

DAILY UPDATE October 16, 2026

MACROECONOMIC NEWS

U.S. Economy - U.S. producer inflation sharply exceeded expectations in September, with headline PPI rising 1.3% M/M, its fastest pace since March 2022, and 6.3% Y/Y versus forecasts of 0.3% and 5.3%, respectively. Core PPI also surprised higher at 0.7% M/M and 5.0% Y/Y, while a 10.8% monthly surge in energy prices drove much of the increase in goods prices. Retail sales rose 0.8% M/M versus 0.3% expected, and initial jobless claims remained low at 199k, highlighting resilient demand and limited labor-market weakness despite persistent inflation. October Fed hike odds briefly rose to nearly 34% before retreating to around 27%. Treasuries nevertheless rallied as concerns over AI investments supported safe-haven demand, with the 10-year yield falling 10.1 bps to 5.088% and the 2-year declining 4.7 bps to 4.755%, outweighing the inflation-driven pressure for higher rates.

U.S. Market - U.S. equities recovered on Thursday as falling Treasury yields outweighed hotter-than-expected producer inflation and continued technology-sector weakness. The S&P 500 gained 0.3%, the NASDAQ edged up 0.1%, and the DJIA rallied 1.1%, with the first two reversing sizable intraday losses as an initial increase in Fed rate-hike expectations faded. AI sentiment remained fragile amid Chinese competition, rising debt-funded infrastructure spending, and reports of slowing revenue growth at Anthropic, despite a reported 45.0% increase in Q3 revenue to USD 16.8 billion. TSMC offered a stronger demand signal, posting record quarterly profit, up 69.0% Y/Y, underscoring continued strength in AI-related chip demand. With earnings season gathering pace, investors remain focused on whether corporate profits can validate AI investment expectations while persistent inflation and financing concerns keep volatility elevated.

Oil Price - Crude prices diverged as Brent edged lower, with traders weighing Middle East supply risks against reports that Washington was considering easing sanctions on shadow-fleet vessels carrying oil and petroleum products from Russia, Iran, and Venezuela. The potential move could lower elevated freight costs and ease pressure on oil prices, although implementation remains uncertain. Meanwhile, WTI rose nearly 3.0% following a substantially larger-than-expected draw in weekly U.S. crude inventories, highlighting tighter domestic supply conditions.

Equity Markets

	Closing	% Change
Dow Jones	52,178	1.08
NASDAQ	26,713	0.08
S&P 500	7,744	0.33
MSCI excl. Jap	1,052	-3.58
Nikkei	65,508	1.68
Shanghai Comp	3,723	0.42
Hang Seng	24,373	1.29
STI	5,425	0.40
JCI	5,864	-1.33
Indo ETF (IDX)	10	-0.68
Indo ETF (EIDO)	12	0.09

Currency

	Closing	Last Trade
US\$ - IDR	17,938	17,938
US\$ - Yen	158	158.14
Euro - US\$	1.1220	1.1210
US\$ - SG\$	1.282	1.283

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	97.7	3.0	3.2
Oil Brent	105.8	0.22	0.2
Coal Newcastle	149.7	-0.7	-0.5
Nickel	15221	-289	-1.9
Tin	50125	-321	-0.6
Gold	4154	15.3	0.4
CPO Rott	1295		
CPO Malay	4701	41	0.9

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.701	-0.02	-0.22
3 year	6.886	0.01	0.07
5 year	7.089	0.01	0.10
10 year	7.255	0.00	0.04
15 year	7.252	0.01	0.07
30 year	7.325	0.00	0.04

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CORPORATE NEWS

ADMR - PT Alamtri Minerals Indonesia Tbk's 99%-owned subsidiary PT Maruwai Coal issued approximately IDR 2 trillion of bonds, comprising IDR 1.2 trillion at 8.00% for 370 days and IDR 780 billion at 8.75% for three years. Around 92% of proceeds will fund capex, of which 81% is allocated to the CHPP 2 development in Murung Raya, with the balance supporting working capital. The idAA-rated issuance secures meaningful project funding for ADMR's metallurgical-coal infrastructure, although the predominantly short-dated structure increases consolidated debt and creates a sizeable refinancing requirement in late 2027.

INKP - PT Indah Kiat Pulp & Paper Tbk plans to refinance IDR 585 billion of bonds and sukuk maturing on 8 December. The obligations comprise IDR 338 billion of idA+-rated bonds and IDR 247 billion of idA+(sy)-rated sukuk. Repayment is expected to use external and internal funding, including proceeds from the IDR 2 trillion Shelf-Registered Bond VI Phase III and potentially a Phase IV issuance. Liquidity appears adequate, supported by USD 726 million of cash and equivalents at end-June, although further issuance would extend refinancing exposure and make new borrowing costs relevant to the maturity-management benefit.

PRDA - PT Prodia Widyahusada Tbk plans a 1:5 stock split, reducing par value to IDR 20/share from IDR 100 and increasing issued shares to 4.6 billion from 937 million without changing paid-in capital or ownership percentages. Shareholder approval will be sought on 23 November, with trading at the new nominal value scheduled to begin on 18 December subject to EGM and IDX approval. **PTRO** - PT Petrosea Tbk plans a rights issue of up to 170 million shares, equivalent to 1.69% of existing capital and implying maximum dilution of 1.66% for non-participating shareholders. The shares carry an IDR 5 par value, while the actual offer price, rights ratio, targeted proceeds and controller commitment remain undisclosed. Funds would support existing projects, particularly engineering and construction work, and strengthen equity. Shareholder approval will be sought on 23 November before submission to OJK.

TPIA - PT Chandra Asri Pacific Tbk completed its strategic investment transaction with Danantara Investment Management and the Indonesia Investment Authority for the CA-EDC project. Under the previously disclosed structure, the sovereign investors will jointly contribute USD 200 million toward the approximately USD 800 million development. Construction reached around 80% in September, with commercial operation targeted for 2027 and annual capacity of 400 KTA caustic soda and 500 KTA ethylene dichloride.

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