

## DAILY UPDATE February 7, 2019

### MACROECONOMIC NEWS

**UK Economy** - The UK's service sector stagnated last month, with new orders falling for the first time in two-and-a-half years, according to the IHS Markit/CIPS purchasing managers' index (PMI). The figures showed a reading of 50.1 in January, lower than December's 51.2. The UK economy "is at risk of stalling or worse", because of growing Brexit uncertainty coinciding with a wider slowdown in the global economy.

**Euro-Area Economy** - PMI data released showed that the eurozone did not contract in January, though the French and Italian economies remain weak. Retail sales fell as expected in December down to 1.6%.

**Indonesia Economy** – Indonesia's gross domestic product (GDP) expanded by 5.18% YoY in the fourth quarter of last year, Statistics Indonesia (BPS) announced, bringing the overall growth for last year to 5.17%, the highest annual expansion since 2013, when the economy grew by 5.56%. Household spending, which accounts for more than half of GDP, grew by 5.08% in the fourth quarter of 2018, higher than 4.98% growth recorded over the same period in 2017 thanks to increased retail sales and wholesale car and motorcycle sales. However, the country managed to record better investment growth in 2018 at 6.67%, compared to 6.15% investment growth recorded in 2017. Suhariyanto said there was a noticeable slowdown of growth in investment in the machinery sector in the fourth quarter, triggered by the slowdown in domestic production and imports, which contributed to the slight decline in investment growth in the fourth quarter last year.

### CORPORATE NEWS

**KLBF** – PT Kalbe Farma plans to increase production of pharmaceutical raw materials of up to 40 million unit in 2019 through its new factory in Cikarang. KLBF allocated IDR 1 trillion – 1.5 trillion capex budget for the construction of the factory.

**TBIG** – PT Tower Bersama aims for 3,000 new tenants in 2019, higher than previous year's target of 2,500 tenants. This underpinned by the operators' major expansion for 4G network and the completion of the acquisition on 2 tower companies.

**IBFN** – PT Intan Baruprana Finance targets for IDR 200 billion financing in 2019. The company will focus on investment and working capital financing.

### Equity Markets

	Closing	% Change
Dow Jones	25390	-0.08
NASDAQ	7375	-0.36
S&P 500	2732	-0.22
MSCI excl. Jap	643	0.11
Nikkei	20746	-0.61
Shanghai Comp	2618	1.30
Hang Seng	27990	0.21
STI	3197	0.40
JCI	6548	1.02
Indo ETF (IDX)	24	-1.55
Indo ETF (EIDO)	27	-1.44

### Currency

	Closing	Last Trade
US\$ - IDR	13920	13941
US\$ - Yen	109.97	109.77
Euro - US\$	1.1362	1.1362
US\$ - SG\$	1.3559	1.3556

### Commodities

	Last	Price Chg	%Chg
Oil NYMEX	53.73	0.0	-0.02
Oil Brent	62.31	0.2	0.32
Coal Newcastle	98.3		
Nickel	12925	-115	-0.9
Tin	21000	150	0.7
Gold	1307.3	-7.4	-0.56
CPO Rott	601.25		
CPO Malay	2127		

### Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.492	-0.01	-0.15
3 year	7.317	-0.01	-0.07
5 year	7.687	0.00	0.01
10 year	7.748	0.00	0.04
15 year	7.997	0.01	0.08
30 year	8.89	-0.01	-0.16

## CORPORATE NEWS – cont'd

**APOL** – PT Arpeni Pratama Ocean Line plans to restructure IDR 6.52 trillion of its debt. The plan is currently being reviewed by its creditors.

**BFIN** – PT BFI Finance Indonesia will issue continuous bonds IV phase II year 2019 worth IDR 1 trillion, part of the series totaling to IDR 8 trillion. The bonds will be issued in 2 series with term period ranging from 370 days – 3 years and the coupon rate is at 9%-10.5% per annum. The proceed will be used for investment purpose and for working capital.

**BNGA** – PT Bank CIMB Niaga offers mortgage loan called XTRA for Millennial with down payment starting from 5%, special interest rate starts from 5.5% fixed for three years and free from administration charge and provision.

**BIRD** – PT Blue Bird forms a new subsidiary, PT Trans Antar Nusabird that operates in the warehouse, post and courier segments. The total investment amount to IDR 400 billion.

**BBLD** – PT Buana Finance obtained IDR 200 billion loan with 48 months tenor from PT Bank Tabungan Pensiunan Nasional (BTPN). The fund will primarily be used to support the company's financing business.

**ARNA** – PT Arwana Citramulia announced its 2018 results:

ARNA (IDR bn)	2017	2018	YoY	Q4 2017	Q3 2018	Q4 2018	YoY	QoQ
Revenue	1,733	1,971	13.8%	466	540	508	9.0%	-5.9%
Gross Profit	405	472	16.6%	113	132	122	8.3%	-7.0%
Operating Profit	183	219	19.4%	57	65	55	-2.7%	-15.3%
Pretax Earnings	166	212	27.4%	52	63	55	6.2%	-11.6%
Net Income	121	157	29.6%	37	46	41	10.1%	-12.2%
EPS (IDR)	16	21	29.6%	5	6	6	10.1%	-12.2%
<i>Gross Profit Margin</i>	<i>23.4%</i>	<i>23.9%</i>	<i>0.6%</i>	<i>24.3%</i>	<i>24.4%</i>	<i>24.1%</i>	<i>-0.2%</i>	<i>-0.3%</i>
<i>Operating Profit Margin</i>	<i>10.6%</i>	<i>11.1%</i>	<i>0.5%</i>	<i>12.2%</i>	<i>12.1%</i>	<i>10.9%</i>	<i>-1.3%</i>	<i>-1.2%</i>
<i>Net Profit Margin</i>	<i>7.0%</i>	<i>7.9%</i>	<i>1.0%</i>	<i>7.9%</i>	<i>8.6%</i>	<i>8.0%</i>	<i>0.1%</i>	<i>-0.6%</i>

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