

DAILY UPDATE July 4, 2024

MACROECONOMIC NEWS

US Economy - The S&P 500 hit a record close Wednesday in a shortened session, boosted by weaker economic data suggesting sooner rate cuts. U.S. factory orders and services activity both fell, indicating a slowing economy. The ADP report showed private payrolls grew by 150,000 in June, down from May's revised 157,000, indicating a slowing labor market. The FOMC minutes highlighted that most members see U.S. economic growth cooling and view the current policy stance as restrictive. Despite the slowdown, the Fed will wait for more data before considering rate cuts. The policy rate remains at 5.25%-5.50%, with some members cautioning patience and others suggesting potential rate hikes if inflation resurges.

China Economy - China's services activity expanded at the slowest pace in eight months and confidence hit a four-year low in June, dragged by slower growth in new orders, a private-sector survey showed on Wednesday, suggesting more economic stimulus is needed. The Caixin/S&P Global services purchasing managers' index (PMI) eased to 51.2 from 54.0 in May, marking the lowest reading since October 2023 but remaining in expansionary territory for the 18th straight month. The 50-mark separates expansion from contraction.

Japan Economy - Japanese service activity contracted for the first time in nearly two years in June as domestic demand cooled, a private sector survey showed on Wednesday, although business confidence and hiring indicators remained upbeat. The service sector has been propelling economic growth in Japan, offsetting feeble manufacturing performance. The final au Jibun Bank Service purchasing managers' index (PMI) slipped to 49.4 in June from 53.8 in May, snapping 21 straight months of expansion, the S&P Global Market Intelligence survey showed.

CORPORATE NEWS

CLPI - PT Colopak Indonesia will distribute FY2023 dividends amounting to IDR 39 billion (IDR 128/share). The cum-dividend date on the regular market is July 3rd, 2024, and the dividend payment will be on July 26th, 2024.

Equity Markets

	Closing	% Change
Dow Jones	39,308	-0.06
NASDAQ	18,188	0.88
S&P 500	5,537	0.51
MSCI excl. Jap	701	1.09
Nikkei	40,683	0.25
Shanghai Comp	2,982	-0.49
Hang Seng	17,979	1.18
STI	3,430	0.42
JCI	7,197	1.01
Indo ETF (IDX)	16	1.38
Indo ETF (EIDO)	20	1.03

Currency

	Closing	Last Trade
US\$ - IDR	16,371	16,371
US\$ - Yen	161.69	161.41
Euro - US\$	1.0786	1.0791
US\$ - SG\$	1.354	1.353

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	83.5	0.5	0.6
Oil Brent	87.0	0.47	0.5
Coal Newcastle	135.0	2.75	2.08
Nickel	17323	319	1.9
Tin	33363	441	1.3
Gold	2360	29.5	1.3
CPO Rott	975		
CPO Malay	4097	30	0.7

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.749	0.00	0
3 year	6.778	-0.005	-0.074
5 year	6.982	-0.002	-0.029
10 year	7.11	-0.008	-0.112
15 year	7.1	-0.001	-0.014
30 year	7.126	-0.01	-0.084

CORPORATE NEWS

RMKE - RMK Energy will distribute cash dividends of IDR 30.62 billion (IDR 7/share). The cum-dividend date is July 8th, 2024, and the payment date is August 1st, 2024.

TOWR - PT Sarana Menara Nusantara, through its subsidiary Protelindo, acquired 90% of PT Inti Bangun Sejahtera Tbk (IBST) for IDR 3.42 trillion on July 1st, 2024. This acquisition, facilitated by PT iForte Solusi Infotek, is expected to create significant synergies between the tower, FTTT, FTTH, and IBST's connectivity businesses. The expansion aims to boost revenue from the FTTT business with over 205,000 km of fiber, connectivity for 4,500 corporate customers, and FTTH passing over 1.1 million homes. TOWR and IBST's combined market share will be 35%, compared to MTEL's 40% and TBIG's 23%.

BBYB - Bank Neo Commerce will conduct a rights issue worth IDR 393 billion by issuing 1.31 billion shares at IDR 300/share. The issuance represents 9.82% of the capital, with a ratio of 700:76.26. The cum-right date is July 8th, 2024, and the rights distribution date is July 11th, 2024. The trading and exercise period on the Indonesia Stock Exchange is from July 12-18, 2024. Final payment for additional orders is on July 22nd, 2024, with allotment on July 23rd, 2024. The proceeds from the rights issue will be used entirely to strengthen the capital structure and as working capital for BBYB.

JSMR - PT Jasa Marga (Persero) will earn USD 960 million (IDR 15.75 trillion) by divesting 35% of PT Jasamarga Transjawa Tol to the Metro Pacific Tollways Corp (MPTC) and GIC Pte. Ltd consortium. The divestment consists of three stages: (1) MPTC and GIC will buy 6.2 billion shares (28.5%) for USD 782 million (IDR 12.82 trillion); (2) they will acquire 205 million shares (0.9%) from Koperasi Konsumen Karyawan Jalin Marga Sejahtera for USD 25.9 million (IDR 425 billion); (3) JTT will issue 1.2 billion new shares (5.6%) for USD 152.5 million (IDR 2.5 trillion). Post-transaction, JSMR will hold 65% of JTT, and the consortium will hold 35%. The consortium includes PT Margautama Nusantara (MUN), PT Metro Pacific Tollways Indonesia Services (MPTIS), and Warrington Investment Pte. Ltd. MUN is a subsidiary of PT Nusantara Infrastructure Tbk. (META), majority-owned by the Salim Group.

Disclaimer

The analyst(s) whose work appears in this report certifies that his or her remuneration is not correlated to his or her judgment(s) on the performance of the company(ies).

The information and/or opinions contained in this report has been assembled by Panin Asset Management from sources which we deem to be reliable and in good faith, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. This report may not be reproduced, distributed or published by any recipient for any purpose. Any recommendations contained herein are based on a consideration of the securities alone, and as such are conditional and must not be relied upon as a solitary basis for investment decisions. Under no circumstances is this report to be used or considered as an offer to sell, or a solicitation of an offer buy.

All opinions and estimates herein reflect the author's judgment on the date of this report and are subject to change without notice. Panin Asset Management, its related companies, their officers, employees, representatives and agents expressly advise that they shall not be liable in any way whatsoever for any loss or damage, whether direct, indirect, consequential or otherwise howsoever arising (whether in negligence or otherwise) out of or in connection with the contents of and/or any omissions from this communication.

Any investments referred to herein may involve significant risk, are not necessarily available in all jurisdictions, may be illiquid and may not be suitable for all investors. Investors should make their own independent assessment and seek professional financial advice before they make their investment decisions.

Due to its nature as an asset management firm, it is very much possible that Panin Asset Management and/or persons connected with it may, to the extent permitted by law, have long or short positions or may otherwise be interested in any transactions or investments (including derivatives) referred to in this publication. In addition, Panin Asset Management and/or its parent, Panin Sekuritas, and/or its affiliated companies may provide services for or solicit business from any company referred to in this publication.

The analyst(s) named in this report certifies that all of the views expressed by the analyst(s) in this report reflect the personal views of the analyst(s) with regard to any and all of the content of this report relating to the subject securities and issuers covered by the analyst(s) and no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst(s) in this report.

WE STRONGLY ADVISE INVESTORS TO CONSULT THEIR FINANCIAL ADVISOR BEFORE MAKING THEIR INVESTMENT DECISION. ALL INVESTMENT OPPORTUNITIES PRESENT SOME SORT OF RISK. INVESTORS SHOULD ASSESS THEIR RISK SENSITIVITY IN ORDER TO DETERMINE SUITABILITY OF AN INVESTMENT OPPORTUNITY ACCORDING TO THEIR RISK PROFILE.