periode pengetatan moneter tahun 2013. Bank Indonesia terus menyampaikan sikap untuk tidak terburu-buru menaikkan suku bunga, dan inflasi inti akan menjadi indikator utama penyesuaian kebijakan. BI terlihat beropini bahwa inflasi akan berada di ambang atas target (~4%). Kami percaya bahwa eksposur perekonomian Indonesia akan tetap positif dan kami tetap optimis pada daya tarik investasi jangka panjang di Indonesia.

(MSCI World with -8.43%, MSCI Asia Pacific ex Japan with -5.36% and MSCI EM with -5.75%). As a beneficiary of high commodity prices, Indonesia trade, Current Account and GDP improve, a stark contrast with macro conditions in many other countries. Improvements in macro conditions and manageable pandemic attracted foreign investors, which entered the market with USD2.78b inflow. Rupiah was down 0.83%, but still outperformed other currencies such as SGD (-2.13%) and MYR (-3.58%) and THB (-3.01%). Industrial (+10.36%) and Energy (+9.29%) became the top gainers while Consumer Cyclical (-1.41%) became the top loser.

Effective pandemic mitigation, high corporate earnings growth and IPO of big players in the new economy will provide supports for the equity market, while prolonged war-related volatilities and related policy responses, as well as ineffective pandemic mitigation remain the main risks to the market. Higher inflation this year will still be manageable, expected in the 4% range, much lower compared to the >8% inflation rate during the 2013 monetary tightening cycle. Bank Indonesia continues its stance not to rush increasing rates and stated that core inflation will become a major indicator for making such decisions. BI is in the opinion that inflation will hover around the top range of its inflation target (~4%). 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

OBLIASI

Pasar obligasi Indonesia masih melanjutkan koreksi setelah The Fed bersikap semakin hawkish seiring

FIXED INCOME

The Indonesia bond market experienced further correction as The Fed turns far more hawkish due to

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kekhawatiran inflasi Amerika Serikat yang terus bertengger di level tertinggi dalam 40 tahun terakhir. Indeks BINDO melemah -0.79% di bulan April, membawa kinerja tahun berjalan ke level -0.89%.

Dari sisi global, selain pengetatan moneter The Fed, tensi geopolitik juga masih menjadi sentimen negatif karena dampak turunannya yang dapat mengganggu rantai pasokan global. Kebijakan zero covid di China juga dikhawatirkan akan mendorong pelemahan ekonomi global yang pada akhirnya juga berdampak ke Indonesia.

Dari pasar domestik, sentimen beragam. Di sisi positif, lembaga pemeringkat Standard and Poor's (S&P) merevisi outlook Indonesia dari Negatif menjadi Stabil, dan mengafirmasi peringkat kredit Indonesia di level BBB. Selain itu, likuiditas masih berlimpah seiring pertumbuhan kredit di bulan Februari yang tetap rendah baru tumbuh 6.33% (dikontribusi pinjaman UMKM 8.75% dan korporasi 5.83%). Di lain pihak, sentimen negatif masih dipicu oleh kekhawatiran inflasi ke depan. Meskipun demikian, Bank Indonesia masih mempertahankan suku bunga acuan di level 3.50%.

Sejalan dengan bulan sebelumnya, semua kategori investor domestik mencatatkan pembelian bersih, sementara investor asing mencatatkan aksi jual senilai IDR20.43 triliun dengan kepemilikan turun dari 17.57% ke 17.03%. Perbankan komersial menambah IDR27.73 triliun, Bank Indonesia IDR7.5 triliun, investor individu IDR2.67 triliun, asuransi dan

mounting concern over rising US inflation that hit the highest figure in the past 40 years. The Bloomberg Indonesia Local Sovereign Index as its proxy recorded declined by -0.79% in April or -0.89% in YTD basis.

Globally, aside from the Fed tightening monetary policy, the geopolitical tension remains become negative sentiment as the spillover effect may disrupt global supply chain. The zero-covid policy by China also lead to global economic slowdown which could impacted to Indonesia.

From the domestic factor, the sentiments are mixed. On the positive side, Standard and Poor's (S&P) revised the outlook to Stable from Negative and affirms the Sovereign Credit Rating of the Republic of Indonesia at BBB. In addition, the liquidity remains ample as the credit growth on February remain low at 6.33% which contributed by credits for retail MSMEs and corporations by 8.75% and 5.83%, respectively. On the other hand, the negative sentiment triggered by the concern over rising domestic inflation. On monetary policy, Bank Indonesia (BI) has decided to hold the policy rate or BI 7-Day Reverse Repo Rate (BI-7DRRR) at 3.50%.

Inline with the previous month, all domestic type of investors recorded net buy while foreign investors booked net sell by IDR20.43 tn with the percentage of ownership down from 17.57% to 17.03%. Commercial banks, Bank Indonesia, Individual investor, Insurances and Pension Funds, Mutual Fund and the Others type of investors add position in Indonesia local bonds by

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dana pensiun IDR 9.96 triliun, reksa dana IDR0.51 triliun dan investor lain lain sebesar IDR4.12 triliun.

Kurva imbal hasil bergerak membentuk pola bear flattening dengan tenor 2 tahun paling terpuruk naik 89 bps. Imbal hasil tenor pendek lain 5 tahun naik 70 bps. Tenor menengah 10 tahun dan 15 tahun masing-masing imbal hasilnya naik 24 bps dan 36 bps. Selain itu, imbal hasil tenor panjang 20 tahun dan 30 tahun meningkat 7 bps dan 4 bps.

Tenor	28-Apr-22	31-Mar-22	Change (bps)
2yr	5.23	4.34	89
5yr	6.30	5.60	70
10yr	6.97	6.73	24
15yr	7.02	6.66	36
20yr	7.28	7.21	7
30yr	7.03	6.99	4

IDR27.73 tn, IDR7.5 tn, IDR2.67 tn, IDR9.96 tn, IDR0.51 tn and IDR4.12 tn respectively.

Yield curve moved in bear flattening pattern with the 2-year yield sector underperformed the most by rising 89 bps. The other short tenor sector of 5-year yield rose by 70 bps. The mid tenor curve of 10-year and 15-year yield climbed by 24 bps and 36 bps respectively. In addition, the long tenor of the curve of 20-year and 30-year yield increased by 7 bps and 4 bps respectively.

