



**ASX**

Open	4,964
Close	4,976
Movement (%)	0.6%
Day high	4,988
Day low	4,909
1 yr Return	-4.59%
YTD return	-6.05%

**JCI**

Open	4,582
Close	4,602
Movement (%)	0.42%
Day high	4,608
Day low	4,579
1 yr Return	-11.0%
YTD return	0.21%

**Global currencies against USD**

USD	1
IDR	13,845
EUR	0.91
AUD	1.41
PHP	47.76
GBP	0.70
SGD	1.43

**Commodity Prices**

Gold	USD/t	1,115.60
Oil (brent)	USD/bbl	34.18
Oil (WTI)	USD/bbl	33.36
Coal (Indo)	USD/t	53.20
Iron Ore	USD/t	39.30

**Market View**

**Us Markets**

**Dow closes down triple digits, stocks spooked by Fed statement on economy**

U.S. stocks closed higher Thursday, as a rise in oil and gains in Facebook outweighed pressure from declines in biotech stocks and concerns about economic growth. The Nasdaq composite outperformed, closing nearly 0.9% higher, the Dow Jones industrial average closed up 125 points after earlier rising 157 points.

**Asian Markets**

**China extends losses as rest of Asia closes mixed**

Markets in Asia trimmed early losses to trade mixed Thursday, despite a lower finish on Wall Street after the Federal Reserve appeared to temper its expectations for U.S. economic growth. Mainland Chinese markets extended their long rout. The main Shanghai composite shed 78.07 points, or 2.9% to close at 2,657.48. Down Under, the ASX 200 erased losses to close up 29.75 points, or 0.6%, at 4,976.20,

**News in Brief**

**Economy**

**Indonesia: Kadin to groom start-ups for IPO**

The Indonesian Chamber of Commerce (Kadin) has pledged to create an incubator for start-ups and to include them on a list of companies it is preparing to list on the stock exchange. Out of the 12 companies that were screened by Kadin there are currently 3 companies ready that will look to initial public offering (IPO) this year with assets valued at IDR300bn (USD2.16mm), IDR900bn and IDR1trillion. The start-up project is one element of Kadin's four-year program to support the development of the Indonesian Stock Exchange (IDX).

**Indonesia: Airfare ceiling price to be reduced next month**

The Transportation Ministry has confirmed that it will cut the airfare ceiling price for economy-class flights by 5% following a slump in the oil price. Earlier this month, state oil and gas firm Pertamina announced that it would decrease aviation fuel prices by IDR143 per liter on average, from the period of Jan. 15 to Jan. 31, in response to the slumping oil price.

**Indonesia: Bond yield drops to five-month low as rate cut seen**

Indonesian two-year bonds rose, pushing the yield to a five-month low, after the central bank said it might loosen monetary policy further. The monetary authority lowered its reference rate by 25 basis points to 7.25% on Jan. 14 in its first reduction in almost a year. The yield on the notes due July 2017 fell for a third day, dropping two basis points to 8.10% in Jakarta, according to the Inter Dealer Market Association. The yield has declined 51 basis points this month as overseas investors pumped a net IDR19.3tn (USD1.4bn) into the country's local-currency debt.

**Corporate**

**Indonesia: Bank Mandiri forms subsidiary to invest in startups**

State-owned lender Bank Mandiri has officially launched a new subsidiary, Mandiri Capital Indonesia, which will focus on venture capital, which is aimed at supporting startup companies. Mandiri Capital will inject equity investment in startup companies, which banks normally consider high risk. Bank Mandiri owns 99% of the company while Mandiri Sekuritas owns the remainder.

**America: Quiksilver to go private after emerging from bankruptcy**

The largest shareholder in Billabong International could emerge with almost full control of arch-rival Quiksilver if the now-US based surf and skate wear retailer emerges from bankruptcy. Oaktree Capital Management will own more than 90% of the shares in Quiksilver and will take the company private if a US court approves a USD650mm refinancing proposal. The US-based private equity firm owns 18.7% of Billabong International following a similar USD350mm refinancing of the Gold Coast-based company two years ago. Oaktree is rumoured to be exploring a merger of the two retailers, which are leading players in the USD19bn global action sports market, as part of its longer term turnaround plan.

**Philippines: BPI-led consortium pools USD525mm for power project**

Ayala-led Bank of the Philippine Islands is spearheading a consortium of banks raising USD525mm for AES Philippines to partially bankroll the construction of a power plant in Masinloc, Zambales. The new 330-megawatt (MW) super critical coal power plant is envisioned to supply power to at least seven electric cooperatives in northern Philippines for 20 years. BPI Capital acted as sole issue coordinator and one of the joint lead arrangers for the transaction. This facility followed a USD500mm refinancing in 2013, also provided entirely by local banks, in support of the rehabilitation and modernization of the original 600-MW facility in Masinloc, Zambales.

**Commodities**

**Australia: Billionaire's coal venture expects financing within 6 months**

The Indonesian buyer of Rio Tinto Group's discarded Mount Pleasant coal project in Australia is expecting to secure financing for the mine within six months and is on the look out for more opportunities for contrarian investments in the industry. The Indonesian company is betting on growing coal consumption in Asia overcoming the current glut that's pushed prices down for five years. Australia is forecast to overtake Indonesia and regain its position as the world's largest coal exporter, according to the International Energy Agency. The Mount Pleasant thermal coal project in New South Wales is to start production in late 2017.

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