

DAILY UPDATE October 17, 2024

MACROECONOMIC NEWS

Oil Price - Oil prices remained at a two-week low after a 7% drop over three days, driven by weaker oil demand growth forecasts and reduced concerns about Middle East conflict affecting supply. Brent crude settled at \$74.22, and U.S. WTI at \$70.39, marking their lowest since October 2. Prices fell earlier due to lower demand projections and reports that Israel would not target Iranian oil sites. Supply cuts by OPEC+ are set to continue until December. Meanwhile, OPEC and the IEA downgraded 2024 demand forecasts, with China being the primary factor. Despite economic stimulus in China, oil prices received little support, while positive economic signals from the U.S. and Europe helped limit further declines.

US Market - The Dow Jones Industrial Average closed at a record high of 43,077.70 on Wednesday, gaining 337 points (0.8%) as chip stocks stabilized and earnings season continued. The S&P 500 rose 0.5%, and NASDAQ gained 0.3%. Morgan Stanley's stock surged over 6% on strong investment banking profits, adding to positive earnings from other major banks like Goldman Sachs and Bank of America. Abbott Laboratories also saw a 1% rise after raising its profit forecast, while United Airlines jumped 12% on strong earnings and a new \$1.5 billion share buyback program. Meanwhile, chip stocks steadied, though tech giants Microsoft and Apple continued to struggle, with ASML falling over 5% after cutting its 2025 sales forecast, while Novavax plunged 19% due to a paused COVID-flu vaccine trial by the FDA.

China Market - China's stock market volatility, likened to a "Casino Royale" by Bernstein, is driven by shifting policy expectations and uncertain market sentiment. Recent optimism about the internet sector quickly faded following unclear government press conferences, leading to a sharp sell-off due to the lack of consumer stimulus clarity. While fiscal flexibility announcements are positive, Bernstein warns the rally may stall without tangible consumer support. They forecast 5% retail and 8% e-commerce growth in 2025 but note limited margin for error in the market's high expectations. Bernstein's top picks include Meituan, Tencent, and PDD, with concerns about Alibaba's exposure.

Equity Markets

	Closing	% Change
Dow Jones	43,078	0.79
NASDAQ	18,367	0.28
S&P 500	5,843	0.47
MSCI excl. Jap	744	-0.62
Nikkei	38,940	-0.61
Shanghai Comp	3,221	0.56
Hang Seng	20,472	0.91
STI	3,614	0.66
JCI	7,649	0.29
Indo ETF (IDX)	18	0.62
Indo ETF (EIDO)	22	0.41

Currency

	Closing	Last Trade
US\$ - IDR	15,510	15,510
US\$ - Yen	149.64	149.36
Euro - US\$	1.0862	1.0862
US\$ - SG\$	1.313	1.311

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	70.8	-0.1	-0.1
Oil Brent	74.6	0.08	0.1
Coal Newcastle	146.0	-0.1	-0.07
Nickel	17279	-145	-0.8
Tin	32150	-246	-0.8
Gold	2679	17.1	0.6
CPO Rott	975		
CPO Malay	4287	4	0.1

Indo Gov. Bond yields

	Last	Yield Chg	%Chg
1 year	6.442	-0.01	-0.124
3 year	6.439	-0.005	-0.078
5 year	6.426	0.003	0.047
10 year	6.68	0.002	0.03
15 year	6.819	0.004	0.059
30 year	6.935	0.00	0.014

MACROECONOMIC NEWS

Cryptocurrency - Bitcoin surged near \$68k, hitting a 3-month high due to hopes for crypto-friendly regulations after the 2024 U.S. elections and improved capital inflows. Sentiment was lifted by Kamala Harris's pledge for clearer crypto regulations and Donald Trump's pro-crypto stance. Trump's World Liberty Financial project also raised \$220 million, fueling speculation that his presidency would favor crypto. CoinShares reported \$407 million in weekly crypto inflows, mainly into Bitcoin. Meanwhile, Italy plans to raise crypto capital gains tax from 26% to 42%. Major altcoins lagged Bitcoin, except for DOGE, which soared over 10%.

CORPORATE NEWS

DMAS - PT Puradelta Lestari achieved marketing sales of IDR 1.44 trillion in the first nine months of 2024, representing about 80% of its IDR 1.81 trillion target for the year. The company recorded IDR 1.1 trillion in sales by mid-2024 and IDR 322 billion in Q3, primarily from industrial land sales. Around 45 hectares of industrial land were sold, with over 70% of it purchased by data center tenants, driven by digital transformation and AI growth. The company remains optimistic about meeting its 2024 sales target, with strong demand for over 90 hectares of industrial land. Infrastructure improvements, including the Deltamas Bhagasasi Flyover and a new toll road access, aim to enhance Deltamas City as a modern, eco-friendly integrated area and a regional hub in East Jakarta.

UFOE - PT Damai Sejahtera Abadi plans to distribute bonus shares from its additional paid-in capital, pending approval at the EGMS on November 22nd, 2024. The proposed distribution is up to IDR 24 billion, increasing the total number of shares to a maximum of 2 billion with a bonus share ratio of 1,000:267. The Cum-bonus share periods in December 2nd, 2024, with the distribution set for December 24th, 2024.

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