

**1st WEEK****Desember 2020**❖ **MACRO**

- Dallas Federal Reserve President Robert Kaplan said he wouldn't be in favor of changing the central bank's bond-purchasing program even though he sees some rocky times ahead for the U.S. economy. Speaking Wednesday to CNBC, Kaplan said financial conditions are such that the Fed probably doesn't need to do more than its current pace of at least \$120 billion a month in Treasuries and mortgage-backed securities. "I would not want to do that at this point," he said during a "Closing Bell" interview. "I'll go into the December meeting with an open mind. But I think we've got very accommodative financial conditions, we've got historically low rates on the long end, and so I don't know that increasing the size or extending maturities of our bond purchases would help address this situation that I'm concerned about over the next three or six months." During that period, Kaplan expects a "challenging" economy where growth could slow considerably or stop due primarily to surging coronavirus cases. The U.S. saw 176,785 new cases Tuesday though the last week has shown a slight deceleration in pace from the rapid growth in October and November, according to the Covid Tracking Project, which is run by journalists at The Atlantic. Hospitalization and death rates continue to climb, and economic restrictions have returned to some areas.
- The International Monetary Fund has warned that unless Europe's "pandemic dynamics change significantly" in the coming months, economic growth in the euro area is set to be weaker than previously forecast. In its concluding 2020 statement on the euro area, published Monday, the IMF also said that additional fiscal and monetary stimulus would likely be needed to support the region. The fund warned that economic recovery in the 19-nation euro zone was under threat from the ongoing second wave of coronavirus infections, which combined with the re-implementation of lockdowns have "damaged confidence and lowered mobility." This second wave of the pandemic means that the

better-than-expected economic growth seen in the third quarter of this year is likely to be followed by weaker growth in the final three months of the year.

- Review:

Investors have been looking to see whether the Fed will step up bond purchases that have pushed its asset holdings to nearly \$7.3 trillion, or if it will alter the composition by buying longer-dated securities.

❖ **MICRO**

- Bank Indonesia (BI) predicts Indonesia's economy will recover next year. In addition, next year's inflation will improve. According to BI Governor Perry Warjiyo, the global economy will increase in 2021. After a 3.8 percent contraction in 2020, the world economy will grow 5 percent in 2021. "As in China, the United States and a number of other countries, supported by large fiscal and monetary stimuli, as well as increasing human mobility and economic activity," he said in the webinar 'Synergize to Build Optimism for Economic Recovery', Thursday (3/12/2020) In addition, when global financial market uncertainty subsides, foreign capital flows will return to emerging markets. The triggers include abundant global liquidity and low interest rates in developed countries. "The exchange rate pressure from the US dollar has also decreased. At home, the national economy will also improve in 2021," he said.
  
- The Financial Services Authority (OJK) has decided to reopen the application for licensing as an Equity Crowdfunding (ECF) Service Provider after being suspended for a while waiting for the formation of an association to oversee ECF organizers. The decision was stipulated in letter number S-273 / D.04 / 2020 dated 17 November 2020 regarding the Continuation of Permit Applications as Crowdfunding Service Providers, which stated that the Licensing process for Crowdfunding Service Providers through a Stock Offering could be continued. Reporting from its official website, Saturday (6/12/2020), in this decision, OJK asked prospective ECF organizers to update the complete documents for the permit application that had been submitted, including

related to proof of membership in an association recognized by OJK as regulated in POJK number 37 /POJK.04/2018 concerning Crowdfunding Services through Information Technology-Based Stock Offerings.

Review:

It is estimated that the economy will begin to grow positively in the 4th quarter of 2020 and increase to around 4.8 to 5.8 percent in 2021. Economic growth has also increased in all regions, supported by an increase in exports with the improvement of the global economy.

#### ❖ **BANKING**

- PT Bank Rakyat Indonesia (Persero) Tbk. (BRI) and PT BRI Ventura Investama (BVI) have signed a memorandum of understanding (MoU). The MoU contains planning and development through business financing and equity participation in the form of debt for a certain period of time. The signing of the MoU was carried out by the Executive Vice President of the Wealth Management Division of BRI Tina Meilina and the CEO of BRI Ventures Niko Widjaja. The signing activity was also attended by the Director of Consumer BRI Handayani. "This synergy will be implemented in several financial activities, namely literacy or introduction to venture fund products, consulting activities related to venture fund products as an alternative investment product at BRI, and marketing activities for venture fund products," Handayani said in a written statement, Tuesday (1/1). 12/2020).
- PT. Bank Negara Indonesia (Persero) Tbk (BNI) collaborates with PT Permodalan Nasional Madani (Persero) (PNM) as partners in lending to PNM-assisted MSME partners. This collaboration is in line with the National Economic Recovery Program (PEN) and BNI wants to focus on encouraging the people's economic movement. The collaboration between the two BUMNs was marked by the signing of a Cooperation Agreement between BNI's Director of Micro, Small and Medium Enterprises (UMKM) Muhammad Iqbal and the Director of Compliance and Risk Management PNM M.Q.

Gunadi was in Jakarta yesterday. To date, there have been more than 10,000 debtors who have received the benefits of credit distribution between BNI and PNM. To encourage accelerated community empowerment through this collaboration, BNI and PNM are committed to increasing the absorption of lending by facilitating access to finance for MSMEs.

Review:

Seeing the rapid development of the startup business in Indonesia, through this synergy, Bank BRI provides support to subsidiaries in marketing the Venture Fund to HNWI (High Net Worth Individual) millennial investors in this case aimed at BRI's private banking business segment, in order to attract angel investors and venture capital to invest.

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