

DAILY UPDATE September 13, 2017

MACROECONOMIC NEWS

China Economy – Banks from China, Japan and Canada have overseen a surge in overseas lending since the financial crisis, helping to cushion a deep slide in cross-border capital flows thanks especially to a retreat by European banks, according to the McKinsey Global Institute. "China's leading banks demonstrated the largest relative increase in the share of foreign assets," the McKinsey study said. The country "is gaining prominence in the global financial system," ranking eighth in total foreign investment assets and liabilities in 2016, up from 16th in 2005. "It has significant room to further expand foreign investment." Chinese banks' stock of foreign assets climbed to 9% of their total by last year, from 2% in 2007, and exceeded USD 1 trillion by the end of 2016. China's value of total foreign assets and liabilities is equal to 101% of GDP, well below the 350% average across advanced economies and also less than emerging markets including Brazil, Mexico and Russia.

India Economy – a India's August inflation rate accelerated to the fastest since March, exceeding expectations ahead of the central bank's policy review in October. Consumer price inflation quickened to 3.36% in August, the Statistics Ministry said in New Delhi. That is higher than 2.36% in July. Food prices rose 1.52% compared with a drop of 0.36% in the previous month. The second consecutive month of price surge is closer to the upper limit of the Reserve Bank of India's inflation expectation at between 2 to 3.5% till September this year.

CORPORATE NEWS

DILD – PT Intiland successfully launched its new project Fifty Seven Promenade. On August 26, DILD sold 302 units (94% of total units marketed), recorded IDR 1.6 trillion in sales from targeted sales of IDR 520 billion. Together with its condominium project Sky57, DILD has sold 85% of total units of the two towers combined.

INTA – PT Intraco Penta targeted recurring income to reach 50% of total revenue in the long-term (2020), coming from its heavy equipment rental as well as its power plant business. Currently, recurring income only contributes 15-20% to total revenue.

Equity Markets

	Closing	% Change
Dow Jones	22119	0.3
NASDAQ	6454	0.3
S&P 500	2496	0.3
MSCI excl. Jap	671	0.4
Nikkei	19854	0.4
Shanghai Comp	3379	0.1
Hang Seng	27972	0.1
STI	3236	0.0
JCI	5872	0.0
Indo ETF (IDX)	24.09	-0.8
Indo ETF (EIDO)	27.07	-0.9

Currency

	Closing	Last Trade
US\$ - IDR	13200	13213
US\$ - Yen	110.17	110.17
Euro - US\$	1.1967	1.1972
US\$ - SG\$	1.3474	1.3458

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	48.28	0.24	0.50
Oil Brent	54.21	0.45	0.84
Coal Newcastle	99.75	0.20	0.20
Nickel	11990	225	1.9
Tin	20675	-75	-0.4
Gold	1330.7	5.31	0.40
CPO Rott	723.75	5.0	0.70
CPO Malay	2791.5	31.0	1.12

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	5.59	-0.02	-0.39
3 year	6.04	0.00	0.02
5 year	6.02	-0.00	-0.02
10 year	6.44	0.00	0.03
15 year	6.96	0.00	0.00
30 year	7.47	-0.00	-0.01

CORPORATE NEWS – cont'd

EXCL – PT XL Axiata added IDR 1 trillion to its capex for North Region, allocated for base transceiver station (BTS) infrastructure developments in eastern Indonesia. EXCL targets to add 1,000 4G-qualified BTS in effort to create LTE digital ecosystem in eastern Indonesia.

META – Rajawali Group through PT Hijau Makmur Sejahtera let go 21% ownership in PT Nusantara Infrastructure to PT Matahari Kapital Indonesia (MKI). The transaction was conducted on Friday (08/09) and the price/share is IDR 270. As a result, total acquisition value amounting to IDR 864 billion.

ISSP – PT Steel Pipe Industry of Indonesia plans to reach closing stage in September for the issuance of its global bond of USD 250 million. In addition, ISSP will also complete share buyback with fund of IDR 51 billion this year.

SDPC – PT Millenium Pharmacon International plans to conduct right issue for 590.91 million new shares with nominal value of IDR 100/share.

MBAP – PT Mitrabara Adiperdana will distribute dividend of IDR 182/share for 1.23 billion shares (or IDR 223.4 billion in total). The cum dividend date is 19 September 2017.

PTBA – PT Bukit Asam is reviewing its liquefaction coal project with Ignite Resources due to the low oil price. However, the project has not been officially terminated yet.

IKBI – PT Sumi Indo Kabel will increase its capex allocation by USD 2 million to increase its production capacity from 200 tons/year to 300 tons/year.

BNGA – PT CIMB Niaga booked 25% increase YoY on the number of customers and 35% increase YoY on transaction volume for its Rekening Ponsel product. Currently, Rekening Ponsel has been used by 1.5 million of customers.

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