

## DAILY UPDATE November 6, 2024

### MACROECONOMIC NEWS

**Asian Market** - Asian markets mostly declined on Tuesday due to caution before the U.S. presidential election, while China's stocks rose on robust PMI data and anticipated fiscal support from the National People's Congress (NPC) meeting. Chinese indexes gained 0.8%, with Hong Kong's Hang Seng up 0.3%, lifted by strength in China's services sector. The NPC is expected to approve increased fiscal spending, potentially around \$1.4 trillion over coming years, though exact details are pending. Concrete stimulus from China could boost oil markets, given its status as the largest crude importer. Japan's market rose post-holiday, while South Korea's KOSPI fell 0.6% on inflation data hinting at possible rate cuts.

**Gold Price** - Gold prices could reach \$3,400 per ounce if U.S. real interest rates drop to zero, a scenario Bernstein links to fiscal policies that may weaken the U.S. dollar. Bernstein predicts gold's inverse relationship with the dollar and real rates would be reinforced by increased U.S. deficits, potentially through political shifts like a "red sweep or blue sweep." In the near term, the firm forecasts gold prices at \$2,600 per ounce in Q4 2024 and \$2,500 from 2025-2028, above consensus. Additional demand from central banks in China, Russia, and Singapore, alongside geopolitical tensions, supports a bullish outlook, with exchange-traded funds and gold equities like Barrick offering leveraged exposure.

**US Market** - Markets are closely watching the tight U.S. presidential race between Donald Trump and Kamala Harris, with polls showing a neck-and-neck competition and no clear outcome. Investors are awaiting results, which could shape future trade and tax policies. Trump is expected to adopt more inflationary policies and stricter tariffs on China, which could challenge the tech sector, while Harris favors raising taxes on high earners and corporations while easing taxes for families. Following the election, attention will shift to a Federal Reserve meeting where a 25 basis point rate cut is anticipated, providing further economic cues as winter demand cools.

### Equity Markets

	Closing	% Change
Dow Jones	42,222	1.02
NASDAQ	18,439	1.43
S&P 500	5,783	1.23
MSCI excl. Jap	743	1.00
Nikkei	38,940	1.21
Shanghai Comp	3,387	2.32
Hang Seng	21,007	2.14
STI	3,592	0.29
JCI	7,492	0.17
Indo ETF (IDX)	17	0.53
Indo ETF (EIDO)	21	1.13

### Currency

	Closing	Last Trade
US\$ - IDR	15,749	15,749
US\$ - Yen	151.62	153.02
Euro - US\$	1.0930	1.0833
US\$ - SG\$	1.314	1.322

### Commodities

	Last	Price Chg	%Chg
Oil NYMEX	71.7	0.3	0.5
Oil Brent	75.2	0.24	0.3
Coal Newcastle	142.9	-1	-0.69
Nickel	16123	116	0.7
Tin	32349	199	0.6
Gold	2741	7.3	0.3
CPO Rott	1260	60	5.0
CPO Malay	4791	-57	-1.2

### Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.663	0.01	0.09
3 year	6.582	-0.012	-0.182
5 year	6.697	0.025	0.375
10 year	6.759	0.014	0.208
15 year	6.96	0.001	0.014
30 year	6.933	0.00	0.029

## MACROECONOMIC NEWS

**US Economy** - The Federal Reserve is expected to cut interest rates by 25 basis points on Thursday, following a 50 bps cut in September. While recent strong economic data and persistent inflation have raised questions about further rate reductions, weak nonfarm payrolls suggest a cooling labor market, which may keep the Fed inclined toward easing. Markets are focused on Chair Jerome Powell's upcoming address, which could provide more clarity on future rate cut plans.

## CORPORATE NEWS

**TBLA** - PT Tunas Baru Lampung announced plans for an interim dividend distribution for the 2024 fiscal year, totaling IDR 210 billion (IDR 35/share). The cum-dividend date on the regular market is set for November 12th, with payment scheduled for December 4th, 2024.

**BUDI** - PT Budi Starch & Sweetener announced an interim dividend distribution for the 2024 fiscal year, totaling IDR 25 billion (IDR 5/share). The cum-dividend date on the regular market is set for November 12th, with payment scheduled for December 4th, 2024.

**MARK** - PT Mark Dynamics Indonesia announced an interim dividend distribution for the 2024 fiscal year, totaling IDR 76 billion (IDR 20/share). The cum-dividend date on the regular market is scheduled for November 13th, with payment on December 5th, 2024.

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