

DAILY UPDATE March 4, 2025

MACROECONOMIC NEWS

US Economy - The ISM manufacturing PMI rose slightly to 50.3 in February from 50.9 in January, marking the second consecutive month of marginal expansion after 26 months of contraction. However, demand weakened, production stabilized, and job cuts persisted amid concerns over the new administration's tariff policies. The Atlanta Fed's GDPNow model now forecasts a 2.8% US economic contraction in Q1, nearly double last week's 1.5% estimate, adding to growth worries.

US Market - The S&P 500 fell 2% on Monday amid renewed global trade war fears after Trump confirmed tariffs on Mexico, Canada, and China. The Dow dropped 648 points (1.5%), while the NASDAQ slid 2.6%. Nvidia plunged over 8% on reports that China is bypassing US export bans, dragging the chip sector lower. Intel lost 4% after giving up earlier gains from reports of manufacturing tests with NVidia and Broadcom. Meanwhile, Capri Holdings is reportedly nearing a EUR 1.5 billion (USD 1.6 billion) sale of Versace to Prada.

US Tariffs Policy - Markets are focused on Trump's Tuesday deadline for delayed tariffs on Mexico, Canada, and additional levies on China. Commerce Secretary Howard Lutnick confirmed the tariffs will take effect but noted the specifics remain "fluid," with Trump deciding on the proposed 25% rate for Mexican and Canadian imports. Uncertainty arose last week after Trump suggested an April 2 deadline, but he later reaffirmed the Tuesday start and announced an extra 10% tariff on China.

China's Economy - China's National People's Congress meets this week, with investors watching for economic stimulus measures amid real estate struggles, weak domestic spending, and trade tensions. Despite these headwinds, February saw modest export growth for the first time since November, with both Caixin and official PMI data showing stronger-than-expected manufacturing expansion. Analysts will monitor any divergence between these indicators, as Caixin focuses on smaller, export-driven private firms, offering insight into tariff impacts.

Equity Markets

	Closing	% Change
Dow Jones	43,191	-1.48
NASDAQ	18,350	-2.64
S&P 500	5,850	-1.76
MSCI excl. Jap	714	-0.16
Nikkei	36,980	-2.13
Shanghai Comp	3,317	-0.12
Hang Seng	23,006	0.28
STI	3,902	-0.19
JCI	6,520	3.97
Indo ETF (IDX)	13	4.40
Indo ETF (EIDO)	17	4.39

Currency

	Closing	Last Trade
US\$ - IDR	16,480	16,480
US\$ - Yen	149.5	148.62
Euro - US\$	1.0487	1.0494
US\$ - SG\$	1.347	1.344

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	68.1	-0.3	-0.5
Oil Brent	71.1	-0.5	-0.7
Coal Newcastle	101.4	2.4	2.42
Nickel	15893	460	3.0
Tin	31575	263	0.8
Gold	2889	-3.8	-0.1
CPO Rott	1295	35	2.8
CPO Malay	4468	-16	-0.4

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.452	0.00	-0.015
3 year	6.618	-0.009	-0.136
5 year	6.73	0.01	0.149
10 year	6.872	-0.012	-0.174
15 year	7.014	0.002	0.029
30 year	7.023	0.00	-0.028

MACROECONOMIC NEWS

Cryptocurrency Market - Bitcoin fell over 8%, erasing earlier gains despite optimism over a proposed US Crypto Strategic Reserve. Trump reiterated plans for the reserve, stating it would include Bitcoin, Ether, XRP, Solana, and Cardano.

Eurozone Economy - The ECB is expected to cut rates by 25 bps to 2.50% on Thursday, but the outlook for further reductions remains uncertain. Policymakers face weak Eurozone activity, potential US tariffs on EU goods, and ongoing coalition talks in Germany. Meanwhile, Trump's comments on a possible Ukraine ceasefire raise concerns over Europe's defense strategy, potentially prompting higher defense spending and shifting budget priorities.

CORPORATE NEWS

APEX - PT Apexindo Pratama Duta secured a USD 2.4 million offshore drilling contract from PT Pertamina Hulu Mahakam (PHM) for work in the Mahakam Delta, East Kalimantan. The 45-day project is expected to enhance APEX's rig utilization and operational revenue.

EXCL - PT XL Axiata will distribute a 2024 dividend of IDR 1.12 trillion, or 62% of its IDR 1.81 trillion net profit, translating to IDR 85/share. IDR 100 million will be allocated as a general reserve, while IDR 698 billion (38%) will be retained for business expansion. The proposal will be decided at the AGMS meeting on March 25th, 2025. In 2024, XL Axiata's ARPU rising to IDR 43,000, driven by a 9% increase in data traffic to 10,547 Petabytes and strong contributions from data and digital services.

HILL - PT Hillcon approved a 1:5 stock split during its AGMS on March 3rd, 2025, reducing the nominal share value from IDR 100 to IDR 20 while increasing the total shares from 2.95 billion to 14.74 billion. The move aims to boost liquidity and expand shareholder participation. Trading with the old nominal value will end on March 7th, with trading under the new value beginning on March 10th for the regular markets.

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