



ASX

Open	4,910
Close	4,882
Movement (%)	-0.56%
Day high	4,973
Day low	4,882
1 yr Return	-10.75%
YTD return	-6.36%

JCI

Open	4,738
Close	4,765
Movement (%)	0.43%
Day high	4,774
Day low	4,737
1 yr Return	-9.92%
YTD return	3.76%

PSE

Open	6,776
Close	6,756
Movement (%)	-0.30%
Day high	6,779
Day low	6,727
1 yr Return	-11.80%
YTD return	-2.81%

Global currencies against USD

USD	1
IDR	13,480
EUR	0.90
AUD	1.40
PHP	47.54
GBP	0.70
SGD	1.40

Commodity Prices

Gold	USD/oz	1,209.90
Oil (brent)	USD/bbl	34.90
Oil (WTI)	USD/bbl	31.27
Coal (Indo)	USD/t	50.92
Iron Ore	USD/t	46.78

Market View

Asian Markets

Major Asian markets close lower after choppy session

Markets in Australia, Japan, and South Korea closed down after a choppy trading session Wednesday, despite a positive finish in Wall Street overnight. Japan's Nikkei 225 gave up early gains of as much as 1% to finish 218.07 points, or 1.36%, lower at 15,836.36. Across the Korean strait, the Kospi dropped 4.36 points, or 0.23%, to 1,883.94. Hong Kong's Hang Seng index gave up morning gains to close down 197.51 points, or 1.03%, at 18,924.57. Down Under, the S&P/ASX 200 slipped 27.93 points, or 0.56%, to 4,882.10, weighed by losses of 4.15% in the energy sector.

US markets

Stocks post biggest 3-day gain since August as oil rises

U.S. stocks closed more than 1.5% higher Wednesday for their largest three-day gain since late August, helped by some recovery in oil prices and encouraging economic data. In the last three trading days the Dow gained 5.07%, the S&P 500 rose 5.34%, and the Nasdaq composite surged 6.26%, marking their largest three-day gain since Aug. 28, 2015.

News in Brief

Economy

Philippines: IMF trims Philippine GDP growth by 6%

Multilateral lender International Monetary Fund (IMF) further slashed its economic growth projection for the Philippines but still expects the country to weather external shocks brought about by volatile global financial markets. The agency expects the country's gross domestic product (GDP) growth to settle at 6% this year and 6.2% next year. This was lower compared to the projections in IMF's January 2016 World Economic Outlook (WEO) that slashed the country's GDP growth to 6.2% instead of 6.3% for this year but retained the 6.5% forecast for next year.

Indonesia: State revenue expected to drop IDR90tn in 2016

Indonesia is likely to see a IDR90tn (USD6.7bn) drop in state revenue this year as global commodity prices remain low. The figure is a shortfall in the government's 2016 target of IDR1,822tn in revenue. Finance Minister Bambang Brodjonegoro told reporters the calculation was based on oil averaging USD30 per barrel.

Indonesia: Central Bank seen cutting interest rate today

Indonesia's central bank, which kept its benchmark reference rate unchanged for nearly all of 2015, is expected to make its second cut this year today as it tries to bolster the country's sluggish growth. Southeast Asia's largest economy grew 4.8% in 2015, the fifth straight year of slowing and the weakest pace since 2009. But growth picked up in the final quarter, showing some signs of recovery. Many economists believe BI is at the start of an easing cycle, as there's room for monetary easing that there was not in 2015, when inflation sometimes topped 7% and anticipation of higher U.S. interest rates pressured the fragile rupiah, which was emerging Asia's second worst performing currency last year.

Corporate

Indonesia: Telkomsel embraces Go-Jek drivers to boost sales

The country's largest mobile network operator, Telkomsel, will team up with drivers of the rapidly expanding motorcycle taxi app Go-Jek to promote sales amid growing competition in the country's cell phone market. Under a partnership agreement announced on Monday, Telkomsel would launch a new product called Go-Pulsa to enable Go-Jek drivers to sell phone credit vouchers valued between IDR 50,000 (USD 3.7) and IDR 100,000. Telkomsel sales director Mas'ud Khamid said, with more than 300,000 passengers a day, Go-Jek could become an effective marketing tool to promote sales. If the passengers bought phone credits of at least IDR 50,000 each, the mobile operators could generate sales of up to IDR150bn daily from Go-Jek services.

Indonesia: Pefindo expects stagnant bond issuance

State-credit agency PT Pemeringkat Efek Indonesia (Pefindo) expects no significant changes in funds raised from corporate bond issuance this year although it has a positive outlook on the economy as a whole. According to Pefindo data, the country's corporate bond issuance value reached IDR67.8tn (USD5.06bn) last year. Of that amount, IDR55.4tn was issued through Pefindo. In January this year, the company issued corporate bonds amounting to almost IDR1tn. Indonesia recorded a 5.04% growth in the fourth quarter of 2015, the highest rate of the year. However, full year growth was just 4.79%, according to data from the Central Statistics Agency (BPS).

Australia: Bet against Rio Tinto and BHP billiton as iron ore rally wont last (Liberum Capital)

Iron ore's recent gains may prove to be unsustainable and there's now a fresh opportunity for investors to bet on losses in miners' shares, according to Liberum Capital, which listed Rio Tinto Group and BHP Billiton among candidates for selling short. Iron ore has rebounded in 2016 after three years of losses spurred by rising low-cost supply from the world's largest miners including Rio, BHP and Brazil's Vale, which is set to report production data this week. Seaborne supply will still increase by about 6% in 2016 and demand from China is weakening, according to Liberum. Ore with 62 per cent content delivered to Qingdao advanced 1.1% to \$US46.78 a dry ton on Tuesday, the highest since November 16, according to Metal Bulletin. The commodity bottomed at \$US38.30 in December, the lowest for daily prices dating back to May 2009.

Commodities

Philippines: DOE eyes possible stockpiling

The Department of Energy (DOE) is studying the possibility of oil stockpiling to take advantage of the hefty drop in fuel prices. Energy Secretary Zenaida Monsada has ordered state-run Philippine National Oil Co. (PNOC) to conduct the study determining the feasibility of oil stockpiling. Stockpiling is a practice common among developed countries, such as the United States and Japan, to address supply disruption. Strategic stockpiles act as reserves and are released only during times of supply disruption, thus only crude oil is generally maintained in strategic stockpiles. However, in today's case, stockpiling may help the country deal with the eventual price spikes in the global crude market. Crude prices have declined over 50% to around USD 30 per barrel from around USD 90-100 per barrel in 2014. -

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