

## DAILY UPDATE December 6, 2018

### MACROECONOMIC NEWS

**Australia Economy** - Australians' reluctance to spend in the midst of a property slump is dragging on economic growth and casting doubt on the central bank's outlook, making the prospect of an interest-rate hike even more distant. It is now contending with a less robust expansion at a time when house prices are dropping the most since the global financial crisis. That may prompt consumers to further rein in spending, as could a looming election. GDP rose 0.3% in the second quarter, the weakest gain in two years and half the pace forecast; the economy grew 2.8% YoY against an expected 3.3%. In an unusual combination, household consumption slowed and the savings ratio declined, statistics bureau data showed.

**The Fed** - John Williams gave an optimistic review of the U.S. economy, saying further gradual rate increases "over the next year or so" are still warranted. While noting "risks on the horizon that we need to be very attentive to," the New York Fed President said the central bank is "well positioned to adjust" the tightening path if the economy surprises.

**South Korea Economy** - South Korea's economic growth in the third quarter matched the central bank's initial projection while inflation met a 2 percent target for the second consecutive month in November. Gross domestic product expanded 0.6 percent in the third quarter from the previous three months while consumer prices in November rose 2 percent from year earlier, equal to economists' forecasts. Versus the previous month, CPI decreased 0.7 percent, compared with a projected 0.6 percent drop. Core CPI accelerated 1.3 percent compared with a year earlier.

The economic growth and inflation figures are unlikely to prompt any change by the Bank of Korea at its next meeting, having last week raised its key interest rate for the first time in a year, to 1.75 percent from 1.5 percent.

Still, Governor Lee Ju-yeol has left the door open for further monetary tightening, saying the policy rate is still below the so-called neutral rate at which it neither stimulates nor weighs on the economy. Falling global oil prices, together with a fuel-tax cut in Korea, could weigh on inflation. Demand-side inflation pressure is weak.

### Equity Markets

	Closing	% Change
Dow Jones	25027	-3.10
NASDAQ	7158	-3.80
S&P 500	2700	-3.24
MSCI excl. Jap	619	-1.33
Nikkei	21561	-1.64
Shanghai Comp	2650	-0.61
Hang Seng	26820	-1.62
STI	3126	-0.94
JCI	6133	-0.32
Indo ETF (IDX)	22	-1.97
Indo ETF (EIDO)	25	-1.94

### Currency

	Closing	Last Trade
US\$ - IDR	14403	14519
US\$ - Yen	113.19	112.8
Euro - US\$	1.1344	1.1347
US\$ - SG\$	1.367	1.369

### Commodities

	Last	Price Chg	%Chg
Oil NYMEX	52.61	-0.1	-0.23
Oil Brent	61.41	-0.07	-0.11
Coal Newcastle	102.65	-0.2	-0.19
Nickel	11225	75	0.7
Tin	19180	5	0.0
Gold	1240.2	3.4	0.27
CPO Rott	552.5	-5	-0.90
CPO Malay	1775.5	-6	-0.34

### Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.332	-0.02	-0.27
3 year	7.722	0.01	0.08
5 year	7.86	0.00	-0.01
10 year	7.912	0.00	0.03
15 year	8.16	0.02	0.25
30 year	9.239	0.00	0.00

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## CORPORATE NEWS

**TCPI** – PT Transcoal Pacific through PT Sentra Makmur Lines bought one unit of Mother Vessel (MV), MV Aquarius Ocean with 30,014 tons gross register tonnage (GRT) and 18,486 tons net register tonnage (NRT) capacity. In 2019, the company plans to buy another MV and one Floating Crane.

**DSNG** – PT Dharma Satya Nusantara loaned IDR 57 billion to four partners of a plantation corporation in Muara Wahau, East Kutai.

**MARK** – PT Mark Dynamics Indonesia obtained loan from PT Bank Permata (BNLI) amounting to USD 14.8 million. The loan is divided into USD 8.1 million new loan and USD 6.5 million revolving loan.

**PSSI** – PT Samudera Pelita Shipping recently purchased a mother vessel amounting to approximately USD 9 million – USD 10 million. PSSI targets delivery to be completed by January 2019.

**RAJA** – PT Rukun Raharja plans to explore clean water business in 2019 through acquisition. RAJA allocates USD 36.4 million capex budget in 2019, of which USD 1.6 million – USD 2 million is allocated for the aforementioned acquisition. RAJA targets USD 127.34 million revenue and USD 3.22 million net income in 2019.

**PBRX** – PT Pan Brothers targets sales growth of 15% yoy in 2019. PBRX plans to strengthen partnership with garments subcontractor.

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