

DAILY UPDATE November 28, 2018

MACROECONOMIC NEWS

US Economy - A measure of confidence among American households fell in November from an 18-year high, driven by weaker expectations for the economy. The Conference Board said Tuesday that its index of U.S. consumer confidence dropped to 135.7 in November from 137.9 in October, the highest level since 2000. Even though confidence remains historically strong, the details of the report were mixed. A gauge of household assessments of the present economic situation nudged up in November, while an index tracking expectations for the future fell, possibly tied to recent stock-market volatility.

US Economy - The Chicago Fed's index of national economic activity registered at a positive 0.24 last month, up from positive 0.14 in September. Texas factory activity growth, as measured by the production index, "continued to expand in November, albeit at a markedly slower pace," according to the monthly Texas Manufacturing Outlook Survey conducted by the Federal Reserve Bank of Dallas. The general business activity index declined to 17.6 in Nov from 29.4 in Oct.

Euro-Area Economy - In data news, the ifo Business Climate figures revealed that sentiment among German firms had showed signs of weakness with the index dropping for the third consecutive time. In November, it dropped to 102.0 points, in comparison to 102.9 points last month.

China Economy - Profit growth at China's industrial firms cooled for a sixth straight month in October as factory prices and the pace of sales increases softened amid mounting uncertainties stemming from the US-China trade war.

Industrial profits rose 3.6 percent in October from a year earlier to 548 billion yuan (\$78.92 billion), a 7-month low and slowing from September's 4.1 percent gain, the National Bureau of Statistics (NBS) said on Tuesday.

The slowdown was largely due to cooling factory-gate inflation and a high-base effect, bureau official He Ping in a statement.

Some economists believe profitability will continue to deteriorate in coming months. "As the economy slows, profits will only get worse before they get better," said Yang Yewei, an analyst with Southwest Securities, who forecast an actual decline in 2019's first quarter.

Equity Markets

	Closing	% Change
Dow Jones	24749	0.44
NASDAQ	7083	0.01
S&P 500	2682	0.33
MSCI excl. Jap	607	0.11
Nikkei	22115	0.74
Shanghai Comp	2575	-0.04
Hang Seng	26332	-0.17
STI	3097	0.21
JCI	6014	-0.15
Indo ETF (IDX)	22	0.23
Indo ETF (EIDO)	25	0.33

Currency

	Closing	Last Trade
US\$ - IDR	14515	14543
US\$ - Yen	113.79	113.78
Euro - US\$	1.1289	1.1288
US\$ - SG\$	1.3776	1.3783

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	51.79	0.4	0.84
Oil Brent	60.43	0.15	0.25
Coal Newcastle	101.55	0.15	0.15
Nickel	10775	-100	-0.9
Tin	18275	-625	-3.3
Gold	1214.5	-7.7	-0.63
CPO Rott	542.5	-2.5	-0.46
CPO Malay	1749	-17.5	-0.99

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.415	0.07	1.14
3 year	7.713	0.03	0.33
5 year	7.889	0.01	0.09
10 year	7.878	0.00	-0.01
15 year	8.117	0.01	0.17
30 year	9.226	-0.02	-0.17

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CORPORATE NEWS

ISAT – PT Indosat Ooredoo announced its 3Q18 results:

ISAT (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	22,566	16,769	-25.7%	7,454	5,374	5,703	-23.5%	6.1%
Operating Profit	3,274	-993		1,030	-458	-399		
EBITDA	9,948	5,145	-48.3%	3,248	1,556	1,642	-49.4%	5.5%
Pretax Earnings	1,713	-1,490		499	16	-919		
Net Income	1,090	-1,539		306	-188	-845		
EPS (IDR)	200	-283		56	-35	-156		
Operating Profit Margin	14.5%	-5.9%	-20.4%	13.8%	-8.5%	-7.0%	-20.8%	1.5%
EBITDA Margin	44.1%	30.7%	-13.4%	43.6%	29.0%	28.8%	-14.8%	-0.2%
Net Profit Margin	4.8%	-9.2%	-14.0%	4.1%	-3.5%	-14.8%	-18.9%	-11.3%

MDLN – PT Modernland Realty announced its 3Q18 results:

MDLN (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	1,878	1,691	-10.0%	445	784	295	-33.6%	-62.3%
Gross Profit	1,047	830	-20.8%	256	328	164	-35.7%	-49.9%
Operating Profit	639	405	-36.7%	129	199	-22		
Pretax Earnings	227	142	-37.5%	13	104	-97		
Net Income	132	73	-44.6%	-6	70	-108		
EPS (IDR)	10.6	5.9	-44.6%	-0.5	5.6	-8.6		
Gross Profit Margin	55.8%	49.1%	-6.7%	57.5%	41.8%	55.6%	-1.9%	13.8%
Operating Profit Margin	34.0%	23.9%	-10.1%	29.0%	25.3%			
Net Profit Margin	7.1%	4.3%	-2.7%		8.9%			

DIVA – PT Distribusi Voucher plans to expand to the Asian market, especially to Southeast Asia. In the first phase, the company aims for tourists in Singapore and Hongkong and later will aim for Saudi Arabian market. Further, the company allocates IDR 160 billion capex budget for 2019, up by IDR 5-10 billion compared to this year. Most of the capex budget is for the procurement of 30 thousand machines.

GOOD – PT Garuda food Putra Putri Jaya is optimistic on achieving 10% yoy revenue growth for FY 2018. In addition, GOOD have launched 10 new products and have utilized IDR 560 billion from its IDR 800 billion capex budget this year.

ASII – PT Astra International's subsidiary, Astra Infra has utilized IDR 3 trillion of its capex budget up to 10M18, mostly to acquire and to develop Cipali toll road. Astra Infra targets to acquire 500km worth of toll road until next year.

DOID – PT Delta Dunia Makmur performs consent solicitation of debt securities worth USD 350 million with fixed interest rate of 7.75% pa due in 2022.

ADHI - PT Adhi Karya obtains IDR 12.6 trillion new contract, representing 54% of the annual target of IDR 23.4 trillion.

PORT – PT Nusantara Pelabuhan Handal increased the equity of its subsidiary, PBM Adipurusa by IDR 41.42 billion.

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