

FOR PROFESSIONAL INVESTORS - 09/05/2019

DAILY REPORT

INDONESIA MARKET WRAP

EQUITY MARKET

STILL UP

JCI closed higher for 2 days in a row at 6,307 (+37 points or +0.59%), in line with regional markets. Foreign investor continued to record net outflow for the 4th day of IDR 88bn today, while Rupiah managed to slightly strengthened to IDR14,155/USD.

Banks were stronger as BBRI (+1.44%), BBKA (+0.33%), BMRI (+0.72%), BBNI (+1.35%), and BNLI (+4.50%) all closed higher. Tobacco stocks were corrected as HMSP (-1.50%) and GGRM (-1.21%) both in red. Other consumer stocks traded higher with UNVR (+0.95%), INDF (+1.26%), KLBF (+0.60%), and MYOR (+0.41%) all stronger. Poultry names were positives with CPIN (+1.92%), JPFA (+0.99%), and MAIN (+0.56%) positives. Similar trend also happened in pulp & paper stocks with TKIM (+6.45%) and INKP (+5.22%) both closed higher. Other movers were ASII (+3.08%), UNTR (+2.81%), BRPT (-3.85%) and FREN (-5.71%).

Indonesia government seeks to cut the corporate tax rate from currently 25% to 22% in 2021 and to 20% in 2023. The potential loss in revenue from a cut in the corporate tax rate from 25% to 22% is IDR 52 Tn and IDR 87 Tn if it is immediately cut to 20%, according to Tax Director General.

BOND MARKET

UNCHANGED

Rupiah strengthened to 14,150 at market opening hence triggered bullish tone in bond market. Rally was seen as soon as market opened, led by 10Y FR78 taken at 106.6 (7.28%). The rally quickly lifted prices across the board as solid bid from onshore and offshore players. Unfortunately the rally did not sustain as profit takers came in and pushed the price lower than that of morning level. The 5Y/10Y/15Y benchmark closed the day at mid-yield of 6.80%/7.33%/7.63%.

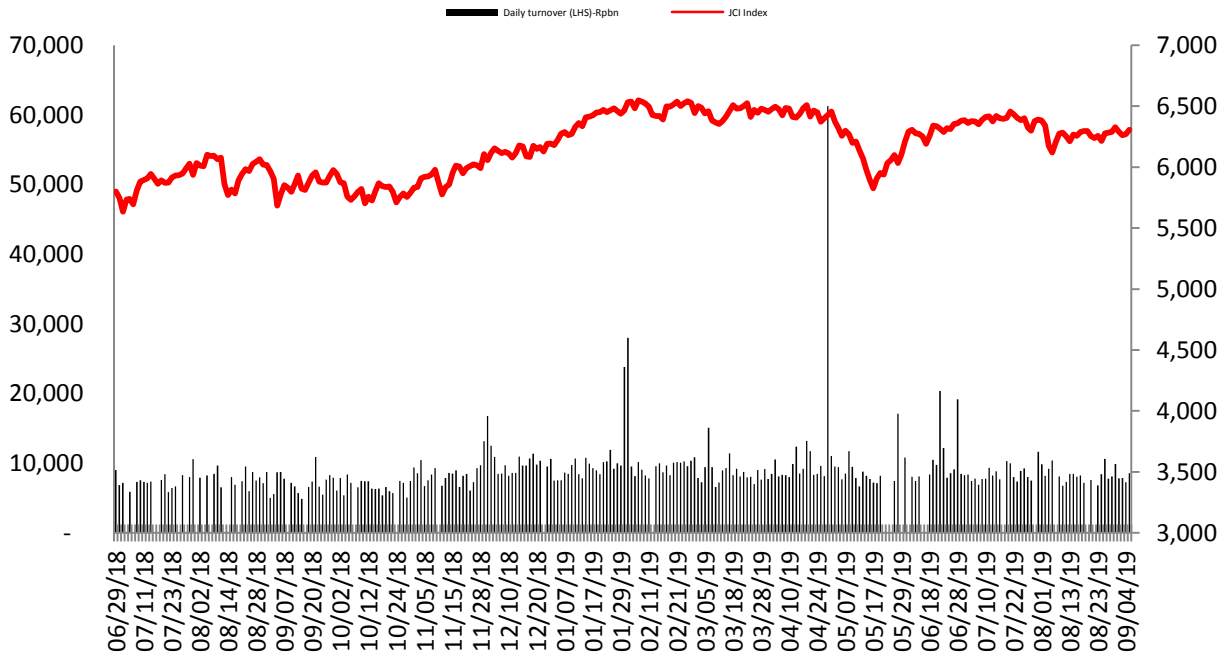


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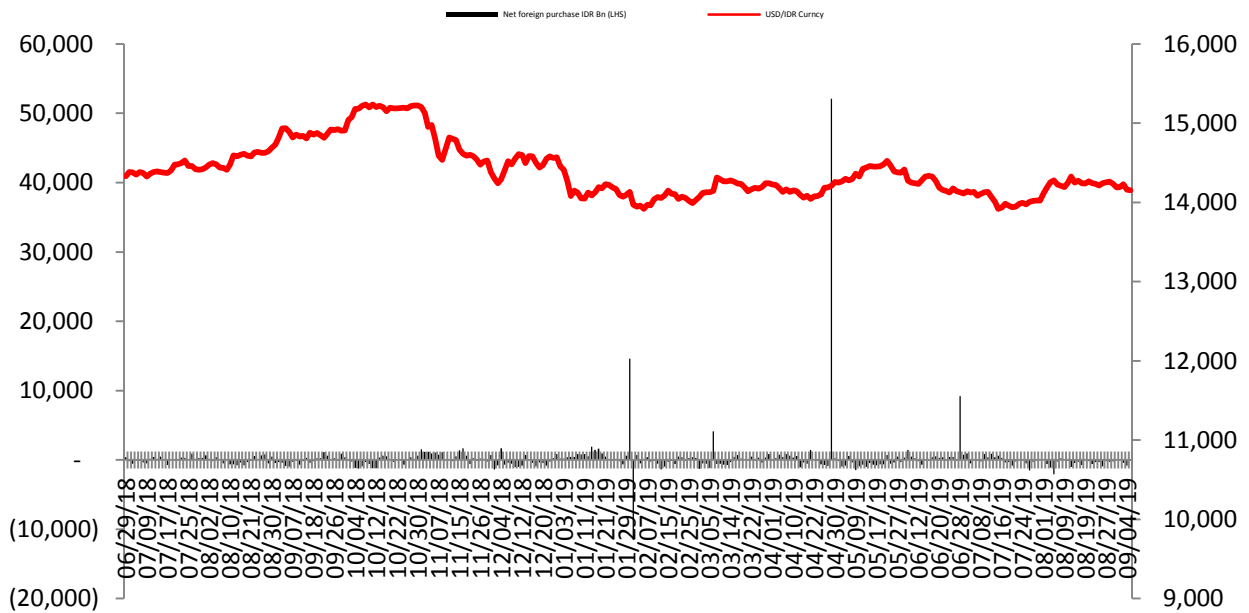
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GRAPHS & TABLES

JCI & DAILY TURNOVER



IDR & NET FOREIGN PURCHASES



EQUITY, BONDS AND CURRENCY SNAPSHOTS

	Bloomberg Code	Closed	% Chg. D-D	% Chg. YTD	Tenor
<u>Bonds</u>					
FR61	FR0061 Govt	101.1	0.1	3.6	5Y
FR59	FR0059 Govt	98.5	0.2	5.4	10Y
FR74	FR0074 Govt	98.4	0.3	4.9	15Y
FR72	FR0072 Govt	103.8	(0.1)	4.8	20Y
<u>Asia Pacific</u>					
Jakarta Composite	JCI Index	6,306.8	0.6	1.8	
Thailand	SET Index	1,669.8	0.7	6.8	
Korean Stock Exch.	KOSPI Index	2,004.8	0.8	(1.8)	
Straight Times	FSSTI Index	3,147.1	0.5	2.6	
Kuala Lumpur	KLCI Index	1,599.8	(0.0)	(5.4)	
Philippines	PCOMP Index	7,898.2	0.7	5.8	
Nikkei	NKY Index	21,085.9	2.1	5.4	
Hang Seng	HSI Index	26,515.5	(0.0)	2.6	
MSCI-Asia pacific	MXAP Index	153.6	0.9	4.7	
<u>Global Indices</u>					
Dow Jones	INDU Index	26,355.5	0.9	13.0	
S&P 500	SPX Index	2,937.8	1.1	17.2	
Nasdaq	CCMP Index	7,976.9	1.3	20.2	
FTSE 100	UKX Index	7,266.1	(0.6)	8.0	
<u>Currency</u>					
	Bloomberg Code	IDR	% Chg D-D	% Chg. YTD	
Spot IDR	IDR Curncy	14,155.0	0.0	1.7	
<u>Sw ap-IDR</u>					
1 month	IDSWT1M Index	14,205.3	(0.2)	(2.3)	
3 month	IDSWT3M Index	14,184.2	(0.3)	2.0	
6 month	IDSWT6M Index	14,250.9	(0.7)	2.0	
<u>Forw ard-IDR</u>					
3 month	IDFWT3M Index	14,265.9	0.1	1.8	
6 month	IDFWT6M Index	14,374.0	(0.5)	2.2	
<u>Indonesia Bond Index</u>					
BBG Sov ID Index*	BINDO Index	247.7	0.0	10.1	

*price as of 9/4/2019

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