

DAILY UPDATE September 5, 2024

MACROECONOMIC NEWS

US Economy - US job openings were lower than anticipated in July, in a sign of an ongoing, but gradual, slowdown in the labor market in the world's largest economy. Job openings, a proxy for labor demand, fell to 7.673 million on the last business day of July, according to the Bureau of Labor Statistics' Job Openings and Labor Turnover Survey, or JOLTS, report. Economists had projected a return of 8.090 million. The June figure was revised downward to 7.910 million from 8.184 million.

US Economy - New orders for U.S.-manufactured goods increased more than expected in July, boosted by defense aircraft, but demand elsewhere was moderate amid higher borrowing costs. Factory orders jumped 5.0% after falling 3.3% in June, the Commerce Department's Census Bureau said on Wednesday. Economists polled by Reuters had forecast factory orders rebounding 4.7%. Factory orders gained 0.4% year-on-year in July. Defense aircraft and parts orders soared 12.9% after declining 4.8% in June. Excluding transportation, orders rose 0.4% in July after gaining 0.1% in the prior month.

US Economy - The probability of a 50 basis point rate cut by the U.S. Federal Reserve in September has risen to 48%, up from 42% the previous day, following weaker-than-expected job openings data, according to CME Group. Job openings in July were reported at 7.673 million, below economists' forecast of 8.09 million. Meanwhile, the likelihood of a 25 basis point cut has decreased to 52%. Traders now see a 100% chance of a rate cut, with both 25 and 50 bps outcomes nearly equal. Fed Chairman Powell's recent comments suggest rate cuts are imminent, depending on upcoming data.

South Korea's Economy - South Korea's economy contracted by 0.2% in the Q2-2024, according to revised data from the central bank, matching the previous estimate from July. This marks the sharpest decline since Q4-2022, when the economy shrank by 0.5%. On an annual basis, GDP grew by 2.3% in Q2, down from the 3.3% growth recorded in the Q1-2024.

Equity Markets

	Closing	% Change
Dow Jones	40,975	0.09
NASDAQ	17,084	-0.30
S&P 500	5,520	-0.16
MSCI excl. Jap	685	-1.86
Nikkei	36,864	-0.50
Shanghai Comp	2,784	-0.67
Hang Seng	17,457	-1.10
STI	3,458	0.48
JCI	7,673	0.74
Indo ETF (IDX)	18	1.41
Indo ETF (EIDO)	22	1.20

Currency

	Closing	Last Trade
US\$ - IDR	15,480	15,480
US\$ - Yen	143.74	143.56
Euro - US\$	1.1082	1.1081
US\$ - SG\$	1.304	1.303

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	69.6	-0.3	-0.5
Oil Brent	73.0	-0.32	-0.4
Coal Newcastle	139.5	-2.5	-1.76
Nickel	16214	-248	-1.5
Tin	30499	-246	-0.8
Gold	2497	2.7	0.1
CPO Rott	975		
CPO Malay	3863	-48	-1.2

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.594	-0.02	-0.227
3 year	6.514	0	0
5 year	6.573	0.002	0.03
10 year	6.666	-0.001	-0.015
15 year	6.733	0.001	0.015
30 year	6.847	0.00	-0.015

CORPORATE NEWS

ADHI – PT Adhi Karya (Persero) has reaffirmed its commitment to sustainable infrastructure development by signing three strategic water construction contracts with BBWS Pemali Juana, BWS Bali-Penida, and BWS Kalimantan III. The contracts include the Wulan and Satreyan River improvement projects, beach conservation efforts in Kuta-Legian-Seminyak, and the revitalization of the Veteran River in Banjarmasin. These contracts, signed with the Directorate General of Water Resources, underscore Adhi Karya's leadership in water construction and reflect its dedication to delivering resilient, innovative, and sustainable solutions, aligned with its ESG vision.

BHIT – PT MNC Asia Holding has increased its stake in PT MNC Land Tbk (KPIG) by purchasing an additional 31 million shares at IDR 149/share on September 3rd, 2024, for a total of IDR 4.72 billion. This acquisition raises MNC Asia's ownership in MNC Land to 20 billion shares, equivalent to a 20% stake, reflecting a 0.03% increase from the previous level.

BPII - PT Batavia Prosperindo Internasional invested 4.34% of its shares in PT Woori Finance Indonesia Tbk (BPFI) by selling 115 million shares between August 8-30th, 2024, at an average price of IDR 311/share, raising IDR 36 billion. This sale, aimed at improving the company's cash flow, reduced BPII's ownership in Woori Finance from 12.18% to 7.84%.

GOTO - PT GoTo Gojek Tokopedia announced it will cease operations in Vietnam, effective September 16, 2024, to focus on strengthening sustainable growth areas. GOTO emphasized that this decision aligns with its commitment to long-term business growth and achieving its 2024 EBITDA target. Vietnam, a highly fragmented market with numerous competitors, contributed less than 0.5% to GOTO's group GTV and 2% to its on-demand services in Q2 2024. Therefore, the closure is not expected to have a material impact on GOTO's overall operations, business performance, or financial condition.

WIKA - PT Wijaya Karya secured IDR 1.34 trillion in new contracts in July 2024, bringing its total new contracts to IDR 11.59 trillion by the end of the month, up from IDR 10.25 trillion in June. Most of the new contracts come from the industrial segment, followed by infrastructure, property, and EPCC. Key projects include the IDR 475 billion Jetty 1 development in Bali for Pertamina Patra Niaga and the IDR 726 billion Jenelata Dam project in South Sulawesi for the Ministry of Public Works. The Jenelata Dam project is currently in its early stages.

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