

## DAILY UPDATE January 29, 2019

### MACROECONOMIC NEWS

**US Economy** – The 5-week federal government shutdown took a significant economic toll, costing the United States economy \$11 billion, with nearly a quarter of that total permanently lost. The figures are the first official projection of the economic effects of the longest federal shutdown in history, and they show that its cost was nearly double the \$5.7 billion request by President Trump for a border wall that fueled the impasse. That is enough to reduce first-quarter growth by about 0.4 percentage points.

Much of that spending was simply delayed, and will flow back into the economy as workers get back pay. But the report makes clear that not all the economic damage will be undone and that the effects of the shutdown will linger. With the federal government funded for just 3 weeks and Mr. Trump threatening to shutter the government again, many workers say they are planning to spend less of their income and increase rainy-day savings.

**Euro-Area Economy** - Mario Draghi said risks to the euro-area economic outlook moved to the downside. The ECB reiterated it will not hike until at least the end of summer. Meanwhile, Germany's industrial slump worsened at the start of 2019, dragging the euro-area economy into its worst performance in more than five years. Euro-zone January manufacturing PMI fell to 50.5 versus market estimates of 51.4.

**China Economy** - The PBOC is setting up a new facility to encourage banks to replenish capital, amid efforts by Beijing to boost lending to stimulate the economy. The Central Bank Bills Swap gives primary dealers notes that can be used as high-quality collateral in exchange for perpetual bonds bought from lenders. Additionally, China's lifting a ban on insurers buying banks' tier-2 and perpetual capital bonds.

### CORPORATE NEWS

**SAPX** – PT Satria Antaran Prima reports sales growth of 60% yoy in 2018. In 2019, SAPX plans to open 1000 new branches in Jabotabek and Java region.

**GOOD** – PT Garudafood Putra Putri Jaya targets sales growth of 15% in 2019. GOOD plans to strengthen domestic distribution network and to develop a new factory. The latter is expected to increase production capacity by approximately 8% - 10%. GOOD allocates IDR 500 billion capex budget in 2019.

### Equity Markets

	Closing	% Change
Dow Jones	24528	-0.84
NASDAQ	7086	-1.11
S&P 500	2644	-0.78
MSCI excl. Jap	631	-0.07
Nikkei	20434	-1.04
Shanghai Comp	2597	-0.18
Hang Seng	27577	0.03
STI	3187	-0.38
JCI	6459	-0.37
Indo ETF (IDX)	24	-1.30
Indo ETF (EIDO)	27	-1.50

### Currency

	Closing	Last Trade
US\$ - IDR	14072	14080
US\$ - Yen	109.35	109.21
Euro - US\$	1.1428	1.1423
US\$ - SG\$	1.3528	1.3542

### Commodities

	Last	Price Chg	%Chg
Oil NYMEX	52.19	-1.2	-2.17
Oil Brent	60.14	-1.19	-1.94
Coal Newcastle	99.45		
Nickel	11825	-140	-1.2
Tin	20675		
Gold	1303.0	1.3	0.10
CPO Rott	596.25		
CPO Malay	2095	3.5	0.17

### Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.634	-0.05	-0.69
3 year	7.83	0.01	0.17
5 year	8.004	0.01	0.08
10 year	8.125	0.00	0.05
15 year	8.505	0.00	0.00
30 year	8.961	-0.08	-0.84

## CORPORATE NEWS – cont'd

**TELE** – PT Tiphone Mobile Indonesia to issue continuous bonds II phase I year 2019 worth IDR 53 billion. The coupon rate is at 11.5% p.a that will be paid in every 3 months and the term period is 370 days. Most of the proceed will be used to pay-off the company's debt.

**GIAA** – PT Garuda Indonesia's subsidiary, PT Citilink Indonesia targets revenue to grow by 23% YoY in 2019.

**WIKA** – PT Wijaya Karya aims for IDR 145 trillion worth of order book in 2019.

**HOKI** – PT Bayung Poetra Sembada allocates IDR 100 billion capex budget in 2019. The fund will primarily be used to build a rice husk power plant and the rest is for the construction of a new mill in Palembang.

**BMRI** – PT Bank Mandiri cooperates with PT Bukalapak.com in offering credit for UMKM (micro, small and medium enterprises). In the first phase, BMRI will provide IDR 200 billion. BMRI announced its FY2018 results:

BMRI (IDR bn)	2017	2018	YoY	Q3 2018	Q4 2018	QoQ
Net Interest Income	51,988	54,623	5.1%	13,908	14,150	1.7%
Non Interest Income	24,251	28,822	18.8%	6,063	9,534	57.3%
Other Operating Expense	51,535	52,246	1.4%	12,806	13,843	8.1%
Operating Profit	27,170	33,906	24.8%	7,864	10,311	31.1%
PPOP	43,122	48,091	11.5%	10,934	13,535	23.8%
Net Income	20,640	25,015	21.2%	5,914	6,923	17.1%
EPS (IDR) (diluted)	442	536	21.2%	127	148	17.1%
<b>CAR</b>	<b>21.6%</b>	<b>21.0%</b>	<b>-0.7%</b>	<b>21.4%</b>	<b>21.0%</b>	<b>0.4%</b>
<b>NIM</b>	<b>5.6%</b>	<b>5.5%</b>	<b>-0.1%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>-0.1%</b>
<b>ROE</b>	<b>14.5%</b>	<b>16.2%</b>	<b>1.7%</b>	<b>15.9%</b>	<b>16.2%</b>	<b>-0.8%</b>
<b>ROA</b>	<b>2.7%</b>	<b>3.2%</b>	<b>0.5%</b>	<b>3.0%</b>	<b>3.2%</b>	<b>-0.2%</b>
<b>NPL (Gross)</b>	<b>3.5%</b>	<b>2.8%</b>	<b>-0.7%</b>	<b>3.0%</b>	<b>2.8%</b>	<b>-0.3%</b>
<b>NPL (Net)</b>	<b>1.1%</b>	<b>0.7%</b>	<b>-0.4%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>-0.2%</b>
<b>LDR</b>	<b>88.1%</b>	<b>96.7%</b>	<b>8.6%</b>	<b>92.5%</b>	<b>96.7%</b>	<b>1.8%</b>

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