

DAILY UPDATE March 8, 2019

MACROECONOMIC NEWS

Australia Economy - Australia's slowing economy and rising calls for interest-rate cuts are starting to erode central bank chief Philip Lowe's optimistic outlook. The economy just experienced its weakest six-month period since the global financial crisis, according to gross domestic product data. Growth fell to an annualized 1 percent in the second half of last year from 3.8 percent in the first, as tumbling property prices and a credit squeeze dragged on construction and consumer spending.

ECB - The European Central Bank abruptly reversed course by reviving a crisis-era stimulus programme after two years of weaning the eurozone off its easy money policies, a sign of rising concern over the region's faltering economy. In a sign of how concerned ECB policymakers have become, they severely downgraded projections for the eurozone's gross domestic product growth this year to 1.1 per cent from a forecast of 1.7 per cent just three months ago. Inflation forecasts were also cut, with price rises now set to undershoot the bank's 2 per cent target all the way out to 2021.

CORPORATE NEWS

MASA – Compagnie Generale Des Etablissements Michelin acquired 87.59% stake in PT Multistrada Arah Sarana at IDR 843 per share. Hence Michelin will buy MASA public shares through tender offer.

SILO – PT Siloam International Hospitals has opened 4 new hospitals in FY 2018. Hence, currently SILO manages 35 hospitals in Indonesia.

BBKP – PT Bank Bukopin has fully paid-off its continuous subordinated bonds I phase I year 2012 worth IDR 1.53 Trillion.

PTBA – PT Bukit Asam targets for its coal production volume to grow by 10% YoY in 2019 to around 28.81 million tons.

PEHA – PT Phapros allocates capex budget of higher than IDR 250 billion in 2019. The fund will primarily be used to launch around a dozen of new products in 2019.

DEWA – PT Darma Henwa targets for its coal production to grow by 26% YoY to 17 million tons and for its overburden volume to grow by 26% YoY to 125.7 million BCM in 2019.

Equity Markets

	Closing	% Change
Dow Jones	25473	-0.78
NASDAQ	7421	-1.13
S&P 500	2749	-0.81
MSCI excl. Jap	654	-0.87
Nikkei	21135	-1.50
Shanghai Comp	3027	-2.55
Hang Seng	28303	-1.65
STI	3210	-0.59
JCI	6458	0.26
Indo ETF (IDX)	22	-2.04
Indo ETF (EIDO)	25	-1.70

Currency

	Closing	Last Trade
US\$ - IDR	14143	14233
US\$ - Yen	111.58	111.46
Euro - US\$	1.1193	1.1186
US\$ - SG\$	1.3609	1.3611

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	56.37	-0.3	-0.51
Oil Brent	65.96	-0.34	-0.51
Coal Newcastle	97.6	0.15	0.15
Nickel	13235	-350	-2.6
Tin	21475	75	0.4
Gold	1286.6	1.0	0.08
CPO Rott	573.75	-3.75	-0.65
CPO Malay	1941	7	0.36

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.275	-0.02	-0.27
3 year	7.291	0.02	0.23
5 year	7.536	0.04	0.52
10 year	7.912	0.02	0.30
15 year	8.249	0.02	0.22
30 year	8.652	0.03	0.35

CORPORATE NEWS – cont'd

ABMM – PT ABM Investama aims overburden volume to grow by 29% YoY to 180 million BCM in 2019, on the back of the newly signed contract worth USD 114 million with a 3-year term period.

CMPP – PT Air Asia plans to add five more Airbus A320 (vs previous target of 3 fleets), and expects to operate a total of 29 airplanes by the end of 2019. Further, CMPP targets IDR 6.5-7 trillion revenue and IDR 200-250 billion net income in 2019. Throughout FY 2019, CMPP reported booked seat load factors (utilization rate) of 81%.

JPFA – PT Japfa Comfeed Indonesia announced its FY18 result:

JPFA (IDR bn)	2017	2018	YoY	Q4 2017	Q3 2018	Q4 2018	YoY	QoQ
Revenue	29,603	34,013	14.9%	7,908	8,633	8,675	9.7%	0.5%
Gross Profit	5,017	7,208	43.7%	1,184	1,829	1,572	32.8%	-14.1%
Operating Profit	2,155	3,724	72.8%	506	936	738	45.8%	-21.1%
Pretax Earnings	1,710	3,090	80.7%	367	796	687	87.1%	-13.6%
Net Income	933	2,168	132.3%	83	564	496	495.1%	-12.0%
EPS (IDR)	79.6	184.9	132.3%	7.1	48.1	42.3	495.1%	-12.0%
<i>Gross Profit Margin</i>	<i>16.9%</i>	<i>21.2%</i>	<i>4.2%</i>	<i>15.0%</i>	<i>21.2%</i>	<i>18.1%</i>	<i>3.2%</i>	<i>-3.1%</i>
<i>Operating Profit Margin</i>	<i>7.3%</i>	<i>10.9%</i>	<i>3.7%</i>	<i>6.4%</i>	<i>10.8%</i>	<i>8.5%</i>	<i>2.1%</i>	<i>-2.3%</i>
<i>Net Profit Margin</i>	<i>3.2%</i>	<i>6.4%</i>	<i>3.2%</i>	<i>1.1%</i>	<i>6.5%</i>	<i>5.7%</i>	<i>4.7%</i>	<i>-0.8%</i>

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