

2nd WEEK**April 2021**❖ **MACRO**

- Despite what he sees as a rapidly recovering economy, Federal Reserve Chairman Jerome Powell has reaffirmed the central bank's commitment to keep loose monetary policy in place. That includes a statement of near-certainty that interest rates won't be going anywhere as inflation remains tame and millions of Americans remain in need of assistance as the nation rebuilds from the damage caused by the Covid-19 pandemic. "I think it's highly unlikely that we would raise rates anything like this year," Powell told CBS "60 Minutes" journalist Scott Pelley in an interview broadcast Sunday evening. "I'm in a position to guarantee that the Fed will do everything we can to support the economy for as long as it takes to complete the recovery." That support includes near-zero short-term borrowing rates and \$120 billion a month in bond purchases put in place following a sharp rebound from the plunge in activity between February and April 2020.
- With fears over "vaccine nationalism" steadily becoming a reality in 2021, experts have highlighted to CNBC why it's in everybody's interests to make sure adequately supplied inoculation programs are rolled out across the globe. "Low- and middle-income countries have had the challenge of getting vaccines because of the phenomenon of vaccine nationalism. Most of the developed countries have a lot of the vaccines," Dr. Faisal Shuaib, CEO of Nigeria's National Primary Health Care Development Agency, told CNBC last month. Whereas high income nations have purchased more than 4.6 billion doses of Covid-19 vaccines, low income countries have bought 670 million doses, according to data from the Duke Global Health Innovation Center. And while many western economies, such as the U.K. and the U.S., hope to vaccinate the vast majority of their populations in the coming months, some countries might not be able to achieve that before 2024, according to the same institution "So, if we are going to

eradicate Covid-19 as one global community than it is important that every community has access to these vaccines. The virus doesn't know any borders," Shuaib said.

- Review:

Though the economy has recovered more than 13 million jobs since the depths of the crisis, there remain about 9 million more still sidelined. As states and localities have loosened restrictions, more people have gone back to work.

❖ **MICRO**

- Chairman of the Board of Commissioners of the Financial Services Authority (OJK), Wimboh Santoso said the Association of State-Owned Banks (Himbara) is ready to help the tourism sector recover faster in 2021, especially for cafe, restaurant and hotel entrepreneurs. "Last night, we had a meeting with Mr. Sua and also the President Director of Himbara that we have started to record all customers who belong to the Himbara bank for additional working capital rolling," he said at the National Economic Recovery Acceleration Workshop - Stakeholders Meeting virtually yesterday. He added that those who get restructured can also be given credit, there is no prohibition. According to him, the credit may be more than one year depending on the need, the interest rate can also be lowered. "And even this is also the guarantee process that guarantees Askriendo and LPEI will be easier, for that we hope to roll back soon," he added.
- Bank Indonesia (BI) wants to launch a fast payment system for the retail payment segment in 2021. This launch will also replace BI's clearing system. This was expressed by the Governor of BI Perry Warjiyo at the virtual opening of the Indonesian Digital Financial Economy Festival (FEKDI), Monday (5/4/2021). "BI will also launch a fast payment this year, 24/7 real time for retail payments to replace BI's clearing system," said Perry. Fast Payment is a platform that will create an even more efficient payment system. Fast payment will also replace the Bank Indonesia National Clearing System (SKNBI) and be included in a program launched by the Central Bank to accelerate the

digitalization of the country's economy and finance. "God willing, this will accelerate the settlement of transactions in the digital sector. We, together with the banking industry, the association will encourage digitization. banking. How is banking digitization connected to e-commerce, a marketplace with standardization, "he said.

Review:

Although they do not mention the value in detail, the public must be optimistic that the recovery-recovery for business actors in the tourism sector will be faster. Moreover, the fact is that a number of tourists are starting to arrive in Denpasar.

❖ **BANKING**

- PT Bank Mandiri (Persero) Tbk issued Sustainability Bonds amounting to US \$ 300 million or equivalent to Rp. 4.3 trillion (exchange rate of Rp. 14,500). These funds will be used to finance or finance environmentally and socially sound projects. These bonds have a tenor of five years with a coupon of 2%. Bank Mandiri appointed Deutsche Bank, HSBC, and Mandiri Securities as Joint Lead Managers. Director of Treasury and International Banking of Bank Mandiri, Panji Irawan explained that this Sustainability Bond is the first for Bank Mandiri and is part of the implementation of the Sustainable Finance Action Plan (RAKB) that has been prepared by the Company and has met the Sustainability Bond Guidelines standard of the International Capital Market Association (ICMA). In addition, this framework is in line with the Association of Southeast Asian Nation (ASEAN) Sustainability Bond Standards, Green Bond Standards, and Social Bond Standards. Panji stated that Bank Mandiri has committed to implementing Sustainable Finance practices by compiling RAKB which is implemented through three strategic pillars. . The three pillars are Sustainable Banking, Sustainable Operations and Sustainable Corporate Social Responsibility & Financial Inclusion.
- BRI distributes disaster response assistance to communities in the Malang and East Java regions after an earthquake hit those areas some time ago. The assistance was in the form of thousands of fast food items, thousands of packages of basic necessities,

medicines, and survival kits. BRI Corporate Secretary, Asetika Oryza Gunarto revealed that the distribution of aid was spread in several affected areas, such as in Malang, Blitar, Trenggalek, and Lumajang. In distributing aid, BRILIAN employees (BRI employees) work hand in hand and directly provide assistance in the field. "We ensure that aid has been distributed to communities affected by the earthquake disaster in Malang. Through our work units in each region, we ensure that BRI moves quickly and continues to provide disaster response assistance," Asetika said in a written statement, Tuesday (13/4/2021). , BRI also continues to work together and coordinate with various parties to work together in distributing aid to earthquake disaster victims as an effort to ease the burden on society and accelerate post-disaster recovery. Aestika emphasized that BRI as one of the largest BUMNs in Indonesia has always played an active role in providing assistance to people affected by disasters.

Review:

One of the initiatives in the Sustainable Banking pillar is financing to sustainable sectors such as new and renewable energy as well as financing for social projects, especially for the MSME and micro segments.

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