

Market Summary:

Global Equity: Markets take a breather after some weakness in early FY2025 earnings season. **S&P500 -0.38%, Nasdaq -0.66%**

Domestic Equity: EM rotation and commodity rally sparked the **JCI +1.55% WoW**, and **IDX80 +2.24% WoW** led by nickel and copper commodities. Foreign inflow is **IDR 256 bn WoW**

Domestic Bond Market: IndoGB corrected to 6.25%. Foreign outflow was **IDR -7 tn WoW**.

Key News of The Week

Iran becomes the geopolitics hotspot as nationwide protests brought thousands killed amidst internet blackout imposed by The Iran Government. Donald Trump threatened 'strong action' if the

Jerome Powell was under attack again from the US Government on the matter of The Fed buildings renovations. This brought questions on The Fed's independency into the spotlight

US Core CPI came below consensus at 2.6% YoY (consensus = 2.7%). It gave little relief to the markets still impacted by government shutdown and lack of clear data.

Despite an ongoing trade war, **China recorded a trade surplus of USD 1.2 tn during 2025**. China exports to The US fell 20% YoY to the lowest level since the 1990s. The trade was reallocated to Africa (+26% YoY), ASEAN (+13% YoY), and Europe (+8% YoY)

Taiwan reached a deal with the US on a reduced tariff rate of 15% from the original 20% in exchange for a USD 250 bn new direct investments to The US. This brings Taiwan's tariff rate to be equal with those of Japan and South Korea

Our View:

Increased geopolitical tension combined with Fed independence worries pulled back global markets. However, EM rotation play is still strong on the back of valuations and better macro-outlook and global theme favoring resource-rich EM.

We maintained a positive outlook on equity with a barbell approach between growth and hedges. We position a 3-5% cash portion to take opportunities amidst volatility and flow-related catalysts.

Index Return (%)							Last Data			
Global Equity	Price	1W	QTD	YTD	1Y	3Y	Rates, Currencies, Commodities	16/01/2026	09/01/2026	31/12/2025
IHSG	9075.41	1.55	4.96	4.96	27.69	34.11	BBG Commodity Index	113.59	112.13	111.98
IDX80	139.813	2.24	5.47	5.47	16.35	7.44	Brent Crude Oil	64.13	63.34	61.92
MSCI World	4515.28	0.09	1.28	1.28	20.51	65.01	Thermal Coal	108.85	107.30	106.65
Dow Jones	49359.3	-0.29	2.05	2.05	14.38	45.56	Gold	4,596	4,510	4,339
NASDAQ Comp	23515.4	-0.66	0.41	0.41	21.60	111.94	Nickel	17,578	17,703	16,828
S&P 500	6940.01	-0.38	0.63	0.63	16.89	73.89	CPO	4,026	3,950	4,027
Euro Stoxx 50	6029.45	0.53	4.02	4.02	18.06	44.44	DXY	99.39	99.13	98.24
FTSE 100 (UK)	10235.3	1.09	2.96	2.96	21.97	30.37	USDIR	16,887	16,819	16,771
Nikkei 225 (Japan)	53936.2	3.84	7.14	7.14	39.83	106.35	IndoGB 10Y	6.25	6.13	6.09
Shanghai Compo	4101.91	-0.45	3.45	3.45	26.76	27.22	UST 10Y	4.22	4.17	4.12
MSCI Asia Pacific	240.46	2.75	5.55	5.55	34.28	44.93	VIX Index	15.86	14.49	14.33
MSCI ASEAN	779.01	1.04	1.85	1.85	16.27	14.74	MOVE Index	58.05	61.55	63.98
KOSPI (Korea)	4840.74	5.55	14.87	14.87	91.52	103.44				
Nifty (India)	25694.4	0.04	-0.94	-0.94	10.22	42.32				

Economic Calendar

Monday

19 Jan: (CN) 2025

GDP, Industrial

Production, Retail

Sales. (EU) CPI. (JP)

Industrial production

Wednesday

21 Jan: (US) Leading

Economic Index. (ID)

BI Rate Decision

Friday

23 Jan: (US) Flash

PMI. (EU) PMI, (JP) BoJ

Rate decision, CPI,

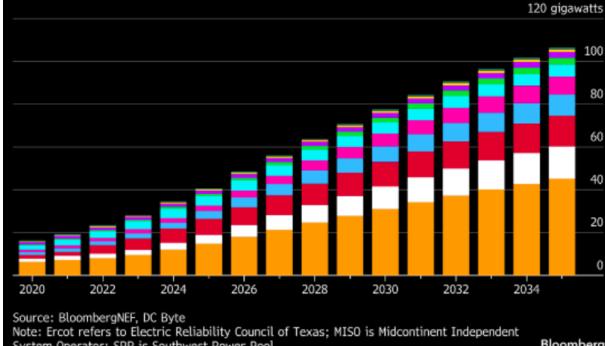
Chart of the Week

US Data Center Power Demand to Surge

The PJM grid region is expected remain the biggest source of annual data center electricity consumption



 ■ PJM ■ Southeast ■ Ercot ■ Southwest ■ MISO ■ Northwest ■ SPP ■ California
 ■ New York ■ New England ■ Florida



Commentary: The AI boom and the subsequent increased demand for data centers has suddenly increased the demand for electricity in The US and the rest of the world. A further increase in AI spending and investment would require further investments into new power grids, which would boost investments in the energy sector.