

Monthly Market Review

DPLK Manulife



SEPTEMBER 2024

ULASAN MAKROEKONOMI

MACROECONOMY REVIEW

Di bulan September, indikator makroekonomi Indonesia masih tetap stabil. Inflasi umum turun ke level 1.8% YoY dari 2.1% di Agustus. Secara bulanan, terjadi deflasi -0.12% MoM dari bulan sebelumnya -0.03%, disebabkan deflasi pangan (-0.9% MoM) dan turunnya harga BBM Non Subsidi. Harga cabai turun drastis, sementara harga pangan dasar lainnya juga melemah akibat melimpahnya pasokan dan dampak La Nina yang terbatas. Berlawanan dengan inflasi umum, tingkat inflasi inti meningkat menjadi 2.1% dari bulan sebelumnya 2.0%. Peningkatan inflasi inti disebabkan oleh sektor jasa, biaya pendidikan, dan perawatan diri.

PMI manufaktur bulan September tercatat di level 49.2, mengindikasikan kontraksi yang masih berlangsung, walaupun kontraksinya lebih mengecil dibandingkan dengan bulan Agustus. Secara bulanan, terjadi penurunan output dan pesanan baru untuk tiga bulan berturut-turut. Lesunya permintaan manufaktur global berdampak pada penjualan. Data terakhir menunjukkan bisnis ekspor baru mengalami penurunan terbesar sejak November 2022, dan melambat 7 bulan berturut-turut.

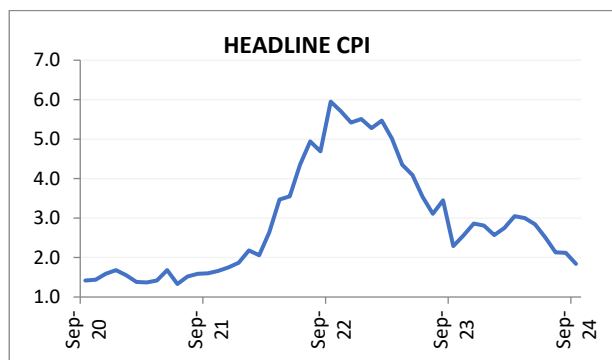
Indonesia macro remain stable in September 2024. Headline inflation was down to 1.8% YoY in September from 2.1% in August. On a monthly basis, deflation became wider to -0.12% MoM from -0.03% in August, resulted from ongoing food deflation (-0.9% MoM) and lower non-subsidized fuel prices, which were cut by 5.5% in early September (-0.2% MoM deflation). Prices of red chili and cayenne pepper were down sharply while other basic food prices continued to contract, due to abundant supply and limited La Nina impact. Contrary to the headline inflation, core inflation increased to 2.1% from 2.0% in August. Higher core inflation was triggered by services, including education and personal care.

Indonesia manufacturing PMI showed a score of 49.2 in September. It indicates a continued contraction of the manufacturing sector in Indonesia albeit at a slower rate compared to that in August. There were monthly reductions in both output and new orders for a third month in a row in September. Subdued global manufacturing demand have weighed on external sales. Latest data showed that new export business declined to the greatest degree since November 2022 and for a seventh month in a row.

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Chart inflasi Indonesia



SAHAM

The Fed memangkas suku bunga acuan 50bps, awal agresif untuk pelonggaran moneter pertama sejak empat tahun terakhir. Selain pemangkasan darurat di masa pandemi COVID, terakhir kalinya The Fed melakukan pemangkasan 50bps adalah masa krisis finansial global tahun 2008. Dot plot The Fed mengindikasikan pemangkasan 50bps lagi sampai akhir tahun 2024, 100 bps di 2025, dan 50bps di 2026. Beberapa jam sebelumnya, Bank Indonesia juga menurunkan suku bunga acuan 25bps, seiring nilai tukar yang stabil dan mengantisipasi pemangkasan FFR. Dimulainya siklus pelonggaran moneter disambut pasar saham. MSCI Global +1.7%, MSCI EM +6.5%, sementara MSCI AP ex Japan +7.5% menyambut stimulus China. IHSG juga bereaksi positif sesaat setelah pemangkasan, namun kemudian terkoreksi lagi akibat meningkatnya ketegangan di Timur Tengah, -1.9% di bulan September. Terjadi arus masuk bersih sebesar USD1.4 Miliar. Sektor teknologi menjadi yang terunggul (+17.6%), sementara sektor infrastruktur menjadi yang paling terpuruk (-5.2%). Rupiah

EQUITY

The Fed cut benchmark interest rate by 50bps, an aggressive start to its first easing in four years. Other than the emergency rate reductions during Covid pandemic, the last time the FOMC cut by 50bps was in 2008 during global financial crisis. Fed dot plots point to another 50bp cuts by YE24, 100bp cuts by YE25 and 50bp in 2026. Hours before the Fed rate cut decision, Bank Indonesia cut the BI rate by 25bps as the Central Bank sees strong IDR and anticipates FFR cuts. The beginning of rate cut cycle has been welcome by the equity markets MSCI global +1.7%, MSCI EM +6.5% while MSCI APxJ +7.5% as markets welcome China stimulus. Jakarta Composite Index reacted positively right after the rate cuts but then corrected due to concerns over increasing tension in the Middle East, down by -1.9% in total in September. There was USD1.4b net foreign inflow. Technology sector became the top gainer (+17.6%) while Infrastructure became the top loser (-5.2%). Rupiah appreciated by +2.0% but still underperformed other ASEAN currencies.

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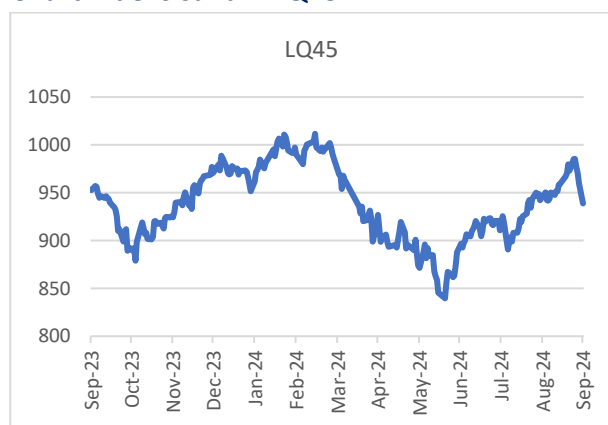


terapresiasi +2.0% namun tetap kalah unggul dibandingkan mata uang ASEAN lain.

Dalam jangka menengah panjang, fundamental Indonesia yang kuat (contohnya ketergantungan ekspor yang rendah), dan siklus suku bunga rendah dapat menopang selera investor asing ke Indonesia. Valuasi pasar saham Indonesia berada pada level yang atraktif, lebih rendah dari rata-rata level 10 tahun. Kami memandang positif minat investor terhadap Indonesia dan optimis terhadap potensi investasi jangka panjang di Indonesia.

Indonesia strong fundamentals (i.e., low dependence on exports), and low interest rate cycle could support appetite of foreign investors to Indonesia in the medium-long term. Indonesia equity is trading at attractive valuation, much lower than its average in the past ten years. 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 LQ45



OBLIGASI

Pasar obligasi domestik meneruskan kinerja positif di bulan September, dengan indeks BINDO menunjukkan kenaikan +1.32% MoM atau +5.84% YTD. Imbal hasil SBN10 tahun terus dalam tren menurun, dari 6.62% ke 6.44% (-19bps), seiring dengan penurunan UST10 tahun dari 3.90% ke 3.78% (-12bps). Secara mengejutkan The Fed menurunkan suku bunga acuan 50bps ke 4.75%-5.00%, untuk menjaga

FIXED INCOME

Indonesia bond market remained resilient in September, with BINDO Index shown positive readings of +1.32% MoM or +5.84% YTD. The 10Y INDOGB yields continued its downward trend from 6.62% to 6.44% (-19bps), on the same page with declining 10Y US Treasury yields from 3.90% to 3.78% (-12bps). The Fed surprisingly cut its benchmark rate by 50bps in September meeting

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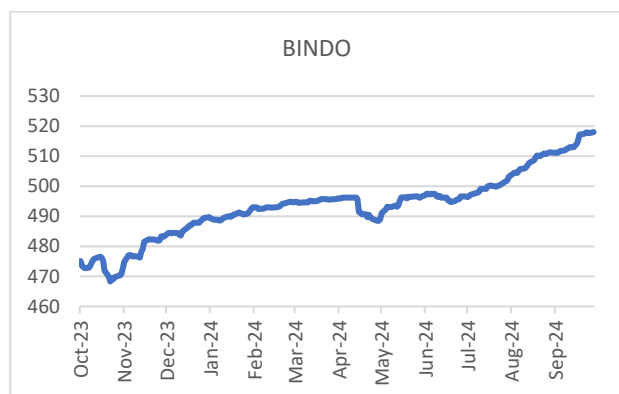
perekonomian setelah terjadi peningkatan risiko di pasar ketenagakerjaan.

Sebelum pertemuan FOMC, Bank Indonesia mengambil langkah berani dan mengejutkan, menurunkan BI Rate ke 6.0% (-25bps) seiring keyakinan bahwa inflasi tetap jinak dan stabilitas Rupiah ke depan tetap terjaga. Keputusan ini juga dibuat untuk mendorong perekonomian. Rupiah menguat 2.04% selama sebulan, sempat diperdagangkan di level IDR15100 (level terendah sepanjang tahun berjalan). Lelang SBN menunjukkan minat investor yang membaik, dengan permintaan dalam lelang SUN dan SBSN tercatat tertinggi kelima dalam sejarah, mencapai IDR63.71 Triliun untuk lelang SUN dan IDR32.34 Triliun untuk SBSN. Investor asing mencatat pembelian bersih IDR18.28 triliun di September, sehingga kepemilikan asing naik menjadi 14.70% dari total obligasi pemerintah yang diperdagangkan, naik dari 14.49% di bulan sebelumnya.

to 4.75%-5.00%, to preserve US economy strength as the risk to the labor market mount.

Prior to September's FOMC, Bank Indonesia also took a bold and surprising measure by cutting the BI Rate to 6.0% (-25bps) as the central bank believes that inflation will remain benign, and Rupiah will remain steady going forward. It was also intended to boost national economy. The IDR appreciated by 2.04% during the month, traded as low as IDR 15,100 (YTD low). Regular government bond auction demand continued to improve, incoming bids from both SUN and SBSN auctions were considered as the 5th highest on record, coming at IDR 63.71Tn for SUN auction and IDR 32.34Tn for SBSN auction. Foreign investors continued recording a net buy of IDR18.28 trillion in September, hence the foreign ownerships recorded an increase to 14.70% of total outstanding tradable government bonds from 14.49% in the previous month.

Chart indeks BINDO



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Tenor	30-Sep-24	30-Aug-24	Change (bps)
2yr	6.22	6.41	-19
5yr	6.16	6.50	-34
10yr	6.44	6.62	-19
15yr	6.64	6.69	-5
20yr	6.79	6.79	0
30yr	6.84	6.83	1

