

1st WEEK**March 2019**❖ **MACRO**

- February's jobs report pointed to a slowing economy with one notable exception that could cause policymakers a headache later in the year. Rising wages were one of the few positives to come out of the Bureau of Labor Statistics' monthly nonfarm payrolls release. While the economy created just 20,000 more jobs during the month, average wages for the nearly 157 million Americans at work rose 3.4 percent, the biggest increase since April 2009 and considerably above the 1.6 percent inflation level as measured by the consumer price index. That's certainly good news following a lost two decades or so when real wages essentially were flat. But it's raising a rather uncomfortable specter for employers who face increasing salary pressures at a time when profit margins are also coming under pressure and the overall economy is showing signs of weakening.
- U.S. President Donald Trump's pick to lead the World Bank faces a clear path toward approval as a nomination deadline passed on Thursday with no challengers, continuing the tradition of the United States choosing the development lender's president. David Malpass, the U.S. Treasury's undersecretary for international affairs, will interview with the World Bank's executive directors in the coming days, the bank said in a statement. The directors expect to conclude their selection process before the World Bank and International Monetary Fund spring meetings on April 12-14, the bank said. Malpass has traveled to Europe and Asia in recent weeks to lobby for support from major World Bank shareholders. His nomination was prompted by the departure in January of Jim Yong Kim, who left the bank after more than six years at its helm to join a private equity infrastructure fund.

- Review:

Our contention continues to be that the majority of the cost pressure is the result of the economy running too hot last year which has led to higher labor costs among other things

❖ **MICRO**

- The confidence of foreign investors in the economy is said to continue to increase. Bank Indonesia (BI) said that until March 6, 2019 the flow of incoming capital reached Rp 59.9 trillion. In fact, from BI data, in February 2019 the flow of incoming capital reached Rp 63 trillion. Consisting of Rp. 49.5 trillion in SBN, Rp. 12.6 trillion in shares and Rp. 1.4 trillion in Bank Indonesia certificates (SBI). This means that there is an outflow of capital up to Rp 3.1 trillion. BI Governor Perry Warjiyo revealed that the flow of foreign capital consisted of IDR 50 trillion in state securities (SBN) and IDR 10.5 trillion in shares. "The flow of foreign capital entering until March 6 is higher than the same period last year," Perry said at the BI Building, Jakarta, Friday (03/08/2019). He explained that at the beginning of last year until March 6, there had been a reversal of foreign capital of up to Rp. 9.9 trillion.
- The Financial Services Authority (OJK) noted that until now there have been 99 technology-based financial companies (fintech) that have obtained permits. At present there are hundreds of fintech who are lining up at OJK. The Chief Executive Officer of the OJK Non-Bank Financial Industry, Riswinandi, said that currently there are 117 fintechs that are taking care of licensing at the OJK. "Until now, at OJK there have been 99 licensed finteches, 117 platforms that are interested in and proceeding at OJK," he said at the IDX Building, Jakarta, Friday (03/08/2019). One of the conditions for obtaining permission from OJK, fintech organizers must also register as members of the Indonesian Joint Funding Fintech Association (AFPI). These provisions are contained in OJK Regulation No. 77 / POJK.01 / 2016 Chapter XIII Article 48.

- Review:

The rapid influx of foreign capital that reflects foreign trust in the domestic economy will also continue to increase. Today's pressure on the rupiah is more due to the improving US economy, so that the US dollar strengthens against all eyes of other countries, including Indonesia.

❖ **BANKING**

- PT Bank Negara Indonesia (Persero) Tbk (BNI) also participated in disbursing financing for national export-based businesses. Not only providing financing to exporters, BNI also provides financing for importers of exporters of product buyers from Indonesia. This scheme is considered to help the realization of trade transactions between entrepreneurs from Indonesia and importers in the destination countries for their exports. This scheme was applied to the trade in seafood produced by the recipients of the People's Business Credit (KUR) channeled by BNI, from Bulukumba, South Sulawesi named Abdul Rozak. BNI Treasury and International Director Rico Rizal Budidarmo stated, one of the strategies developed by BNI to increase exports of Micro, Small and Medium Enterprises (MSMEs) such as Abdul Rozak was to provide KUR facilities. From the financing, Abdul Rozak can develop his farm business which originally originated from 2 ponds. "BNI sees that MSMEs are a strategic part of improving people's welfare," Rico said on Thursday (03/14/2019).

- Bank Mandiri Taspen (Mantap) decided to move their headquarters from the original ones in Denpasar to Jakarta. President Director Josephus K. Triprakoso said the transfer was done in order to develop the bank's performance. In addition, the transfer was carried out to increase business acquisitions and the company's performance. "With this transfer, it is expected to increase efficiency and be able to reduce the operating expenses of operating income which is quite high while in Denpasar," he said in a statement issued in Jakarta on Monday (11/3). In addition to moving the head office, to support performance, Bank Mandiri Taspen also launched the Mantap Mobile digital

service. This service is a form of corporate adaptation to the trends and needs of the people in the modern era.

- Review:

In an effort to pursue the growth of export transactions in addition to continuing to improve Trade services to Corporate customers, BNI also focuses on developing export-based MSME markets. BNI also provides assistance and training to exporters and importers customers. BNI also provides competitive pricing and fast and efficient import export transaction services.

Disclaimer : Dokumen ini hanya bertujuan sebagai informasi dan diperoleh dari berbagai sumber yang terpercaya, namun bukan merupakan jaminan keakuratan atau kelengkapan dan tidak boleh diandalkan sepenuhnya. Kondisi diatas dapat berubah setiap saat. Dilarang untuk menulis ulang apapun tanpa ijin tertulis dari Bank Jatim.