

DAILY UPDATE September 12, 2017

MACROECONOMIC NEWS

The Fed – Hurricanes Harvey and Irma actually will lead to increased economic activity over the long run, New York Fed President William Dudley said in an interview. Dudley added that he did not think the near-term economic damage would have much effect on Fed policy. He still believes the central bank will begin unwinding its USD 4.5 trillion balance sheet "relatively soon" though he acknowledged that the timing of the next rate hike is up in the air.

US Economy – U.S. wholesale inventories rose more than expected in July, nearly matching its biggest gain in six months recorded in June. The Commerce Department reported an 0.6% increase in wholesale inventories in July, more than the 0.4% increase expected by economists polled by Reuters. The department reported last month that wholesale inventories jumped 0.7% in June. Consumer credit in the U.S. increased by more than anticipated in the month of July, according to a report released by the Federal Reserve on Friday. The Fed said consumer credit jumped by USD 18.5 billion in July after rising by a downwardly revised USD 11.8 billion in June.

Germany Economy – German imports rose 2.2% from June in a sign that domestic demand continues to drive the upswing of Europe's largest economy.

CORPORATE NEWS

GIAA – PT Garuda Maintenance Facility Aero Asia (GMF Aero Asia), a subsidiary of PT Garuda Indonesia will conduct IPO for 10.89 billion shares (or equals to 30% from issued capital). The IPO price is within the range of IDR 390-510/ share, thus proceed is estimated to reach USD 200-250 million.

KREN – PT Kresna Graha Investama's subsidiary, PT M Cash Integrasi will implement IPO by letting go of 25% shares to the public. The proceed is estimated to reach IDR 300 billion.

MABA – PT Marga Abhinaya Abadi plans to acquire 98.34% shares of PT Anugerah Berkah Madani (ABMA) from PT Saligading Bersama. ABMA is a company that involves in the construction of real estate, apartment and office towers. In relation to its acquisition plan, MABA will implement right issue for 15 billion new shares with nominal value of IDR 100/share.

Equity Markets

	Closing	% Change
Dow Jones	22057	1.2
NASDAQ	6432	1.1
S&P 500	2488	1.1
MSCI excl. Jap	668	0.6
Nikkei	19754	1.1
Shanghai Comp	3376	0.3
Hang Seng	27955	1.0
STI	3235	0.2
JCI	5872	0.3
Indo ETF (IDX)	24.29	1.2
Indo ETF (EIDO)	27.32	1.3

Currency

	Closing	Last Trade
US\$ - IDR	13156	13190
US\$ - Yen	109.39	109.41
Euro - US\$	1.1953	1.1953
US\$ - SG\$	1.3469	1.3469

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	48.04	0.22	0.46
Oil Brent	53.76	-0.25	-0.46
Coal Newcastle	99.55	1.10	1.12
Nickel	11765	175	1.5
Tin	20750	200	1.0
Gold	1325.4	-13.26	-0.99
CPO Rott	718.75	1.3	0.17
CPO Malay	2760.5	26.0	0.95

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	5.61	-0.14	-2.49
3 year	6.05	0.00	0.03
5 year	5.99	-0.00	-0.03
10 year	6.40	0.00	0.03
15 year	6.84	0.01	0.13
30 year	7.47	-0.02	-0.28

CORPORATE NEWS – cont'd

WSKT – PT Waskita Karya's subsidiary, PT Waskita Toll Road, may cancel its right issue and divestment plan. PT Waskita Toll Road is still considering to raise fund through IPO that may be conducted in 1H18 at the latest. Currently, PT Waskita Toll Road still needs IDR 10 trillion of funds to develop new toll roads.

TBIG – PT Tower Bersama Infrastructure will repay USD 396.72 of bank loan that will mature in 3 months. TBIG will use the proceeds of its bonds issuance and operating cash flow to repay this loan.

PRDA – PT Prodia Widyahusada will expand its business to east Indonesia by opening branches in Papua and West Papua. Currently, PRDA has operated 131 branches in 109 cities in Indonesia.

BMRI – PT Bank Mandiri and its multifinance subsidiary has obtained 5,000 vehicle booking letters during Gaikindo Indonesia International Motor Show. In that event, BMRI has distributed IDR 800 billion of financing.

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