

DAILY UPDATE March 7, 2025

MACROECONOMIC NEWS

US Economy - US jobless claims fell by 21,000 to 221,000 last week, signaling labor market resilience. However, Philadelphia Fed President Patrick Harker warned of emerging economic strains, particularly in consumer spending and inflation risks. Investors await Friday's jobs report for insights into economic health and Fed rate decisions, amid concerns that new tariffs and rising raw material costs could drive inflation higher.

US Market - The S&P 500 fell 1.8% Thursday as Trump's temporary tariff relief for Mexico and Canada failed to calm market fears. The Dow dropped 1%, and the NASDAQ lost 2.6%. Retail earnings were mixed—Macy's fell 0.5% on weak forecasts, while Burlington Stores jumped 9% on strong results. Marvell Technology plunged nearly 20% on disappointing AI-driven growth, while Wendy's rose 1.4% after reaffirming its earnings outlook and long-term targets.

Eurozone Economy - The ECB cut interest rates by 25 basis points to 2.50% and lowered its 2025 growth forecast to 0.9%, citing trade policy uncertainty and weak investment. Concerns over potential US tariffs on EU goods, Germany's shifting fiscal policy, and rising defense spending are clouding the economic outlook. Germany's coalition talks led to a deal easing borrowing limits and creating a EUR 500 billion fund for infrastructure and defense, raising inflation fears. Despite February inflation easing to 2.4%, the ECB raised its 2024 forecast to 2.3% and emphasized a data-dependent approach to future rate decisions.

Cryptocurrency Market - Bitcoin rose 1.7% to USD 90,278, extending its rebound amid speculation over Trump's plans for a US crypto reserve, set to be revealed at a White House summit. Broader crypto markets tracked Bitcoin's gains, with Ether up 2.3% and XRP rising 4.6%. Meanwhile, Core Scientific shares plunged 13% after reports that Microsoft scaled back commitments to its cloud provider, CoreWeave, due to delivery delays. Trump's crypto reserve proposal remains uncertain, as it could face congressional resistance or funding limitations if enacted via executive order.

Equity Markets

	Closing	% Change
Dow Jones	42,579	-0.99
NASDAQ	18,069	-2.61
S&P 500	5,739	-1.78
MSCI excl. Jap	740	1.52
Nikkei	37,091	-1.63
Shanghai Comp	3,381	1.17
Hang Seng	24,182	-0.77
STI	3,918	0.03
JCI	6,618	1.32
Indo ETF (IDX)	13	0.91
Indo ETF (EIDO)	17	0.41

Currency

	Closing	Last Trade
US\$ - IDR	16,340	16,340
US\$ - Yen	147.98	148.04
Euro - US\$	1.0785	1.0785
US\$ - SG\$	1.333	1.333

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	66.4	-0.3	-0.4
Oil Brent	69.6	-0.11	-0.2
Coal Newcastle	104.7	0.6	0.58
Nickel	16298	397	2.5
Tin	32581	875	2.8
Gold	2905	-19.4	-0.7
CPO Rott	1295		
CPO Malay	4495	112	2.6

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.434	0.01	0.093
3 year	6.549	-0.006	-0.092
5 year	6.675	-0.001	-0.015
10 year	6.875	0.002	0.029
15 year	7.018	0.002	0.029
30 year	7.025	0.00	-0.014

MACROECONOMIC NEWS

China's Market - China's Manus AI claims to outperform OpenAI models in real-world problem-solving, operating autonomously across various domains with asynchronous cloud-based execution and adaptive learning. Demonstrations showcased its ability to analyze financial data, conduct research, and develop Python scripts and websites. The AI firm plans to open-source key models later this year. Manus' debut fueled investor interest in Chinese AI stocks, with Alibaba surging 7.2% after unveiling a rival AI model, while Tencent, Baidu, JD.com, and Xiaomi also saw gains.

CORPORATE NEWS

ARKO - PT Arkora Hydro's CEO, Aldo Henry Artoko, increased his stake in ARKO by acquiring 1 million shares at IDR 922 – 934/share on March 3rd and 5th, 2025, for long-term investment. His ownership rose to 4 million shares (0.14%) from 3 million (0.11%). ARKO, a renewable energy firm under Astra Group's UNTR subsidiary, saw its stock decline 1% to IDR 930/share on March 6th.

BBCA - PT Bank Central Asia got idAAA rating with a stable outlook and an idAA rating for its outstanding subordinated bonds, assigned by PEFINDO, which are two notches lower due to potential write-down risks in non-viability scenarios. The rating reflects BBCA's strong market position, robust liquidity, and solid capital profile, though tight competition and economic challenges pose risks. BBCA offers a full range of banking services and operates through subsidiaries in consumer finance, insurance, and Islamic banking.

IMJS - PT Indomobil Multi Jasa plans to conduct a Rights Issue IV, issuing up to 3 billion new shares at a nominal value of IDR 200/share. The issuance will proceed upon shareholder approval at the April 14th, 2025, AGMS and OJK's effective statement. The final offering price and share allocation will be detailed in the prospectus. Proceeds, after deducting expenses, will strengthen capital structure and support business expansion. The rights issue aims to enhance IMJS's competitiveness and financial performance, though shareholders who do not exercise their rights will face ownership dilution.

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