

DAILY UPDATE April 5, 2019

MACROECONOMIC NEWS

US Labor – The number of Americans filing applications for new unemployment benefits fell last week to the lowest level in half a century, the latest sign of a tight labor market. Initial jobless claims, a proxy for layoffs across the U.S., decreased by 10,000 to a seasonally adjusted 202,000 in the week ended March 30, the Labor Department said Thursday. That was the lowest level for initial claims since Dec. 6, 1969, when the U.S. workforce and population were much smaller than they are today. The four-week moving average of claims, a steadier measure, fell last week by 4,000 to 213,500. Thursday's report showed the number of claims workers made for longer than a week decreased by 38,000 to 1,717,000 in the week ended March 23. The figure, also known as continuing claims, is reported with a one-week lag.

Italy Economy – The Italian Treasury is set to slash its growth forecast for this year and raise its projected budget deficit, according to two senior officials with knowledge of the draft outlook. The economy will expand by just 0.1% this year, according to the draft, which is due for cabinet approval by April 10, the officials said. Such dire figures highlight the uphill struggle the government faces to fix the economy. The country, which fell into a recession late last year, is burdened with a debt ratio of more than 130% of GDP and stagnation will make it even harder to take control of the fiscal situation.

CORPORATE NEWS

CTRA – PT Ciputra Development targets IDR 2.4 trillion marketing sales or 40% of FY19 marketing sales target by 1H 2019.

MABA – PT Marga Abhinaya Abadi targets revenue growth of 25% yoy in 2019.

BULL – PT Buana Lintas Lautan may obtain up to IDR 3.7 trillion from two corporate action in 2019, consisting of preemptive rights issuance worth IDR 935 billion and global bonds issuance worth USD 200 million (eqv. To IDR 2.8 trillion). Note that BULL has secured their shareholders' approval to conduct rights issue.

JPFA – PT Japfa Comfeed Indonesia to distribute IDR 585.96 billion FY 2018 cash dividend or at IDR 50/share. The cum dividend date is on 11 April 2019. Previously, JPFA has distributed IDR 585.9 billion interim dividend.

Equity Markets

| | Closing | % Change |
|-----------------|---------|----------|
| Dow Jones | 26385 | 0.64 |
| NASDAQ | 7892 | -0.05 |
| S&P 500 | 2879 | 0.21 |
| MSCI excl. Jap | 678 | -0.11 |
| Nikkei | 21786 | 0.28 |
| Shanghai Comp | 3247 | 0.94 |
| Hang Seng | 29936 | -0.17 |
| STI | 3323 | 0.20 |
| JCI | 6495 | 0.29 |
| Indo ETF (IDX) | 23 | 0.44 |
| Indo ETF (EIDO) | 26 | 0.77 |

Currency

| | Closing | Last Trade |
|-------------|---------|------------|
| US\$ - IDR | 14183 | 14167 |
| US\$ - Yen | 111.66 | 111.7 |
| Euro - US\$ | 1.1221 | 1.1224 |
| US\$ - SG\$ | 1.3547 | 1.3544 |

Commodities

| | Last | Price Chg | %Chg |
|----------------|--------|-----------|-------|
| Oil NYMEX | 62.09 | -0.3 | -0.40 |
| Oil Brent | 69.18 | -0.11 | -0.16 |
| Coal Newcastle | 77.7 | -1.3 | -1.65 |
| Nickel | 13160 | -169 | -1.3 |
| Tin | 21075 | -100 | -0.5 |
| Gold | 1291.2 | -0.8 | -0.06 |
| CPO Rott | 577.5 | -2.5 | -0.43 |
| CPO Malay | 1989 | 28 | 1.43 |

Indo Gov. Bond Yields

| | Last | Yield Chg | %Chg |
|---------|-------|-----------|-------|
| 1 year | 6.275 | -0.02 | -0.27 |
| 3 year | 7.021 | -0.03 | -0.48 |
| 5 year | 7.106 | -0.03 | -0.42 |
| 10 year | 7.593 | -0.03 | -0.39 |
| 15 year | 8.013 | -0.01 | -0.14 |
| 30 year | 8.485 | 0.00 | 0.05 |

CORPORATE NEWS – cont'd

UNVR – PT Unilever Indonesia allocates IDR 1.1 trillion capex budget in 2019. The fund will primarily be used to fund production cost, to expand distribution network and for asset expansion. In addition, UNVR has added office space rental business as its new operating segment.

HITS – PT Humpuss Intermoda Transportasi plans to issue IDR 1 trillion worth of bonds under the shelf public offering (PUB) throughout 2019 – 2020. The proceeds will be used to fund capex this year of USD 82 million. Further, the company targets to book USD 90 – 100 million revenue in 2019.

DEWA – PT Darma Henwa has obtained an infrastructure project (access road) worth IDR 29.99 billion from PT Dairi Prima Mineral, a subsidiary of PT Bumi Resources Minerals (BRMS) for Dairi Lead – Zinc project in North Sumatra.

BBTN – PT Bank Tabungan Negara reports +18% YoY credit growth in 1Q 2019.

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