

DAILY UPDATE February 12, 2019

MACROECONOMIC NEWS

UK Economy – The U.K. economy experienced its weakest growth in six years during 2018 as businesses slashed investment in the face of growing uncertainty about the way in which the country will leave the European Union. The Office for National Statistics said Monday that the U.K.'s gross domestic product was 1.4% higher in 2018 than in 2017, the weakest expansion since 2012. The economy slowed more sharply as the year drew to a close, with GDP rising at an annualized pace of 0.7% in the three months through December, down from 2.5% in the third quarter. In December alone, GDP fell by 0.4% from November. Falling investment was largely responsible for the 2018 slowdown, and was down 0.9% from the previous year. This was the largest drop since 2009, when the U.K. economy was caught up in the global recession that accompanied a major financial crisis.

Indonesia Economy – Indonesia's current account deficit widened to its biggest in over four years in 2018's final quarter, despite efforts to curb imports, but the balance of payments returned to a surplus for the first time in a year, central bank data showed. The deficit in the current account, which shows trade in goods and services, widened to USD 9.1 billion or 3.57% of GDP in the fourth quarter, the largest since the second quarter of 2014, from 3.28% in the previous quarter. However, Southeast Asia's largest economy had a USD 5.4 billion surplus in its overall balance of payments on strong portfolio inflows in October-December, compared to a USD 4.4 billion deficit in the previous three months.

CORPORATE NEWS

ADRO – PT Adaro reports 54.04 million ton coal production in 2018, growing by +4.34% yoy. In addition, ADRO allocates USD 450 million – 600 million capex budget in 2019.

HOKI – PT Buyung Poetra Sembada allocates IDR 100 billion in 2019. HOKI plans to utilize IDR 25 billion for the construction of a rice husk power generator and the rest for construction of a new factory in Palembang.

SMGR – PT Semen Indonesia awaits regulatory approval to set the SMCB acquisition tender offer price at IDR 2097 per share. SMGR has secured standby loan from several banks ready to fund the mandatory tender offer. Post acquisition, Holcim Indonesia will change its name to PT Solusi Bangun.

Equity Markets

	Closing	% Change
Dow Jones	25053	-0.21
NASDAQ	7308	0.13
S&P 500	2710	0.07
MSCI excl. Jap	640	0.33
Nikkei	20643	1.52
Shanghai Comp	2654	1.36
Hang Seng	28144	0.71
STI	3207	0.01
JCI	6495	-0.41
Indo ETF (IDX)	23	-0.19
Indo ETF (EIDO)	27	-0.41

Currency

	Closing	Last Trade
US\$ - IDR	14034	14083
US\$ - Yen	110.38	110.37
Euro - US\$	1.1276	1.1279
US\$ - SG\$	1.361	1.3601

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	52.47	0.1	0.29
Oil Brent	61.68	-0.19	-0.31
Coal Newcastle	96.7	-0.5	-0.51
Nickel	12490	-80	-0.6
Tin	21025	-25	-0.1
Gold	1308.8	-3.7	-0.28
CPO Rott	592.5	-3.75	-0.63
CPO Malay	2133.5	-24	-1.11

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.373	-0.02	-0.28
3 year	7.421	0.01	0.16
5 year	7.816	0.01	0.17
10 year	7.961	0.01	0.09
15 year	8.196	0.01	0.17
30 year	8.96	0.00	0.01

CORPORATE NEWS – cont'd

BISI – PT BISI International allocates IDR 30 billion capex budget in 2019. The fund will primarily be used to acquire packaging machines.

ADHI – PT Adhi Karya acquires IDR 891.8 billion new contract up to 1M 2019, achieving 2.5% from FY19 new contract target of IDR 35 trillion.

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