



**ASX**

Open	5,073
Close	4,993
Movement (%)	-1.58%
Day high	5,073
Day low	4,902
1 yr Return	-8.42%
YTD return	-7.32%

**JCI**

Open	4,624
Close	4,587
Movement (%)	-0.80%
Day high	4,617
Day low	4,586
1 yr Return	-11.68%
YTD return	0.12%

**PSE**

Open	6,701
Close	6,642
Movement (%)	-0.88%
Day high	6,701
Day low	6,619
1 yr Return	-11.09%
YTD return	-4.45%

**Global currencies against USD**

USD	1
IDR	13,710
EUR	0.92
AUD	1.43
PHP	47.82
GBP	0.69
SGD	1.43

**Commodity Prices**

Gold	USD/t	1,127.10
Oil (brent)	USD/bbl	32.72
Oil (WTI)	USD/bbl	29.65
Coal (Indo)	USD/t	53.20
Iron Ore	USD/t	39.30

**Market View**

**US Markets**

**Stocks erase losses on lower Fed rate-hike expectations**

U.S. stocks closed sharply lower Tuesday as renewed declines in oil prices weighed amid mixed reaction to some key earnings reports. The Dow Jones industrial average closed down about 295 points after falling 340 points in afternoon trade. The S&P 500 closed down 1.87%, holding above the psychologically key 1,900. The Nasdaq composite closed down 103.42 points, or 2.24%, at 4,516.95

**Asian Markets**

**China stocks close higher after cash infusion**

China shares climbed Tuesday after the country's central bank injected more liquidity into the financial system, although most other markets in the region took a break from a two-day rally. The Shanghai Composite Index closed up 2.3% at 2,749.57. Elsewhere, the Nikkei Stock Average slipped 0.6%, while Australia's S&P/ASX 200 finished down 1% and Hong Kong's Hang Seng Index last down 0.8%. South Korea's Kospi fell 1%.

**News in Brief**

**Economy**

**Indonesia: Indonesia sells IDR15tn of bonds at auction**

Indonesia sold IDR15tn (USD1.10bn) worth of bonds at an auction on Tuesday, above the indicative target of IDR12tn. The three-month T-bills had a weighted average yield of 5.58925%. The weighted average yield for the one-year T-bills was 6.81600%, lower than 7.23111% at the previous sale on Jan. 19. Total incoming bids were IDR34.64tn, higher than the IDR25tn received in the previous auction.

**Indonesia: Transport services open to foreigners**

Indonesia plans to allow foreigners to own up to 67% in air traffic navigation, ground handling and other transport supporting service companies, as the country seeks helps to improve its logistics system. Under a revision of the negative investment list, foreigners would also be able to control airport management companies, maritime cargo handling, aircraft leasing, air logistic services and other airport services. Logistics accounts for more than a fourth of production costs in Indonesia, whose notorious red tape and lack of infrastructure adds complications for companies in transporting their goods and services across the vast archipelago.

**Corporate**

**Indonesia: PLN cuts tariffs by 1.2%**

The country's state utility firm Perusahaan Listrik Negara on Monday reduced tariffs for customers across the board in all categories by an average of 1.2%. Its customers include small, middle and large households, government offices, mid-size businesses, public street lighting and manufacturing companies. A reduction in electricity tariffs was made possible on the back of lowered Indonesian crude oil prices, which fell by 14.41% to USD 35.47 per barrel in December from USD 41.44 the month prior. Electricity prices for households and small and medium businesses is set at IDR 1,392 per kilowatt hour (kWh), down 1.22% from IDR 1,409 per kWh previously

**Indonesia: XL Axiata shares rally amid right issue and tower sale plan**

Shares of XL Axiata, Indonesia's third largest mobile operator by number of subscribers, rose to their highest level in seven weeks, as investor confidence was buoyed by the company's plan to reduce its debt. XL Axiata stock was traded at IDR 3,950 a piece at midday on the Indonesia Stock Exchange (IDX) on Tuesday, up 5.6% from Monday's closing. XL Axiata seeks to raise up to USD500mm in a rights offering later this year and plans to sell some of its telecommunication towers by June. XL Axiata sold 3,500 towers to Solusi Tunas Pratama in 2014 to help pay off a total of USD580mm in unhedged dollar-denominated debt.

**Indonesia: Freeport request Indonesia to cut or postpone USD530mm smelter bond**

Freeport McMoRan has asked Indonesia to reduce a USD530mm smelter bond the local unit of the US copper mining giant must set aside before receiving an extension of its export permit. Freeport's 6-month copper concentrate export permit expired last week amid a deadlock over the bond, which Indonesia has requested as a guarantee that the miner will complete construction of another local smelter.

**Indonesia: Pertamina targets 30% cut to 2016 upstream operations**

Indonesia's Pertamina has reduced its 2016 upstream operating expense target by 30% because of declining crude prices, the state-owned energy company's upstream director. The company had earlier set 2016 upstream operating expenses, which cover oil well development and exploration costs, at around USD4bn. The company's average cost of onshore production for crude oil is USD 19 to USD 20 per barrel, while the cost of production at offshore units like Pertamina's West Madura operation is higher, around USD 30 per barrel.

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