

DAILY UPDATE August 12, 2020

MACROECONOMIC NEWS

US Jobs – Job openings rose 518,000 to 5.9 million in June, according to the Labor Department. That is above the median forecast of 5.3 million jobs in an Econoday survey of economists. The increase follows a gain of 375,000 in May. The number of jobs available was running around 7 million before the pandemic. The number of layoffs and firings rose 522,000 to 4.8 million in June. Hiring eased to 6.7 million from a record 7.2 million in May. In other news, Trump signed executive orders that aim to pause the collection of payroll taxes, provide help on rent, assist with student-loan payments and extend a portion of additional unemployment benefits that had lapsed at the end of last month.

Singapore Economy – Singapore's economy contracted more than initially estimated in the second quarter due to the lockdown measures to curb the spread of the coronavirus, official data showed. Gross domestic product fell 13.2% YoY in the second quarter, the ministry of trade and industry said, versus the 12.6% drop seen in the government's advance estimate.

South Korea Economy – South Korean exports suffered a major decline in the first 10 days of August, as the coronavirus crisis continued to knock demand at its trading partners, the United States, Europe and China. Exports contracted 23.6% from a year earlier in the period, while imports declined 24.3%, data from the Korea Customs Service showed. Overseas sales to China, its biggest trading partner, dropped 11.3% while that to the United States and Europe contracted sharply by 22.3% and 13.9%, respectively.

CORPORATE NEWS

BBTN – PT Bank Tabungan Negara to issue continuous bonds IV phase I year 2020, worth IDR 1.5 trillion. IDR 577 billion will be raised from series A with 6.7% p.a. Coupon rate and 370 days tenor. IDR 727 billion will be raised from series B with 7.8% p.a. Coupon rate and 3 years tenor. The remaining will be raised from series C with 8.4% p.a. Coupon rate and 5 years tenor. Majority of the proceeds will be used to fund its financing business. The issuance is part of its continuous bonds IV program with target proceeds of IDR 8 trillion.

Equity Markets

	Closing	% Change
Dow Jones	27687	-0.38
NASDAQ	10783	-1.69
S&P 500	3334	-0.80
MSCI excl. Jap	712	0.52
Nikkei	22759	0.04
Shanghai Comp	3340	-1.15
Hang Seng	24891	2.11
STI	2525	-0.76
JCI	5190	0.63
Indo ETF (IDX)	17	-1.38
Indo ETF (EIDO)	19	-0.58

Currency

	Closing	Last Trade
US\$ - IDR	14680	14680
US\$ - Yen	106.49	106.55
Euro - US\$	1.174	1.17
US\$ - SG\$	1.3734	1.37

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	41.75	-0.4	-0.9
Oil Brent	44.68	-0.42	-0.9
Coal Newcastle	49.9	-0.6	-1.2
Nickel	14350	64	0.4
Tin	17690	-26	-0.1
Gold	1916.8	-106	-5.2
CPO Rott	673.75		
CPO Malay	2643	-66	-2.4

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	3.976	-0.01	-0.18
3 year	5.277	-0.06	-1.07
5 year	5.843	0.00	-0.02
10 year	6.783	0.00	-0.02
15 year	7.23	0.00	-0.01
30 year	7.39	-0.01	-0.19

CORPORATE NEWS – cont'd

POLY – PT Asia Pacific Fibers has delayed their capex plans of USD 10 million to update production machinery and for the development of new products scheduled for early 2H 2020. Capex will only be allocated for the renovation of critical machinery for now.

MARK – PT Mark Dynamics Indonesia has announced a dividend of IDR 26.6 billion or IDR 7 per share. This represents 30.2% of 2019 earnings.

WIKA – PT Wijaya Karya targets to book IDR 17 trillion worth of new contracts in 2H 2020, of which majority is expected to come from infrastructure projects. Note that the company is currently participating in IDR 17 trillion worth of domestic and overseas project tenders. Meanwhile, WIKA has booked IDR 3.4 trillion worth of new contracts in 1H 2020.

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