

DAILY UPDATE December 28, 2017

MACROECONOMIC NEWS

US Economy - U.S. consumer confidence declined in December from a 17-year high as Americans became less upbeat about the outlook for the economy and job prospects, according to figures Wednesday from the New York-based Conference Board. Confidence index fell to a three-month low of 122.1 (est. 128) from a revised 128.6 in November. Present conditions measure rose to 156.6, the highest since mid-2001, from 154.9. Consumer expectations gauge dropped to 99.1, the lowest since November 2016, from 111. Even with the latest cooling off, Americans remain upbeat, this month was the strongest December since 2000. While expectations about business conditions and job availability declined, the share of respondents who expected their incomes to rise in the next six months increased to the highest since March.

India Economy - India will borrow additional 500 billion rupees (USD 7.79 billion) this year in a bid to maintain its spending as revenues slow in the USD 2.3 trillion economy. The move comes a day after revenue collections from the recently-introduced goods and services tax slowed, raising fears of a fiscal slippage. The government plans to offset the additional borrowing by curbing treasury bills by more than 600 billion rupees, the finance ministry said. The Reserve Bank of India announced the new borrowing calendar for government bonds until the end of the financial year on Mar. 31 in a statement. The Asia's third largest economy originally planned to borrow 5.8 trillion rupees for the fiscal year that ends March 31. It stuck to the target in the bond-sale plan for the second half of the year announced in September. The revised calendar released more than a month after sovereign rating upgrade by Moody's Investors Service for the first time since 2004, comes amid rising crude prices and lower tax mop-up. India's goal is to curb its budget deficit to a 10-year low of 3.2% of GDP in the year ending March.

CORPORATE NEWS

KRAS – PT Krakatau Steel allocates capex of USD 390 million next year, where USD 160 million will be used for its subsidiaries. On a separate note, KRAS will conduct IPO for 3 of its subsidiaries, PT Krakatau Tirta Industri, PT Krakatau Bandar Samudera, and PT Krakatau Industrial Estate Cilegon.

Equity Markets

	Closing	% Change
Dow Jones	24774	0.1
NASDAQ	6939	0.0
S&P 500	2683	0.1
MSCI excl. Jap	705	0.3
Nikkei	22923	0.1
Shanghai Comp	3276	-0.9
Hang Seng	29598	0.1
STI	3394	0.1
JCI	6277	0.9
Indo ETF (IDX)	24.6	0.8
Indo ETF (EIDO)	28.17	0.8

Currency

	Closing	Last Trade
US\$ - IDR	13561	13558
US\$ - Yen	113.35	113.19
Euro - US\$	1.1888	1.1903
US\$ - SG\$	1.3396	1.34

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	59.66	-0.01	-0.02
Oil Brent	66.43	-0.20	-0.30
Coal Newcastle	100.2		
Nickel	12110	90	0.7
Tin	19695	145	0.7
Gold	1288.3	6.44	0.50
CPO Rott	692.5	20.0	2.97
CPO Malay	2376	22.0	0.93

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	5.32	-0.05	-0.91
3 year	5.80	-0.02	-0.31
5 year	5.99	-0.00	-0.07
10 year	6.35	-0.00	-0.05
15 year	6.96	0.00	0.00
30 year	7.16	-0.09	-1.20

CORPORATE NEWS – cont'd

WSBP – PT Waskita Beton Precast targets receipts from customer to reach IDR 4.63 trillion this year, higher than the IDR 978.96 billion last year. Biggest contribution came from turnkey project Becakayo Tollroad section 1b and 1c. New contract reached IDR 9.89 trillion up to the third week of December 2017.

EXCL – PT XL Axiata will allocate 70% of capex next year for infrastructure development. EXCL will focus on areas outside Java after it finishes developing 100.000 units BTS in December 2017.

BDMN – The Bank of Tokyo-Mitsubishi UFJ Ltd have signed an agreement with Asia Financial (Indonesia) Pte Ltd and other entities to acquire 73.8% stake of PT Bank Danamon.

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