

## DAILY UPDATE May 26, 2023

### MACROECONOMIC NEWS

**US** - Republicans and the White House are narrowing their differences over raising the US debt limit but still haven't reached an agreement to avert an approaching default. GOP Representative Patrick McHenry said the list of issues dividing the two camps had grown shorter. Should a deal be reached soon, Tuesday is emerging as the likely day for a House vote. The Senate would then need to act quickly to send it to Biden's desk before June 1, the date by which Treasury Secretary Janet Yellen has said her department could run out of cash. Meanwhile, the economic impact of a debt ceiling deal will have ripple effects for presidential candidates in 2024 — and even in 2028.

**Asian Stocks** - Asian stocks were set to find some support from signs of progress in debt-ceiling talks and gains in US equities amid a frenzy of interest in artificial intelligence. In the US, shares of Nvidia soared 24% after the company's AI-related forecast surprised even the most optimistic analysts on Wall Street, propelling the company to the cusp of a \$1 trillion market value. Meanwhile, Japan's yen weakened beyond 140 per dollar for the first time since November as traders moved to price in another Federal Reserve interest-rate increase.

**China Economy** - China's muted economic rebound and Beijing's reluctance to deploy large-scale stimulus are reverberating around the globe, crushing commodity prices and weakening equity markets. Investors are pegging back their expectations for the world's second-biggest economy as worries mount that its recovery from pandemic restrictions has lost momentum. Major equity indexes are down for the year, the yuan is signaling an economy in distress after breaking through the closely-watched 7-per-dollar level, construction activity is disappointing and property sales are slowing. Economists have trimmed their growth forecasts for China GDP slightly, to 5.5% this year.

### CORPORATE NEWS

**MITI** - PT Mitra Investindo, through its General Meeting of Shareholders (GMS), approved the distribution of dividends for the 2022 financial year amounting to IDR 5.31 billion, which equates to IDR 1.5/share.

### Equity Markets

	Closing	% Change
Dow Jones	32765	-0.11
NASDAQ	12698	1.71
S&P 500	4151	0.88
MSCI excl. Jap	620	-0.78
Nikkei	31038	0.77
Shanghai Comp	3201	-0.11
Hang Seng	18747	-1.93
STI	3206	-0.04
JCI	6704	-0.62
Indo ETF (IDX)	18	-0.39
Indo ETF (EIDO)	24	-0.17

### Currency

	Closing	Last Trade
US\$ - IDR	14953	14953
US\$ - Yen	140.06	139.92
Euro - US\$	1.0725	1.0727
US\$ - SG\$	1.3546	1.3538

### Commodities

	Last	Price Chg	%Chg
Oil NYMEX	71.77	-2.31	-3.1
Oil Brent	76.01	-2.17	-2.8
Coal Newcastle	160	0	-0.2
Nickel	21,228	496	2.4
Tin	24,607	642.0	2.7
Gold	1,945.2	-11.76	-0.6
CPO Rott	877.50	5	0.6
CPO Malay	3,509	103	3.0

### Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	5.799	-0.02	-0.36
3 year	5.785	0.00	0.00
5 year	6.074	0.00	-0.02
10 year	6.421	-0.01	-0.16
15 year	6.704	0.00	0.00
30 year	6.856	-0.03	-0.47

**EDGE** - PT Indointernet (Indonet) is preparing an IDR 1.5 trillion budget for 2023 capex, with the majority of the funds allocated for the construction of the EDGE2 data center and the expansion of the Indonet network. The company recently completed the construction of EDGE1 data center and is now moving forward with the development of a new facility. The management of EDGE stated that the financing for these projects will be sourced from internal cash reserves and credit facilities from BCA, totaling IDR 2.8 trillion.

**IPCC** - PT Indonesia Vehicle Terminal plans to increase its capital expenditure allocation to approximately IDR 150-200 billion in 2024 to support the expansion of land capacity and administrative preparations. The increased 2024 capex will be funded through the proceeds from the IPO. In contrast, the company has allocated only IDR 35 billion for 2023 capex.

**INDY** - PT Indika Energy allocated USD 14.2 million (IDR 212 billion) as Q1-2023 capex for the development of the Awak Mas gold mine project. This investment represents the largest funding allocation among its various business lines. The Awak Mas project, located in the South Sulawesi area, holds promising reserves of 1.1 million ounces of gold and 2 million ounces of gold resources.

**SILO** - PT Siloam International Hospitals, during its General Meeting of Shareholders (GMS), approved the distribution of IDR 255 billion (IDR 19.67/share) as its 2022 dividends. The dividend amount was determined based on a dividend payout ratio (DPR) of 36% of the company's net profit in 2022, which stood at IDR 696.4 billion.

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