

DAILY UPDATE December 29, 2016

MACROECONOMIC NEWS

China Economy – China’s requirement for how much cash banks must hold as reserves is “very high” and should be reduced at an “appropriate time,” a senior banking regulator said, according to a media report. Other financing tools can be used to manage the money supply after easing the required reserve ratio, China Banking Regulatory Commission official Yu Xuejun said at an event in Beijing, Shanghai Securities News reported. New monetary tools such as the medium-term lending facility are best used after a cut, not before, Yu was cited as saying. The People’s Bank of China has held the RRR at 17% since February after four cuts last year.

Japan Economy – Japan’s industrial output rose the most in five months in November as export volumes rebounded sharply, pointing to an expected economic expansion in the fourth quarter. Industrial production increased 1.5% MoM in November. Output is forecast to rise 2% in December and 2.2% in January. Retail sales rose 1.7% YoY in November, the first gain since February.

Vietnam Economy – Vietnam’s economy expanded more than 6% for a second year, defying a regional slowdown to remain one of the world’s best performers as manufacturing surged. GDP increased 6.68% YoY in the fourth quarter, up from 6.56% in the previous three months, the General Statistics Office said in Hanoi Wednesday. The economy grew 6.21% in 2016.

CORPORATE NEWS

MYOR – Affiliated company of PT Mayora Indah, PT Bank Mayora is planning to enter wealth management business in 2017. The new venture will target higher net worth individual with investments in the range of IDR 250-500 million.

SDMU – PT Sidomulyo Selaras to acquire additional 2 years oil transportation contract of USD 25 million on March 2017.

STTP – PT Siantar Top allocates 2017 capex of IDR 440 billion.

BRPT – PT Barito Pacific has bought back IDR 58 billion of shares at average price of IDR 1.478,9 in the period 26 September – 25 December. On a separate note, the company plans to acquire Star Energy.

Equity Markets

	Closing	% Change
Dow Jones	19834	-0.6
NASDAQ	5439	-0.9
MSCI excl. Jap	2250	-0.8
Nikkei	509	0.4
Hang Seng	19221	-0.9
Nikkei	3102	-0.4
MSCI excl. Jap	21755	0.8
STI	2881	-0.6
JCI	5209	2.1
Indo ETF (IDX)	20.79	1.2
Indo ETF (EIDO)	23.58	1.3

Currency

	Closing	Last Trade
US\$ - IDR	13460	13465
US\$ - Yen	117.26	116.83
Euro - US\$	1.0413	1.0431
US\$ - SG\$	1.4504	1.4497

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	53.74	-0.03	-0.06
Oil BRENT	56.09	0.14	0.25
Coal NYMEX			
Coal Newcastle	87.65	1.05	1.21
Nickel	10100		
Tin	20875		
Gold	1148.0	7.04	0.62
CPO Rott	705		
CPO Malay	3226	27.5	0.86

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.93	0.05	0.68
3 year	7.57	-0.01	-0.19
5 year	7.57	-0.00	-0.04
10 year	7.93	-0.00	-0.03
15 year	8.15	-0.00	-0.01
30 year	8.57	-0.00	-0.01

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CORPORATE NEWS – cont'd

DOID – PT Delta Dunia Makmur secure new contract of IDR 6.5 trillion from PT Adaro Indonesia and PT Angsana Jaya Energy.

AGII – Fitch Ratings revised PT Aneka Gas Industri outlook from negative to stable due to increase in liquidity of IDR 811 Billion from their initial public offerings.

CTRA – Following the approved merger of CTRA, CTRP and CTRS, Ciputra Development is planning to spend IDR 4 trillion of capex next year for expansion.

Construction Companies – Seven subsidiaries of state owned construction companies Wijaya Karya Realty, Wijaya Karya Gedung, PP Pracetak, PP Peralatan, PP Energi, Adhi Karya Gedung, and HK Realtindo are considering to do an IPO in 2017 with total proceed expected at around IDR 17 trillion.

WSKT – PT Taspen is finalizing the purchase of 16.6% of PT Waskita Karya Toll Road, a subsidiary of PT Waskita Karya. The deal is expected to be signed at the beginning of 2017.

GREN – PT Evergreen Invesco cancelled their planned rights issue of IDR 10.3 trillion to pool funds due to the lack of strategic investors.

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