

3rd WEEK**July 2021**❖ **MACRO**

- When the Fed emerges from its July meeting Wednesday afternoon, it may sound a bit more prone to keeping its ultra-easy policy in place than had been expected just a few weeks ago. Federal Reserve officials are likely to express concerns about the rapidly spreading delta variant of the coronavirus. The market has been waiting to hear from the Fed on its plans to pare back its bond buying, the first major step in easing policy. “This was supposed to be the meeting where they were really focusing on tapering,” said Mark Cabana, head of short U.S. rate strategy at Bank of America. “We think the market is going to end up hearing Powell sound neutral to dovish, at least from a rates market perspective, primarily because he’s going to keep talking about downside risks from Covid.” The Fed releases a statement Wednesday at 2 p.m. ET, following its two-day meeting. Chairman Jerome Powell speaks to the media at 2:30 p.m.
- Gender parity on U.K. company boards has suffered a setback in the wake of the pandemic, with new research saying that it will now take an additional four years before this equality is achieved. The report, published Wednesday by consultancy The Pipeline, assessed the situation in the FTSE 350, which includes firms listed on the FTSE 100 and FTSE 250 — the two main stock indexes in the U.K. The predicted year for gender parity on executive boards at these publicly-listed U.K. firms has gone up by four years to 2036, according to the research. “The pandemic provided an opportunity to push forward with meaningful change, but instead we have gone backwards and the prospect for women seeking advancement to the senior echelons of FTSE 350 companies looks as desolate as ever,” the firm said in a statement.

Review:

Fed watchers expect officials to discuss tapering their minimum \$120 billion monthly purchases of Treasury and mortgage-backed securities. They also expect it to move toward starting the unwinding by late this year or early next year.

❖ **MICRO**

- National economic growth in the second quarter of 2021 is estimated to be lower due to pressure from the COVID-19 delta variant. Governor of Bank Indonesia (BI) Perry Warjiyo explained that this was due to restrictions on mobility to overcome the spread of the Delta variant of the Corona virus. Perry said the decline in growth was mainly due to household consumption due to limited mobility amidst the government's increased stimulus for social assistance, and continued strong export performance. "In the fourth quarter of 2021, economic growth is predicted to pick up again, driven by increased mobility in line with the acceleration of vaccination and implementation of health protocols, continued policy stimulus, and continued improvement in export performance," Perry said at a press conference, Thursday (22/7/2021). .
- The Financial Services Authority (OJK) will summon entrepreneur Jusuf Hamka. Chairman of the OJK Board of Commissioners, Wimboh Santoso, revealed that this summons was to clarify Jusuf's statement regarding sharia banking in the mass media. Wimboh said that Jusuf Hamka's summons would be carried out immediately, so that the problem would not drag on and create a bad image for domestic banks, especially Islamic banking. "We will call the person concerned to clarify whether his statement is true," in a written statement from the OJK, Saturday (24/7/2021). through the consumer protection department.

Review:

He revealed that spatially, the decline in economic growth was recorded to be smaller outside Java, especially Sulawesi-Maluku-Papua (Sulampua), supported by strong export performance.

❖ BANKING

- PT Bank Negara Indonesia (Persero) Tbk or BNI has started the distribution of various Social Assistance or Social Assistance so that the Beneficiary Families (KPM) throughout Indonesia receive it early. This accelerated step is taken to support government programs related to efforts to accelerate the distribution of Social Assistance, both the Family Hope Program (PKH) and the Basic Food Program or Non-Cash Food Assistance (BPNT) during the current implementation of Community Activity Restrictions (PPKM). What we are doing is a follow-up to the previous President's directives as well as the results of the ministerial-level Coordination Meeting chaired by the Coordinating Minister for Maritime Affairs & Investment on 22 July," said BNI President Director Royke Tumilaar in a written statement, Monday (26/7/2021).
- PT Bank Mandiri Tbk will complete the process of closing branches in the context of implementing the Qanun on Sharia Financial Institutions (LKS) Number 11 of 2018 which will be effective on January 4, 2022 in the Aceh Province, as a form of the company's support to the Acehnese people. Director of Network and Retail Banking at Bank Mandiri, Aquarius Rudianto, said that Bank Mandiri would stop operating its last three branch offices on July 30, 2021. These branches are located in Banda Aceh, Lhokseumawe and Langsa areas. Aquarius said that this step was the final part of a series of closing all 52 branch offices in Aceh Province, which had been carried out since the beginning of the LKS Qanun socialization process. converted 35 branches into the BSI office network and transferred both DPK and credit accounts to BSI.

Review:

All levels of BNI's management are committed to continuing to prioritize the acceleration of the disbursement of the PKH Social Assistance Program, the Basic Food Program and other Government Programs. Accelerating the disbursement of social assistance can certainly help the government strengthen the social safety net for the community.

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