

DAILY UPDATE June 12, 2019

MACROECONOMIC NEWS

US Jobs – U.S. job openings remained near a record in April, signaling demand for workers was firm ahead of weaker hiring in the following month that is raised concerns the economy is slowing. The number of positions waiting to be filled dipped by 25,000 in April to 7.45 million, according to the Labor Department’s Job Openings and Labor Turnover Survey, JOLTS, released. The quits rate held at 2.3%, matching the highest level and suggesting workers remain confident in their ability to find a job.

Global Trade – President Donald Trump announced that proposed tariffs on Mexican imports would be suspended indefinitely. Trump said in a Twitter post that he has “full confidence” that Mexico will crack down on migration from Central America, after the two neighbors reached a consensus.

China Economy – Data out showed that China’s overall trade surplus hit USD 41.65 billion in May, higher than what economists were expecting.

US Economy – Inflation pressures in the U.S. economy appear to be mild, with falling gasoline and food prices mostly offsetting increased costs for consumer services. The producer-price index advanced a seasonally adjusted 0.1% in May from a month earlier, the Labor Department said Tuesday. When excluding the often-volatile food and energy categories, business prices were somewhat stronger, up 0.2% from the prior month. Declining prices for energy, including gasoline, food, and a volatile category known as trade services kept broader inflation in check last month. Trade services measures changes in margins received by wholesalers and retailers. But prices for consumer services did push higher, led by an unusually large increase guest-room rentals. Costs for medical care and transportation also rose.

CORPORATE NEWS

FAST – PT Fast Food Indonesia will distribute IDR 63.84 billion cash dividend or at IDR 32.- per share. The dividend payout ratio is 30.11% of FY18’s net income and the cum dividend date is on 18 June 2019.

KIOS – PT Kioson Komersial Indonesia have opened 10,000 outlets in 1Q 2019. KIOS targets opening of 11,950 new outlets in 2019.

Equity Markets

	Closing	% Change
Dow Jones	26049	-0.05
NASDAQ	7823	-0.01
S&P 500	2886	-0.03
MSCI excl. Jap	636	0.93
Nikkei	21233	0.14
Shanghai Comp	2926	2.58
Hang Seng	27789	0.76
STI	3209	0.00
JCI	6306	0.26
Indo ETF (IDX)	23	0.49
Indo ETF (EIDO)	26	0.62

Currency

	Closing	Last Trade
US\$ - IDR	14239	14229
US\$ - Yen	108.52	108.49
Euro - US\$	1.1326	1.13
US\$ - SG\$	1.3642	1.36

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	52.54	-1.0	-1.9
Oil Brent	61.51	-1.06	-1.7
Coal Newcastle	74.15	0.65	0.9
Nickel	11885	239	2.1
Tin	19160	-80	-0.4
Gold	1327.34	-2.1	-0.2
CPO Rott	526.25	1.25	0.2
CPO Malay	1982.5	32.5	1.7

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.828	0.00	-0.03
3 year	7.209	0.00	0.01
5 year	7.324	0.00	-0.06
10 year	7.716	0.00	-0.05
15 year	8.072	0.00	0.03
30 year	8.661	-0.02	-0.18

CORPORATE NEWS – cont'd

WIKA – PT Wijaya Karya is in the process of finalizing its plan for the IPO of its subsidiary, PT Wijaya Karya Industri & Konstruksi (Wika Ikon) of around 25% – 30% shares. WIKA targets IDR 2 – 2.5 trillion proceeds from the conduct.

HRTA – PT Hartadinata Abadi targets 1H 2019 revenue to reach 60% of FY19's revenue target. HRTA targets IDR 3.16 trillion revenue and IDR 14.8 billion net income in 2019, up by +15% yoy and +20% yoy.

Disclaimer

The analyst(s) whose work appears in this report certifies that his or her remuneration is not correlated to his or her judgment(s) on the performance of the company(ies).

The information and/or opinions contained in this report has been assembled by Panin Asset Management from sources which we deem to be reliable and in good faith, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. This report may not be reproduced, distributed or published by any recipient for any purpose. Any recommendations contained herein are based on a consideration of the securities alone, and as such are conditional and must not be relied upon as a solitary basis for investment decisions. Under no circumstances is this report to be used or considered as an offer to sell, or a solicitation of an offer buy.

All opinions and estimates herein reflect the author's judgment on the date of this report and are subject to change without notice. Panin Asset Management, its related companies, their officers, employees, representatives and agents expressly advise that they shall not be liable in any way whatsoever for any loss or damage, whether direct, indirect, consequential or otherwise howsoever arising (whether in negligence or otherwise) out of or in connection with the contents of and/or any omissions from this communication.

Any investments referred to herein may involve significant risk, are not necessarily available in all jurisdictions, may be illiquid and may not be suitable for all investors. Investors should make their own independent assessment and seek professional financial advice before they make their investment decisions.

Due to its nature as an asset management firm, it is very much possible that Panin Asset Management and/or persons connected with it may, to the extent permitted by law, have long or short positions or may otherwise be interested in any transactions or investments (including derivatives) referred to in this publication. In addition, Panin Asset Management and/or its parent, Panin Sekuritas, and/or its affiliated companies may provide services for or solicit business from any company referred to in this publication.

The analyst(s) named in this report certifies that all of the views expressed by the analyst(s) in this report reflect the personal views of the analyst(s) with regard to any and all of the content of this report relating to the subject securities and issuers covered by the analyst(s) and no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst(s) in this report.

WE STRONGLY ADVISE INVESTORS TO CONSULT THEIR FINANCIAL ADVISOR BEFORE MAKING THEIR INVESTMENT DECISION. ALL INVESTMENT OPPORTUNITIES PRESENT SOME SORT OF RISK. INVESTORS SHOULD ASSESS THEIR RISK SENSITIVITY IN ORDER TO DETERMINE SUITABILITY OF AN INVESTMENT OPPORTUNITY ACCORDING TO THEIR RISK PROFILE.