

DAILY UPDATE January 9, 2025

MACROECONOMIC NEWS

US Economy - The Federal Reserve's December meeting minutes revealed policymakers' intent to slow the pace of rate cuts due to concerns over stalled disinflation and slower progress toward the 2% inflation target. Despite this cautious stance, Treasury yields steadied after a spike, following Fed Governor Christopher Waller's support for additional rate cuts amid expectations of continued inflation decline.

US Jobs Data - U.S. jobless claims fell to 201,000 last week, the lowest since February, while the four-week average declined to 213,000, signaling labor market strength. Private payrolls, as reported by the ADP Nonfarm Employment Change data, added 122,000 jobs in December, and other data showed rising job openings and persistent inflation. These indicators, ahead of the key monthly employment report, strengthened expectations that the Fed will delay further rate cuts in 2025. Investors also await remarks from Fed Governor Waller and FOMC meeting minutes for policy insights.

US Market - The S&P 500 closed slightly higher on Wednesday, up 0.1%, as tech stocks pared losses after Treasury yields steadied despite Fed minutes signaling slower rate cuts ahead. Most megacap tech stocks, including Apple, Alphabet, and Meta, ended in the red but above session lows, while NVIDIA remained flat. Palantir fell further, down 16% from its recent all-time high, amid concerns over frothy valuations.

Japan's Economy - Japan's inflation-adjusted real wages declined 0.3% in November, marking the fourth consecutive monthly drop as higher inflation outpaced a 2.7% rise in base pay—the fastest increase since 1992. Consumer inflation accelerated to 3.4% from 2.6% in October, adding pressure on purchasing power. Overtime pay grew 1.6%, while special payments jumped 7.9%. Total nominal wages rose 3.0% to JPY 305,832 (USD 1,935). With wage growth central to PM Shigeru Ishiba's agenda, major firms are expected to raise pay by 5% in 2025, continuing momentum from last year's 33-year-high increases.

Equity Markets

	Closing	% Change
Dow Jones	42,635	0.25
NASDAQ	19,479	-0.06
S&P 500	5,918	0.16
MSCI excl. Jap	699	-0.74
Nikkei	39,779	-0.51
Shanghai Comp	3,230	0.02
Hang Seng	19,280	-0.86
STI	3,875	-0.30
JCI	7,080	-0.04
Indo ETF (IDX)	15	-0.27
Indo ETF (EIDO)	18	-0.11

Currency

	Closing	Last Trade
US\$ - IDR	16,211	16,211
US\$ - Yen	158.35	158.17
Euro - US\$	1.0318	1.0315
US\$ - SG\$	1.368	1.369

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	73.1	-1.7	-2.3
Oil Brent	75.9	-1.51	-1.9
Coal Newcastle	117.5	-0.85	-0.72
Nickel	15451	53	0.3
Tin	30079	135	0.5
Gold	2659	10.0	0.4
CPO Rott	1295		
CPO Malay	4329	-41	-0.9

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	7.045	0.07	0.96
3 year	7.037	-0.001	-0.014
5 year	7.097	-0.001	-0.014
10 year	7.181	0.003	0.042
15 year	7.21	-0.006	-0.083
30 year	7.111	0.00	-0.028

CORPORATE NEWS

ACES - PT Aspirasi Hidup Indonesia injected IDR 250 billion into its subsidiary, Kawan Lama Inovasi (KLV), through a soft loan formalized on Jan 7th, 2025, with a 7% interest rate as per the agreement. The funding aims to support KLV's working capital needs and enhance its business contributions. As the parent company holds a 99% stake in KLV, the transaction qualifies as an exempt affiliate transaction under POJK 42/2020 and involves no conflict of interest.

RALS - PT Ramayana Lestari Sentosa secured IDR 39 billion from transferring shares obtained through its buyback program as of Dec 31st, 2024. However, no shares were transferred during the July 1st to Dec 31st, 2024 period, leaving 1.16 billion shares unsold. The amount includes net transaction costs, but with the average buyback price above the current market price, the company has yet to decide on transfer options. This move reflects transparency in managing buyback shares and keeping shareholders and the public informed.

PTBA - PT Bukit Asam conducted Q4 2024 exploration activities at Tanjung Enim and PT Internasional Prima Coal (IPC) sites. At Tanjung Enim, PTBA and Sucofindo completed 59 drill points covering 11,200 meters of infill drilling and 10,600 meters of expansion drilling, costing IDR 21.6 billion. Sampling included 1,700 coal samples for quality analysis and 860 rock samples for acid and mechanical tests. Exploration at IPC involved 34 drill points over 2,200 meters, costing IDR 2.4 billion. Exploration will continue in 2025, alongside updates to geological models and geotechnical reports.

BSSR - PT Baramulti Suksessarana will distribute an interim dividend of IDR 405 billion (IDR 154/share) for the 2024 fiscal year. The cum-dividend date on the regular market is set for Jan 9th, 2025, with the cash dividend payment scheduled for Jan 15th, 2025.

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