

DAILY UPDATE February 10, 2025

MACROECONOMIC NEWS

US Economy - Trump announced plans to impose a 25% tariff on all steel and aluminum imports, along with reciprocal duties on perceived unfair trade practices, effective immediately. Speaking aboard Air Force One en route to the Super Bowl, he also signed an order renaming the Gulf of Mexico as the "Gulf of America" and designating February 9 as "Gulf of America Day." The move follows recent 10% tariffs on China, prompting retaliation. While he previously threatened 25% tariffs on Canada and Mexico over border control, he postponed them after assurances. Analysts warn the tariffs could raise inflation, and US stock futures dipped after the announcement.

China's Economy - China's consumer inflation rose 0.7% MoM in January, the fastest in 11 months, driven by higher food, travel, and service costs during the Lunar New Year. YoY CPI grew 0.5%, exceeding forecasts, but broader disinflationary concerns persist. Meanwhile, factory-gate prices continued declining, with PPI shrinking 2.3% year-on-year, reflecting weak industrial demand. Authorities have introduced stimulus measures, but their impact has waned, prompting expectations of further fiscal support amid economic pressures and renewed US trade tariffs.

CORPORATE NEWS

OBAT - PT Brigit Biofarmaka Teknologi will inaugurate a new factory in mid-February to produce herbal supplements in various packaging formats. OBAT's management expects the facility to boost annual revenue by up to IDR 250 billion, driven by expanded distribution through premium pharmacies. The factory's establishment was funded separately from the company's IPO proceeds, which were allocated for working capital. The company is also auditing financials before determining dividend distribution. Beyond contract manufacturing, OBAT has developed proprietary products, including spirulina-based supplements and the patented TreeAlgae, an air-purifying carbon absorber, marking a first in Indonesia.

Equity Markets

| | Closing | % Change |
|-----------------|---------|----------|
| Dow Jones | 44,303 | -0.99 |
| NASDAQ | 19,523 | -1.36 |
| S&P 500 | 6,026 | -0.95 |
| MSCI excl. Jap | 718 | 0.69 |
| Nikkei | 38,796 | 0.02 |
| Shanghai Comp | 3,304 | 1.01 |
| Hang Seng | 21,224 | 0.43 |
| STI | 3,901 | 1.02 |
| JCI | 6,743 | -1.93 |
| Indo ETF (IDX) | 14 | -3.89 |
| Indo ETF (EIDO) | 18 | 0.17 |

Currency

| | Closing | Last Trade |
|-------------|---------|------------|
| US\$ - IDR | 16,283 | 16,283 |
| US\$ - Yen | 151.41 | 152.04 |
| Euro - US\$ | 1.0328 | 1.0307 |
| US\$ - SG\$ | 1.354 | 1.356 |

Commodities

| | Last | Price Chg | %Chg |
|----------------|-------|-----------|-------|
| Oil NYMEX | 71.4 | 0.8 | 1.2 |
| Oil Brent | 75.1 | 0.78 | 1.0 |
| Coal Newcastle | 107.3 | -1.7 | -1.56 |
| Nickel | 15756 | -55 | -0.35 |
| Tin | 31109 | 107 | 0.3 |
| Gold | 2868 | 2.6 | 0.1 |
| CPO Rott | 1295 | | |
| CPO Malay | 4504 | 93 | 2.1 |

Indo Gov. Bond yields

| | Last | Yield Chg | %Chg |
|---------|-------|-----------|--------|
| 1 year | 6.814 | 0.11 | 1.671 |
| 3 year | 6.632 | -0.02 | -0.301 |
| 5 year | 6.662 | 0.013 | 0.196 |
| 10 year | 6.876 | 0.002 | 0.029 |
| 15 year | 6.957 | 0 | 0 |
| 30 year | 7.05 | -0.02 | -0.212 |

CORPORATE NEWS

INKP - PT Indah Kiat Pulp & Paper has IDR 1.52 trillion in maturing debt due on Feb 24th, 2025, consisting of IDR 1.07 trillion in bonds and IDR 451.2 billion in sukuk, both rated idA+ by Pefindo. The company plans to settle these obligations using internal funds, with a cash position of USD 1.65 billion as of Sep 2024.

PALM - PT Provident Investasi Bersama plans to issue IDR 612 billion in bonds as part of its IDR 5 trillion sustainable bond program, having previously raised IDR 1.93 trillion. The Phase IV 2025 bonds consist of two series: Series A (IDR 353 billion, 8.25% annual interest, 367-day tenure) and Series B (IDR 258 billion, 9.75% annual interest, 3-year tenure). Proceeds will be used to prepay USD 37.2 million of its loan with UOB, reducing its outstanding balance to USD 31.3 million. The bonds, rated idA by Pefindo, are underwritten by five brokers and will be listed on the IDX on Feb 14th, 2025.

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