

DAILY UPDATE May 24, 2019

MACROECONOMIC NEWS

The Fed – Minutes for the rate-setting Federal Open Market Committee's April 30-May 1 meeting indicated that the voting members agreed the current accommodative policy can remain for now and that they were comfortable with the wait-and-see approach. They were, however, split on whether higher rates were necessary if the economy continued to evolve along the predicted path while others argued that higher productivity could indicate more economic softness than the low unemployment rate suggests. There was also some concern over the risk of tame inflation readings leading to subdued expectations of future inflation.

India Economy – Prime Minister Narendra Modi has won a landslide re-election victory in India, with his Hindu nationalist Bharatiya Janata Party securing a commanding parliamentary majority in the largest democratic exercise in history. Modi's BJP has won 286 parliamentary seats in India's elections and is on track to win another 17 constituencies, which would give the party a preliminary total of 303 seats, according to the Election Commission of India. Out of 543 seats being contested in parliament, a party or a coalition needs at least 272 votes to form a government.

US Housing – New-home sales in the U.S. declined in April, posting the largest monthly drop since the end of last year, but there are signs the market for new homes is brightening. Purchases of newly built single-family homes—a relatively narrow slice of all U.S. home sales—declined 6.9% to a seasonally adjusted annual rate of 673,000 in April, the Commerce Department said Thursday. This was the largest month-on-month drop since December of last year. New-home sales declined in all regions but the Northeast, with purchases in the Midwest and West notching the biggest monthly drops since December 2018.

CORPORATE NEWS

WINS – PT Wintermar Offshore Marine obtained shareholders' approval to conduct private placement of up to 400 million new shares.

MTLA – PT Metropolitan Land obtained IDR 779 billion marketing sales up to 4M 2019.

Equity Markets

	Closing	% Change
Dow Jones	25490	-1.11
NASDAQ	7628	-1.58
S&P 500	2822	-1.19
MSCI excl. Jap	614	-1.25
Nikkei	21030	-0.57
Shanghai Comp	2853	-1.36
Hang Seng	27267	-1.58
STI	3164	0.09
JCI	6033	1.57
Indo ETF (IDX)	21	2.31
Indo ETF (EIDO)	24	2.70

Currency

	Closing	Last Trade
US\$ - IDR	14480	14440
US\$ - Yen	109.61	109.71
Euro - US\$	1.1181	1.12
US\$ - SG\$	1.3804	1.38

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	58.36	-2.8	-4.6
Oil Brent	68.19	-2.54	-3.6
Coal Newcastle	83.75	-0.25	-0.3
Nickel	11895	-86	-0.7
Tin	19325		
Gold	1283.21	9.3	0.7
CPO Rott	541.25		
CPO Malay	1932.5	-40.5	-2.1

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.807	-0.04	-0.54
3 year	7.321	0.00	0.01
5 year	7.544	0.00	-0.05
10 year	7.979	-0.01	-0.10
15 year	8.529	-0.06	-0.73
30 year	8.667	-0.01	-0.12

CORPORATE NEWS – cont'd

CPIN – PT Charoen Poekphand Indonesia plans to utilize IDR 2.5 trillion of its capex budget to develop feed facilities, poultry farms and packaging factory. CPIN allocates IDR 1.25 trillion for the development of two feed facilities in Semarang and Padang, IDR 600 billion for poultry farms, IDR 250 billion for processed food, and IDR 400 billion to increase capacity of packaging factory.

KLBF – PT Kalbe Farma allocates IDR 250 billion – 300 billion to fund R&D for biological products for cancer and herbal medicines in 2019.

MICE – PT Multi Indocitra targets 20% revenue growth in 2019.

SMMT – PT Golden Eagle Energy targets production and sales growth of 30% in 2019.

SMGR – PT Semen Indonesia will distribute IDR 1.23 trillion cash dividend or at IDR 207.64 per share. The dividend payout ratio is 40% of FY18's net income and the cum dividend date is on 31 May 2019

PJAA – PT Pembangunan Jaya Ancol to issue continuous bonds II phase I year 2019 worth IDR 350 billion in 3 series. The tenure starts from 370 days – 5 years and the coupon will be paid per annum. The issuance is part of PJAA's continuous bonds II program of IDR 1 trillion. The proceeds will primarily be used to pay-off debt and for working capital.

BSDE – PT Bumi Serpong Damai allocates IDR 3 trillion capex budget in FY 2019, funded using internal cash flow. Up to 1Q 2019, the company has utilized IDR 500 billion or 16.7% of its capex. Further, BSDE targets IDR 6.2 trillion marketing sales this year, flat YoY.

DUTI – PT Duta Pertiwi is working on mixed use Southgate project worth IDR 3 trillion and Klaska Residence project worth IDR 600 billion, located in Jakarta and Surabaya.

MOLI – PT Madusari Murni Indah has obtained approval at the AGM to distribute IDR 28.25 billion FY 2018 cash dividend or at IDR 12.1/share. The dividend payout ratio is at 30% of FY 2018's net income and the cum dividend date is on 29 May 2019.

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