

DAILY UPDATE January 7, 2025

MACROECONOMIC NEWS

Asian Market - Asian stocks were mostly flat to lower on Monday as risk aversion grew ahead of key economic data and hawkish Fed comments. Japan's Nikkei 225 dropped 1.3% in catch-up trade after the holiday, led by declines in auto stocks and Nippon Steel, while China's markets were steady with inflation data in focus amid expectations of more stimulus. South Korea's KOSPI surged 1.6% after December's political turmoil, and Taiwan's Hon Hai (Foxconn) gained 2% on record Q4 revenues driven by AI demand. Broader markets remained subdued, with minor gains in Australia and Singapore.

Gold Price - Goldman Sachs has revised its gold price target of USD 3,000/ounce to mid-2026, delaying it from December 2025, citing fewer expected Fed rate cuts in 2025. The bank now forecasts gold will reach USD 2,910 by end-2025, driven by strong central bank demand but tempered by slower ETF inflows and moderated speculative buying post-U.S. elections. Central bank purchases are expected to average 38 tonnes monthly through mid-2026, supporting prices despite potential downside risks from prolonged high interest rates. A U.S. recession or aggressive Fed cuts could push prices beyond USD 3,000 sooner.

Oil Price - Oil prices dipped on Monday, with Brent at USD 76.24 (-0.35%) and WTI at USD 72.85 (-0.5%), amid mixed factors including weaker U.S. and European economic data, strong USD pressure, and cold weather boosting heating demand. Optimism over China's potential stimulus and tightening supplies from sanctions on Iranian and Russian oil provided some support. European services PMI showed recovery, but factory activity lagged, while Saudi Aramco raised February crude prices for Asia, signaling firmer demand expectations. Traders are watching inflation data and geopolitical risks, including stricter enforcement of sanctions on Iran.

Equity Markets

	Closing	% Change
Dow Jones	42,707	-0.06
NASDAQ	19,865	1.24
S&P 500	5,975	0.55
MSCI excl. Jap	704	0.43
Nikkei	40,069	1.94
Shanghai Comp	3,203	-0.11
Hang Seng	19,502	-0.95
STI	3,823	0.04
JCI	7,081	-1.17
Indo ETF (IDX)	15	-1.31
Indo ETF (EIDO)	19	-1.74

Currency

	Closing	Last Trade
US\$ - IDR	16,198	16,198
US\$ - Yen	157.62	158.35
Euro - US\$	1.0390	1.0378
US\$ - SG\$	1.363	1.365

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	73.3	-0.9	-1.2
Oil Brent	76.1	-0.59	-0.8
Coal Newcastle	119.8	-3.75	-3.04
Nickel	15182	71	0.5
Tin	29289	181	0.6
Gold	2639	-5.6	-0.2
CPO Rott	1295		
CPO Malay	4339	-29	-0.7

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	7.17	0.16	2.297
3 year	7.008	0.001	0.014
5 year	7.003	0.009	0.129
10 year	7.059	-0.003	-0.042
15 year	7.11	-0.002	-0.028
30 year	7.076	0.00	0.014

CORPORATE NEWS

IATA - PT MNC Energy Investments plans a rights issue of 20 billion shares with a nominal value of IDR 50, with the execution price yet to be determined. Shareholders recorded by March 4th, 2025, will receive 4 rights for every 5 shares owned, allowing them to purchase new shares, subject to payment in full. Proceeds will fund working capital and business development, including exploration, infrastructure, mining land acquisition, and operational improvements. Shareholders may face a maximum dilution of 44%. The rights issue schedule runs from February 28th to March 25th, 2025, with key trading and allocation dates set accordingly.

KKGI – PT Resource Alam Indonesia reported its mining exploration activities as of December 2024. KKGI's subsidiary PT Insani Baraperkasa spent USD 2.64 million on exploration in Separi Block. Geological mapping and land acquisition continue in Loajanan Block to identify potential sub-blocks, while drilling and permit processes are under review for Separi Block. The company also received Ministry of Energy approval for production in all PKP2B blocks.

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