

DAILY UPDATE January 9, 2019

MACROECONOMIC NEWS

Indonesia Economy - Bank Indonesia (BI) announced that the foreign exchange reserve increased to USD 120.7 billion in December from USD 117.2 billion the previous month. "The foreign exchange position is adequate to finance 6.7 months of import transactions or 6.5 months of import transactions and foreign debt payments," said the central bank in a statement, BI added that the increase in the foreign exchange reserve would enable macroeconomic and financial stability and help defend the country's economy from external pressures. The increase was made possible because of foreign exchange revenue from the oil and gas sector, the issuance of global bonds and the withdrawal of the government's foreign loans, it said, adding that it would have a positive impact on the country's economy.

World Bank - The World Bank is downgrading its outlook for the global economy this year, citing rising trade tension, weakening manufacturing activity and growing financial stress in emerging-market countries. In a report titled "Darkening Skies," the anti-poverty agency said that it expects the world economy to grow 2.9% in 2019, down from the 3% it forecast back in June. It would be the second straight year of slowing growth. The global economy expanded 3% last year and 3.1% in 2017. The bank left its forecast for the US economy unchanged at 2.5% this year, down from 2.9% in 2018. It predicts 1.6 per cent growth for the 19 countries that use the euro currency, down from 1.9% last year; and 6.2% growth for China, the world's second-biggest economy, versus 6.5% in 2018.

CORPORATE NEWS

WIKA – PT Wijaya Karya reports IDR 51.69 trillion new contracts in FY18, growing by 22% yoy and achieving 88.95% of FY18's target. WIKA targets IDR 66.74 trillion new contracts in 2019, up by +29% yoy.

INTA – PT Intraco Penta targets heavy equipment sales to grow by 25% and revenue to grow by 20% in 2019. Up to 11M2018, INTA reports heavy equipment sales of 841 units, exceeding FY18's sales target of 808 units.

Equity Markets

	Closing	% Change
Dow Jones	23787	1.09
NASDAQ	6897	1.08
S&P 500	2574	0.97
MSCI excl. Jap	596	-0.16
Nikkei	20358	0.76
Shanghai Comp	2526	-0.26
Hang Seng	25875	0.15
STI	3140	0.56
JCI	6263	-0.39
Indo ETF (IDX)	23	0.00
Indo ETF (EIDO)	26	0.11

Currency

	Closing	Last Trade
US\$ - IDR	14148	14100
US\$ - Yen	108.75	108.72
Euro - US\$	1.1441	1.1457
US\$ - SG\$	1.3581	1.3572

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	50.26	1.5	2.97
Oil Brent	59.09	1.4	2.43
Coal Newcastle	97.8	-1.25	-1.26
Nickel	11180	25	0.2
Tin	19940	190	1.0
Gold	1285.7	-2.7	-0.21
CPO Rott	577.5		
CPO Malay	2029.5	-9.5	-0.47

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.786	-0.02	-0.34
3 year	7.822	-0.01	-0.15
5 year	7.878	0.00	0.05
10 year	7.953	0.01	0.09
15 year	8.265	0.00	0.00
30 year	9.022	-0.01	-0.13

CORPORATE NEWS – cont'd

MYOR – PT Mayora Indah targets revenue from export to grow by 20% yoy in 2019. The company will focus on distribution in ASEAN countries especially in Philippines, Vietnam, Thailand and Malaysia.

KAEF – PT Kimia Farma allocates IDR 4 trillion capex budget in 2019, up by 14.28% YoY. The fund will primarily be used for the company's plan to have inorganic growth. Further, the company also plans to add 100 new stores in 2019. In addition, KAEF considers issuing MTN by the end of 2Q 2019 or 2H 2019 to fund capex.

PSSI – PT Pelita Samudera Shipping allocates USD 40-50 million capex budget in 2019. The fund will primarily be used to purchase tugboats, barges and Mother Vessels (MV).

PPRE – PT PP Presisi booked IDR 5.2 trillion new contract in 2018, achieving 4% above target.

BUMI – PT Bumi Resources have processed a fourth payment of USD 52.06 million on 8 January 2019, representing principal of USD 43.30 million and interest of USD 8.76 million for Tranche A. The company has now paid a total of USD 219.54 million in cash consisting of Tranche A principal USD 134.37 million and interest of USD 85.17 million including accrued and back interest. The next settlement is due on 8 April 2019.

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