

Monthly Market Review DPLK Manulife



JUNI 2023

ULASAN MAKROEKONOMI

MACROECONOMY REVIEW

Indikator makro Indonesia melanjutkan pemulihan. Seiring dengan pendapatan fiskal tetap kuat (menghasilkan surplus fiskal IDR153 triliun di paruh pertama 2023), pemerintah merevisi target defisit anggaran menjadi 2.28% PDB (dari sebelumnya 2.84% dan 2.38% realisasi tahun 2022). Target pendapatan naik 7%, sementara belanja naik 2%. Alhasil, target kebutuhan pembiayaan turun IDR289.9 triliun, dan juga terbantu oleh SAL (Sisa Anggaran Lebih) yang ada.

Sementara itu inflasi umum turun menjadi 3.52% YoY di bulan Juni, dari bulan sebelumnya 4.00%. Alasan utama adalah turunnya inflasi pangan yang berkontribusi harga ayam dan telur. Sebagai tambahan, transportasi mencatatkan deflasi, semakin meringankan inflasi. Inflasi inti juga turun ke 2.58% YoY dari 2.66%, mengindikasikan permintaan domestik yang lemah. Dampak dari El Nino di paruh kedua sepertinya akan teredam oleh pengendalian pangan dari pemerintah, yang tertopang oleh ruang fiskal yang cukup. Kami melihat bahwa inflasi umum akan mencapai titik terendah di sekitar bulan September, mencerminkan efek dasar dari kenaikan harga BBM tahun lalu, sebelum kembali meningkat sampai akhir tahun.

The Fed memberi sinyal hawkish mengindikasikan suku bunga masih akan naik (dua kali kenaikan di paruh kedua, berdasarkan dot plot Fed) akibat inflasi tinggi yang persisten. Walaupun demikian, Bank Indonesia mempertahankan suku bunga untuk kelima kalinya dan menekankan fokus untuk menjaga stabilitas Rupiah. Proyeksi bank sentral sekarang

Indonesia macro indicators continued showing recovery. As fiscal revenue remains strong (generating fiscal surplus of IDR153t in 1H23), the government revised its FY23 budget deficit to 2.28% of GDP from 2.84% (and 2.38% of GDP in FY22). Total revenue target is increased by 7% while expenditure is increased by 2%. As such, target for financing is cut by IDR289.9t, helped also by ample cash surplus (SAL).

Meanwhile, headline CPI inflation dropped to 3.52% YoY in June from 4.00% in May. Main reasons were low food inflation led by chicken and egg prices. In addition, transportation registered a deflation, further contributing to the low inflation. Core inflation weakened further to 2.58% YoY from 2.66% in May, indicating weak domestic demand. Impact of El Niño in 2H23 is likely to be partially dampened by government food supply management, which will be supported by ample fiscal room. We see headline inflation to hit bottom around September, reflecting base effects from last year's fuel price hike, before rebounding towards YE23.

The Fed delivered hawkish messages indicating that it is likely to keep rates high (two more hikes in 2H23 indicated by the Fed dot plots) due to persistent high inflation. Amid the above, Bank Indonesia kept its policy rate unchanged for the fifth consecutive times and reiterated focus to guard the Rupiah stability. The Indonesia central bank baseline forecast now indicates a 25-bp Fed Funds Rate increase in July (vs. no hike previously). BI reiterated it would exercise foreign currency intervention to help promoting stability and attract deposits from exporters to

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adalah suku bunga The Fed naik 25bps di bulan Juli (sebelumnya diperkirakan tidak naik). BI juga menekankan akan mengimplementasikan intervensi valas untuk menjaga stabilitas dan menarik dana dari eksportir untuk menopang arus dana masuk. BI Juga akan mengaplikasikan kebijakan-kebijakan makroprudential untuk mendukung ekonomi.

attract more inflows. It would also apply macroprudential policies to support the economy.

Chart Inflasi Indonesia



SAHAM

Setelah melemah di bulan lalu, IHSG naik +0.43% di bulan Juni, namun tetap kalah unggul dibandingkan pasar global (MSCI World +5.93%), pasar Asia (MSCI Asia Pacific ex Japan +2.61%) dan kawasan berkembang (MSCI EM +3.23%). Pelemahan diakibatkan sentimen domestik yang buruk dan arus dana keluar investor asing (-USD292.8 juta). Sektor transportasi (+4.1%) dan finansial (+3.1%) menjadi yang terunggul, sementara teknologi (-6.4%) menjadi yang paling terpuruk setelah unggul di bulan sebelumnya. Rupiah terdepresiasi -0.48%, namun masih unggul dibandingkan kebanyakan mata uang kawasan ASEAN.

Sinyal The Fed menaikkan kenaikan suku bunga berdampak pada pasar saham yang sebelumnya memperkirakan puncak suku bunga sudah

EQUITY

Following a decline in the previous month, the Jakarta Composite Index was up +0.43% in June, but still underperformed global market (MSCI World +5.93%), Asia market (MSCI Asia Pacific ex Japan +2.61%) and emerging market (MSCI EM +3.23%). The decline was resulted from poor domestic investor sentiment, and net outflow from foreign investors (-USD292.8m). Transportation (+4.1%) and Financials (+3.1%) became the top gainers while Technology (-6.4%) became the only loser following a strong positive in the previous month. Rupiah depreciated -0.48%, still outperforming most other currencies in ASEAN.

The Fed hawkish messages negatively impacted the equity market which expected a peak in Fed

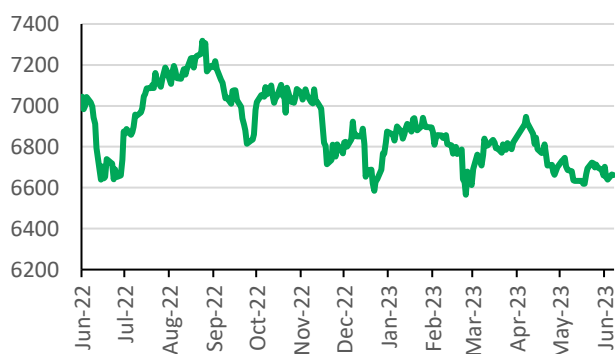
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tercapai di bulan Mei. Namun dampak ini tidak bertahan lama. Paparan mengenai kondisi ekonomi Amerika Serikat yang positif yang memperkirakan kondisi resesi ringan, semakin memperkuat ekspektasi pasar. Dampak masalah perbankan Amerika Serikat juga terlihat terbatas karena perbankan Indonesia memiliki permodalan yang cukup, likuiditas berlimpah, dan aktivitas bank investasi terbatas. Pasar saham Indonesia diperdagangkan pada valuasi yang atraktif di tengah kondisi keuangan yang lebih baik dari ekspektasi. Kami terus percaya bahwa eksposur di ekonomi Indonesia akan tetap positif dan optimis melihat potensi jangka panjang investasi di Indonesia.

funds rate in May. However, the impact did not last long. The Fed positive remarks on the US economy further firming market expectation of a short and shallow recession there. Impacts of the US banking closure are expected to be limited as Indonesia banks are well capitalized, have ample liquidity and limited investment banking activities. Indonesia equity is trading at attractive valuation while posting better-than-expected financial results. 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.

Chart indeks saham IHSG



OBLIGASI

Pasar obligasi domestik tetap bertahan dengan indeks BINDO terus mencatatkan kinerja bulanan positif, kali ini +1.10% MoM, membuat kinerja tahun berjalan tercatat +6.75%. Imbal hasil obligasi 10 tahun turun dari 6.36% ke 6.24%, kontradiktif dengan imbal hasil UST 10 tahun yang justru naik dari 3.64% ke 3.76% di akhir bulan.

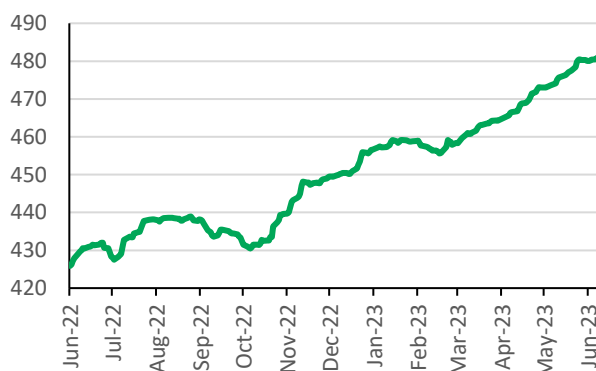
FIXED INCOME

The domestic bond market remained resilient with BINDO index continuously recorded a positive monthly performance of +1.10% MoM, which equals to a positive YTD performance of +6.75%. The 10Y bond yields persistently declining from 6.36% to 6.24%, still contradictory with the 10Y UST yields which rose from 3.64% to 3.76% at the end of the month.

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Di tengah The Fed yang cenderung hawkish, pasar sepertinya mengabaikan kebijakan suku bunga yang berpotensi 'lebih tinggi lebih lama', dan pasar obligasi domestik terus melanjutkan penguatan ditopang oleh fundamental domestik yang solid dan membaiknya sentimen. Bank Indonesia terus menekankan masih cukup nyaman dengan suku bunga acuan 5.75%, di tengah inflasi yang terus turun, walaupun BI terus memantau dampaknya pada nilai tukar. Dari sisi pasokan dan permintaan, pasokan obligasi diperkirakan akan terus turun akibat tingginya dana SAL dan ekspektasi defisit anggaran yang mengecil. Terlebih lagi, likuiditas di sistem perbankan juga masih berlimpah di tengah pertumbuhan kredit yang tidak terlalu besar, semakin meningkatkan sentimen. Investor asing mencatatkan pembelian bersih senilai IDR17.53 triliun di bulan Juni (lebih tinggi dari bulan sebelumnya) membuat kepemilikan meningkat jadi 15.51% dari bulan sebelumnya 15.26%.

Chart indeks BINDO



Tenor	27-Jun-23	31-May-23	Change (bps)
2yr	5.81	5.62	19
5yr	5.89	6.01	-12
10yr	6.24	6.36	-11
15yr	6.46	6.57	-11
20yr	6.57	6.66	-9
30yr	6.76	6.83	-7

Despite The Fed's hawkish lean, the domestic bond market seemed to ignore the potential higher-for-longer global policy rates and carried on rallying, all of which was abundantly supported by solid domestic fundamental and improved sentiments. Bank Indonesia repeatedly stated that the central bank (CB) is comfortable with current interest rates at 5.75% given the fact that inflation remained manageable with the CPI inflation rate declining, although the BI would continue monitoring the currency impact. In terms of supply and demand, the bond supply is expected to shrink further due to high government's SAL (Saldo Anggaran Lebih) balance and rising expectation towards narrower fiscal deficit this year. Furthermore, flushed liquidity in the banking system on the back of subdued credit growth added positive impact on the market mood. Foreign investors continued booking a net buy of IDR17.53 trillion in June (higher than previous month), thus the foreign ownerships recorded an increase to 15.51% of total outstanding tradable government bonds from 15.26% in the previous month.

