

WEEKLY ECONOMIC UPDATE

Period of March 11 – 15, 2024

Presented by:

Economic Research Division, PT Peningkat Efek Indonesia (PEFINDO)

EXECUTIVE SUMMARY

- In the period 11-15 March 2024, there were developments in inflation from several countries, such as the United States (US) which increased to 3.2%, China which increased to 0.7%, and India which slowed slightly to 5.09%. Apart from that, the US also released developments on its government budget which experienced a widening deficit. The UK and South Korea reported labor market developments, with the unemployment rate in the UK (Nov'23-Jan'24) remaining at 3.9%, while in South Korea (Feb'24) it decreased to 2.6%. There was a correction in the Q4-2023 economic growth data from Japan which was corrected upwards and prevented it from experiencing a recession. Regarding monetary policy, last week the PBoC launched a stimulus worth CNY387 billion through a one-year medium-term lending facility (MLF) to maintain banking system liquidity.
- Domestically, the trade balance in Feb'24 was reported to have experienced a slight surplus, namely USD0.87 billion as exports contracted and imports increased. Various leading economic indicators are reported to be still performing positively, where the Consumer Confidence Index is still in the optimistic zone and the Real Sales Index is still growing. Apart from that, there is also news that Fitch Ratings affirmed the Republic of Indonesia's Sovereign Credit Rating at BBB with a stable outlook. Entering the month of Ramadan and Eid al-Fitr, Bank Indonesia is preparing money fit for circulation amounting to IDR197.6 trillion to meet exchange needs throughout the period.
- Crude oil, nickel, and CPO commodities moved positively in the last week as demand increased. However, gold and coal moved slopingly as expectations of a reduction in US interest rates and high supply fell.
- Stock markets have moved mixedly in the past week, and some moved sloping towards the end of the week, amid correction in technology stocks. And the market is still considering the outlook for interest rates.
- The US dollar strengthened last week as upward pressure on price levels resumed, dashing expectations for an early rate cut before the start of H2. Meanwhile, the Euro and pound sterling appreciated last week.
- A stronger dollar causes most currencies in Asia to depreciate. The Thai baht and Japanese yen were among those that depreciated most sharply. On the other hand, the Philippine peso appreciated last week.
- Rupiah depreciation is more moderate compared to several Asian countries. Even though it was overshadowed by negative external sentiment and net selling in the government debt market by foreign investors, overall there was inflow as foreigners hunted the stock market.
- US yields rose quite sharply after the latest inflation data showed a higher percentage. Increases also occurred in the Eurozone and the UK, although with more moderate increases.
- Rising US yields pushed up 10-year yields in Asia. Singapore recorded the highest increase. Meanwhile, in the domestic market, yields rose following Asian markets with higher increases in short-term tenors. Demand at the debt securities auction on Tuesday last week was recorded as quite good. Total incoming bids reached 2.45 times the previously announced indicative target.
- The Indonesian bond market underperforms compared to the Indian and Thai markets. Included in the Asian Local Currency Bond Index (ALBI Index), the domestic market delivered lower year-to-date (YTD) returns compared to the markets of India, Thailand, and China. Fitch affirms that Indonesia's sovereign rating has not changed, remaining at BBB in line with good medium-term growth prospects and a low debt-to-GDP ratio compared to several peer countries.
- In the period March 11-15, 2024, no issuances of corporate bonds. Meanwhile, throughout March 2024, PEFINDO recorded debt securities that matured in the amount of IDR14.70 trillion. Then in April 2024, May 2024, and June 2024, each was valued at IDR11.69 trillion, IDR9.23 trillion, and IDR13.60 trillion.
- Sectoral news sentiment over the past week showed that the sector that had the most positive sentiment included the banking sector with news highlights related to "Banks Ready to Face Termination of Credit Restructuring" followed by the mining sector with news highlights "Long Breath of Gas Supply". Meanwhile, the sector with the most negative news sentiment is the banking sector with the news highlighting "Non Performance Loan (NPL) Property Credit Soars High" and automotive with the headline "Sales of Subsidized Electric Motorcycles Still Nil".

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A. MACROECONOMIC DEVELOPMENT

1) Global Economic Development

- The United States (US) reported its annual inflation rate surprisingly increased again to 3.2% in Feb'24 (Jan'24: 3.1%). Energy costs decreased slightly (-1.9%), while food prices increased at a slower pace (2.2%). Despite this, transportation costs increased sharply (9.9%). Core inflation slowed to 3.8% (Jan'24: 3.9%).
- The US government's budget deficit increased to USD296 billion in Jan'24 (Jan'23: -USD262 billion) and was the sixth in a row as defense spending increased and Strategic Fuel Reserve replacement. During the first five months of the fiscal year, the deficit increased to \$828 billion from \$723 billion in the same period a year earlier. Government revenues in February increased by USD9 billion to USD271 billion, while spending increased by USD43 billion to USD567 billion. Federal debt interest payments during the first four months of the fiscal year increased by \$127 billion compared to the same period a year earlier, primarily due to the Federal Reserve's rapid interest rate increases.
- The UK unemployment rate for the period Nov'23 – Jan'24 was reported at 3.9%, unchanged from the previous three months but slightly above market consensus (3.8%). Meanwhile, regular income (excluding bonuses) increased 6.1% YoY to GBP627/week in the same period. This increase was the lowest since Oct'22 and below the previous period (6.2%). When adjusted for inflation, real wage growth remained at 1.8%.
- Japan's economy grew 0.1% QoQ in Q4-2023 (initial estimate: 0.1% contraction), so Japan avoided a recession after its economy contracted 0.8% in Q3-2023. The correction occurred in capital expenditure, which was revised upwards, as well as international trade which contributed positively as exports grew stronger than imports.
- The unemployment rate (seasonally adjusted) in South Korea fell to 2.6% in Feb'24 (Jan'24: 3%). This occurred as more than 300,000 jobs were added in the second month in a row and the number of employed people reached 28.04 million, up 329,000 from the previous year.
- Consumer price inflation in China increased 0.7% YoY in Feb'24 (Jan'24: -0.8%) and was the first inflation since Aug'23 and the highest inflation in 11 months due to strong spending during the Chinese New Year holiday. Food prices declined at the softest rate in 8 months (-0.9% vs -5.9% in Jan'24), while non-food inflation rose sharply to 1.1%, and transport price declines moderated sharply (-0.4%). Core inflation increased 1.2% YoY, the highest since Jan'22.
- The People's Bank of China (PBoC) launched CNY387 billion through the One-Year Medium-Term Lending Facility (MLF) to maintain reasonable and adequate banking system liquidity on March 15. Meanwhile, the central bank kept interest rates unchanged at 2.50% amid the central bank's efforts to stabilize the yuan. With CNY481 billion in MLF loans expiring this month, the operation withdrew net fresh funds of CNY94 billion from the banking system to avoid excessive liquidity for the first time since November 2022. The PBoC also pumped in CNY13 billion through a 7-day reverse repurchase operation while maintaining costs Loans were unchanged at 1.8%.
- Retail inflation in India in Feb'24 was realized at 5.09% (Jan'24: 5.1%). Food inflation occurred at 8.66% (Jan'24: 8.3%) as vegetable prices increased further and prices of other food commodities slowed. This February realization meant that inflation in India was still below 6%, which is the upper limit of the central bank's target.

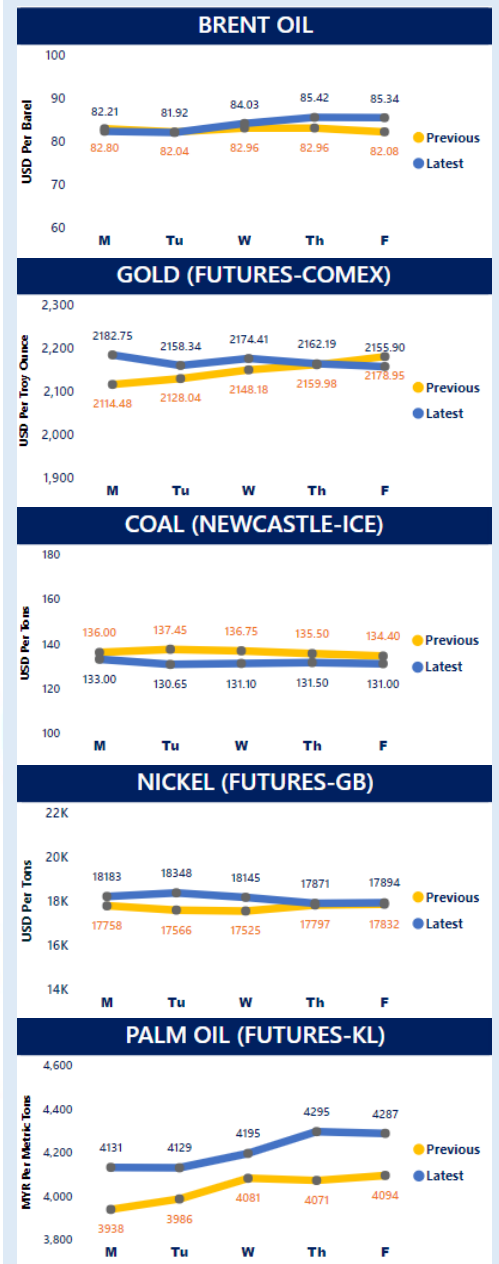
2) Domestic Economic Development

- Indonesia's trade balance in Feb'24 reported a surplus of USD0.87 billion (Jan'24: USD2.00 billion). The surplus value is the smallest since May'23. Exports contracted 9.45% YoY and became the lowest in 10 months (USD19.31 billion) amid slowing economies in trading partner countries. Meanwhile, imports rose 15.84% YoY and became the fastest growth in the last 16 months, due to the boost in domestic demand ahead of the month of Ramadan and Eid al-Fitr. Cumulatively from Jan-Feb 2024, the trade balance surplus reached USD2.87 billion with exports down 8.81% and imports down 0.29%.
- The Consumer Confidence Index (IKK) in Feb'24 was at 123.1 (Jan'24: 125.0). Despite the decline, consumer confidence is still in the optimistic zone (>100) and indicates consumer confidence in economic conditions remains strong, driven by the increasing Consumer Expectations Index and the Current Economic Conditions Index which remains optimistic.
- The Real Sales Index (IPR) in Jan'24 grew 1.1% (YoY) and reached 210.5. This performance was supported by increasing sales growth in the other household equipment group as well as the spare parts and accessories group, while the information and communication equipment group experienced improvement although it was still contracting. In Feb'24, retail sales performance is estimated to grow 3.6% (YoY) and reach 208.5. Improvements were driven by increased community activities during the Chinese New Year National Religious Holidays (HBKN), the 2024 elections, and preparing for needs ahead of the month of Ramadan.
- Fitch Ratings again maintained the Republic of Indonesia's Sovereign Credit Rating at BBB with a stable outlook. This decision considered Indonesia's good medium-term economic growth prospects, controlled inflation within the target range, and a low government debt-to-GDP ratio. Economic growth in 2025 is predicted to accelerate, driven by expectations of continued post-2024 election policies as well as monetary and fiscal policies that support macroeconomic stability. Several external indicators, such as current transactions, show improvement compared to before the pandemic, as well as increasing Foreign Direct Investment (FDI) supported by continued downstream activities.
- To meet the availability of quality and reliable Rupiah currency for the public, Bank Indonesia has prepared currency fit for circulation amounting to IDR197.6 trillion to meet the need for exchanging Rupiah currency during Ramadan and Eid al-Fitr 2024. This amount has increased by 4.65% from 2023 (IDR188.8 trillion). Anticipation of an increase in the amount of money prepared takes into account increased community mobility and increased economic growth.

B. COMMODITY MARKET DEVELOPMENT

- Oil prices weakened in weekend trading after reaching USD85 per barrel for the first time since November. However, crude oil prices recorded a weekly gain of 3.97% on the week due to increased demand from US refiners finalizing their production plans. Brent crude oil closed at USD85.34 per barrel. The International Energy Agency reports that world oil demand will increase by 1.3 million barrels per day in 2024 and expects a slight supply deficit this year if OPEC+ members maintain their output cuts after previously forecasting a surplus.
- Gold prices moved steadily in weekend trading and recorded their first weekly decline in four weeks. This is because investors lowered expectations of a reduction in US interest rates after data for a week showed increasing price pressures. Within a week, the price of gold recorded a decline of 1.06% to USD2,155.90 per ounce.
- Coal prices fell again last week, -2.53% WoW. The price decline occurred in line with India's potentially higher supply and the increase in gas supply, which is a substitute for coal in Europe. Gas prices fell because gas supplies in Europe reached 55% at the start of this season due to warmer-than-usual weather.
- Nickel prices rose 0.35% WoW. This was driven by increasing expectations of interest rate cuts by major central banks due to weaker-than-expected US figures and statements from members of the Fed and ECB. Additionally, traders continue to assess the industrial outlook of top metals consumer China following positive CPI and trade data. Additionally, China's new energy vehicle sales surged 29.4% in January-February 2024, increasing nickel demand.
- CPO prices jumped 4.71% in a week. Sentiment for rising CPO prices, including vegetable oil competitors on the Chicago Board, weakened, and crude oil prices fell. Additionally, at the same time, the latest industry data showed exports plunged 24.75% month-on-month last month. Another sentiment that causes CPO prices to rise is because demand increases in line with the ongoing fasting month of Ramadan and the upcoming Eid al-Fitr celebration in mid-April. Based on cargo surveyor data, shipments of Malaysian palm oil products for March 1-15 grew by 3.30%.

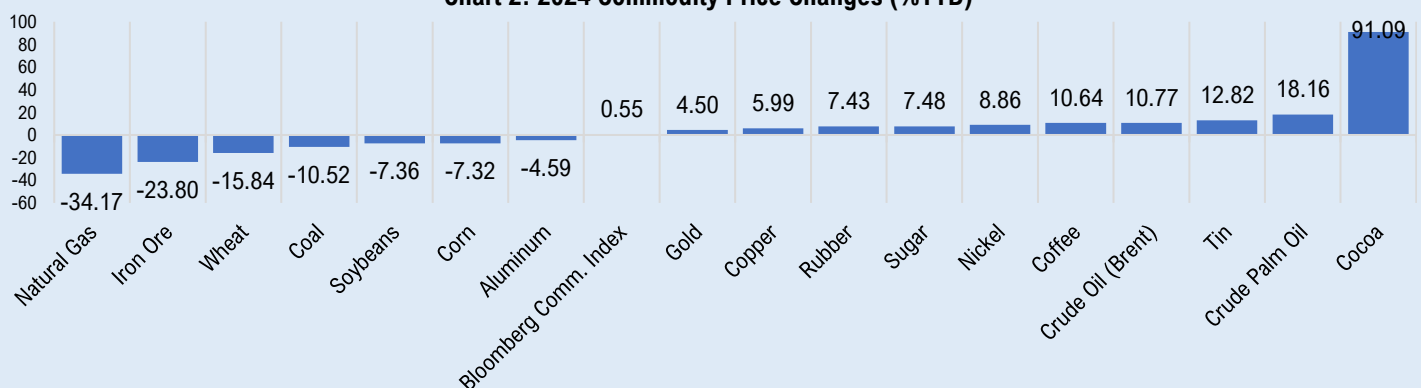
Chart 1. Several Commodity Price Development on a Weekly Basis (W-to-W)



Previous : 03/04/24 – 03/08/24
Latest : 03/11/24 – 03/15/24

Source: Bloomberg & Investing (2024).

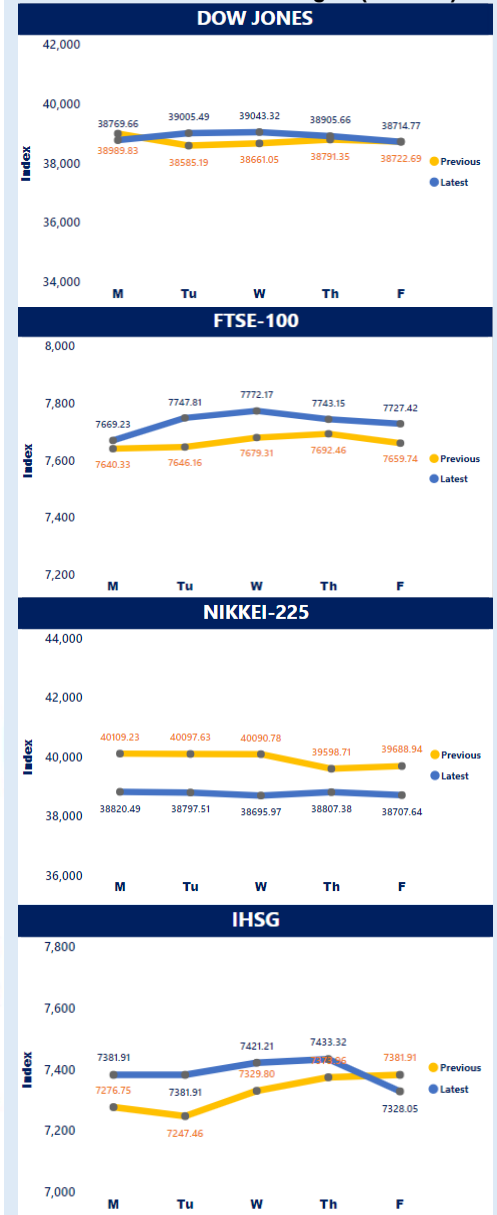
Chart 2. 2024 Commodity Price Changes (%YTD)



C. STOCK MARKET DEVELOPMENT

- Wall Street shares weakened in trading last week. The weakening was driven by technology mega-caps, which have driven Wall Street's rally this year. Investors also consider the outlook for interest rates ahead of the Federal Reserve meeting next week. In the week, the Dow Jones Industrial Average fell 0.02%, the S&P 500 Index fell 0.13%, and the Nasdaq Index fell 0.70%.
- European stock markets slipped down into the red zone in trading this weekend. European shares lacked catalyst as concerns rose that the Fed would delay lowering interest rates. However, the telecommunications sector helped stem further weakness. However, on a weekly basis, European shares still recorded gains. A series of upbeat corporate updates and interest rate expectations from the European Central Bank supported strengthening. The French CAC Index rose 1.70% WoW, the German DAX Index rose 0.69% WoW, and the UK FTSE Index rose 0.88% WoW.
- Asian shares also slipped at the close of weekend trading following a sluggish Wall Street pressured by the technology sector but posting mixed weekly returns. Investors in Asia are wary of any news from spring wage negotiations in Japan. In a week, the Nikkei 225 Index fell 2.47% WoW. Hong Kong's Hang Seng Index rose 2.25% WoW, and the Shanghai Composite Index rose 0.28% WoW.
- JCI experienced a correction of 0.73% within a week to close at 7,328.05. Market capitalization this weekend was IDR11,729.57 trillion, or a decrease of 1.06% compared to the previous weekend's position of IDR11,855.57 trillion. Domestically, sentiment on the JCI movement was also influenced by imports, which jumped by 15.84% YoY, the fastest growth in 16 months, exceeding market estimates which predicted an increase of 9.3%, driven by domestic demand ahead of preparations for Ramadan and Eid al-Fitr.

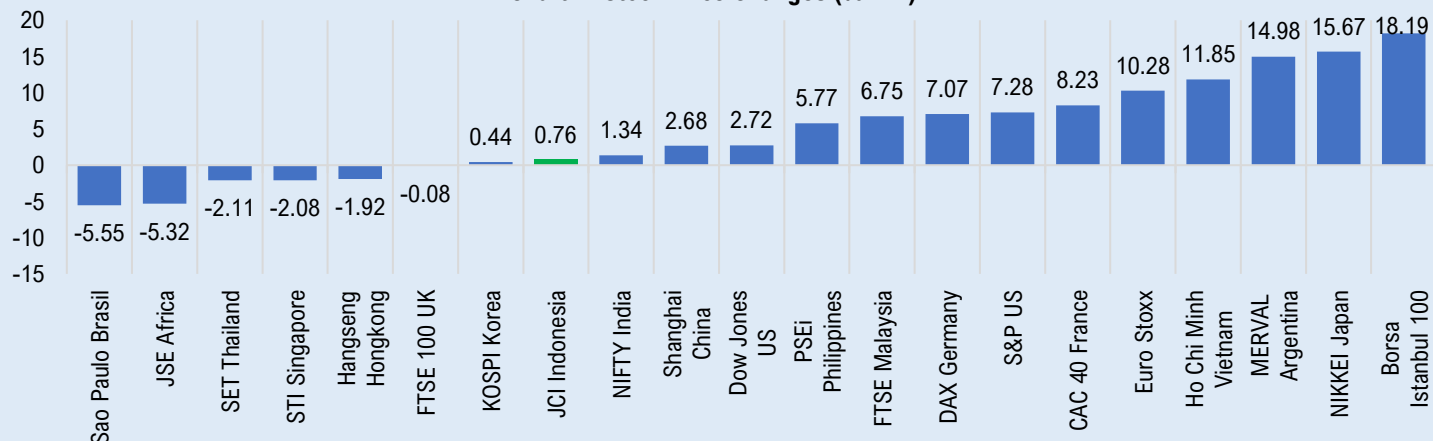
Chart 3. Weekly Stock Price Movements in Several Stock Exchanges (W-to-W)



Previous : 03/04/24 – 03/08/24
Latest : 03/11/24 – 03/15/24

Source: Bloomberg & Investing (2024).

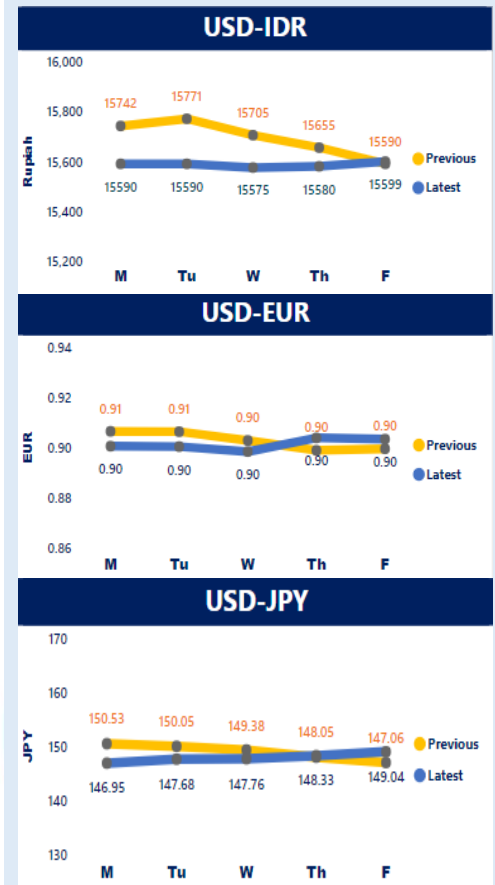
Chart 4. Stock Price Changes (%YTD)



D. EXCHANGE RATE DEVELOPMENT

- The US dollar strengthened last week as upward pressure on price levels resumed, dashing expectations for an early rate cut before the start of H2. The US dollar index rose 0.70% to 103.43 on Friday, March 15, 2024, the biggest weekly gain since mid-January. In addition to higher inflation rates, data on Friday showed the US manufacturing sector remained solid.
- The euro and pound sterling appreciated last week. The euro closed at EUR1.089 per US dollar on Friday, March 15, 2024, appreciating 0.46% compared to the previous Friday. Meanwhile, the pound sterling appreciated even more, namely by 0.95% to GBP1,274. Sterling's strong appreciation suggests the UK economy is holding up better than expected, keeping interest rates higher for longer.
- A stronger dollar causes most currencies in Asia to depreciate. The exception is the Philippine peso, which appreciated 0.10% to PHP55.52 per US dollar on Friday, March 15, 2024.
- The Thai baht and Japanese yen were among the sharpest depreciators, respectively, by 1.49% to THB35.90 and 1.35% to JPY149.04. Meanwhile, the Chinese yuan, Indian rupee, and South Korean won depreciated to CNY7.20 (+0.13%), INR82.89 (+0.12%), and KRW1,330 (0.78%). In Southeast Asia, the Malaysian ringgit depreciated 0.51% to MYR4.707 and the Singapore dollar depreciated 0.49% to SGD1.34.
- The depreciation of the rupiah is more moderate compared to several Asian countries above. The Rupiah closed at IDR15,599 on Friday, March 15, 2024, or depreciated 0.06% compared to the previous Friday. Even though it was overshadowed by negative external sentiment and net selling in the government debt market by foreign investors, in total there was an inflow of IDR2.69 trillion. The stock market recorded an inflow of IDR9.87 trillion, compensating for selling pressure in the government debt market. Apart from that, the recently released trade surplus also supports the stability of the rupiah.

Chart 5. Movement of Weekly Exchange Rates in Several Countries (W-to-W)

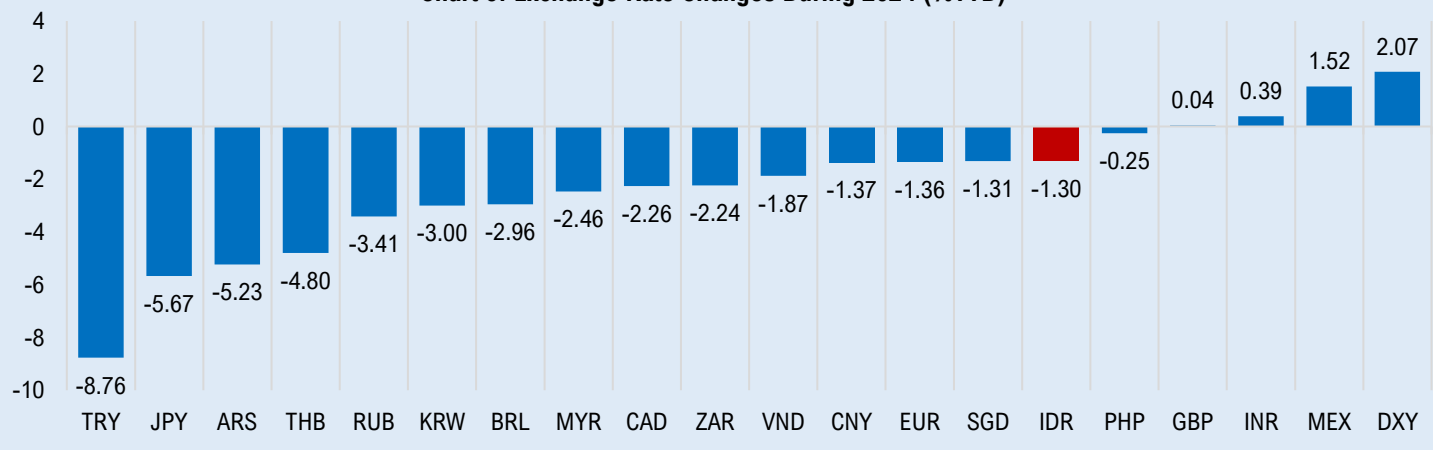


Previous : 03/04/24 – 03/08/24
Latest : 03/11/24 – 03/15/24

Source: Bloomberg & Investing (2024).

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Chart 6. Exchange Rate Changes During 2024 (%YTD)



E. DEBT SECURITIES MARKET DEVELOPMENT

1) Yield

- US yields rose quite sharply after the latest inflation data showed a higher percentage. The 2-year yield rose 25 basis points (bps) to 4.728% on Friday, March 15, 2024. Meanwhile, the 10-year yield rose 23 bps to 4.306%. Markets expect the Fed to potentially offer a more hawkish stance on interest rates, given it has repeatedly signaled that any rate cut in 2024 will be largely determined by the path of inflation. And the latest inflation shows a slight increase.
- Eurozone yields followed the trend in United States markets, albeit with more moderate increases. On Friday, March 15, 2024, the 2-year yield rose 17 bps to 2.564%, and the 10-year yield rose 18 bps to 2.441%. Meanwhile, in the UK, the 2-year yield rose 8 bps to 4.317%, and the 10-year yield rose 13 bps to 4.099%.
- Rising US yields pushed up 10-year yields in Asia. Singapore recorded the highest increase with 10 bps to 3.077%, followed by South Korea with 7 bps to 3.407%. Meanwhile, several other Asian countries reported more moderate increases compared to the two. China and Japan's 10-year yields rose 5 bps to 2.347% and 0.778% respectively. Meanwhile, India's 10-year yield closed at 7.064%, 1 bps higher compared to the previous Friday. In Southeast Asia, Malaysia recorded 5 bps increase in its 10-year yield to 3.873%.
- In the domestic market, yields rose following Asian markets with higher increases in short-term tenors. The 2-year yield rose 10 bps to 6.394% on Friday, March 15, 2024. Meanwhile, the 10-year yield rose more moderately, namely 2 bps to 6.649%. Negative sentiment from the US market has increased the selling action in the government debt market. Foreigners posted net sales of IDR7.18 trillion last week. However, the risk premium, reflected in Indonesia's 5-year CDS, actually fell 1.43% to 68.77 because foreigners did not actually leave the domestic market, but instead switched to the stock market.
- Demand at the debt securities auction on Tuesday last week was recorded as quite good. Total incoming bids reached IDR58.94 trillion or 2.45 times the previously announced indicative target. The government decided to win the bid of IDR24 trillion. Of the total incoming bids, demand by foreign investors increased slightly to IDR10.5 trillion from IDR10.4 trillion in the previous auction. They mostly target medium-long tenors (5 and 10 years) of IDR7.97 trillion or 75.9% of the total incoming bids from foreign investors.
- The Indonesian bond market underperforms compared to the Indian and Thai markets. Incorporated into the Asian Local Currency Bond Index (ALBI Index), the domestic market delivered a return of 1.33% year to date (YTD) as of March 15, 2024. This percentage is lower compared to India (2.75%) and Thailand (2.43 %). Likewise, the Chinese market also delivered higher returns with 1.53%. Indian markets outperformed on the back of JPMorgan and Bloomberg's plans to include Indian government bonds in their indexes, which are expected to attract foreign inflows worth USD40–50 billion annually, according to analysts.
- Fitch affirms that Indonesia's sovereign rating has not changed, remaining at BBB in line with good medium-term growth prospects and a low debt-to-GDP ratio compared to several peer countries. Fitch estimates the fiscal deficit at 2.5% of GDP in 2024. The ratio of government revenue to GDP is expected to fall to 14.6% in 2024 from 15% in 2023 amid falling commodity prices. However, Fitch expects government debt to fall gradually to 37.2% of GDP in 2027 from 39.1% in 2024.

2) Index

- The Indonesia Composite Bond Index (ICBI) rose slightly amid pressure in the debt securities market. ICBI closed at 378.52 on Friday, March 15, 2024, up 0.04% compared to Friday the previous week. This positive performance was due to the solid performance of the government bond market index (+0.03% to 370.30) and the corporate bond market (+0.19% to 429.41).
- The increase in benchmark yields pushed the 3-year corporate bond yield up last week. The 3-year government bond yield rose 4 bps to 6.474%. Additionally, premiums also increase for lower ratings. As a result, yields for A and BBB ratings rose 5 bps and 3 bps, respectively, to 9.338% and 11.138%, higher than the yield increases for AAA and AA ratings (rising 1 bps and 3 bps, respectively, to 7.125% and 7.671%).

Chart 7. Indonesian Government Bond Yield Curve

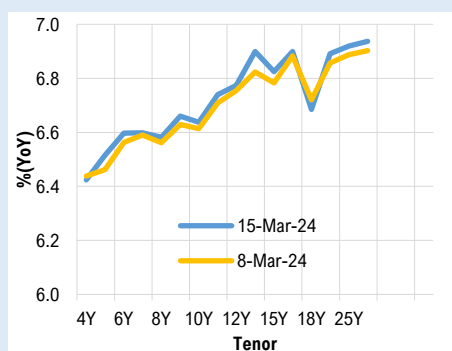


Chart 8. Bond Index

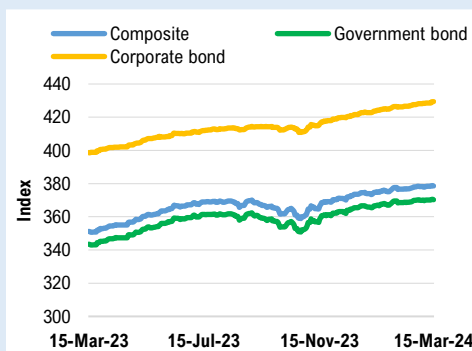
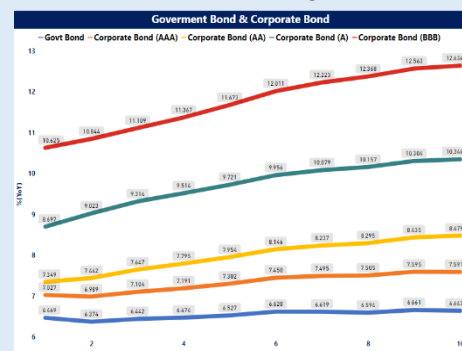


Chart 9. Corporate Bond Yields for Various Ratings



Note: data as of Friday, March 15, 2024.

Source: Bloomberg (2024), PHEI, processed by PEFINDO.

F. GOVERNMENT AND CORPORATE BONDS TRADING

Table 1. The Most Active Government Bonds Transactions During the Week by Volume

Series	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Unit)
FR0100	6.63	02/15/34	47,500	99.83	6.65	19,289,865
FR0101	6.88	04/15/29	5,000	101.50	6.52	15,273,032
FR96	7.00	02/15/33	15,000	102.25	6.66	5,601,728
FR0102	6.88	07/15/54	300	101.50	6.76	5,244,597
FR98	7.13	06/15/38	1,000	103.10	6.78	4,953,737
FR97	7.13	06/15/43	1,000	102.95	6.85	4,409,879
FR81	6.50	06/15/25	10,000	100.38	6.17	3,306,218
PBS036	5.38	08/15/25	5,000	98.85	6.24	2,417,084
PBS032	4.88	07/15/26	250,000	96.30	6.61	2,238,634
FR91	6.38	04/15/32	100	100.30	6.33	1,811,083

Source: Bloomberg (2024).

Table 2. The Most Active Corporate Bonds Transactions During the Week by Volume

Series	Rating	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Unit)
Sukuk Mudharabah I Armadian Tritunggal Year 2023	irA-	9.75	11/24/25	10,000	102.76	7.98	1,640,000
Shelf Registration Bond V Indomobil Finance Phase II Year 2023 Series A	idA+	6.25	04/08/24	15,000	99.95	7.21	483,000
Shelf Registration Bond III Sinar Mas Multifinance Phase II Year 2023 Series A	irA+	10.00	10/11/26	200,000	101.17	9.48	425,000
Shelf Registration Bond VI Tower Bersama Infrastructure Phase III Year 2024	AA+(idn)	6.75	02/16/25	30,000	100.28	6.43	256,000
Shelf Registration Sukuk Ijarah I Bali Towerindo Sentra Phase II Year 2023	A-(idn)	7.65	10/21/24	115,000	100.73	6.40	240,000
Shelf Registration Bond II Sinar Mas Multiartha Phase II Year 2022 Series D	irAA	9.75	08/26/27	220,000	100.77	9.48	220,000
Shelf Registration Bond III SMART Phase III Year 2022 Series B	idAA-	7.25	02/16/25	80,000	102.66	4.29	160,000
Shelf Registration Bond II Lontar Papyrus Pulp & Paper Industry Phase II Year 2023 Series B	idA	10.50	10/06/26	3,000	100.20	10.41	153,000
Shelf Registration Bond IV Indah Kiat Pulp & Paper Phase I Year 2023 Series B	idA+	10.25	07/11/26	50	103.00	8.26	147,000
Shelf Registration Bond I Indah Kiat Pulp & Paper Phase IV Year 2021 Series B	idA+	9.50	03/23/24	4,100	100.05	7.31	141,400

Source: Bloomberg (2024).

G. ISSUANCE AND MATURITY CORPORATE DEBT SECURITIES

1) Corporate Debt Securities Issuance

No Issuance of Corporate Debt Securities for the Period March 11 – 15, 2024.

2) Corporate Debt Securities Maturity

Table 3. Corporate Debt Securities Maturity

No.	Company	Instruments	Maturity Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
MARCH 2024							
1	PT Wijaya Karya (Persero) Tbk	Shelf Registration Bond I Phase II Year 2021 Series A	Mar-3-2024	495.00	8.50	3	idBBB
2	PT Wijaya Karya (Persero) Tbk	Shelf Registration Sukuk Mudharabah I Phase II Year 2021 Series A	Mar-3-2024	134.30	8.50	3	idBBB _(sy)
3	PT Federal International Finance	Shelf Registration Bond V Phase V Year 2023 Series A	Mar-5-2024	1,035.22	6.00	1	idAAA
4	PT Indosat Tbk	Shelf Registration Bond III Phase I Year 2019 Series C	Mar-5-2024	185.00	9.75	5	idAAA
5	PT Indosat Tbk	Shelf Registration Sukuk Ijarah III Phase I Year 2019 Series C	Mar-5-2024	29.00	9.75	5	idAAA _(sy)
6	PT Trimegah Sekuritas Indonesia Tbk	MTN II Phase I Year 2021	Mar-9-2024	122.50	10.50	3	idA
7	PT Equity Finance Indonesia	MTN VIII Phase VI Year 2021	Mar-10-2024	30.00	13.00	3	-
8	PT Permodalan Nasional Madani	Sukuk Mudharabah IV Year 2020 Series B	Mar-10-2024	780.00	Floating	3	idAA _(sy)
9	PT Pupuk Indonesia (Persero)	Shelf Registration Bond II Phase II Year 2021 Series A	Mar-10-2024	350.00	5.60	3	AAA(idn)
10	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase II Year 2023	Mar-15-2024	2,500.00	6.50	1	idA+
11	PT Bank Pan Indonesia Tbk	Shelf Registration Subordinated Bond II Phase II Year 2017	Mar-17-2024	2,400.00	10.25	7	idA+
12	PT Permodalan Nasional Madani	Shelf Registration Bond III Phase V Year 2021 Series B	Mar-17-2024	159.00	7.25	3	idAA+
13	PT Sampoerna Agro Tbk	Shelf Registration Bond I Phase II Year 2021 Series A	Mar-17-2024	127.67	9.45	3	idA
14	PT Sampoerna Agro Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2021 Series A	Mar-17-2024	236.64	9.45	3	idA _(sy)
15	Perum Perumnas	MTN I Year 2019	Mar-18-2024	150.00	11.75	5	idBBB-
16	PT Samator Indo Gas Tbk	Shelf Registration Bond I Phase III Year 2019 Series B	Mar-19-2024	16.00	11.50	5	A(idn)
17	PT Indah Kiat Pulp & Paper Tbk	Shelf Registration Bond I Phase IV Year 2021 Series B	Mar-23-2024	1,894.63	9.50	3	idA+
18	PT Merdeka Copper Gold Tbk	Shelf Registration Bond II Phase I Year 2021 Series B	Mar-26-2024	940.40	9.85	3	idA+
19	PT Surya Artha Nusantara Finance	Shelf Registration Bond IV Phase II Year 2023 Series A	Mar-26-2024	350.00	6.00	1	idAA
20	PT Medco Energi Internasional Tbk	Shelf Registration Bond II Phase IV Year 2017 Series C	Mar-30-2024	7.00	11.80	7	idAA-
21	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond III Phase II Year 2023 Series A	Mar-31-2024	2,761.15	6.35	1	AAA(idn)
Total				14,703.50			
APRIL 2024							
1	PT Maybank Indonesia Finance	Shelf Registration Bond II Phase II Year 2019 Series B	Apr-2-2024	350.00	9.35	5	AA+(idn)
2	PT Pegadaian	Shelf Registration Bond IV Phase IV Year 2021 Series B	Apr-6-2024	1,107.50	6.20	3	idAAA
3	PT Pegadaian	Shelf Registration Sukuk Mudharabah I Phase IV Year 2021 Series B	Apr-6-2024	165.80	6.20	3	idAAA _(sy)
4	PT Provident Investasi Bersama Tbk	Shelf Registration Bond I Phase I Year 2023 Series A	Apr-7-2024	268.00	6.75	1	idA
5	PT Indomobil Finance Indonesia	Shelf Registration Bond V Phase II Year 2023 Series A	Apr-8-2024	918.00	6.25	1	idA+
6	PT Steel Pipe Industry of Indonesia Tbk	Shelf Registration Bond II Phase I Year 2023 Series A	Apr-11-2024	37.90	7.75	1	idA
7	PT Steel Pipe Industry of Indonesia Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2023 Series A	Apr-11-2024	3.00	7.75	1	idA _(sy)

8	PT Integra Indocabinet Tbk	Shelf Registration Bond I Phase I Year 2021 Series B	Apr-14-2024	407.82	10.25	3	idA-
9	PT Integra Indocabinet Tbk	Shelf Registration Sukuk Mudharabah I Phase I Year 2021 Series B	Apr-14-2024	97.50	10.25	3	idA-(sy)
10	PT Astra Sedaya Finance	Shelf Registration Bond V Phase II Year 2021 Series B	Apr-15-2024	1,608.03	6.35	3	idAAA
11	PT Chandra Asri Petrochemical Tbk	Shelf Registration Bond III Phase III Year 2021 Series A	Apr-15-2024	50.00	7.80	3	idAA-
12	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Bond IV Phase V Year 2019 Series C	Apr-16-2024	607.75	9.15	5	idAAA
13	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Sukuk Mudharabah III Phase IV Year 2019 Series C	Apr-16-2024	14.00	9.15	5	idAAA(sy)
14	PT Permodalan Nasional Madani	Shelf Registration Sukuk Mudharabah I Phase II Year 2023 Series A	Apr-21-2024	626.00	Floating	1	idAA+(sy)
15	PT Wahana Ottomitra Multiartha Tbk	Shelf Registration Bond IV Phase III Year 2023 Series A	Apr-21-2024	221.00	5.95	1	AA(idn)
16	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase IV Year 2019 Series C	Apr-23-2024	1,523.00	8.90	5	idAAA
17	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Sukuk Mudharabah I Phase III Year 2019 Series C	Apr-23-2024	66.00	8.90	5	idAAA(sy)
18	PT BFI Finance Indonesia Tbk	Shelf Registration Bond V Phase IV Year 2023 Series A	Apr-24-2024	590.00	6.10	1	AA-(idn)
19	PT Koprime Sandysjahtera	Sukuk Mudharabah I Series A	Apr-24-2024	9.00	Floating	5	-
20	PT Oto Multiartha	Bond III Year 2019 Series C	Apr-26-2024	480.00	9.25	5	idAA+
21	PT Bussan Auto Finance	Shelf Registration Bond I Phase II Year 2021 Series B	Apr-27-2024	725.00	6.90	3	AAA(idn)
22	PT Bank Mandiri Taspen	Shelf Registration Bond I Phase II Year 2021 Series A	Apr-28-2024	800.00	6.50	3	AA(idn)
23	PT Bussan Auto Finance	Shelf Registration Bond II Phase III Year 2023 Series A	Apr-28-2024	401.00	5.98	1	idAAA
24	PT Nusantara Indah Cemerlang	MTN III Year 2020	Apr-28-2024	350.00	10.00	4	-
25	PT XL Axiata Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2017 Series D	Apr-28-2024	260.00	9.10	7	AAA(idn)
Total				11,686.30			

MAY 2024

1	PT Mora Telematika Indonesia Tbk	Shelf Registration Sukuk Ijarah I Phase IV Year 2021 Series A	May-4-2024	469.10	10.25	3	idA+(sy)
2	PT Perkebunan Nusantara III (Persero)	MTN III Year 2019 Series A	May-9-2024	300.00	11.00	3	idBBB+
3	PT Perkebunan Nusantara III (Persero)	MTN III Year 2019 Series B	May-9-2024	600.00	11.25	5	idBBB+
4	PT Waskita Karya (Persero) Tbk	Shelf Registration Bond III Phase IV Year 2019 Series B	May-16-2024	1,361.75	9.75	5	idD
5	PT Adhi Commuter Properti Tbk	Bond I Year 2021 Series B	May-20-2024	9.00	11.00	3	idBBB
6	PT Mandiri Tunas Finance	Shelf Registration Bond V Phase II Year 2021 Series A	May-20-2024	915.15	7.00	3	idAAA
7	PT Nusantara Indah Cemerlang	MTN IV Year 2020	May-20-2024	400.00	10.00	4	-
8	PT Medco Power Indonesia	Sukuk Wakalah II Year 2019 Series B	May-23-2024	7.00	10.55	5	idA(sy)
9	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond III Phase III Year 2023 Series A	May-27-2024	171.75	5.90	1	idAAA
10	PT BFI Finance Indonesia Tbk	Shelf Registration Bond V Phase I Year 2021 Series B	May-28-2024	400.00	7.75	3	A+(idn)
11	PT Energi Mitra Investama	MTN II Year 2020	May-28-2024	USD15.00 mn	6.00	4	-
12	PT HK Realtindo	Sukuk Mudharabah IV Year 2019 Series A	May-28-2024	200.00	2.78	5	-
13	PT Permodalan Nasional Madani	Shelf Registration Bond III Phase I Year 2019 Series B	May-28-2024	599.00	9.85	5	idAA+
14	PT Semen Indonesia (Persero) Tbk	Shelf Registration Bond I Phase II Year 2019 Series A	May-28-2024	3,364.00	9.00	5	idAA+
15	PT Indosat Tbk	Shelf Registration Bond II Phase I Year 2017 Series D	May-31-2024	378.00	8.90	7	idAAA
16	PT Indosat Tbk	Shelf Registration Sukuk Ijarah II Phase I Year 2017 Series C	May-31-2024	60.00	8.90	7	idAAA(sy)
Total				9,234.75			

JUNE 2024

1	PT Permodalan Nasional Madani	Sukuk Mudharabah <i>Jangka Menengah V</i> Year 2022 Series C	5-Jun-24	250.00	Floating	1	idAA+(sy)
2	PT Federal International Finance	Shelf Registration Bond V Phase I Year 2021 Series B	8-Jun-24	872.00	6.25	3	idAAA
3	PT Sinar Mas Agro Resources and Technology Tbk.	Shelf Registration Bond III Phase I Year 2021 Series B	10-Jun-24	600.00	8.75	3	idAA-
4	PT Power Block Indonesia	MTN I Year 2019	11-Jun-24	50.00	9.00	5	-
5	PT Bank Mandiri (Persero) Tbk.	Shelf Registration Bond I Phase II Year 2017 Series B	15-Jun-24	3,000.00	8.50	7	idAAA
6	PT Provident Investasi Bersama Tbk.	Shelf Registration Bond I Phase II Year 2023 Series A	17-Jun-24	321.00	6.75	1	idA
7	PT Permodalan Nasional Madani	Sukuk Mudharabah III Phase I Year 2019	18-Jun-24	300.00	2.75	5	idAA+(sy)
8	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond III Phase III Year 2023 Series A	18-Jun-24	797.50	6,15	1	AAA(idn)
9	PT HK Realtindo	Sukuk Mudharabah IV Year 2019 Series B	21-Jun-24	700.00	Floating	5	-
10	PT Maybank Indonesia Finance	Shelf Registration Bond III Phase I Year 2021	23-Jun-24	500.00	6.30	3	AAA(idn)
11	PT Adhi Karya (Persero) Tbk.	Shelf Registration Bond II Phase II Year 2019 Series B	25-Jun-24	473.50	9.75	5	idA-
12	PT BFI Finance Indonesia Tbk	Shelf Registration Bond V Phase V Year 2023 Series A	25-Jun-24	250.00	6.00	1	AA-(idn)
13	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond II Phase I Year 2019 Series C	25-Jun-24	1,552.00	8.75	5	idAAA
14	PT Pegadaian	Shelf Registration Bond V Phase III Year 2023 Series A	26-Jun-24	1,595.00	5.80	1	idAAA
15	PT Pegadaian	Shelf Registration Sukuk Mudharabah II Phase III Year 2023	26-Jun-24	605.00	5.80	1	idAAA(sy)
16	PT Perkebunan Nusantara I	MTN VIII Series A	26-Jun-24	215.00	11.00	5	idBBB+(cg)
17	PT Bank Tabungan Negara (Persero) Tbk	Shelf Registration Bond III Phase II Year 2019 Series C	28-Jun-24	1,219.50	9.00	5	AA+(idn)
18	PT Mandala Multifinance Tbk.	Shelf Registration Sukuk Mudharabah I Phase III Year 2023 Series A	29-Jun-24	300.00	7.00	1	idA(sy)
Total				13,600.50			

Notes: *) Amount in USD excluded.

Source: KSEI, IDX, PEFINDO database.

PEFINDO
CREDIT RATING AGENCY

H. NEWS ANALYSIS

Chart 10. News Sentiment Various Industries



Source: Newspaper, PEFINDO database.

Description:

AUTO : Automotive
 METL : Metal and Gold
 POWR : Power and Energy
 TRAD : Trading and Distribution
 BANK : Banking
 MINE : Mining
 PROP : Property
 RENT : Vehicle Rental and Transportation
 FOOD : Food and Beverage
 FINA : Multifinance
 SUBN : Subnational Entity
 INSR : Insurance and Guarantee
 PLAN : Plantation
 TLCO : Telecommunication

Table 4. News Highlight Over the Past Week

Industries	News	
	Positive	Negative
Automotive	The Bus Market is Getting Wider (Harian Kontan-08/03/2024). This is partly driven by the Eid Al-Fitr moment this year and also the increasing number of companies purchasing buses to transport their employees. Apart from that, the increase in bus sales was also driven by the increasingly massive development of toll road infrastructure.	Sales of Subsidized Electric Motorcycles Still Nil (Harian Kontan-08/03/2024). This is because not a single subsidized electric motorbike has been distributed to buyers. The reason is that currently, the electric motorbike subsidy assistance budget is in the administrative process, specifically in the form of review and examination by the Financial Audit Agency (BPK).
Banking	Banks Ready to Face Termination of Credit Restructuring (Bisnis Indonesia-08/03/2024). Banking preparations include anticipating and continuing to be disciplined in forming quite large reserves for impairment losses. Not only that, but banking players also always maintain careful aspects in distributing credit, especially in the corporate and commercial segments, as well as distributing financing to government programs such as People's Business Credit (Kredit Usaha Rakyat).	Non-Performance Loan (NPL) Property Credit Soars High (Harian Kontan-07/03/2024). This is in line with the increase in banking NPLs as a whole. This is because the market in the apartment to office segment is currently still weak. Apart from that, NPLs are also supported by the construction sector.
Food and Beverage	Machine Restructuring, Stimulus for Food and Beverage Business Efficiency (Bisnis Indonesia-14/03/2024). The machine restructuring program is one of the Ministry of Industry's efforts to implement the Making Indonesia 4.0 road map and to increase the competitiveness of the national industry. Apart from that, incentives for updating industrial machines are also seen as being able to increase productivity, energy efficiency and deepen	Performance of The Snack Food Industry is Still Heavy (Harian Kontan-14/03/2024). This was partly triggered by the geopolitical crisis which resulted in rising logistics costs and disruption of global supply chains. In addition, prolonged drought reduces agricultural productivity, causing raw material prices to soar. Pressure also comes from inflation in the food price component. Soft drink entrepreneurs also face tight business competition along with the proliferation of non-processed soft drinks.

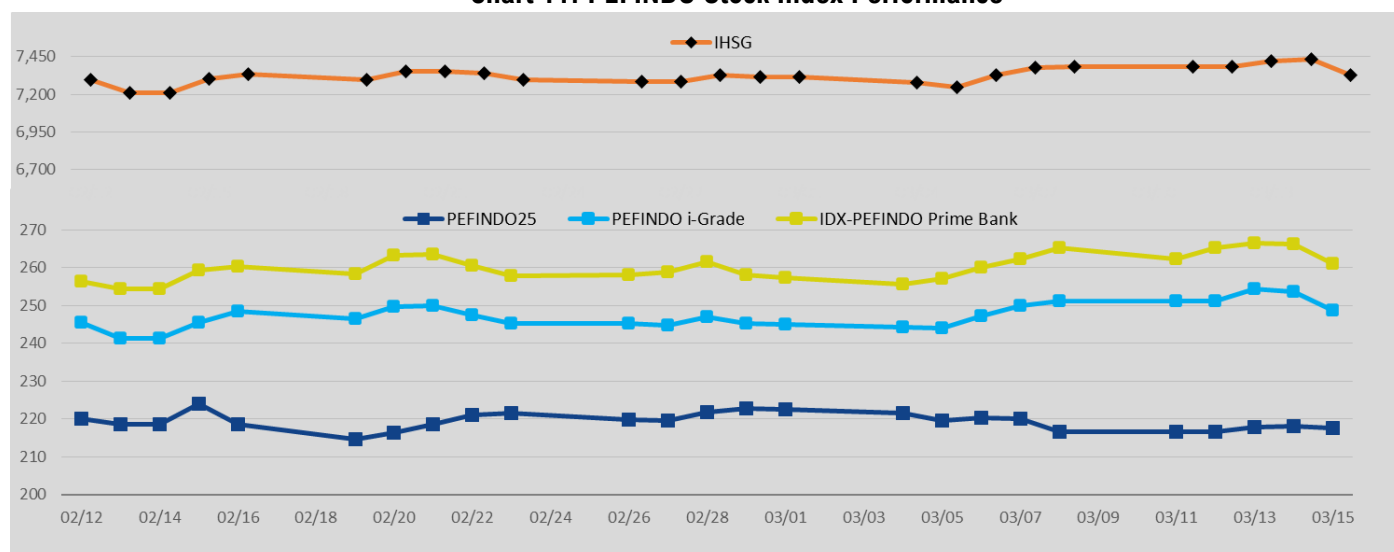
Industries	News	
	Positive	Negative
	industrial structures, thereby improving control over environmental pollution.	
Insurance and Guarantee	2 Sharia Business Units of Insurance Process the Spin-Off (Bisnis Indonesia-13/03/2024). The separation of the Sharia unit was carried out to strengthen the resilience and competitiveness structure of the insurance and reinsurance industry. Apart from that, it creates more effective and efficient business operations.	
Metal and Gold	Iron and Steel Market Receives Positive Sentiment (Harian Kontan-08/03/2024). This is in line with the still sluggish global demand which causes Iron and steel prices to remain depressed. However, this low steel price could have a positive impact on the domestic market, because the purchasing power of steel in the domestic market is still below that of developed countries.	Global Gold Prices Slip (Bisnis Indonesia-13/03/2024). This was triggered by an increase in the US producer price index (PPI) or inflation at the producer level which was greater than expected in the February period, thereby reducing expectations of an early interest rate cut by the Federal Reserve (The Fed), thereby increasing Treasury yields and the dollar US.
Mining	Long Breath of Gas Supply (Bisnis Indonesia-08/03/2024). This happened after the company EMP Bentu Limited, which is a subsidiary of Energi Mega Persada, discovered gas reserves in the Bentu Block of 126 billion cubic feet from drilling activities carried out at the CEN-01 Well, thus extending the gas supply for industry in Sumatra and Java.	Oil Weakens Limited (Bisnis Indonesia-08/03/2024). The movement occurred amid China's trade data that surpassed the expectation. Apart from that, the weakening of oil prices was also limited by US data which showed a smaller increase in crude oil inventories estimates, while fuel stocks are running low.
Multifinance	Financing Companies Chase Targets During Ramadan (Bisnis Indonesia-13/03/2024). This happened because of the increasing public demand for motorized vehicles for homecoming or traveling during the Eid holiday. Apart from that, finance companies also encourage multi-purpose credit. This is because people's needs increase during Ramadan and Eid, such as purchasing preparation items for fasting and Eid, as well as purchasing transportation tickets for going home.	
Plantation	Europe Loses at The World Trade Organization (WTO), Gapki Still Eyes Other Markets (Harian Kontan-08/03/2024). This is done to expand the scope of the Indonesian palm oil export market and avoid dependence on exports from just one region. Apart from that, expanding exports to countries other than Europe is also to increase the competitiveness of Indonesian palm oil as the world's largest palm oil producer.	Food Self-Sufficiency Plan (Bisnis Indonesia-08/03/2024). Because the government's promises at the start of the administration at that time were still far from burning. The reason is that currently the number of imports, such as rice commodities, has soared in the last 2 years. However, the government should not need to import fantastic amounts of rice. This is because the import figure is not commensurate with the decline in production in 2023 which was recorded at around 650,000 tons.
Power and Energy	United States (US) Grants USD2 Million for Indonesia-Malaysia Electricity Interconnection (Bisnis Indonesia-08/03/2024). The Indonesia-Malaysia interconnection can advance the ASEAN electricity sector, especially amidst the trend of using clean electricity. It is hoped that this interconnection route can increase the energy security of each country while supporting renewable energy integration into the electricity grid.	
Property	Ceria Property Stock Issuer (Harian Kontan-13/03/2024). One of the triggers is the potential for a reduction in banking interest rates. Apart from that, property share issuers are also helped by the	

Industries	News	
	Positive	Negative
	government-borne Value Added Tax (VAT) incentive policy DTP), namely in the form of a VAT discount of 11%.	
Subnational Entity	Pursuing Regional Tax Option Regulations (Bisnis Indonesia-13/03/2024). This is because the implementation of the tax option on January 5, 2025, faces challenges that cannot be said to be taken lightly. This is because many regional head seats are filled by officials, giving rise to anxiety due to limited authority and positions that are less flexible compared with the definitive regional head results from direct elections.	
Telecommunication	A New Chapter of Quota-Based Internet Access (Bisnis Indonesia-14/03/2024). This is after the Ministry of Communication and Information gave freedom to internet service providers to offer services to customers including the implementation of a quota usage limitation scheme or fair usage policy.	Normal Usage Limit Scheme Considered Harmful to Consumers (Bisnis Indonesia-13/03/2024). The reason is, there is no normal usage limit or fair usage policy (FUP). fair to users, especially those who want internet speed. In addition, changes to a provision should be socialized long before the change is implemented.
Trading and Distribution	Positive Effects of Tightening Imports of Goods (Harian Kontan-13/03/2024). Because with this regulation it is hoped that it can reduce the use of imported goods, and people can prioritize using domestic products. Apart from that, people will think twice about using a goods deposit service (<i>jasa titip/jastip</i>) if they want goods from outside because they will incur additional import fees.	Businesspeople Refuse to Obligation to Lock Forex Exports for Three Months (Harian Kontan-14/03/2024). This is because each business sector has different cost and profit structures. On the other hand, the most complaints from entrepreneurs are related to cash flow. The reason is, with the rule that 30% of DHE is held for three months, it is not easy for entrepreneurs to manage cash flow. This is because business people usually use these funds for other activities such as paying suppliers, employee salaries and other overhead costs.
Vehicle Rental and Transportation	Transportation Issuers Aim for Profits from The Momentum of Eid Homecoming (Bisnis Indonesia-14/03/2024). This is because the 2024 Eid homecoming moment can be a boost for the transportation sector, where many people are returning home to celebrate Eid al-Fitr in their villages, even though it is not significant. Moreover, people's purchasing power and consumption will remain maintained after the 2024 elections which will run safely and conductively.	

Source: Harian Kontan, Bisnis Indonesia, and Investor Daily (2024).

PEFINDO Stock Index Development

Chart 11. PEFINDO Stock Index Performance



Source: IDX, Bloomberg (2024).

Table 5. PEFINDO Stock Index Weekly Changes

Periode	Unit	IHSG	PEFINDO25	PEFINDO i-Grade	Prime Bank
2/16/2024	% (WoW)	1.39%	-2.97%	2.67%	4.57%
2/23/2024	% (WoW)	-0.55%	1.38%	-1.21%	-1.03%
3/1/2024	% (WoW)	0.23%	0.42%	-0.19%	-0.11%
3/8/2024	% (WoW)	0.96%	-2.73%	2.54%	3.00%
3/15/2024	% (WoW)	-0.73%	0.49%	-0.93%	-1.59%

Source: IDX, Bloomberg (2024).

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