

DAILY UPDATE February 4, 2019

MACROECONOMIC NEWS

US Jobs – The U.S. labor market notched its 100th straight month of increased employment in January while sustaining robust wage growth, passing the tests posed by a federal-government shutdown, market volatility and uncertainty about global economies. Nonfarm payrolls rose a seasonally adjusted 304,000 in January, the Labor Department said Friday. The gain was well above last year's average monthly job growth and showed that most private-sector businesses shrugged off the shutdown and kept on hiring. Wages rose at least 3% rate from a year earlier for the sixth straight month, revised figures showed, extending the best pay improvements since the recession ended in 2009. The unemployment rate rose to 4.0% last month from 3.9% in December. The Labor Department said the shutdown caused thousands of federal workers to be counted as on temporary layoff, contributing to the uptick. The rate has edged up the past two months since touching a 49-year low of 3.7% last fall.

Indonesia Economy – Indonesia's inflation rate in January was recorded at its lowest level in three years amid the government's efforts to maintain the prices of staple commodities, but experts warn of challenges that may arise after April's general election. Inflation in January was recorded at 0.32% MoM, far lower than the 0.62% and 0.97% in 2018 and 2017, respectively, Statistics Indonesia (BPS) announced. The figure brought annual inflation to 2.82% YoY in January, still below the government's target of 3.5%.

CORPORATE NEWS

DILD – PT Intiland Development targets IDR 2.5 trillion sales in 2019, up by +10% yoy.

WSKT – PT Waskita Karya cooperates with PT Inka and PT Kereta Api Indonesia (KAI) in anticipation for expansion to Philippines starting 2019. In addition, WSKT targets operation of the 1st section of Cimanggis – Cibitung toll road (5.93 km) in March 2019.

HITS – PT Humpuss Intermoda Transportasi plans to issue bonds through continuous offering by 3Q 2019. The bonds worth is expected to be around USD 30-40 million and the proceed will be used to satisfy some of 2019 capex needs that is projected to be around USD 62 million.

Equity Markets

	Closing	% Change
Dow Jones	25064	0.26
NASDAQ	7264	-0.25
S&P 500	2707	0.09
MSCI excl. Jap	641	0.10
Nikkei	20899	0.53
Shanghai Comp	2618	1.30
Hang Seng	27931	-0.04
STI	3188	-0.02
JCI	6539	0.09
Indo ETF (IDX)	24	-0.75
Indo ETF (EIDO)	27	-0.79

Currency

	Closing	Last Trade
US\$ - IDR	13948	13963
US\$ - Yen	109.5	109.54
Euro - US\$	1.1456	1.1456
US\$ - SG\$	1.35	1.3514

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	55.2	1.1	1.96
Oil Brent	62.69	1.41	2.30
Coal Newcastle	98.35	-0.65	-0.66
Nickel	12660	180	1.4
Tin	20890	40	0.2
Gold	1315.2	-4.3	-0.32
CPO Rott	601.25		
CPO Malay	2127.5		

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.568	-0.06	-0.95
3 year	7.535	-0.03	-0.40
5 year	7.718	-0.05	-0.61
10 year	7.876	-0.02	-0.22
15 year	8.165	-0.34	-3.96
30 year	8.958	0.00	-0.03

CORPORATE NEWS – cont'd

INCO – PT Vale Indonesia reports FY18 financial results:

INCO (USD Mn)	FY 2017	FY 2018	YoY	Q4 2017	Q3 2018	Q4 2018	YoY	QoQ
Revenue	629.3	776.9	23.45%	180.6	205.0	197.3	9.23%	-3.75%
Gross Profit	6.6	104.0	1486.83%	17.0	42.9	7.5	-55.69%	-82.41%
Operating Profit	-4.8	92.4		13.8	39.9	4.7	-65.74%	-88.15%
Pretax Earnings	-23.0	82.6		6.0	34.7	7.5	26.41%	-78.30%
Net Income	-15.3	60.5		4.4	25.8	5.3	21.72%	-79.47%
EPS (USD)	-0.0015	0.0061		0.0004	0.0026	0.0005	21.72%	-79.47%
<i>Gross Profit Margin</i>	1.04%	13.39%	12.35%	9.43%	20.94%	3.83%	-5.60%	-17.11%
<i>Operating Profit Margin</i>		11.90%		7.64%	19.46%	2.39%	-5.24%	-17.06%
<i>Net Profit Margin</i>		7.79%		2.41%	12.60%	2.69%	0.28%	-9.91%

ADHI – PT Adhi Karya targets to obtain IDR 2 trillion and ID 3 trillion from the IPO of its two subsidiaries, PT Adhi Persada Gedung and PT Adhi Commuter Properti, respectively. After previous postponement, the conduct is expected to be done by 2H 2019.

PTSN – PT Sat Nusapersada cooperates with a Taiwan-based company, Pegatron Corp to produce broadband equipment and smartphones that will be exported to United States. The company invested IDR 300 billion on a building with 3 SMT lines and 11 final assembly lines with total capacity of 10 million units/year.

ALDO – PT Alkindo Naratama targets IDR 904 billion sales, growing up +15% yoy.

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