

DAILY UPDATE January 22, 2025

MACROECONOMIC NEWS

Trump's Policies - On his first day in office, President Trump signed numerous executive orders addressing immigration, border security, and trade, including plans to exit the Paris Climate Accord, WHO, and delay the TikTok ban. He proposed a 25% tariff on Canada and Mexico starting Feb. 1, pending further review, and ordered investigations into trade deficits and their national security implications. Other actions included ending federal diversity programs, establishing a Department of Government Efficiency led by Elon Musk, and ending birthright citizenship, set to face legal challenges. Analysts foresee market volatility but predict eventual gains in stocks and the US dollar.

US Market - The S&P 500 rose Tuesday, fueled by optimism over President Trump's pro-growth policies and strong corporate earnings. 3M, Charles Schwab, and Oracle posted gains, while Nvidia, Microsoft, and Arm surged after joining OpenAI's USD 500 billion Stargate Project to boost U.S. AI infrastructure. Announced at the White House with Trump, the project aims to build 20 data centers, create 100,000 jobs, and strengthen U.S. AI dominance. SoftBank, OpenAI, and Oracle will lead the effort, with USD 100 billion in initial funding. Analysts highlight AI and earnings as key drivers for market performance in 2025.

EUR/USD Forecast - UBS strategists expect EUR/USD to test parity soon, driven by stronger US economic data and a subdued European economy, before rebounding to the 1.05-1.10 range by year-end. Key risks include potential US tariff escalation, weaker Chinese yuan effects, and Federal Reserve rate hikes. A shift in sentiment may arise if US growth slows or the ECB signals an end to rate cuts by mid-2025. UBS sees parity dips as opportunities to adjust USD positions, with technical support at 1.00 and 0.985 and resistance near 1.05.

Equity Markets

	Closing	% Change
Dow Jones	44,026	1.24
NASDAQ	19,757	0.64
S&P 500	6,049	0.88
MSCI excl. Jap	703	0.03
Nikkei	39,577	1.41
Shanghai Comp	3,236	-0.22
Hang Seng	19,997	-0.54
STI	3,804	0.23
JCI	7,182	0.15
Indo ETF (IDX)	15	1.48
Indo ETF (EIDO)	19	1.03

Currency

	Closing	Last Trade
US\$ - IDR	16,343	16,343
US\$ - Yen	155.52	155.64
Euro - US\$	1.0428	1.0413
US\$ - SG\$	1.353	1.354

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	75.7	-1.2	-1.6
Oil Brent	79.2	-0.92	-1.1
Coal Newcastle	117.8	-0.4	-0.34
Nickel	16078	-24	-0.1
Tin	30233	-157	-0.5
Gold	2748	38.1	1.4
CPO Rott	1295		
CPO Malay	4221	12	0.3

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.933	0.01	0.202
3 year	6.831	-0.003	-0.044
5 year	6.915	0	0
10 year	7.121	-0.004	-0.056
15 year	7.24	0	0
30 year	7.255	0.00	-0.014

CORPORATE NEWS

ARTO - PT Bank Jago completed Phase I, Period II of its MESOP program, issuing 4.32 million shares at IDR 2,150/share between Dec 2nd, 2024, and Jan 15th, 2025. With 123 million options still valid out of the total 128 million, the company's total shares now stand at 13.86 billion.

ASMI - PT Asuransi Maximus Graha Persada plans to spin off its sharia business unit into a standalone sharia insurance company. The proposal, including amendments to the company's Articles of Association, will be presented for shareholder approval at EGMS on Feb 12th, 2025. Shareholders registered by Jan 20th, 2025, are eligible to attend.

BEKS - PT Bank Pembangunan Daerah Banten has utilized IDR 1.84 trillion of its IDR 1.86 trillion net rights issue proceeds for credit disbursement (IDR 1.75 trillion) and financial restructuring/technology upgrades (IDR 92 billion). The remaining IDR 18 billion is placed with Bank Indonesia at a 5.25% interest rate.

ENRG - PT Energi Mega Persada plans a USD 12 million buyback to boost EPS and shareholder value, targeting up to 10% of issued shares. However, the EGMS scheduled for Jan 24th, 2025, to seek investor approval has been postponed indefinitely. The buyback, set to occur within one year of EGMS approval, aims to enhance shareholder investment returns.

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