

ULASAN MAKROEKONOMI

MACROECONOMY REVIEW

Perekonomian Indonesia melemah dipicu Covid-19. Pertumbuhan PDB kuartal pertama tercatat sebesar +2.97%, lebih rendah dari konsensus pasar. Ini merupakan pertumbuhan paling lambat sejak tahun 1991. Yang menjadi pemicu utama adalah penurunan konsumsi (+2.84% dibandingkan +4.97% di kuartal keempat 2019), dan juga investasi yang hanya tumbuh +1.70% (dari kuartal sebelumnya yang tumbuh +4.06%). Inflasi tetap terjaga, hanya naik +0.08% di bulan April dan membuat inflasi tahunan tercatat sebesar +2.67% dari bulan sebelumnya +2.96%. Inflasi April 2020 juga adalah inflasi menjelang Ramadhan yang paling rendah sejak tahun 1991. Terjadi deflasi di sektor transportasi. Inflasi inti turun ke level +2.85% dari +2.87% di bulan sebelumnya.

Neraca perdagangan tercatat surplus USD743 juta karena impor turun lebih dalam (-0.75 YoY) dibandingkan dengan penurunan ekspor (-0.2% YoY). Sementara itu - setelah penurunan tajam di bulan-bulan sebelumnya - di bulan April Rupiah menguat +8.8%, jauh lebih kuat dari mata uang lain di ASEAN yang hanya menguat kurang dari 1%.

Indonesia macro economy showed a slowdown, mainly resulted from the Covid-19. GDP growth for 1Q20 came in at +2.97%, much lower than consensus expectation. It is the lowest growth since 1991. Main reasons are sharp decline in private consumption to +2.84% in 1Q20 (from +4.97% in 4Q19) and gross fixed capital formation (investment) to +1.70% from 4.06% in the previous quarter. Meanwhile, inflation remains low. It was only up by +0.08% in April, making a YoY inflation of +2.67%, down from +2.96% in the previous month. The April inflation is the lowest pre-fasting period since 1991. There was a deflation in transportation. Core inflation was down further to +2.85% from +2.87% in the previous month.

Trade balance is in the surplus area with USD743m as imports were down much deeper (-0.75% YoY) than exports (-0.2% YoY). Meanwhile, following the sharp weaknesses in the past months, rupiah strengthened +8.8% MoM, much stronger than other currencies in the ASEAN region which were up by less than 1%.

SAHAM

Dengan pembatasan sosial dan kebijakan pendukung lain yang lebih ketat, secara global wabah COVID-19 mulai menunjukkan kurva perlambatan. Kondisi ini disambut baik dan tercermin pada pergerakan pasar finansial di berbagai negara. Walaupun mengalami posisi outflow sebesar USD560 juta, di bulan April IHSG menguat 3.9%, tetapi masih kalah dibandingkan pasar global dan kawasan. Sektor industri dasar menjadi sektor yang paling unggul di IHSG, menguat +31.3%, sementara sektor properti yang paling terpuruk, melemah -13.4%.

Di kuartal kedua 2020, kami memperkirakan perlambatan pertumbuhan ekonomi dipicu oleh lemahnya perdagangan, konsumsi, dan investasi. Namun kondisi ini akan diikuti dengan pemulihan gradual di semester kedua 2020 – terutama di kuartal keempat – seiring stabilisasi wabah, perbaikan rantai pasokan global. Implementasi kebijakan fiskal & moneter akomodatif yang akan meminimalisir dampak negatif pada ekonomi dan pasar saham. Kami terus percaya perekonomian Indonesia akan tetap positif dan kami tetap optimis akan daya tarik jangka panjang investasi Indonesia.

EQUITY

With more rigid social distancing and other imposed measures, the COVID-19 outbreak started to show more flattening curves globally. The above results in improvements in financial markets in various countries. Despite the USD560m foreign outflow, in April the Jakarta Composite Index was up +3.9%, but still underperforming the global and regional markets. Basic industries became a top gainer with +31.3% increase. On the other hand, Property (-13.4%) became the top loser.

For 2Q20 we expect a slowdown in GDP growth due to weak trade, consumption and investment. This will likely be followed by gradual recovery in 2H20, mostly in 4Q20, as the virus outbreak stabilizes and global supply chain improves. Accommodative fiscal and monetary policies globally will help mitigate the negative impacts on the economy and the stock market. 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

Dibandingkan dengan bulan sebelumnya, di bulan April pasar obligasi Indonesia menunjukkan perbaikan signifikan seiring stimulus fiskal dan moneter yang disediakan pemerintah dan bank sentral. Indeks BINDO menguat +1.78% membuat kinerja tahun berjalan tercatat -1.16%, menghapus setengah dari penurunan tahun berjalan yang terjadi di bulan lalu.

Postur lengkap APBN 2020 diumumkan, dengan defisit fiskal ditargetkan mencapai IDR853 triliun (5.07% dari PDB), peningkatan 13.6% YoY, dengan tambahan penerbitan bersih obligasi senilai IDR160 triliun dan Pandemic Bond senilai IDR450 triliun. Kementerian Keuangan juga mengkonfirmasi dana program pemulihan ekonomi akan bersumber dari nominal penerbitan obligasi yang lebih besar, bukan dari penerbitan seri-seri baru.

FIXED INCOME

Compared to the previous month, Indonesia bond market started to indicate a meaningful improvement in April as the enormous monetary and fiscal stimulus provided by the government and the central bank have erased more than half YTD loss. The Bloomberg Indonesia Local Sovereign Index recorded an increase in MoM performance at +1.78% to ease the YTD negative performance at -1.16%.

Full posture of new 2020 state budget was announced, with IDR853tn of fiscal deficit (5.07% of GDP), 13.6% y-y spending growth, and additional IDR160tn new net government bond issuances and IDR450tn of Pandemic Bond. The Ministry of Finance has confirmed that the funds for recovery programs on pandemic will come from higher issuance of bonds, rather than new series of bonds.

OBLIGASI

Bank Indonesia mempertahankan suku bunga di level 4.5% - sejalan dengan bank sentral Amerika Serikat yang juga tidak mengubah suku bunga – dan berjanji akan terus meningkatkan program darurat untuk menjaga perekonomian. BI juga mengumumkan The Fed New York yang menyediakan fasilitas repo senilai USD60 miliar yang dapat digunakan sewaktu-waktu. Walaupun tidak diperhitungkan dalam cadangan devisa, fasilitas ini akan menopang kebutuhan likuiditas dollar di tengah wabah. Transparansi dan konsistensi informasi baik dari pemerintah maupun Bank Indonesia meningkatkan keyakinan dan sentimen di pasar obligasi.

Lembaga pemeringkat internasional S&P menurunkan outlook dari stabil menjadi negatif, di tengah wabah Covid-19 yang dianggap membuat beban utang pemerintah akan meningkat beberapa tahun ke depan dipicu oleh meningkatnya stimulus fiskal. Pernyataan S&P sudah diantisipasi pasar, seiring negara-negara lain pun banyak mengalami hal yang sama.

FIXED INCOME

Bank Indonesia held its policy rates unchanged at the current level of 4.50%, in line with the Fed which kept its interest rates near zero and promised to expand emergency programs as needed to help the battered economy. BI also released a statement saying that the New York Fed will provide USD60billion repo line facility and it can be used at any time. It will not be included in the foreign reserve calculation yet it will support the dollar liquidity needs amid a dollar shortage triggered by the coronavirus outbreak. The constant and transparent communication sustained by both the government and Bank Indonesia boosted confidence and better sentiment in the bond market.

In the mid of April, S&P revised Indonesia's credit rating outlook to negative from stable amid coronavirus outbreak on the back of weaker external position and materially higher government's debt burden over the next few years due to strong counter-cyclical fiscal measures. The announcement was anticipated by the market as most countries have encountered similar outlook downgrades.