

DAILY UPDATE November 14, 2017

MACROECONOMIC NEWS

US Economy – University of Michigan on Friday said its preliminary reading on consumer sentiment was 97.8 in November, down from 100.7 in October. The subcomponents of the survey both slipped: current conditions index retreated to 113.6 and the expectations index fell to 87.6. The October reading was the index's highest since early 2004. Consumers' short-term inflation expectations ticked higher, an encouraging development for Federal Reserve policy makers who monitor expectations for inflation because they have the potential to feed into actual prices. The expected change in inflation rates over the next year was 2.6% in November compared with 2.4% in October. The expected rate of inflation over the next five years was 2.5% in November, unchanged for the fourth straight month.

UK Economy – U.K. industrial and manufacturing figures came in stronger than anticipated, giving a boost to the GBP. Industrial output expanded by 2.5% in September YoY, above expectations of 1.8%.

CORPORATE NEWS

DGIK – PT Nusa Konstruksi Enjiniring obtained new contract for the construction of gold and copper mining in East Java area. The company will complete the project through a JV with Macmahon Holding Ltd.

ARNA – PT Arwana Citramulia plans to increase Plant IV Palembang production capacity as much as 7 million m². Hence, ARNA may produce tile of 64 million m² post expansion (top 10 largest world producers). On a separate note, ARNA targets 2018 revenue of IDR 1.9 trillion, up 8.6% yoy and net income of IDR 150 billion, up 25% yoy.

KMTR – PT Kirana Megatara targets 2017 revenue and net profit of IDR 11 trillion and IDR 500 billion respectively. In addition, KMTR allocates IDR 179 billion capex in 2018 to complete factory construction and maintenance.

BBCA – PT Bank Central Asia targeted a realistic credit growth for next year of 8-9% YoY.

MEGA – PT Bank Mega targeted credit to grow by 20% by the end of 2017 from IDR 28.28 trillion in FY16.

Equity Markets

	Closing	% Change
Dow Jones	23462	-0.4
NASDAQ	6750	-0.6
S&P 500	2585	-0.4
MSCI excl. Jap	704	0.2
Nikkei	22617	-1.1
Shanghai Comp	3428	0.4
Hang Seng	29060	-0.3
STI	3410	-0.4
JCI	6042	-0.1
Indo ETF (IDX)	23.92	-1.0
Indo ETF (EIDO)	27	-0.5

Currency

	Closing	Last Trade
US\$ - IDR	13516	13514
US\$ - Yen	113.47	113.5
Euro - US\$	1.1642	1.1645
US\$ - SG\$	1.359	1.3597

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	57.06	0.18	0.32
Oil Brent	63.85	0.29	0.46
Coal Newcastle	97.7	-0.30	-0.31
Nickel	12300	-400	-3.1
Tin	19425	-25	-0.1
Gold	1285.6	4.72	0.37
CPO Rott	732.5	-1.3	-0.17
CPO Malay	2767	4.0	0.14

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	5.61	-0.01	-0.14
3 year	6.17	-0.00	-0.03
5 year	6.31	0.00	0.00
10 year	6.64	0.00	0.00
15 year	7.11	0.00	0.00
30 year	7.54	0.00	0.00

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CORPORATE NEWS

WIKA – PT Wijaya Karya’s subsidiary, PT Wijaya Karya Bangunan Gedung will let go 2.87 billion shares to the public. The IPO price is expected to range from IDR 290-456/share and the total proceed is estimated to reach IDR 1 trillion.

ADMF – As of October 2017, PT Adira Dinamika Multi Finance has provided IDR 26.6 trillion credit (+8% YoY). The company targeted credit to reach IDR 32-33 trillion in FY17.

DILD – PT Intiland Development plans to develop 40 new hotels through its subsidiary, PT Intiwhiz International.

ASII – PT Astra International allocates 3Q2017 capex of IDR 2.01 trillion to its property segment, up 144% yoy. 3Q2017 Net profit from the segment grew 15% yoy to IDR 97 billion. On a separate note, ASII partners with PT Moderland Realty to develop 67-hectare land in 10 to 15 years.

MEDC – PT Medco Energi Internasional allocated USD 3.39 million for exploration of oil and gas in South Sumatra and Rimau in October 2017, 46.9% of which is allocated for South Sumatra for its newly acquired extension of production sharing contract up to 2033.

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