



Market & News in Brief

**Market View**

**S&P erases most losses and still closes at lowest level since 2014**

U.S. stocks closed lower Wednesday but well above session lows as the S&P 500 held a technical level and biotechs recovered in late trade. The Dow Jones industrial average closed about 250 points lower after earlier falling nearly 566 points with IBM contributing the most to declines. The S&P 500 closed 1.17% lower, near 1,859, after earlier falling more than 3.5% through its October 2014 intraday low of 1,820 to hit its lowest since February 2014.

**Japans Nikkei enters bear market as Asian stocks fall**

Hong Kong stocks hit a 3½-year low and Japan's Nikkei closed in bear market territory, as this year's global selloff resumed in the region on Wednesday. Chinese stocks in Hong Kong, falling 4.2%, dragged down the Hang Seng Index, which dropped 3.5% to 18946.4. The South Korea's Kospi fell 2.3%. The Shanghai Composite Index was down 1%, having fallen into bear territory last week. Australia's S&P/ASX 200 finished down 1.3% to 4841.50, down 19% from its recent high in April.

**News in Brief**

**Economy**

**Indonesia: Indonesia says plans to open up more to tourism investment**

Indonesia plans to let foreign investors take bigger stakes in the tourism sector, government officials said on Wednesday, to increase investment and attract more visitors to the sprawling archipelago of tropical islands. Foreigners will be allowed full ownership of bars, cafes, restaurants and sport centers as the country seeks to expand its tourism sector. Foreign ownership in such businesses is currently capped at 49-51%.

**Corporate**

**Indonesia: Atkins and Aedas to assist develop Jakarta-Bandung railway**

State-owned construction company Wijaya Karya has signed up global consultancy firms W.S. Atkins, Aedas and Surbana Jurong to help design the transit-oriented development along the Jakarta-Bandung fast train route. The company, known as Wika in short, is leading a consortium of government firms to work with China Railway International on the USD5.5bn project. UK-based Atkins provided engineering design for the London 2012 Olympic Games, while Aedas is one of the world's largest architecture firms with projects including the Dubai Metro in United Arab Emirates and the Marina Bay MRT station in Singapore.

**Indonesia: Chevron to return east Kalimantan block to Govt in 2018**

Chevron Indonesia, a local outfit of the Chevron Corporation, will return all assets at its East Kalimantan oil and gas block to the government when the production-sharing contract expires in 2018. The decision came amid a declining global oil price but Chevron did not elaborate on its reasons for opting to not renew the contract after 50 years of exploiting the resources. Chevron sold its interest in several oil and gas blocks last year to counter falling output, selling 25% in its South Natuna Sea Block B and divesting 51% of the West Papua I and III projects.

**Indonesia: Grab Taxi snatches Air Asia's key executive to lead Indonesia expansion**

GrabTaxi, the Malaysian-owned app-based transportation service, on Wednesday announced the appointment of Ridzki Kramadibrata as managing director for Indonesia operations. Ridzki, an executive with experience in various multinational companies including regional air giant AirAsia, will lead GrabTaxi Indonesia's expansion as well as providing strategic guidance and local knowledge to drive growth across the country. GrabTaxi, whose network is available across Southeast Asia, is among the few transportation hailing apps in Indonesia. The company claims the app has been downloaded onto more than 10 million devices across the region and employs 185,000 drivers.

**Indonesia: Ciputra joins REITs fervor ahead of low revision**

Property developer Ciputra Development plans to raise IDR5tn (USD362mm) from real estate investment trusts, known as REIT, for properties under its unit Ciputra Property. The company is the latest among a growing list of local property developers taking advantage of government policy to relax REIT regulations in order to attract more investment. Ciputra Property owns IDR10tn worth of assets, most of which are income generating-property such as malls, hotels and office buildings in Jakarta, Surabaya, Semarang, Bali and Kalimantan.

**Commodities**

**Indonesia: SOE minister says Freeport divestment price too expensive**

The price of shares in Freeport Indonesia, the local unit of U.S. mining giant Freeport McMoRan Inc, being offered to the government under divestment rules is too expensive, the state-owned enterprises minister said on Tuesday. Rini Soemarno told reporters that state-owned enterprises (SOE) are still interested in purchasing shares in Freeport Indonesia but the proposed price of USD1.7bn is too expensive.