

DAILY UPDATE February 14, 2025

MACROECONOMIC NEWS

US Economy - US producer prices rose 0.4% in January, exceeding forecasts of 0.3%, with annual PPI holding at 3.5%, reinforcing concerns over persistent inflation. This follows a hotter-than-expected CPI report, dampening hopes for imminent Fed rate cuts. Fed Chair Powell reiterated a cautious stance, awaiting clear signs of inflation nearing the 2% target. Meanwhile, Trump blames Biden for high inflation but risks fueling price pressures with new tariffs on steel, aluminum, and potential broader trade measures.

US Market - The S&P 500 closed higher as Trump signed an order to explore reciprocal tariffs but delayed immediate action. The Dow rose 0.8%, the S&P 500 gained 1%, and the NASDAQ climbed 1.5%, led by NVidia, which surged over 3% on optimism about its AI-powered Blackwell system. Strong earnings continued, with 77% of S&P 500 firms beating expectations. Cisco, Robinhood, Dutch Bros, and Crocs saw significant gains, while Reddit and Deere fell on weak user growth and lower profits, respectively.

US Tariff's Policy - Trump signed an order to explore reciprocal tariffs but stopped short of immediate implementation. Markets rallied as the delay allows time for negotiations with trading partners.

China Market - Morgan Stanley sees optimism in Chinese markets driven by AI advancements, particularly DeepSeek's release, despite broader economic weakness and deflation concerns. Tech stocks surged, with the CSI 300 up 2.2% and the Hang Seng rising 13.5% since mid-January. Analysts expect continued tech outperformance, while non-tech sectors may struggle. AI breakthroughs fueled investor confidence, reinforcing China's competitiveness despite US export curbs. Future market sentiment will hinge on geopolitics, local stimulus, and AI adoption, with Beijing also seeking to ease US tensions by mediating in the Russia-Ukraine conflict.

Equity Markets

	Closing	% Change
Dow Jones	44,711	0.77
NASDAQ	19,946	1.50
S&P 500	6,115	1.04
MSCI excl. Jap	721	0.22
Nikkei	39,246	-0.55
Shanghai Comp	3,330	-0.09
Hang Seng	22,153	1.55
STI	3,867	-0.39
JCI	6,614	-0.48
Indo ETF (IDX)	14	0.59
Indo ETF (EIDO)	18	0.74

Currency

	Closing	Last Trade
US\$ - IDR	16,361	16,361
US\$ - Yen	152.80	152.54
Euro - US\$	1.0465	1.0460
US\$ - SG\$	1.3436	1.3436

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	71.49	-1.5	-2.1
Oil Brent	75.26	-1.5	-1.9
Coal Newcastle	104.30	-0.4	-0.4
Nickel	15,374	-164.0	-1.1
Tin	31,981	817.0	2.6
Gold	2,929	35.6	1.2
CPO Rott	1,295	-	-
CPO Malay	4,411	-28.0	-0.6

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.601	0.01	0.17
3 year	6.618	0.00	0.00
5 year	6.635	0.00	0.00
10 year	6.833	0.00	-0.04
15 year	6.935	-0.01	-0.12
30 year	7.054	0.00	-0.01

CORPORATE NEWS

CNMA - PT Nusantara Sejahtera Raya plans a share buyback of up to IDR 300 billion, subject to AGM's approval at the March 24th, 2025. The buyback, to be completed within 12 months, will not exceed 2.48% of issued capital while maintaining at least 7.5% free float. CNMA aims to optimize capital structure and enhance shareholder value, citing undervaluation of its stock. The buyback will be funded entirely from internal cash, without impacting financial obligations. Asset and equity levels may decrease, but net wealth will remain above regulatory requirements.

PTRO – PT Petrosea secured a record-high IDR 64.3 trillion in contracts by the end of 2024, marking significant growth. A stock split (1:10) in January 2025 boosted liquidity and increased shareholders from 12,000 to more than 49,000. Key contracts include an IDR 17.4 trillion mining services deal with PT Pasir Bara Prima, IDR 4.6 trillion EPC agreement for the Ubadari-Tanggung project, and another IDR 2.8 trillion procurement and construction deal with PT Vale Indonesia for the Pomalaa Block mine.

MDKA - PT Merdeka Copper Gold faces IDR 3.1 trillion in maturing debt, with IDR 750 billion due on March 2nd, IDR 2.04 trillion on March 8th, and the other IDR 310 billion on April 28th, all rated idA+. The company plans to repay using a mix of internal and external funds, supported by a cash balance of USD 206 million as of Dec 2024, an unused IDR 14 trillion bond issuance plan, and an undrawn USD 120 million revolving credit facility.

MINA - PT Sanurhasta Mitra plans to conduct a rights issue of up to 3.28 billion new shares at IDR 20/share. Proceeds, after deducting expenses, will be used for working capital and investments in subsidiaries to support business expansion and profitability. The corporate action aims to strengthen MINA's financial position and benefit stakeholders. Shareholder approval will be sought at an EGMS on March 21st, 2025.

ZINC - PT Kapuas Prima Coal has requested a postponement of the 24th interest and amortization payment for its 2018 Series E bonds, totaling IDR 2.27 billion. ZINC's Management stated that financial constraints, due to export limitations, prevent immediate payment. The company aims to fulfill its obligation within seven days.

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