

DAILY UPDATE December 7, 2018

MACROECONOMIC NEWS

US Housing – The total net worth of U.S. households rose further into record territory during the third quarter of 2018, as higher property and stock prices boosted the wealth of Americans. Household net worth—the value of all assets such as stocks and real estate minus liabilities like mortgages and credit-card debt—rose by 1.9% or USD 2.07 trillion in the third quarter to USD 109.04 trillion, according to a report by the Federal Reserve on Thursday. That was a smaller increase than the revised USD 2.278 trillion advance in the second quarter. The figures are from a quarterly report known as the Flow of Funds, which tracks the aggregate wealth of all U.S. households and nonprofit organizations. The report provides no details of how that wealth is distributed between households. The figures aren't adjusted for inflation.

Commodities - OPEC ended talks without a deal on oil production cuts for the first time in nearly five years as Russia flexed its muscles by so far refusing to commit to the big output curb that Saudi Arabia is demanding. After two days of talks in Vienna, Saudi Energy Minister Khalid Al-Falih said he is not confident of an agreement when the Organization of Petroleum Exporting Countries meets again with its allies on Friday. A proposal for a combined OPEC and non-OPEC cut of 1 million barrels a day was left dangling in uncertainty. The failure to secure a deal is the latest example of how OPEC is under pressure from forces that are re-drawing the global oil map, leaving it increasingly dependent on the support of non-member Russia. In a striking development, the U.S. government revealed that it turned into a net exporter of petroleum for the first time in 75 years last week thanks to the shale boom.

CORPORATE NEWS

SRTG & MPMX – PT Saratoga Investama Sedaya will conduct tender offer of PT Mitra Pinasthika Mustika public shares of up to 446.3 million shares or 10% of MPMX issued and paid up capital with exercise price of IDR 950. SRTG currently owns 48.62% of MPMX's shares.

POLY – PT Asia Pacific Fibers holds reactivity of purified terephthalic acid (PTA) production facility up to the next 12 month due to high uncertainty from US- China trade wars.

Equity Markets

	Closing	% Change
Dow Jones	24948	-0.32
NASDAQ	7188	0.42
S&P 500	2696	-0.15
MSCI excl. Jap	605	-2.27
Nikkei	21597	0.44
Shanghai Comp	2605	-1.68
Hang Seng	26156	-2.47
STI	3146	0.98
JCI	6115	-0.29
Indo ETF (IDX)	22	0.24
Indo ETF (EIDO)	25	0.28

Currency

	Closing	Last Trade
US\$ - IDR	14520	14522
US\$ - Yen	112.68	112.7
Euro - US\$	1.1374	1.1376
US\$ - SG\$	1.3694	1.3693

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	51.36	-1.3	-2.38
Oil Brent	59.75	-1.66	-2.70
Coal Newcastle	102.55	-0.1	-0.10
Nickel	10850	-375	-3.3
Tin	18925	-255	-1.3
Gold	1239.6	-0.6	-0.05
CPO Rott	552.5		
CPO Malay	1731	-44.5	-2.51

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.332	-0.02	-0.27
3 year	7.732	0.00	-0.01
5 year	7.902	0.00	0.01
10 year	8.022	0.01	0.14
15 year	8.188	0.00	-0.05
30 year	9.239	0.00	0.00

CORPORATE NEWS – cont'd

ACST – PT Acset Indonusa reports IDR 1.02 trillion new contracts achievement up to 11M 2018, achieving 10.2% of FY18 target of IDR 10 trillion. In 2019, ACST targets IDR 15 trillion new contracts.

DIVA – PT Distribusi Voucher Nusantara plans to obtain 30% stake in Pawoon, a company that operate in point of sales (POS) business in Indonesia using cloud as its basis.

RIMO – PT Rimo International Lestari has gained approval to conduct private placement of 4.14 million new series B shares (10% paid up capital) with exercise price of IDR 155 per unit. The target proceed is IDR 642 billion, mostly will be allocated to pay-off IDR 630 billion of its debt.

META – PT Nusantara Infrastructure will conduct rights issue of 2.47 billion new series B shares with exercise price of IDR 200 per share. The target proceed is IDR 495 billion, 60% will be allocated for capital injection to its subsidiaries and the rest is for its toll road project in Makassar.

RAJA – PT Rukun Raharja allocates USD 36.4 million capex budget in 2019. Most of the allocation is for new projects funding (86.5%) and the rest is for organic expansion (9.1%) and for inorganic expansion (4.4%).

GDST – PT Gunawan Dianjaya Steel reports IDR 1.27 trillion sales revenue in 11M18, achieving +5.8% above its 2018's target of IDR 1.2 trillion. Further, the company targets IDR 1.9 trillion sales revenue in 2019, up by +58.3% YoY compared to this year's target.

PSSI – PT Pelita Samudera Shipping obtained approval from the shareholders to get USD 10 million short term loan and USD 2 million contingent loan from Citibank N.A Indonesia with no collateral. The fund will be used for working capital. Further, the company plans to buy 1 tug boat and 1 mother vessel in 2019 that will be funded internally.

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