

## DAILY UPDATE March 15, 2024

### MACROECONOMIC NEWS

**US Economy** - U.S. business inventories were unexpectedly unchanged in January as increases in stocks at retailers were offset by declines at manufacturers and wholesalers. The unchanged reading in business inventories reported by the Commerce Department's Census Bureau on Thursday followed a 0.3% increase in December. Economists polled by Reuters had expected inventories, a key component of gross domestic product, to rise 0.2%. Inventories increased 0.4% year-on-year in January.

**Commodity** - Copper prices are set for more upside after rallying to 11-month highs, Citi analysts wrote in a note on Thursday, adding that they were overweight on the red metal as its supply outlook turned tighter. The red metal rose sharply this week after reports said that China's biggest copper smelters were considering output cuts, potentially creating a supply deficit for refined copper. The move also came amid persistent mining disruptions in Chile and Peru, the world's largest copper ore producers.

**US Economy** - Headline PPI inflation surged by 0.6% MoM in February, exceeding expectations for a 1.1% pace, bringing the annualized rate to 1.6%. This faster increase in wholesale inflation follows weaker consumer indicators, with US retail sales rising by 0.6% MoM in February, below the anticipated 0.8% rise. Despite Americans filing for unemployment claims numbering 209,000 for the week ending March 9, suggesting ongoing labor market pressures, consumer spending appears to be slowing. The Fed's two-day meeting, beginning March 19, is anticipated to result in no change to interest rates, with attention focused on the bank's updated economic and rate outlook accompanying the decision.

### CORPORATE NEWS

**DSNG** - PT Dharma Satya Nusantara, via its subsidiary PT Agro Pratama, increased its stake in PT REA Kaltim Plantations (REA Kaltim) from 15% to 35% through a Share Subscription Agreement (SSA) finalized on March 8, 2024. With this 35% ownership in REA Kaltim, DSNG aims to boost its palm oil business segment, particularly in the sustainable palm oil industry in Indonesia.

### Equity Markets

	Closing	% Change
Dow Jones	38,906	-0.35
NASDAQ	16,129	-0.30
S&P 500	5,150	-0.29
MSCI excl. Jap	662	0.25
Nikkei	38,692	-0.30
Shanghai Comp	3,038	-0.18
Hang Seng	16,962	-0.71
STI	3,186	0.00
JCI	7,433	0.16
Indo ETF (IDX)	17	-0.66
Indo ETF (EIDO)	23	0.75

### Currency

	Closing	Last Trade
US\$ - IDR	15,580	15,580
US\$ - Yen	148.33	148.39
Euro - US\$	1.0883	1.0877
US\$ - SG\$	1.336	1.337

### Commodities

	Last	Price Chg	%Chg
Oil NYMEX	81.2	1.3	1.7
Oil Brent	85.2	1.12	1.3
Coal Newcastle	131.5	0.4	0.3
Nickel	18077	-269	-1.5
Tin	28258	193	0.7
Gold	2164	-10.5	-0.5
CPO Rott	995	20	2.1
CPO Malay	4303	91	2.2

### Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.464	-0.01	-0.077
3 year	6.454	0.012	0.186
5 year	6.526	-0.001	-0.015
10 year	6.643	0	0
15 year	6.83	0.001	0.015
30 year	6.943	0.00	0.014

## CORPORATE NEWS

**AMMN** - PT Amman Mineral Internasional will transform into a fully integrated miner-to-smelter company after completing its smelter project. The management disclosed that the total 2024 capex for expansion and maintenance amounts to USD 2 billion (IDR 31.2 trillion), to be financed through debt. AMMN operates the Batu Hijau mine on Sumbawa Island, NTB, the second-largest copper and gold mine in Indonesia. Phase 7 reserves are expected to be depleted by 2024 (37 million tons as of December 2023), while phase 8 (458 million tons as of December 2023) will extend the mine's lifespan until 2030.

**INCO** - PT Vale Indonesia has three major nickel projects totaling USD 9 billion (IDR 139 trillion), with a 2024 capex of USD 600 million (IDR 9 trillion) to support them. The first project is the Bahodopi rotary kiln electric furnace (RKEF) smelter, costing USD 2.6 billion, with machinery installation targeted for completion by March 2024 and a yearly capacity of 73,000 tons of ferronickel. The second project is the HPAL Pomalaa with a capacity of 120,000 tons of MHP, construction set to start in early 2024 and finish by December 2026. The third project is the HPAL Sorowako with Huayou, requiring an investment of USD 1.9 billion and aiming for yearly capacity of 60,000 tons of MHP, with mechanical equipment installation targeted for completion by 2027.

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