

**Market & News in Brief****Market View****Wall Street begins year sharply lower after china sell off**

U.S. stocks closed modestly higher Tuesday, snapping a three-day slump, as Wall Street fought off a fall in oil prices but continued to deal with the aftershocks of Monday's China-inspired rout. The S&P 500 closed 4.04 points, or 0.2%, higher at 2,016.70, after falling as much as 0.4% in the early afternoon. The Dow Jones Industrial Average added 9.72 points, or less than 0.1%, at 17,158.66, recovering from a roughly 110-point drop in the early afternoon. Meanwhile, the Nasdaq Composite ended the day slightly lower, down 11.66 points, or 0.2%, at 4,891.43.

Asian markets fall even as china moves to calm nerves

Erratic swings in Chinese trading pushed Asian markets lower Tuesday, as investors struggled to interpret Beijing's latest cues about its role in the market. The Shanghai Composite Index closed down 0.3% at 3287.71, after falling as much as 3.2% and rising as much as 1% in earlier trading. Australia's S&P/ASX 200 fell 1.6%, Japan's Nikkei Stock dropped 0.4% and Hong Kong's Hang Seng Index was down 0.7%.

Indonesian stocks rebound as lower fuel prices seen lifting market sentiments

Indonesian stocks rebounded on Tuesday, as lower fuel prices led to positive sentiment on the local bourse after it was dragged down by a sharp decline on China's major stock exchanges. The country's benchmark Jakarta Composite Index was up 0.71% to 4,557.82 on Tuesday's closing. Foreign investors, which made up 46% of the trading activity, booked a net buy of IDR72.9bn.

News in Brief**Economy****Philippine December inflation hits 7-month high**

Annual inflation picked up more than expected in December to hit its highest in seven months, the statistics agency said on Tuesday, reflecting increases in food, alcoholic drinks and tobacco, healthcare, transport and recreation costs. The consumer price index rose 1.5% in December from a year earlier, above the 1.4% forecast in a *Reuters* poll but within the central bank's 1.1-1.9% forecast for the month. December's data brought the 2015 average inflation rate to 1.4%, below the central bank's 2-4% target for the year.

Pertamina slashes price for non-subsidized LPG

Indonesia's state-run oil company Pertamina reduced its retail price for non-subsidized liquefied petroleum gas products in a response to lower gas prices in the international market and increased efficiency by the company in the past few years. Pertamina managed to cut import costs of its fuel and LPG supply through an integrated supply chain scheme, which allows Pertamina to use its own vessels to buy supplies and store products close to its customers. The price cut for non-subsidized LPG products varies depending on its type, volume and the regions in which it is distributed. Jakarta has seen the smallest price reduction, from IDR134,600 per canister to IDR129,000.

Corporate**Energi Mega Persada subsidiary secures USD60mm loan facility from creditors**

EMP Bentu, a subsidiary of oil and gas company Energi Mega Persada, has secured a USD60mm loan facility from overseas creditors Turin-based Intesa Sanpaolo and London-based Britannic Strategies to help refinance its current debts. The loan, which will mature within five years, will be used to help refinance an EMP Bentu USD53mm loan from an existing creditor.

Kimia Farma to spend USD72mm on expansion this year

Indonesian state-controlled pharmaceutical company Kimia Farma has allocated IDR1tn (USD72mm) for capital expenditure this year. The company plans to use the capital to build a drug ingredient factory in Cikarang and a medicine plant in Banjaran, both located in West Java. The company is considering a plan to raise IDR1tn from selling 20% of its enlarged capital, but has yet to secure approval from the government and the House of Representatives. Kimia Farma is targeting a 12% increase in revenue this year to IDR5.6tn, from an estimated IDR5tn last year. It projects a similar increase in profit to IDR280bn.

Commodities**Oil prices rebound in Asia as Saudi-Iran row deepens**

Oil prices rebounded in Asia on Tuesday as a diplomatic row between Saudi Arabia and Iran deepened, but a global crude supply glut and economic weakness in China are keeping any increases in check. Analysts said however that the impact of geopolitical risks in the Middle East on the oil market is being cushioned by the oversupply and higher output from oil producers in other parts of the world.