



## ASX

Open	4,975
Close	4,832
Movement (%)	-2.60%
Day high	4,975
Day low	4,832
1 yr Return	-12.8%
YTD return	-10.30%

## JCI

Open	4,773
Close	4,768
Movement (%)	-0.63%
Day high	4,779
Day low	4,736
1 yr Return	-8.69%
YTD return	3.82%

## PSE

Open	6,723
Close	6,637
Movement (%)	-1.89%
Day high	6,723
Day low	6,637
1 yr Return	-12.42%
YTD return	-4.53%

## Global currencies against USD

USD	1
IDR	13,510
EUR	0.89
AUD	1.42
PHP	47.61
GBP	0.69
SGD	1.40

## Commodity Prices

Gold	USD/oz	1,191.80
Oil (brent)	USD/bbl	30.32
Oil (WTI)	USD/bbl	28.41
Coal (Indo)	USD/t	53.20
Iron Ore	USD/t	45.52

## Market View

### US Markets

#### Stocks end mostly flat in choppy trade

U.S. equities closed near the flatline Tuesday after a choppy trading session, as U.S. oil prices seesawed and investors looked ahead to Fed Chair Janet Yellen's testimony. The Dow Jones industrial average fell nearly 150 points shortly after the open, but briefly turned positive. The Nasdaq composite seesawed, opening down more than 1%, before reversing losses and gaining about 1%. In afternoon trading, however, the index fell more than 1% before trying for gains.

### Asian Markets

#### Asian stocks tumble amid fears of new global recession

Japan's Nikkei index plummeted more than 950 points on Tuesday, its biggest loss in one day since May 2013, as the fears over the global economy saw a continuation of the previous day's selloff in Europe and the US. The Nikkei dived 5.1% to 16,132.25 in morning trading and extended losses into the afternoon, while Australia's S&P/ASX 200 fell 2.6% to 4,832.70. Markets were also down in the Philippines, Indonesia, Thailand and New Zealand. The yen meanwhile briefly soared to a 14-month high against the US dollar.

## News in Brief

### Economy

#### Philippines: Slower January inflation points to subdued price hikes

Slower inflation in January could be a prelude to another year of subdued price upticks in basic goods and services. Inflation, as measured by consumer price index (CPI), slowed to 1.3% last month from 1.5% in December 2015. The decline was traced from lower oil and stable food prices. The government has set a 2 to 4% inflation target for the year.

#### Indonesia: BI state monetary easing will support GDP growth

The country's public spending on infrastructure has risen 15 times in January from the same month a year earlier, as the government gears up efforts to maintain momentum of the country economic growth recovery. Capital expenditure from the 2016 state budget reached IDR1.5tn (USD101mm) last month, compared to IDR100bn last year. Just days into 2016, the government contracted IDR9.2tn of government infrastructure projects, in a rare signing ceremony showing off President Joko's commitment to hit the ground running as soon as possible.

### Corporate

#### Indonesia: Express banks on new app for IDR1tn revenue in 2016

Express Transindo Utama, Indonesia's second largest taxi company, has targeted revenue of IDR1tn (USD73mm) this year, on the back of new taxi reservation mobile app designed to compete with app-based car services. Next month Express plans to launch the new app, aimed at boosting utilization of up to 90% of its fleet, compared to just 70% last year. Express will trial the new app on 2,000 cars next month, with plans to later equip the entire fleet. This year the company has allocated IDR200bn to IDR300bn for capital expenditure, with plans to add as many as 1,500 new taxis to the fleet.

#### Indonesia: Mining ministry issues export permit recommendation to Freeport

Indonesia's mining ministry has recommended that Freeport McMoRan be issued a copper export permit, potentially ending a near two-week stoppage after the previous six-month permit expired last month. The Indonesian government had asked the Phoenix, Arizona-based miner to pay a USD530mm dollar bond as a guarantee that it would complete construction of another local smelter in order to be given a new export permit. A lengthy export stoppage would have dealt a blow to Freeport's profits and denied the government desperately needed revenue from one of Indonesia's biggest taxpayers.

#### Philippines: President Aquino approves Land Bank of the Philippines and DBP merger

President Aquino has approved the proposed merger of two state-owned lenders Land Bank of the Philippines and Development Bank of the Philippines (DBP), creating the country's second largest bank with total assets of PHP1.604tn. In his Executive Order 198, Aquino also approved the increase in Landbank's authorized capital stock from PHP25bn to PHP200bn. Aquino said Landbank, as the surviving entity of the merger, requires higher capital to absorb the country's seventh-largest bank in terms of assets. With the merger, Landbank - DBP will be the second largest bank in terms of assets, overtaking Metropolitan Bank and Trust Co. (Metrobank) with PHP1.367tn and Bank of the Philippine Islands with PHP1.158tn. BDO Unibank is still the country's biggest bank with total assets of PHP1.884tn.

#### Philippines: ADB extends USD400mm loan for CCT program

The Asian Development Bank (ADB) has approved a USD400mm loan to help the Philippines further expand its conditional cash transfer (CCT) program, which provides regular health and education grants to millions of the country's poorest households. Along with the additional financing, ADB is providing a technical assistance (TA) grant of USD1mm for demand-driven policy and advisory services. ADB's additional financing will be provided over four years to December 2019. The government has also sharply scaled up its support for the program, with a budget of PHP62.7bn (USD1.3bn) for 2016.

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