

Monthly Market Review

DPLK Manulife



JANUARI 2025

ULASAN MAKROEKONOMI

MACROECONOMY REVIEW

Inflasi domestik turun ke level terendah dalam 25 tahun di Januari, ke level 0.8% YoY, walau terdapat kenaikan harga pangan. Faktor utama yang mempengaruhi adalah diskon tarif listrik 50% pada segmen daya 450VA-2,200VA yang akan berlaku hingga Februari, menyebabkan komponen harga yang diatur pemerintah turun (-6.4% YoY). Sementara itu komponen makanan, minuman, dan tembakau naik 3.7% YoY dari 1.9% YoY di bulan sebelumnya. Inflasi transportasi naik ke 0.2% MoM, dari 0.04% di Desember, sehingga secara tahunan naik ke 0.8% YoY dari -0.3% di Desember, disebabkan oleh naiknya harga BBM non subsidi di Januari. Inflasi inti naik ke 2.4% YoY, terutama disebabkan oleh naiknya harga emas yang menyentuh rekor tertinggi. Inflasi diperkirakan akan meningkat di Maret karena diskon listrik akan berakhir. Secara keseluruhan kami perkirakan inflasi akan lebih meningkat di 2H25 dibanding di periode 1H25.

Pertumbuhan PDB 4Q24 mencapai 5.02% YoY, sedikit lebih tinggi dari 4.95% di 3Q24 dan juga lebih tinggi dari ekspektasi konsensus (4.98%). Konsumsi rumah tangga lebih kuat di 5.0% YoY, karena rendahnya inflasi, efek dari turunnya harga pangan. Sementara itu pertumbuhan ekspor riil melambat dibanding kuartal sebelumnya dan pertumbuhan investasi juga melambat ke 4.3% YoY (vs. 4.5% di 3Q). Proyek pemerintah yang berhasil diselesaikan (menjelang transisi politik di 20 Oktober) diperkirakan menjadi faktor yang menyebabkan turunnya pertumbuhan investasi.

In January 2025, headline inflation dropped to a 25-year low of 0.8% YoY, despite increase in food inflation. Main reason was the government's 50% electricity tariff discount for mid-low income household segments (450VA-2,200VA) which will last until end of February. As a result, the administered component of CPI was down (-6.4% YoY). Food, beverage and tobacco inflation increased to 3.7% YoY, from 1.9% YoY in the previous month. Transport inflation rose to 0.2% MoM, up from 0.04% in December, implying a 0.8% YoY increase from a 0.3% contraction in December, due to higher non-subsidized fuel prices in January. Core inflation was up to 2.4% YoY, mainly due to another record-high gold. We expect higher inflation in 2H25 compared to that in 1H25. Inflation will likely rebound in March as the electricity tariff discount lasts only until February.

In 4Q24 GDP growth came in at 5.02% YoY, slightly higher compared to 4.95% YoY in 3Q24 and consensus expectation (4.98%). Household consumption came in strong at 5.0% YoY, likely due to low inflation / declining food prices. Meanwhile real export growth slowed from the previous quarter and Investment growth was down to 4.3% YoY (vs. 4.5% in 3Q). The completion of many government projects (ahead of the 20-Oct political transition) was the likely determining factor.

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Pertumbuhan ekonomi di 1Q25 diperkirakan menghadapi tantangan. Belanja pemerintah diperkirakan turun karena periode transisi kabinet dan inisiatif efisiensi anggaran. Kami melihat potensi pertumbuhan ekonomi yang lebih baik di 2H25 didukung oleh implementasi kebijakan pemerintah yang lebih jelas dan berjalan.

Bank Indonesia mengejutkan pasar dengan memangkas BI Rate sebesar 25bps ke 5.75% di rapat 15 Januari, mengindikasikan fokus untuk lebih mendukung pertumbuhan karena inflasi yang rendah. Perubahan postur ini menunjukkan arah kebijakan yang lebih berimbang antara mendukung pertumbuhan ekonomi dan menjaga stabilitas Rupiah.

For 1Q25 GDP growth will face challenges. Government spending is likely to decline YoY due to the transition period of the new cabinet as well as a massive budget efficiency initiative. There will be more optimism for GDP growth in 2H25 relative to 1H25. By then, the roll-out of government programs/spending probably will be clearer and will have reached critical mass.

Contrary to market expectation, Bank Indonesia cut benchmark rate by 25bps to 5.75% on 15 Jan 2025, mentioning the need to support growth as inflation keeps low. The rate cut represents a more balanced approach to its priority this year of promoting growth while maintaining currency stability.

SAHAM

IHSG melemah -1.23%, kalah unggul dibanding pasar global (MSCI World +3.47%), pasar regional (MSCI Asia Pacific ex Japan +1.27%) dan pasar negara berkembang (MSCI EM +1.66%). Pasar dibayangi ketidakpastian kebijakan dan inflasi AS di tengah narasi kebijakan pro-pertumbuhan Trump yang mendorong penguatan USD dan naiknya imbal hasil US Treasury. Faktor tersebut menyebabkan keluarnya dana asing dari negara berkembang, termasuk Indonesia. Investor asing mencatat penjualan bersih USD229.3 juta di pasar saham Indonesia di Januari. Sektor Teknologi (+8.76%) menguat tertinggi, sementara Industrial (-6.96%) melemah terdalam.

EQUITY

The Jakarta Composite Index was corrected -1.23%, underperforming global market (MSCI World +3.47%), regional market (MSCI Asia Pacific ex Japan +1.27%) and the emerging market (MSCI EM +1.66%). There are continued concerns over policy uncertainties and inflation related to his US pro-growth narratives, causing the USD to strengthen and UST yield to increase. The above prompted foreign investor outflows from many emerging markets, Indonesia no exception. Foreign investors continued to record an outflow (-USD229.3m). Technology sector (+8.76%) became the top gainer while Industrials (-6.96%) became the top loser.

Changes in regimes in the US and other countries, including Indonesia, are likely to cause short-term volatilities. However, Indonesia strong fundamentals (i.e., low dependence on exports),

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Perubahan rezim dapat menyebabkan volatilitas jangka pendek. Namun, fundamental kuat Indonesia (ketergantungan rendah pada ekspor) dan siklus suku bunga yang lebih rendah dapat menarik investor asing dalam jangka menengah hingga panjang. Pasar saham Indonesia diperdagangkan pada valuasi menarik, jauh lebih rendah dari rata-rata sepuluh tahun terakhir. Kami percaya eksposur terhadap ekonomi Indonesia kemungkinan akan tetap positif dan optimis terhadap daya tarik jangka panjang investasi.

and lower 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.

OBLIGASI

Pasar obligasi memulai tahun dengan positif, indeks BINDO ditutup naik 0.72% di Januari. Imbal hasil SBN 10-tahun turun dari 7.02% ke 6.99% (3bps), berlawanan dengan imbal hasil US Treasury 10-tahun yang naik 1bps dari 4.53% ke 4.54%.

Kinerja pasar didukung oleh data inflasi AS dan pertumbuhan ekonomi AS kuartal 4 yang lebih rendah dari ekspektasi, sehingga mendukung harapan pasar bahwa The Fed dapat melanjutkan pemangkasan suku bunga di 2025. Selain itu kebijakan tarif awal dari Trump yang tidak se-agresif ekspektasi juga menjadi faktor positif bagi pasar. Di pasar domestik, pemerintah menurunkan target lelang SUN dari IDR28 triliun menjadi IDR26 triliun, menjadi faktor yang direspon positif oleh pasar.

Bank Indonesia mengejutkan, dengan memangkas suku bunga 25bps menjadi 5.75%, serta mengindikasikan perubahan fokus

FIXED INCOME

The bond market turned over a new leaf, with BINDO index posted positive figures of 0.72% MoM or YTD. The 10Y INDOGB yields marginally declined from 7.02% to 6.99% (3bps), in contrast with the 10Y UST yields movement which slightly rose by 1bps from 4.53% to 4.54%.

Softer readings on US December CPI and US Q4 GDP supported market confidence on potential Fed rate cut in 2025 and managed to calm the market down on worry over potential tariffs to be imposed by Trump. Domestically, the government's reduction on its SUN auction target from IDR28 Tn to IDR26 Tn was one of the major factors which supported the market rebound in January.

Bank Indonesia on the other hand, delivered a surprise rate cut by 25bps to 5.75% and shifted their focus on growth, rising market concern over IDR stability. Despite BI's move, the government's new plan on DHE SDA (foreign

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kebijakan menjadi lebih pro-pertumbuhan. Di sisi lain, langkah ini meningkatkan kekhawatiran terhadap stabilitas Rupiah. Namun, pemerintah mempersiapkan kebijakan untuk memperketat kewajiban bagi eksportir untuk menahan devisa hasil ekspor di dalam negeri dari 30% menjadi 100%, dan periode dari 3 bulan menjadi 1 tahun, yang diharapkan dapat menjadi faktor yang mendukung stabilitas Rupiah.

Di pasar primer, pemerintah menerbitkan global bond USD dan EUR dalam 2 tranches, 5-tahun di 5.25% dan 10-tahun di 5.60% untuk USD, sementara untuk EUR 8-tahun di 3.875% dan 12-tahun di 4.125%. Penerbitan ini berhasil menarik minat tinggi, dan pemerintah memenangkan USD2 miliar dan EUR1.4 miliar, dengan rasio bid-to-cover masing-masing di 3.08x dan 2.14x. Untuk lelang obligasi regular, walau permintaan di awal bulan lebih rendah dibanding rata-rata di 2024, namun kondisi pasar membaik sehingga permintaan terus menunjukkan perbaikan sepanjang Januari. Sementara itu, seiring dengan turunnya BI Rate, imbal hasil SRBI juga menurun, dengan rata-rata yield tertimbang untuk tenor 12-bulan di 6.74%.

Investor asing mencatat pembelian bersih IDR4.65 triliun di Januari, namun persentase kepemilikan turun menjadi 14.46% dari total SBN yang diperdagangkan.

exchange proceeds on export) which stated an increase from 30% to 100% of earnings retained from export and extension from 3 months to 1 year retention period was expected to support the currency going forward.

From the primary market, the government issued the USD and EUR denominated global bond on 2 tranches each, the 5-year at 5.25% and 10-year at 5.60% for the USD and the 8-year at 3.875% and 12-year at 4.125% for the EUR. The issuances successfully attracted decent interests, and the government ultimately issued USD2 bn and EUR1.4 bn, with bid to cover ratio at 3.08x and 2.14x, respectively. From the regular government bond auction, although incoming bids initially lower below 2024 average bids, the demand eventually recovered and continued on the upward trajectory. Meanwhile, in line with lower BI Rate, SRBI rates were trending lower with the 12mo SRBI weighted average yield at 6.74%.

Although foreign investors remained as net buyers of IDR4.65 trillion in January, the foreign ownerships recorded a marginal decrease to 14.46% of total outstanding tradable government bonds.

Bond holders	31-Jan-25		30-Dec-24		MoM Change (IDR tn)
	Amount	% Ownership	Amount	% Ownership	
Bank Indonesia (BI)	1,494.65	24.52	1,486.85	24.62	7.80
Commercial banks	1,188.89	19.50	1,182.56	19.58	6.33
Insurance/Pension	1,161.39	19.05	1,145.27	18.96	16.12
Mutual Fund	187.22	3.07	186.99	3.10	0.23
Foreign Holder	881.29	14.46	876.64	14.52	4.65
Others	1,181.92	19.39	1,161.21	19.23	20.72
Total	6,095.37	100.00	6,039.52	100.00	55.84

Tabel : Government Bond Holdings, January 2025, Source: DJPPR, Manulife Investment Management Indonesia

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Kurva imbal hasil bergerak variative di Januari, bullish steepening di tenor pendek, namun bearish di tenor menengah-panjang.

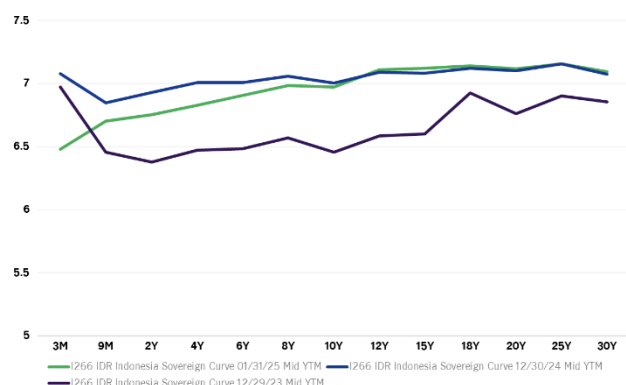
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Tenor	31-Jan-25	30-Dec-24	Change (bps)
2yr	6.75	6.93	-18
5yr	6.84	7.00	-16
10yr	6.97	7.01	-3
15yr	7.12	7.08	4
20yr	7.12	7.10	2
30yr	7.09	7.08	2

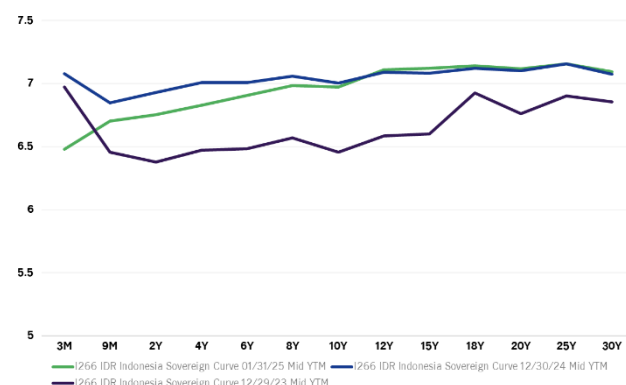
Tabel : Government Bond Yield Curve, January 2025, Source: Bloomberg, Manulife Investment Management Indonesia

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Grafik : Government Bond Yield Curve, January 2025, Source: Bloomberg, Manulife Investment Management Indonesia



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