

DAILY UPDATE December 5, 2024

MACROECONOMIC NEWS

US Economy - Fed Chair Jerome Powell stated that the Federal Reserve could adopt a more cautious approach to cutting rates toward neutral, given the economy's solid state, but did not signal any risk to a December rate cut. Market odds for a December cut rose to 79% following his remarks. Meanwhile, focus shifts to Friday's nonfarm payrolls data after ADP reported slower-than-expected private payroll growth in November, adding 146,000 jobs versus forecasts of 166,000, fueling hopes for further easing by the Fed.

Cryptocurrency Market - Bitcoin surged after President-elect Donald Trump announced plans to nominate former SEC Commissioner Paul Atkins, known for his pro-crypto stance, to lead the agency. Atkins is set to replace Gary Gensler, who was criticized by the crypto community for allegedly stifling industry innovation.

Oil Price - Oil prices fell nearly 2% on Wednesday as investors awaited an OPEC+ decision on extending production cuts, though a larger-than-expected drop in U.S. crude inventories provided some support. Brent crude settled at USD 72.31/barrel, and WTI at USD 68.54, despite bullish momentum from refinery activity and geopolitical tensions in the Middle East. OPEC+ is expected to extend output cuts into early 2024, with market focus on the meeting's rhetoric, while unexpected large-volume trades also pressured prices downward.

CORPORATE NEWS

BJBR - PT Bank Pembangunan Daerah Jawa Barat dan Banten plans to issue IDR 1 trillion in bonds as part of its IDR 2 trillion Sustainable Bonds I program. The offering includes Series A (IDR 200 billion, 7% annual fixed interest, 3-year maturity) and Series B (IDR 800 billion, 7.3% annual fixed interest, 5-year maturity). Proceeds will fund new and existing financing, focusing on 25–50% for environmentally sustainable initiatives (e.g., pollution control, biodiversity conservation) and 50–75% for social initiatives (e.g., affordable housing, job creation, and SME financing). Interest payments are quarterly, starting March 2025.

Equity Markets

	Closing	% Change
Dow Jones	45,014	0.69
NASDAQ	19,735	1.30
S&P 500	6,087	0.61
MSCI excl. Jap	719	0.18
Nikkei	39,503	0.58
Shanghai Comp	3,365	-0.42
Hang Seng	19,743	-0.02
STI	3,800	0.36
JCI	7,327	1.82
Indo ETF (IDX)	17	2.98
Indo ETF (EIDO)	20	1.75

Currency

	Closing	Last Trade
US\$ - IDR	15,937	15,937
US\$ - Yen	150.59	150.27
Euro - US\$	1.0511	1.0514
US\$ - SG\$	1.344	1.344

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	68.8	-1.2	-1.7
Oil Brent	72.3	-1.35	-1.8
Coal Newcastle	133.4	-1.4	-1.04
Nickel	16107	92	0.6
Tin	29034	210	0.7
Gold	2648	8.2	0.3
CPO Rott	1295		
CPO Malay	5074	-76	-1.5

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.717	0.25	3.786
3 year	6.733	-0.01	-0.148
5 year	6.833	0.005	0.073
10 year	6.901	0.004	0.058
15 year	7.017	0.001	0.014
30 year	7.08	0.00	0

CORPORATE NEWS

FILM - PT MD Entertainment held an EGMS on Dec 2nd, 2024, approving a rights issue of 989 million shares, equivalent to 10% of its paid-up capital, potentially diluting ownership by up to 9.09%. Proceeds will support liquidity, capital expenditures, working capital, and business growth, including investments and acquisitions. Shareholders also approved increasing authorized capital more than 10 billion shares. The rights issue details, including ratios and pricing, will follow after registration approval. FILM sees this move as a strategic step to strengthen its position in Indonesia's entertainment industry.

MEDC - PT Medco Energi Internasional plans to issue bonds worth IDR 2.5 trillion as part of its IDR 5 trillion Sustainable Bonds V program, having already issued IDR 2.5 trillion previously. The offering includes two series: Series A (IDR 1.67 trillion, 7.75% annual fixed interest, 5-year maturity) and Series B (IDR 825 billion, 8.25% annual fixed interest, 7-year maturity). Proceeds will mainly repay maturing bonds in 2025 (IDR 2.36 trillion) and partially settle a loan to subsidiary Medco Bell Pte. Ltd. (IDR 119 billion). Interest payments will be quarterly, starting April 2025.

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