

DAILY UPDATE July 12, 2024

MACROECONOMIC NEWS

US Economy - Several investment banking firms, including Wells Fargo, ING, and Evercore ISI, predict the Federal Reserve will lower interest rates in September following a softer-than-expected CPI report. The June CPI data showed a 0.06% increase in core inflation, indicating a slowdown in inflation since Q1. Wells Fargo noted this as the most encouraging CPI report for the FOMC in over two years. Despite discrepancies with the Fed's preferred core PCE index, Evercore sees a sustained reduction in inflation rates. They expect the Fed to cut rates by 25 bps in September and December, with signals of this intention at the July meeting.

CORPORATE NEWS

WIKA - PT Wijaya Karya secured IDR 10.17 trillion in new contracts by June 2024, mainly from the industrial segment, followed by infrastructure, EPC, building, and property. Most contracts came from SOEs and government sectors with monthly progress payment schemes. Recently, WIKA completed the Cipanas Dam in West Java, with a capacity of 250 million cubic meters to irrigate 9,000 hectares, control flooding in North Indramayu, and generate 3 MW of hydroelectric power. This is the fourth dam inaugurated in six months, following Karian, Ameroro, and Pamukkulu dams. Moreover, on July 10th, 2024, Pefindo affirmed WIKA's ratings and its Sustainable Bonds I, II, and III at idBBB-. They also confirmed the idBBB- (sy) rating for WIKA's Sukuk Mudharabah I, II, and III, all with a stable outlook.

WIFI - PT Solusi Sinergi Digital (Surge) has signed a consultancy services contract for Fiber To The Home (FTTH) with NTT e-Asia Corporation, a subsidiary of Japan's Nippon Telegraph and Telephone Corporation (NTT) Group. NTT e-Asia focuses on providing IT services and solutions, leveraging NTT's extensive telecommunications and IT expertise.

Equity Markets

	Closing	% Change
Dow Jones	39,754	0.08
NASDAQ	18,283	-1.95
S&P 500	5,585	-0.88
MSCI excl. Jap	721	1.37
Nikkei	41,339	-2.10
Shanghai Comp	2,970	1.06
Hang Seng	17,832	2.06
STI	3,491	0.45
JCI	7,300	0.18
Indo ETF (IDX)	17	0.34
Indo ETF (EIDO)	20	0.55

Currency

	Closing	Last Trade
US\$ - IDR	16,195	16,195
US\$ - Yen	158.84	159.18
Euro - US\$	1.0868	1.0869
US\$ - SG\$	1.343	1.344

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	82.9	0.1	0.2
Oil Brent	85.5	-0.22	-0.3
Coal Newcastle	133.8		
Nickel	16809	-82	-0.5
Tin	34666	-341	-1.0
Gold	2409	34.0	1.4
CPO Rott	975		
CPO Malay	3957	43	1.1

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.752	0.01	0.163
3 year	6.794	0.004	0.059
5 year	6.904	0.01	0.145
10 year	7.004	0.002	0.029
15 year	7.087	0.001	0.014
30 year	7.119	0.00	0

CORPORATE NEWS

AMMN – PT Amman Mineral Internasional spent USD 9.65 million on exploration activities in Sumbawa, NTB, during Q2 2024. Exploration covered Special Mining Permit Areas (IUPK) Blocks I-IV via subsidiary Amman Mineral Nusa Tenggara (AMNT). Block I Batu Hijau cost USD 3.12 million with 36 completed and ongoing drill holes totaling 15,000 meters, and 5,000 rock core samples analyzed. Block II Elang cost USD 5.24 million, completing 7 drill holes at 4,000 meters, with additional drilling at Alma and Sebu. Block III Rinti used USD 1.24 million for 2 drill holes and 337 rock core samples. Block IV Lampui's exploration cost USD 40,000, focused on geological mapping and rock sampling.

DSSA - PT Dian Swastatika Sentosa announced a 1:10 stock split. The last trading day with the old nominal value is July 17th, 2024, and trading with the new nominal value starts on July 18th, 2024. Through this step, DSSA management hopes to improve the accessibility of its shares for more investors and increase the liquidity of its shares on the stock exchange.

MBMA – PT Merdeka Battery Materials spent USD 1.2 million (IDR 19 billion) in Q2 2024 on nickel mine exploration at Sulawesi Cahaya Mineral (SCM) in Konawe, Southeast Sulawesi. Activities included diamond drilling, geological mapping, sampling, and geophysical surveys, completing 353 drill holes totaling 8,000 meters and a 45 km GPR (Ground Penetration Radar) survey. Future plans involve continued diamond drilling with 16 rigs and further GPR and geological mapping for exploration targets.

TRIN - PT Perintis Triniti Properti reported the full use of IDR 124 billion from its IPO. The funds were allocated to repay IDR 29 billion to PT Triniti Menara Serpong and IDR 38 billion to PT Puri Triniti Batam, with the remaining IDR 57 billion used for development costs and working capital.

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