

DAILY UPDATE January 7, 2019

MACROECONOMIC NEWS

US Jobs - The U.S. private sector added 271,000 jobs in December, according to a report released Thursday, driven by hirings at medium-size businesses and in the service sector. The increase in private payrolls in December was up from 157,000 jobs added in November, according to payroll processor Automatic Data Processing Inc. and forecasting firm Moody's Analytics. The latest report revised downward the number of private-sector jobs added in November to 157,000 from 178,000. Most of the increase was driven by medium-size businesses, or firms that have anywhere from 50 to 499 employees, which added 129,000 jobs, according to the report. Small businesses, with 49 or fewer employees, added 89,000, while large businesses, those with more than 500 employees, added 54,000.

China Economy - The PBOC trimmed banks' required reserves, seeking to boost liquidity as China's economy slows. The 1% cut in RRR this month will release a net 800 billion yuan (USD 117 billion) ahead of the Chinese New Year cash squeeze, the central bank said Friday. December new-loan data this week may show a decline after November's rebound, while forex holdings are expected to edge up to USD 3.07 trillion.

CORPORATE NEWS

WTON – PT Wijaya Karya Beton acquires IDR 7.7 trillion new contracts in FY17, growing by +8.45% yoy and exceeding FY17 target of IDR 7.56 trillion by 3%.

INDR – PT Indo Rama Synthetics sold all of its shares (24% ownership) of its subsidiary, PT Indorama Petrochemicals Indonesia (PTIP) to an affiliated company, PT Indorama Netherlands B.V. Belanda (INBV). The transaction amounts to USD 55.14 million.

SSIA – PT Surya Semesta Internusa targets industrial land sales to grow up to 100% in 2019. In 2018, SSIA reports industrial land sales of 8.3 ha, up by 2.1 ha yoy.

WEGE – PT Wijaya Karya Gedung targets construction off 2000 modular building units in 2019.

SSMS – PT Sawit Sumbermas Sarana targets export contribution to revenue to increase by 10% - 15% in 2019.

Equity Markets

	Closing	% Change
Dow Jones	23433	3.29
NASDAQ	6739	4.26
S&P 500	2532	3.43
MSCI excl. Jap	588	1.49
Nikkei	20199	3.25
Shanghai Comp	2515	2.05
Hang Seng	25626	2.24
STI	3059	1.54
JCI	6275	0.86
Indo ETF (IDX)	23	4.33
Indo ETF (EIDO)	26	4.09

Currency

	Closing	Last Trade
US\$ - IDR	14270	14170
US\$ - Yen	108.51	108.49
Euro - US\$	1.1395	1.1409
US\$ - SG\$	1.3593	1.359

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	48.58	1.8	3.91
Oil Brent	57.73	2.27	4.09
Coal Newcastle	99.5	-0.1	-0.10
Nickel	11110	235	2.2
Tin	19550	-20	-0.1
Gold	1286.1	-11.8	-0.91
CPO Rott	581.25	1.25	0.22
CPO Malay	2030.5	10	0.49

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.782	-0.17	-2.43
3 year	7.86	-0.06	-0.80
5 year	7.945	0.01	0.18
10 year	8.003	-0.09	-1.11
15 year	8.354	0.10	1.25
30 year	9.068	-0.03	-0.29

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CORPORATE NEWS – cont'd

WSKT – PT Waskita Karya eyes on IDR 15-17 trillion external funding in 2019 to fulfill 60%-70% of its 2019 capex of IDR 25.3 trillion. In addition, WSKT considers issuing zero coupon bonds and floating rate notes. The company targets to raise IDR 5 trillion from debts securities issuance by the end of 1H 2019 and 2H 2019. WSKT targets IDR 54 trillion revenue and IDR 4 trillion net income in 2019.

HITS – PT Humpuss Intermoda through its subsidiary, PT Permata Khatulistiwa Regas (PKR) has obtained loan facility of up to USD 19.44 million or equivalent to IDR 277.4 billion. The fund will be used to increase the equity of PKR's subsidiary, PT Jawa Satu Regas (JSR).

WIKA – PT Wijaya Karya increased the equity of PT Wijaya Karya Industri dan Konstruksi (Wikon) by IDR 1.08 trillion.

KRAS – PT Krakatau Steel will focus on restructuring USD 2 billion of its debt in 2019. The restructuring scheme will be decided by the end of January 2019.

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