

ULASAN MAKROEKONOMI

Makro ekonomi Indonesia tetap stabil di Desember. Inflasi Desember tumbuh +0.34% MoM, sehingga inflasi tahunan tercatat pada +2.72% YoY, lebih rendah dari +3.00% di bulan sebelumnya. Rendahnya tekanan inflasi didukung oleh inflasi transportasi udara yang rendah di FY19. Inflasi inti turun ke level +3.02% dari +3.08% di November. Di 2020, inflasi diperkirakan akan meningkat karena perubahan harga yang diatur (seperti premi BPJS kesehatan) dan dampak dari kenaikan cukai rokok. Selain itu terdapat kemungkinan kenaikan tarif listrik (untuk kelompok 900VA yang disubsidi). Di awal 2020 inflasi diperkirakan akan naik karena banjir yang melanda Jakarta dan sekitarnya. Tekanan inflasi dan terbatasnya potensi penurunan suku bunga bank sentral lain menyebabkan potensi penurunan suku bunga Bank Indonesia di 2020 menjadi lebih terbatas dibandingkan penurunan 100 bp di tahun lalu.

Di bulan November terjadi defisit neraca dagang sebesar –USD1.3 miliar, setelah di bulan sebelumnya terjadi surplus +USD172.5 juta. Ekspor turun -5.7% YoY sementara impor turun lebih dalam -9.2% YoY. Penurunan ekspor-impor disebabkan oleh turunnya harga, terutama harga energi, sementara volume ekspor dan impor mencatatkan pertumbuhan secara tahunan. Volume perdagangan yang meningkat ini mengindikasikan bahwa perdagangan global tidak seburuk yang diperkirakan.

MACROECONOMY REVIEW

Indonesia macro economy remained stable in December. December inflation grew +0.34% MoM, making annual inflation of +2.72% YoY, lower compared to +3.00% in the previous month. Main reason was air transportation, inflation of which is near zero in FY19. Core inflation was down to +3.02% from +3.08% in November. For 2020, inflation is expected to be higher due to adjustment of a number of administered prices (e.g., the premium for nationwide healthcare) and impact of higher cigarette excise. There is a high likelihood of electricity tariff increase as well (on the currently subsidized tariffs for 900VA household customers). In the beginning of 2020, inflation is expected to increase mainly due to floods in Jakarta and other areas. Higher inflation and limited further easing to be conducted by other central banks, will mean less interest rate cuts from Bank Indonesia in 2020 compared to the 100 bp-cuts last year.

In November, there was a large trade deficit of –USD1.3b, following a trade surplus of +USD172.5m in the previous month. Export declined -5.7% YoY while imports were down -9.2% YoY. The declines in both exports and imports were resulted from lower prices, especially energy prices, while volume of both exports and imports were up on a year-on-year basis. The higher volume show that global trade was not as bad as expected.



ULASAN MAKROEKONOMI

Dalam rapat Dewan Gubernur terakhir di 2019, BI memutuskan untuk mempertahankan suku bunga, setelah sebelumnya secara total telah memangkas suku bunga sebesar 100 bps di 2019. Selain itu The Fed juga mengindikasikan akan mempertahankan suku bunga di 2020 didukung oleh ekonomi AS yang stabil.

MACROECONOMY REVIEW

In its last Governor meeting of 2019, Bank Indonesia maintained the benchmark rate. The policy was taken as the Central Bank has cut rates a total of 100 bps. In addition, the Fed has indicated it will likely maintain rates in 2020 as the US economy is stable.

SAHAM

Tensi perdagangan Amerika Serikat – China mereda seiring kedua negara setuju untuk meneruskan perundingan dan memberi sinyal akan adanya kesepakatan fase awal. IHSG menguat +4.8%, dengan investor asing membukukan pembelian bersih +USD571 juta.

Di 2020 kami memperkirakan pertumbuhan ekonomi global akan mengalami stabilisasi, ditopang oleh perbaikan hubungan perdagangan Amerika Serikat – China. Kami percaya perbaikan sentimen di Asia juga akan menopang persepsi pasar Indonesia. Sementara ekspektasi pertumbuhan laba korporasi juga membaik didukung oleh stabilnya harga komoditas dan dampak pelonggaran moneter yang sudah dilakukan. Jika tereksekusi dengan baik, reformasi kebijakan (seperti misalnya perpajakan dan ketenagakerjaan) diharapkan akan menopang masuknya investasi asing ke Indonesia dan berperan sebagai katalis positif. Di lain pihak, risiko yang ada diantaranya adalah negosiasi lanjutan Amerika Serikat – China dan tensi geopolitik Timur Tengah. Sinergi yang kuat antara kebijakan moneter dan fiskal diharapkan akan menjaga Indonesia dari perlambatan global.

EQUITY

Trade tension between the US and China further eased in December as both countries continued talks and indicated a phase one deal. This has supported the MSCI Asia Pacific ex Japan, which was up by +6.4% MoM. The Jakarta Composite Index was up by +4.8% MoM, outperforming MSCI World which was up by +2.9%. Foreign investors recorded a positive net flow of +USD571m. All sectors recorded gains. Agriculture became the top gainer with +11.7% MoM gain as price of Crude Palm Oil was up +16% MoM. Mining sector came next, recorded +10.8% gain as the market cheered improvements in US-China trade tension expected to support demand on mining commodities. Rupiah appreciated +1.7%.

In 2020 we expect global growth to stabilize, supported by improvements in US-China trade relation. We believe better sentiment on Asia to support perception on Indonesia market. We expect corporate earnings growth to improve due to stable commodity prices and lagging impact of the monetary easing. Policy reforms (i.e., in taxation and labor areas) are expected to support foreign investments to Indonesia and will act as positive catalysts upon effective executions. Risks, on the other hands, include negative developments in US-China trade and geopolitical tensions in Middle East as well as other areas. Strong synergy in fiscal and monetary policies is expected to safeguard Indonesia from potential further slowdowns in global economy.

SAHAM

Kami terus percaya perekonomian Indonesia akan tetap positif dan kami tetap optimis akan daya tarik jangka panjang investasi Indonesia.

EQUITY

We continue to believe that exposure to Indonesia economies will likely remain to be positive and we stay optimistic on the enduring appeal of long-term investment in Indonesia.

OBLIGASI

Pasar obligasi Indonesia masih meneruskan performanya di bulan Desember, dengan Indeks BINDO sebagai proksi menguat 0.59% MoM atau 14.23% YTD. Kementerian Keuangan lebih lanjut menyatakan akan ada strategi frontloading penerbitan di awal tahun 2020, dengan target penerbitan sebesar IDR735.5 triliun (penerbitan bersih IDR389 triliun), untuk memenuhi pendanaan defisit anggaran 2020 dengan target 1.76% PDB. Target ini lebih rendah dibandingkan tahun 2019 yang sebesar 2.2% dari PDB.

Dari sisi kebijakan, rapat bank sentral Amerika Serikat memutuskan tidak mengubah suku bunga acuan di level 1.50% - 1.75%. Langkah ini diikuti oleh Bank Indonesia yang juga membiarkan suku bunga acuan tetap di level 5.00%, yang disambut positif oleh pasar. Sentimen positif didukung oleh langkah The Fed & Bank Indonesia, redanya tensi perdagangan Amerika Serikat – China, dan lancarnya pemilu Inggris. Di tengah katalis global yang positif, memang terlihat kinerja pasar obligasi domestik bulan Desember lalu lebih banyak dipengaruhi oleh perkembangan domestik.

FIXED INCOME

The robust Indonesia bond market continued to show off its strength in December, with Bloomberg Indonesia Local Sovereign Index as its proxy increased by 0.59% MoM or 14.23% Ytd. The Finance Minister also announced to front-load stimulus early next year, with the 2020 bond auction gross issuance target at IDR 735.5T (net issuance IDR 389T), in order to obtain funding for 2020 budget deficit target at 1.76% of GDP. The 2020 budget deficit target is evidently lower than prior year budget deficit outlook at 2.2% of GDP.

On the policy side, The FOMC decided to leave the benchmark rates unchanged at 1.50%-1.75%. The move was followed by Bank Indonesia which kept the 7-day Reverse Repo Rate on hold at 5.00% and was responded positively by the market towards the end of December. Predominantly, risk on sentiment dominated the market in regards to Dovish Fed and ECB, easing US-China trade tension and smooth UK general election. Despite the positive global catalysts, the robust performance of Indonesia bond market was mostly bolstered by domestic catalysts.