

DAILY UPDATE January 8, 2018

MACROECONOMIC NEWS

China Economy - China will set its economic growth target at "around 6.5%" this year, according to people familiar with the outcome of a recent high-level planning meeting. Top officials decided to maintain the same numerical goal as in 2017 at the Communist Party's Central Economic Work Conference last month. The world's second-largest economy surpassed last year's growth goal even amid Beijing's broad crackdown on financial risk, and is poised for its first full-year acceleration since 2010. Fourth-quarter growth edged down to 6.7 percent, according to a Bloomberg survey before the report due for release on Jan. 18, from 6.8% in the third quarter.

India Economy - India forecast its economy will expand at the slowest pace since Prime Minister Narendra Modi came to power in 2014, piling pressure on his government to jump start activity before a national vote early next year. GDP will grow 6.5% in the year through March, the Statistics Ministry said, compared with the Bloomberg consensus of 6.6% as the chaotic roll out of a new sales tax hurt demand. However, with inflation zooming past the central bank's target, there's little room to cut interest rates. So investors may have to brace for higher government spending that could draw the ire of rating companies, some of which have been betting on Modi's fiscal discipline.

CORPORATE NEWS

ADHI – PT Adhi Karya allocates IDR 10.2 trillion capex in 2018 (+191% YoY), IDR 4.1 trillion of which will be used for investments in station and depot of its LRT project. ADHI aims to book IDR 23 trillion new contract this year (+25% YoY), excluding LRT project. On a separate note, ADHI targets to raise offshore funds amounting IDR 3 trillion for capex purposes and issue up to IDR 5 trillion worth of bonds.

MEDC – PT Medco Energi Internasional booked oil and gas revenue of USD 595.07 million in 9M2017, up 54.15% yoy. Net income was recorded USD 164.3 million. Production volume was up 38.3% yoy from 63.9 to 88.3 million barrel.

SSIA – PT Surya Semesta Internusa allocates IDR 800 billion capex, most of which will be used for land clearing and development in Subang, West Java.

Equity Markets

	Closing	% Change
Dow Jones	25296	0.9
NASDAQ	7137	0.8
S&P 500	2743	0.7
MSCI excl. Jap	738	0.7
Nikkei	23715	0.9
Shanghai Comp	3392	-0.0
Hang Seng	30895	0.3
STI	3500	0.3
JCI	6354	1.0
Indo ETF (IDX)	25.47	1.1
Indo ETF (EIDO)	28.98	1.2

Currency

	Closing	Last Trade
US\$ - IDR	13416	13402
US\$ - Yen	113.05	113.14
Euro - US\$	1.2029	1.2049
US\$ - SG\$	1.3264	1.3267

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	61.68	-0.31	-0.50
Oil Brent	67.83	-0.24	-0.35
Coal Newcastle	105.3	0.35	0.33
Nickel	12525	-125	-1.0
Tin	19975	125	0.6
Gold	1321.2	-1.59	-0.12
CPO Rott	693.75		
CPO Malay	2520.5	23.5	0.94

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	5.09	-0.01	-0.27
3 year	5.68	-0.03	-0.46
5 year	5.69	-0.06	-0.98
10 year	6.14	-0.01	-0.10
15 year	6.74	-0.02	-0.27
30 year	7.13	-0.00	-0.06

CORPORATE NEWS – cont'd

NIRO – PT Nirvana Development allocates IDR 500-800 billion capex. The proceed will be used for both organic and inorganic expansion.

JSMR – PT Jasa Marga allocates IDR 70 trillion capex this year. 30% of capex will be funded by internal cash while the rest is from loan.

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