

DAILY UPDATE December 18, 2024

MACROECONOMIC NEWS

US Economy - Retail sales in the US rose 0.7% in November, surpassing the 0.6% forecast, highlighting economic resilience despite high interest rates. The Fed is expected to cut rates by 25 bps this week, but markets are focused on its future outlook, as signs of persistent inflation and a strong labor market suggest slower easing in 2025. Goldman Sachs now predicts no January rate cut, aligning with traders who see an 81% likelihood of unchanged rates next month, per CME FedWatch.

US Market - The Dow closed down 0.6% on Tuesday, marking its longest losing streak since 1978, as the Fed began its final meeting of the year. Tech stocks weakened, with NVIDIA falling 1%, extending its correction, while Tesla gained on an upgraded price target by Mizuho. Pfizer rose 4.6% after projecting strong 2025 profits amid cost cuts and restructuring.

UK & Eurozone Market - European markets traded mixed on Tuesday as investors assessed economic data ahead of the Fed's final policy meeting. UK wage growth rose 5.2% in the three months to October, above forecasts, raising concerns over slower Bank of England rate cuts despite economic weakness. Germany's The Ifo Institute (Information and Forschung / Leibniz Institute for Economic Research at the University of Munich) said its business climate index fell to 84.7, reflecting worsening morale amid industrial struggles and geopolitical uncertainty. The Fed is expected to cut rates by 25 bps on Wednesday, with investor focus on signals about the pace of easing in 2025.

Cryptocurrency Market - Bitcoin surged 3.5% to USD 107,380, near its all-time high, driven by optimism over Donald Trump's proposal for a Strategic Bitcoin Reserve, though analysts remain skeptical due to funding and legislative challenges. Altcoins saw moderate gains, with XRP jumping 11%, while Ethereum added 2.5% to USD 4,007. Broader crypto markets steadied ahead of a Fed meeting, where a 25 bps rate cut is expected, but concerns over slower easing in 2025 could weigh on prices. Bitcoin's hash rate hit a record 801 EH/s, as spot Bitcoin ETFs saw USD 2.2 billion in weekly inflows, despite mining stocks underperforming.

Equity Markets

	Closing	% Change
Dow Jones	43,450	-0.61
NASDAQ	20,109	-0.32
S&P 500	6,051	-0.39
MSCI excl. Jap	714	-0.79
Nikkei	39,183	-0.46
Shanghai Comp	3,362	-0.73
Hang Seng	19,885	0.93
STI	3,791	-0.24
JCI	7,158	-1.39
Indo ETF (IDX)	16	-1.67
Indo ETF (EIDO)	19	-2.11

Currency

	Closing	Last Trade
US\$ - IDR	16,101	16,101
US\$ - Yen	153.46	153.7
Euro - US\$	1.0491	1.0499
US\$ - SG\$	1.350	1.350

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	70.2	-0.4	-0.6
Oil Brent	73.3	-0.53	-0.7
Coal Newcastle	129.0	-0.25	-0.19
Nickel	15503	-205	-1.3
Tin	29047	-199	-0.7
Gold	2651	-3.9	-0.1
CPO Rott	1295		
CPO Malay	4670	-67	-1.4

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	7.009	0.05	0.675
3 year	7.024	-0.006	-0.085
5 year	6.973	0.004	0.057
10 year	7.062	0.001	0.014
15 year	7.142	-0.001	-0.014
30 year	7.114	0.00	-0.014

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Oil Prices - Crude prices fell on Tuesday, with WTI down 2% to USD 69.20 and Brent slipping 1.4% to USD 72.45, as profit-taking followed weak Chinese retail sales data and multi-week highs last week. Traders remain cautious ahead of the Fed meeting, avoiding major positions before the anticipated market-moving decision.

CORPORATE NEWS

BYAN - PT Bayan Resources secured a USD 125 million loan facility from Bank Mega on Dec 13th, 2024. The facility includes a demand loan with a sublimit for bank guarantees/standby letters of credit up to USD 100 million and an additional USD 25 million for bank guarantees/standby letters of credit, with a 36-month tenure. The loan will finance the company's working capital, operations, and subsidiaries, backed by a corporate guarantee from its subsidiary, Bara Tabang. This facility is expected to enhance funding allocation for operational activities and subsidiaries.

SULI - PT SLJ Global completed a private placement on Dec 13th, 2024, issuing 400 million new shares at IDR 100/share, raising IDR 40 billion from Mataram Limited. The total shares increased from 5.92 billion to 6.32 billion. Approved by the IDX on Dec 9th, 2024, the funds will support the company's business development and were officially listed on Dec 16th, 2024.

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