

DAILY UPDATE November 6, 2018

MACROECONOMIC NEWS

US Jobs - Strong hiring and low unemployment are delivering U.S. workers their best pay raises in nearly a decade. Employers shook off a September slowdown to add 250,000 jobs to their payrolls in October, above monthly averages in recent years, the Labor Department said. With unemployment holding at 3.7%, a 49-year low, and employers competing for scarce workers, wages increased 3.1% from a year earlier, the biggest year-over-year gain for average hourly earnings since 2009.

US Economy - Service-sector activity across the U.S. pulled back slightly in October but remained at a level indicative of steady economic growth, despite businesses expressing continued concerns toward tariffs. The Institute for Supply Management on Monday said its index of nonmanufacturing activity—tracking industries including health care, finance, agriculture and construction—fell to 60.3 in October from 61.6 in September, which was the highest reading on record going back to 2008. A number above 50 indicates expansion, while a number below 50 signals contraction. Business activity, new orders and employment all ticked down from their September levels, but Anthony Nieves, chair of the ISM nonmanufacturing business-survey committee, emphasized the report continued to reflect strong growth in the services sector.

Indonesia Economy - Indonesia's economic growth slowed in the third quarter, losing momentum from the previous three months and pointing to tougher conditions for the South-east Asian economy, which has struggled with capital outflows and weaker exports and household spending. GDP expanded 5.17% in the July-September quarter from a year earlier, the statistics bureau said, compared with a 5.15% expansion expected in a Reuters poll and the second quarter's 5.27%. The April-June quarter pace was the fastest since late 2013. The slowdown was largely due to softer household consumption in the third quarter and a negative contribution from foreign trade.

CORPORATE NEWS

TLKM – PT Telkomsel Indonesia and G4S Indonesia have signed a memorandum of understanding. TLKM will provide digital solutions to G4S including internet of things (IoT) services.

Equity Markets

	Closing	% Change
Dow Jones	25462	0.76
NASDAQ	7329	-0.38
S&P 500	2738	0.56
MSCI excl. Jap	603	-1.47
Nikkei	22105	0.94
Shanghai Comp	2665	-0.41
Hang Seng	25934	-2.08
STI	3061	-1.79
JCI	5921	0.24
Indo ETF (IDX)	21	0.88
Indo ETF (EIDO)	23	1.31

Currency

	Closing	Last Trade
US\$ - IDR	14977	14930
US\$ - Yen	113.19	113.27
Euro - US\$	1.1407	1.1412
US\$ - SG\$	1.375	1.3748

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	62.96	0.1	0.16
Oil Brent	72.96	0.38	0.52
Coal Newcastle	103.9	0.5	0.48
Nickel	11750	-180	-1.5
Tin	19075	-25	-0.1
Gold	1231.2	-2.0	-0.16
CPO Rott	592.5	3.75	0.64
CPO Malay	1958	-37.5	-1.88

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.792	-0.02	-0.28
3 year	7.893	0.00	-0.01
5 year	8.174	0.00	0.02
10 year	8.342	0.00	0.01
15 year	8.636	0.00	-0.02
30 year	9.239	0.00	0.00

CORPORATE NEWS – cont'd

GIAA – PT Garuda Indonesia is optimistic on achieving net loss below USD 100 million in 2018.

SATU – PT Kota Satu Properti obtained IDR 58.5 billion from IPO. SATU plans to utilize 20% proceed from IPO to support completion of on-going project and 60% proceed to develop new housing clusters. The rest of the proceed will be used to inject capital to 2 subsidiary, PT Kota Satu Manajemen and PT Kota Satu Persada.

CMNP – PT Citra Marga Nusaphala Persada targets completion of 2 flyover toll road projects in 2021. The projects amount to IDR 21.5 trillion. In addition, CMNP considers several corporate conducts including rights issue and the issuance of bonds with target proceed up to IDR 32 trillion. The proceed will be used to finance the construction of 4 toll roads.

PSSI – PT Pelita Samudera Shipping will distribute IDR 25 billion interim cash dividend or equivalent to IDR 5 per share. The dividend payout ratio is at 14.8% of 9M18's net income.

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