

ULASAN MAKROEKONOMI

MACROECONOMY REVIEW

Kondisi ekonomi domestik bulan Agustus tetap terjaga. Terjadi deflasi (-0.27% MoM) yang membuat inflasi tahunan turun ke level +3.39% dari +3.49% bulan sebelumnya. Kontributor utama deflasi adalah penurunan harga pangan -44ppt. Penurunan ini menghapus kenaikan inflasi pangan yang sebelumnya terjadi di bulan Juli dan Agustus. Turunnya harga pangan terjadi akibat dampak El Nino yang semakin memudar menjelang akhir musim kemarau.

Di bulan September, Bank Indonesia kembali memotong suku bunganya 25bps ke level 5.25%. Pemotongan ini adalah langkah untuk mendorong momentum pertumbuhan di tengah perlambatan ekonomi dunia, di tengah inflasi yang terjaga dan kondisi neraca pembayaran yang sehat. Selain itu, bank sentral juga melakukan pelonggaran makro untuk menopang pertumbuhan kredit yang sedang melambat ke level +9.6% YoY dari level +12.1% YoY di bulan Februari. Pelonggaran termasuk relaksasi Relaksasi Intermediari Makroprudensial (RIM) dan rasio LTV untuk sektor properti dan otomotif. Relaksasi RIM diekspektasi menambah lebih kurang IDR128 Triliun kapasitas pemberian kredit.

Indonesia economy macro remained conducive in September. There was a deflation (-0.27% MoM), bringing YoY inflation to +3.39%, down from +3.49% in the previous month. Major contributor to the deflation was decline in food prices, causing food deflation of -44ppt. The decline offsets the spikes in food prices in July and August. The lower food prices were likely resulted from diminishing El Nino impacts as we are approaching end of the dry season.

Bank Indonesia cut its 7-day-reverse-repo rate by 25 bps to 5.25% in its September meeting. The rate cut was a pre-emptive move to push growth momentum amid the global economic slowdown, supported by the benign inflation and healthy balance of payment. In addition, the Central Bank also loosened macro prudential measures to support credit growth, which has slowed to +9.6% YoY in July from +12.1% in February this year. The loosened macro prudential measures include macro prudential intermediation (RIM) relaxation and loan-to-value (LTV) relaxation on property and auto sectors. The RIM relaxation is expected to add ~IDR128t lending capacity.

SAHAM

Di bulan September tensi perdagangan Amerika Serikat mereda setelah kedua negara saling menerbitkan pengecualian tarif untuk produk-produk tertentu. Kondisi ini menopang pasar global, indeks MSCI World +1.9%, MSCI Asia ex Japan +1.4%, dan MSCI Emerging Market +1.7%. Namun IHSG melemah -2.5% dipicu oleh peningkatan tensi politik domestik menjelang pelantikan Presiden dan juga penurunan besar saham-saham perusahaan rokok setelah pengumuman kenaikan cukai. Sektor konsumsi dan tembakau menjadi sektor berkinerja terburuk -8.1%, sementara sektor agrikultur (+1.24%) menjadi yang terunggul. Rupiah tetap bertahan di kisaran IDR14,195 per Dolar AS.

Ketidakpastian tensi perdagangan masih menjadi risiko utama yang mengancam pertumbuhan ekonomi dan lemahnya sentimen pasar. Data menunjukkan pelemahan aktivitas manufaktur di Amerika Serikat dan perlambatan ekonomi. Kondisi ini dapat meningkatkan tekanan pemerintah AS untuk mengurangi agresivitas negosiasi perdagangan. Namun jika perang dagang berlanjut dan risiko resesi terus meningkat, ada tekanan untuk bank sentral Amerika Serikat menurunkan suku bunga. China juga akan meningkatkan stimulus untuk menjaga perekonomiannya. Negara-negara lain juga akan melakukan pelonggaran moneter dan meluncurkan stimulus fiskal untuk melindungi perekonomian. Sementara itu Indonesia dengan ekonomi yang berorientasi domestik lebih terproteksi dari perlambatan ekonomi global. Kami terus percaya perekonomian Indonesia akan tetap positif dan kami tetap optimis akan daya tarik jangka panjang investasi Indonesia.

EQUITY

Trade tension between the US and China eased in September as both countries added list of goods for tariff exemptions. This has supported equity markets globally, with the MSCI World increased by +1.9%, MSCI Asia Pacific ex Japan up by +1.4% and MSCI Emerging Market +1.7%. However, the Jakarta Composite Index was down -2.5% resulted from domestic political tension which caused big rallies ahead of the President inauguration, and the big drop of tobacco stocks post the excise increase announcement. Consumer and tobacco sector became the top loser with -8.1% drop, while Agriculture sector (+1.24%) became the top gainer. Rupiah held up pretty well and maintained exchange rate at IDR14,195.

Continuing trade war is still the main risk for lower economy growth and weak market sentiment. Data show slow manufacturing activities in the US and a start of economic slowdown. This could put pressure on the US administration to refrain from being aggressive on the trade front. However, if trade war continues/escalates and recession risks increase, there is a silver lining as there will be more pressure for the Fed to cut rates. China will also increase stimulus to protect its economy. Other countries will also loosen monetary policies and launch fiscal stimulus to support their economies. For Indonesia, its economy, a domestic oriented one, is relatively more protected from global growth slowdown. 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

Program Quantitative Easing yang diluncurkan oleh Eropa di pertengahan September membuat pasar obligasi domestik menguat. Indeks BINDO sebagai acuan naik 1.03% MoM, membawa penguatan tahun berjalan ke level 11.12%. Untuk pertama kalinya sejak 2016, bank sentral Eropa menurunkan suku bunga sebesar 10bps ke level -0.5%, dan memulai kembali skema QE yang sebelumnya telah berakhir tahun lalu. Mulai bulan November ini, setiap bulannya ECB akan kembali membeli obligasi senilai EUR20 miliar.

Penguatan pasar obligasi juga ditopang oleh membaiknya indikator makroekonomi domestik seperti kenaikan cadangan devisa (dari USD125.9 miliar ke level USD126.40 miliar). Pasar juga bereaksi positif atas pemotongan suku bunga BI ke level 5.25% yang sesuai dengan perkiraan.

Dari sisi global, sesuai ekspektasi The Fed kembali menurunkan suku bunga sebesar 25bps untuk kedua kalinya tahun ini, ke level 1.75% - 2.00%. Setelah rapat FOMC usai, pemimpin The Fed Jerome Powell menyatakan perekonomian Amerika Serikat tetap kuat dan pengangguran sangat rendah, namun ada risiko-risiko yang harus diperhatikan ke depannya. Jika perekonomian melemah, beliau menyatakan akan ada pemotongan lanjutan “yang lebih ekstensif”.

FIXED INCOME

The Quantitative Easing Programme relaunched on mid September by ECB send the Indonesia bond market rallied. Bloomberg Indonesia Local Sovereign Index as its proxy rose by 1.03% MoM or 11.12% Ytd. ECB cut the interest rate on bank reserves for the first time since 2016, by a tenth of a percentage point to -0.5%. It will restart its quantitative-easing (QE) scheme, which it drew to a close last year. From November it will buy €20bn-worth (\$22bn) of bonds a month.

The bond market rally is also supported by improving domestic macro indicators such as rising foreign reserves (i.e. USD126.40 bn from USD125.90 bn). Market also reacted positively to 7 day repo rate cut to 5.25% from 5.50%, which also in line with consensus.

On global side, as expected, the Fed cut by another quarter point for the second time this year to a range of 1.75-2.00%. After FOMC meeting, the Fed Chair, Powell said that US economy remained strong and unemployment low, but there are risks to this positive outlook. If the economy weakens, he said, a “more extensive sequence” of rate cuts could be appropriate. Meantime, Trump raises pressure on the Fed to cut interest rate to zero or even less.