

DAILY UPDATE November 5, 2018

MACROECONOMIC NEWS

US Jobs - Labor Department said the U.S. economy added 250,000 jobs last month. Economists polled by Refinitiv expected an addition of 190,000. Wages, meanwhile, rose 3.1% on an annualized basis in October for the first time since the recession. The strong jobs report helped push Treasuries down, with the 10-year yield rising the most in a month to 3.21%.

Commodities - Iran oil sanctions snap back into place today, threatening to accelerate a drop in exports and leave a supply gap major producers may struggle to fill. Key to determining the market impact will be details from the U.S. on the waivers it's offering buyers of Iranian crude.

Japan Economy - Members of the Bank of Japan's Monetary Policy Board said that the country's economy was continuing its modest expansion at a satisfactory rate, minutes from the central bank's meeting on September 18 and 19 revealed on Monday. Domestic demand is expected to continue on an upward trend, the minutes added, while annual inflation is predicted to maintain its gradual climb to the target of 2%. Downside risks to the Japanese economy include the unpredictability of US policies, global protectionism and repercussions from Britain's exit from the EU.

At the meeting, the central bank retained the -0.1% interest rate on current accounts that financial institutions maintain at the bank. The bank also maintained its ultra-loose monetary policy so that the yield of 10-year JGBs will remain at around zero %. The BoJ will conduct purchases of Japanese government bonds in a flexible manner so that the outstanding amount will increase at an annual pace of about JPY 80 trillion. The bank intends to maintain the current extremely low levels of short and long-term interest rates for an extended period of time, it said.

CORPORATE NEWS

PBID – PT Panca Budi Idaman reports IDR 252.25 billion net income throughout 9M18 (+48.13% YoY).

KREN – PT Kresna Graha Investama reports IDR 4.09 trillion revenue (+584.7% YoY) and IDR 301.84 billion net income (+4.78% YoY) throughout 9M18.

Equity Markets

	Closing	% Change
Dow Jones	25271	-0.43
NASDAQ	7357	-1.04
S&P 500	2723	-0.63
MSCI excl. Jap	612	3.28
Nikkei	21980	-1.19
Shanghai Comp	2676	2.70
Hang Seng	26486	4.21
STI	3116	1.81
JCI	5906	1.21
Indo ETF (IDX)	20	-0.29
Indo ETF (EIDO)	23	0.18

Currency

	Closing	Last Trade
US\$ - IDR	14955	14955
US\$ - Yen	113.2	113.22
Euro - US\$	1.1388	1.1393
US\$ - SG\$	1.3757	1.3735

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	62.86	-0.6	-0.90
Oil Brent	72.58	-0.12	-0.17
Coal Newcastle	103.4	0.55	0.53
Nickel	11930	145	1.2
Tin	19100		
Gold	1233.1	0.3	0.03
CPO Rott	588.75		
CPO Malay	1995.5	-24	-1.19

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.704	-0.11	-1.57
3 year	7.917	0.01	0.08
5 year	8.16	-0.03	-0.31
10 year	8.34	-0.14	-1.67
15 year	8.72	-0.05	-0.59
30 year	9.276	-0.04	-0.45

CORPORATE NEWS – cont'd

TLKM – PT Telekomunikasi Indonesia sets to complete its USD 140 million Indonesia undersea communication cable project before the end of FY18. The project connects South East Asia's undersea communication cable with Middle East, Western Europe 5, and United States.

DSNG – PT Dharma Satya Nusantara will acquire 100% shares of two palm oil plantation companies in East Kalimantan with total acquisition value amounting to IDR 1.35 trillion. The companies are PT Bima Palma Nugraha (BPN) and PT Bima Agri Sawit (BAS), valued at IDR 1 trillion and IDR 349 billion each.

WSKT – PT Waskita Karya through PT Waskita Toll Road (WTR) increased the equity of PT Pemalang Batang Toll Road (PBTR) by IDR 270 billion for operational needs.

WEGE – PT Wika Gedung has utilised 31% of its FY18 capex budget or equivalent to IDR 211 billion up to 3Q18.

BJBR – PT Bank Pembangunan Daerah Jawa Barat dan Banten plans to conduct private placement (non-preemptive) in 4Q18 of maximum 360 million series A shares.

DNAR – APRO Financial acquires 77.38% shares of PT Bank Dinar Indonesia.

TRAM – PT Trada Alam Mineral targets coal production and sales of 5 million ton in 2019, up by 100% yoy.

AKRA – PT AKR Corporindo is optimistic on achieving fuel distribution business growth of 10% in FY2018

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