

Tuesday, Mar. 24th, 2020

GENERAL NEWS AND HEADLINES

Supplies from China to bolster COVID-19 fight

The Jakarta Post, headline

Indonesia received a boost in its fight against COVID-19 when a military transport aircraft landed on Monday bringing much-needed medical supplies and a makeshift hospital was declared ready to treat patients. An Air Force C-130H Hercules arrived at Halim Perdanakusuma Air Force Base in East Jakarta on Monday morning after picking up medical equipment from China.

The medical equipment includes disposable masks, N-95 masks, protective clothing, goggles, gloves, shoe covers, infrared thermometers and surgical caps, all of which are to be used in the fight against COVID-19.

Defense Minister Prabowo Subianto had requested the Indonesian Military (TNI) commander to provide a transport aircraft to pick up the medical supplies, following a meeting with President Joko "Jokowi" Widodo last week.

It is not clear whether Indonesia has requested any assistance from other countries to fight the coronavirus, especially when most of the world is itself fighting COVID -19.

West Java to conduct COVID-19 rapid tests at three stadiums

Republika, p.2; The Jakarta Post, p.2

West Java Governor Ridwan Kamil says his administration plans to conduct rapid tests to detect COVID-19 in sports stadiums as soon as his area receives testing kits from the central government. For now, the testing will be prioritized for people in Greater Jakarta and Greater Bandung since the two areas have the most COVID-19 cases based on data from the Health Ministry. Out of 55 positive cases in West Java, 41 are from Bogor, Depok and Bekasi.

The West Java administration is reportedly to receive 8,000 to 10,000 rapid test kits from Jakarta.

The administration is to distribute the test kits in three venues, namely Patriot Candrabaga Stadium in Bekasi, Pakansari Stadium in Bogor and Si Jalak Harupat Stadium in Bandung. Each location is to receive 2,000. The governor was convinced of the use of sports stadiums as the most effective way to conduct testing because they minimize close-ranged physical interaction among people throughout the event.

Ridwan added that the testing would be conducted with a drive through scheme, by which individuals are to be tested while they are inside their cars.

Police, military to enforce social distancing

Koran Tempo, Nasional; Republika, p.3; Kompas, p.3

Coordinating Political Legal and Security Affairs Minister Mahfud MD said the Indonesian Military (TNI) and the National Police would take part in enforcing social distancing practices in the public to prevent further spread of COVID-19 in the country. Mahfud added that the Public Order Agency (Satpol PP) would also assist the enforcement.

National Police spokesperson Insp. Gen. Muhammad Iqbal affirmed that the police had the authority to disperse crowds or mass gatherings based on articles 212, 214, 126 and 128 of the Criminal Code (KUHP), stipulating that people who disobeyed the order could face punishment.

However, Eijkman Institute of Molecular Biology researcher Herawati Sudoyo said the government's call for social distancing would not be as effective as expected since the public had yet to understand the urgency of limiting their social interaction amid the COVID-19 outbreak. Herawati urged the government to further inform the public regarding the importance of social distancing.

Regions step up control as COVID-19 cases rise

The Jakarta Post, p.3

The Maluku administration is set to tighten checks at all entry points to the province after announcing on Sunday its first confirmed COVID-19 case, a resident who had moved from Bekasi, West Java, to the city of Ambon. According to the head of the province's COVID-19 response team, Kasrul Selang, the

Maluku administration was working closely with a number of agencies to coordinate the various steps needed for the stringent measure.

Maluku has placed 53 people under monitoring for COVID -19, consisting of 26 people from Tanimbar Islands, six from Ambon, three from West Seram, 10 from Buru, two from Tual and six from Aru Islands.

Meanwhile in Bali, a Romanian couple on holiday in the country's popular resort island tested positive for COVID -19. Officials report the man and woman are in stable condition after 10 days of being treated in isolation.

COVID-19 has so far claimed the life of two foreigners, who were believed to be a British woman and a French man, in Bali. At the moment, an Indonesian man is being treated in a hospital in Bali for COVID -19. With the Romanian couple, the resort island has recorded five COVID-19 cases, with two fatalities, so far.

Perppu issuance most possible option: KPU

Kompas, p.2; Republika, p.3

Following the General Elections Commission's (KPU) decision to postpone four preliminary stages of the upcoming 2020 regional simultaneous elections amid the COVID-19 outbreak, KPU commissioner Viryan Azis said that it would be difficult not to postpone the scheduled voting day slated for Sept. 23. Considering several projections that the COVID-19 outbreak would reach its peak on May, Viryan predicted that voting day would be rescheduled to December this year.

However, to reschedule voting day, a revision of the Regional Elections Law is necessary. Viryan said that instead of revising the law, the government could also issue a government regulation in lieu of law (Perppu) as another option, considering the urgency of the situation.

The KPU has postponed four preliminary stages of the 2020 simultaneous regional elections due to the rapid spread of COVID-19, namely the inauguration of election committees, the establishment of voter data updating committees, verification of independent candidates and voter data updating.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Economic crisis nears

Kontan, headline

The rupiah has depreciated 19.3 percent year-to-date (ytd) against the US dollar, which is a sign of an economic crisis nearing, according to Institute for Development of Economics and Finance (Indef) economist Bhima Yudhistira.

The exchange rate reached Rp 16,575 per dollar at Monday's close, following a downward trend in light of the COVID-19 pandemic. The same goes for the Jakarta Composite Index (JCI), which also fell to 3,989, marking a 36.6 percent decline since January.

However, according to the Indonesian Chamber of Commerce and Industry (Kadin) deputy chairman Raden Pardede, the situation is far from that of an economic crisis. Nonetheless, he advises the Financial System Stability Committee (KSSK) to observe all indicators closely.

The Finance Ministry has prepared a first line and second line of defense to prepare for a worsening economic condition. Bonds Stabilization Framework (BSF) will be used to intervene in the government's bonds market in the short run to stabilize prices. They also have prepared a bond stabilization fund for a longer term. Last, a fiscal buffer worth Rp 10 trillion to Rp 15 trillion (US\$604.97 million to US\$907.46 million) has also been allocated in the 2020 state budget.

Prioritizing life over profit

Bisnis Indonesia, headline

Indonesia's COVID-19 task force chief, Doni Monardo, said there needed to be "penta-helix" collaboration between the government, community, academics, businesspeople and the media to fight the novel coronavirus pandemic.

Doni urged companies to put the work from home (WFH) policy in place to limit social interaction. Currently, crowds can still be found at public transportation stations or shelters despite the Jakarta provincial government having issued an order to stop work activities for the next two weeks.

In addition, Doni also urged companies to donate and make other kinds of contributions, including shifting manufacturing activities to produce medical equipment, such as what companies in China did.

Sharing Doni's suggestion, PT Adaro Energy CEO Garibaldi Thohir said businesspeople must help each other in curbing the virus spread.

Indonesian Chamber of Commerce and Industry (Kadin) deputy chairwoman Shinta W. Kamdani, recognizing that some companies were unable to implement the WFH policy, urged companies to limit social interaction, provide sanitation access and give immediate access to medical treatment for workers found to be infected with COVID-19.

COVID-19 pressure on JCI remains strong

Investor Daily, headline

The Jakarta Composite Index (JCI) has fallen below the psychological level of 4,000 at the beginning of this week as the number of infected cases remains on the rise to 579 cases.

The market on Monday opened in the red with the JCI weakening 5 percent before the market was halted. At closing, the JCI has fallen 205.43 points in a 4.9-percent decline to 3,989.52, the lowest level since 2012.

The industrial sectors that experienced the deepest plunge was the basic industry sector with a 5.87 percent decline, followed by the manufacturing sector with 5.77 percent and consumer sector at 5.75 percent.

The JCI drop on Monday was also followed by a net sell of Rp 36.64 billion (US\$2.2 million), adding to a Rp 10.20 trillion net sell since January. Meanwhile, market capitalization at the Indonesia Stock Exchange (IDX) lost Rp 238 trillion to Rp 4.6 quadrillion from 4.9 quadrillion last week.

Because of the negative sentiment in the market, the rupiah also weakened and crossed the Rp 16,000 mark. Rupiah trading at the Jakarta Interbank Spot Dollar Rate (JISDOR) on Monday depreciated to Rp 16,608 per US dollar from Rp 15,273.

BKPM projects 5 percent investment growth

Koran Tempo, economic headline

Investment Coordinating Board (BKPM) chairman Bahlil Lahdalia projects investment to grow 5 to 6 percent to Rp 206.8 trillion (US\$12.51 billion) in the first quarter this year from Rp 195.1 trillion in the same period last year.

The BKPM opened on Monday an investment operation and monitor command center. The facility was built in October 2019 at Rp 24.5 billion cost.

The center has facilitated 492 business registration numbers, with 382 for small and medium enterprises. In addition, the center has issued 1,051 business licenses, 330 of which are construction permits, 520 business permits and 584 operation permits.

According to Bahlil, investment realization from China in the first half will decline as an impact of the COVID-19 pandemic. However, he believed that Chinese investment in Indonesia would be able to catch up after the pandemic slowed down in March or April.

Massive layoffs loom due to COVID-19

The Jakarta Post, p.2

A labor leader has called on the government and companies to promptly take measures to avoid widespread layoffs as COVID-19 threatens workers' welfare.

Confederation of Indonesian trade Unions (KSPI) president Said Iqbal suggested on Friday an alternating shift system of partial dismissal in a bid to keep production running without laying off workers. In the case of a partial lockdown, he also urged employers to send their employees home without cutting their salaries.

Said's concern echoes global worries that COVID-19 will cause mass job losses as it adversely affects businesses. Almost 25 million jobs could be lost worldwide as a result of COVID-19, the International Labor Organization (ILO) estimated in a recent report.

While Indonesia has yet to estimate potential job losses due to COVID-19, the government has allocated Rp 120 trillion (US\$7.5 billion) to stimulate the economy by providing tax incentives and subsidies for workers, businesses and families affected by the pandemic.

It has also issued a second stimulus package, worth Rp 22.9 trillion, which includes individual and corporate tax breaks, as well as a relaxation of loan disbursements and restructuring requirements.

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