

DAILY UPDATE January 20, 2025

MACROECONOMIC NEWS

US Market - Investors will gain insight into U.S. corporate profits this week as key companies, including Netflix, Johnson & Johnson, Procter & Gamble, and American Express, report Q4 earnings. Earnings season began with strong results from big banks, driven by deal-making and trading gains. Analysts expect S&P 500 firms to post a 10.4% YoY rise in Q4 earnings, per LSEG IBES data.

Trump Inauguration - As Trump begins his second term on Monday, investors anticipate a wave of executive orders, with tariff-related actions in the spotlight. U.S. markets, closed for Martin Luther King Jr. Day, may react fully on Tuesday. Long-term bond yields have risen, reflecting inflation concerns tied to Trump's tariff plans.

Oil Prices - Oil prices rose last week, with Brent crude up 1.3% and WTI crude up 1.7%, driven by US sanctions on Russia's energy trade and concerns over potential supply disruptions. Crude has climbed 10% this month amid fears of further Western sanctions on Russian oil. Energy markets are also reacting to the prospect of Trump's return and his pick for Treasury secretary signaling tougher sanctions. Additionally, an Arctic air blast across the US is expected to boost heating oil demand.

Japan's Economy - The Bank of Japan's upcoming policy meeting may include discussions on a potential rate hike, as hinted by Governor Kazuo Ueda and Deputy Ryozi Himino. A hike could narrow the rate gap with the US, strengthening the yen, which has been near 160 per dollar. BOJ officials will also assess the potential market impacts of Trump's policies before making a decision.

WEF - The World Economic Forum begins Monday in Davos, with global leaders addressing key risks, including armed conflict and extreme weather, as highlighted in a recent WEF survey. Speeches include Ukraine's President Zelenskyy on Monday and Trump via video on Wednesday. Notable attendees include ECB President Christine Lagarde, EU Commission President Ursula von der Leyen, UK Chancellor Rachel Reeves, and China's Vice Premier Ding Xuexiang.

Equity Markets

	Closing	% Change
Dow Jones	43,488	0.78
NASDAQ	19,630	1.51
S&P 500	5,997	1.00
MSCI excl. Jap	695	0.30
Nikkei	38,968	1.34
Shanghai Comp	3,242	0.18
Hang Seng	19,805	1.13
STI	3,808	-0.07
JCI	7,155	0.66
Indo ETF (IDX)	15	0.47
Indo ETF (EIDO)	19	0.76

Currency

	Closing	Last Trade
US\$ - IDR	16,380	16,380
US\$ - Yen	156.30	156.07
Euro - US\$	1.0273	1.0282
US\$ - SG\$	1.3684	1.3675

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	78.00	-1.0	-1.2
Oil Brent	80.89	-0.6	-0.7
Coal Newcastle	117.25	2.6	2.2
Nickel	16,097	134.0	0.8
Tin	29,775	199.0	0.7
Gold	2,691	-21.0	-0.8
CPO Rott	1,295	-	-
CPO Malay	4,190	82.0	2.0

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.933	0.02	0.28
3 year	6.921	0.02	0.28
5 year	6.965	0.02	0.26
10 year	7.134	-0.01	-0.07
15 year	7.250	0.00	0.03
30 year	7.268	-0.03	-0.37

CORPORATE NEWS

BBTN - PT Bank Tabungan Negara plans to acquire up to 100% of PT Bank Victoria Syariah (BVIS) shares as part of its strategy to enhance its Islamic banking services. The acquisition aligns with BBTN's corporate strategic plan to spin off its syariah business unit and integrate it with BVIS, complying with regulatory requirements under Syariah Banking Law and related regulations. This move aims to leverage BVIS's status as a KBMI 1 bank for smoother integration and to capitalize on BBTN's synergies, strong mortgage market position, and substantial assets. The acquisition is expected to strengthen BVIS's strategic position, improve its operational capacity, and enhance its competitiveness in the national banking industry.

HUMI - PT Humpuss Maritim Internasional has allocated a USD 39.57 million capital expenditure for 2025 to strengthen its fleet, enhance operational efficiency, and support sustainability goals. The company plans to acquire 10 vessels, including oil and chemical tankers, tugboats, and LNG logistics support vessels, while implementing a Plan Maintenance System (PMS) and bunker optimization technology to reduce costs, minimize downtime, and lower carbon emissions. These initiatives aim to boost operational efficiency, enhance customer satisfaction, and align with ESG targets, reinforcing HUMI's position as a competitive global shipping company committed to sustainable and responsible practices.

SMRA - PT Summarecon Agung, through its subsidiary PT Summarecon Property Development (SMPD), has become the controlling shareholder of PT Duta Wahana Asri (DWA) by acquiring 2.85 million Series A shares from PT Kalindo Surya Permai for IDR 2.85 billion. With this transaction, finalized on January 15th, 2025, SMPD now holds a 51% stake in DWA. The purchase, funded by SMPD's internal cash, involved no affiliate relationships and has no negative impact on SMRA's operations, finances, or business continuity. The transaction was approved by SMPD's and DWA's shareholders and board of commissioners.

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