

ULASAN MAKROEKONOMI

Sesuai ekspektasi, Bank Indonesia menurunkan suku bunga acuan 25 bps ke 3.75% seiring stabilitas internal dan eksternal yang tetap terjaga. Neraca berjalan yang membaik, inflasi yang terkendali, dan Rupiah stabil. Setelah penurunan total 125 bps tahun ini, kami perkirakan Bank Indonesia belum akan melakukan penurunan kembali dalam waktu dekat. Inflasi sedikit meningkat menjadi +1.59% YoY di November dari bulan sebelumnya +1.52% YoY. Komponen pangan meningkat +0.22ppt, dipicu terutama oleh kenaikan harga daging ayam, telur, dan cabai. Komponen transportasi naik +0.04ppt setelah harga-harga mulai kembali normal. Inflasi ini tercatat sebesar +1.67% terutama karena penurunan harga logam mulia.

Sampai 25 November 2020, realisasi stimulus penanganan Covid telah mencapai 62% target, dan Kementerian Keuangan memperkirakan realisasi sebesar 90% target sampai akhir tahun. Karena pembiayaan fiskal telah mencapai 93% dan diekspektasi mencapai target 100% sampai akhir tahun, kami perkirakan belanja stimulus akan diteruskan tahun depan, seperti untuk pembiayaan vaksin dan stimulus tambahan lainnya.

MACROECONOMY REVIEW

Inline with our expectation, Bank Indonesia cut benchmark rate by 25bps to 3.75% as internal and external stabilities are maintained. Current account improved, inflation is manageable and rupiah stabled. We see that the central bank will pause cutting rates after a 125bp rate cuts so far this year. Inflation picked up slightly, to +1.59% YoY in November from +1.52% in the previous month. Food showed +0.22ppt inflation, mainly due to increase in prices of chicken, eggs and chili. Transportation registered a +0.04 ppt inflation as tariffs started to normalize. Core inflation came in at +1.67% mainly due to lower gold prices.

Fiscal stimulus distribution has reached 62% of target on 25 November 2020, and the Ministry of Finance expects a 90% realization until the year-end. Since fiscal financing has reached ~93% of target and expected to achieve 100% of target by the year-end, we expect the undisbursed stimulus to be carried over next year. That will be used to finance vaccine-related needs and other additional stimulus.

SAHAM

Di bulan November pasar saham menguat secara global setelah pemilu Amerika Serikat menghilangkan satu faktor ketidakpastian. Berita positif terkait vaksin COVID-19 juga meningkatkan sentimen. IHSG menguat +9.4% (setelah sebulan sebelumnya juga menguat +5.3%), mengungguli MSCI Asia Pacific ex Japan (+9.02%) dan MSCI Emerging Market (+9.21%). Undang-Undang Omnibus Law yang telah ditandatangani Presiden Joko Widodo di bulan November diterima dengan baik oleh pasar yang mengharapkan hal ini menjadi awal reformasi untuk meningkatkan daya saing Indonesia dan semakin menarik investasi asing. Setelah berbulan-bulan terus mengalami arus dana keluar, investor asing mulai masuk kembali ke pasar saham Indonesia, mencatatkan arus dana masuk senilai +USD245 juta. Rupiah menguat +3.5% mengungguli mata uang lain di kawasan. Seluruh sektor saham mencatatkan kinerja positif, dengan sektor pertambangan (+18.1%), infrastruktur (+16.9%) dan properti (+12.5%) menjadi yang terunggul.

Mitigasi pandemi yang efektif merupakan faktor krusial untuk memulihkan keyakinan investor dan ekonomi ke depannya. Pengadaan vaksin dan obat merupakan prioritas dalam memitigasi pandemi. Kami percaya bahwa eksposur pada ekonomi Indonesia akan tetap positif dan optimis pada daya tarik investasi jangka panjang di Indonesia.

EQUITY

In November stock markets performed well globally after the US election, as big uncertainties were removed. Positive news related to Covid-19 vaccine productions added to positive sentiment. The Jakarta Composite Index was up strongly, by +9.4% in November, after a +5.3% increase in October, outperforming MSCI Asia Pacific-ex Japan (+9.02%) and MSCI Emerging Market (+9.21%). The Omnibus Law, signed by President Joko Widodo in November, was well accepted by the market expecting a start of reform to increase Indonesia's competitiveness and help attracting foreign investment. After months of constant outflows, foreign investors started to enter the market, generating a net inflow of +USD245m. Rupiah strengthened +3.5%, outperforming other currencies in South East Asia. All sectors recorded gains, with Mining (+18.1%), Infrastructure (+16.9%) and Property (+12.5%) being the top gainers.

Effective mitigation of the pandemic and execution of reforms are crucial factors to improve investor confidence, financial markets and the economy going forward. 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

Indeks pasar obligasi BINDO melanjutkan penguatan di bulan November, meningkat +2.87% MoM atau +12.68% YTD. Kenaikan ditopang oleh berita positif kemenangan Joe Biden dalam pemilu Amerika Serikat awal bulan November. Arus dana asing terus masuk dan semakin solid, ditambah juga dengan likuiditas domestik yang juga berlimpah yang semakin menopang pasar obligasi. Bank sentral yang terus mengimplementasikan skema burden sharing juga meredakan tekanan pasokan. Sejalan dengan bank sentral Amerika yang mempertahankan sikap akomodatif, Bank Indonesia menurunkan suku bunga acuan ke level terendah 3.75% untuk menopang pemulihan ekonomi. Peningkatan ekspektasi atas kebijakan suku bunga yang akan tetap rendah dalam waktu lama membuat pasar tertopang.

FIXED INCOME

Bloomberg Indonesia Local Sovereign Index kept thriving with another solid performance in November, recorded a positive figure at +2.87% MoM or +12.68% YTD. The market reacted positively towards the US presidential election in the beginning of November, and with Biden came out as the winner, the global risk environment turned into a risk-on mode. Foreign inflows persisted and became more solid, along with substantial domestic excess liquidity which continued fueling the bullish market. In addition to that, the central bank consistently carried out the burden-sharing scheme, easing the supply pressure thus conserving the market rally. Aligned with The Fed which maintained its dovish stance and left its bond purchases unchanged, Bank Indonesia cut its rates to record low from 4.00% to 3.75% in November in order to support a speedy economic recovery. The rising expectation over the lower-for-longer interest rates provided further support to the market movement which was reflected on how the 10-year bond yield behaved, falling significantly from 6.60% to 6.15%.

OBLIGASI

Setelah pemilu Amerika Serikat selesai, tetap ada tantangan yaitu ketidakpastian stimulus tambahan. Presiden terpilih Joe Biden harus memperoleh dukungan parlemen untuk memenuhi rancangan stimulusnya. Tantangan lain adalah transisi yang tidak mulus dari presiden petahana Donald Trump. Kenaikan kasus COVID-19 setelah libur Thanksgiving dan juga peningkatan tensi perdagangan juga menjadi katalis negatif yang mempengaruhi sentimen global. Di tengah tantangan-tantangan tersebut, pasar tetap bertahan ditopang oleh berita perkembangan vaksin dari Moderna yang mengumumkan efektivitas 94.1% melawan COVID-19. Dari dalam negeri, Bio Farma dan Sinovac telah mencapai kesepakatan untuk memproduksi vaksin dengan target pemenuhan mulai awal Januari 2021.

FIXED INCOME

Challenges remained in the aftermath of the US election, with lingering uncertainty towards additional fiscal stimulus. The US President-elect Joe Biden must win the favor of the Parliament to fulfill his stimulus plan. Another challenge was the power transition which might be tough given Trump's warning. Possible rising COVID-19 cases after the thanksgiving as well as the escalating global trade tension were also considered as negative catalysts which could lead to global risk-off sentiment. Despite the challenges, the market remained resilient on the back of promising results from vaccine development by Moderna, which announced its vaccine having an efficacy of 94.1% against COVID-19. Domestically, Bio Farma and Sinovac has had a mutual agreement to produce effective vaccines which availability was targeted at the end of January 2021.