

Market Summary:

Global Equity: Despite geopolitical risks, global market still opened strongly with. **S&P500 +1.57% WoW, Nasdaq +1.88% WoW**

Domestic Equity: **EM rotation benefits Indonesia with JCI +2.16% WoW, and IDX80 +2.17% WoW** led by commodities and conglomerates. Foreign inflow is **IDR 1.62 tn WoW**

Domestic Bond Market: IndoGB flat at 6.13%. Foreign inflow was **IDR 900 bn WoW** and makes 13.4% of ownership.

Key News of The Week

The US is now in charge of Venezuelan oil through seizures of vessels and planning to sell USD 2.8bn of oil stored.

US labor market still soft with December 2025 NFP coming below consensus with 50k jobs added MoM against 56k MoM consensus estimates. This result wrapped 2025 with a figure of +584k jobs addition, the slowest gain since 2003. This shifted market focus back to further monetary easing.

China inflation hit 3 year high with 0.8% YoY inflation in December. This is amidst weak housing and consumption. However, this is still far below the Government's target of 2% inflation

ID fiscal deficit hit 2.9% in 2025. The widening deficit comes from revenue shortfall, which declined 3% YoY. Expense acceleration materialized with a 3% YoY increase in spending, mainly in form of capital, material, and social spending.

Indonesian inflation accelerated due to Sumatra Floods, hitting 2.9% YoY in December. While **Trade surplus increased** to USD 2.6 bn.

Our View:

Despite geopolitical tension, global risk on momentum continues on the back of resilient global growth and expected fed easing. EM rotation is still in play due to attractive valuation and better growth prospects.

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	09/01/2026	02/01/2026	31/12/2024
IHSG	8936.75	2.16	3.35	3.35	0.13	33.62	BBG Commodity Index	112.13	109.51	98.87
IDX80	136.747	2.17	3.16	3.16	0.18	7.13	Brent Crude Oil	63.34	60.75	74.39
MSCI World	4511.01	1.48	1.82	1.82	0.60	69.38	Thermal Coal	107.30	106.55	124.55
Dow Jones	49504.1	2.32	3.00	3.00	0.48	47.70	Gold	4,510	4,332	2,607
NASDAQ Comp	23671.4	1.88	1.85	1.85	0.81	122.57	Nickel	17,703	16,820	15,415
S&P 500	6966.28	1.57	1.76	1.76	0.65	78.99	CPO	3,950	3,954	4,925
Euro Stoxx 50	5997.47	2.51	3.56	3.56	1.58	47.41	DXY	99.13	98.42	108.13
FTSE 100 (UK)	10124.6	1.74	1.95	1.95	0.80	31.06	USDIIDR	16,805	16,725	16,143
Nikkei 225 (Japan)	51939.9	3.18	3.18	3.18	1.61	99.97	IndoGB 10Y	6.13	6.05	7.02
Shanghai Compo	4120.43	3.82	3.82	3.82	0.92	29.73	UST 10Y	4.17	4.19	4.53
MSCI Asia Pacific	234.03	1.50	2.79	2.79	-0.01	44.66	VIX Index	14.49	14.51	17.40
MSCI ASEAN	770.96	0.69	1.03	1.03	-0.01	15.47	MOVE Index	61.55	62.36	99.08
KOSPI (Korea)	4586.32	6.42	8.83	8.83	0.75	95.15				
Nifty (India)	25683.3	-2.45	-1.71	-1.71	-0.75	41.89				

Economic Calendar

Monday

Tuesday

13 Jan: (US) CPI. (JP)
BoP CA

Wednesday

Thursday

14 Jan: (US) Retail sales, PPI. (CN)

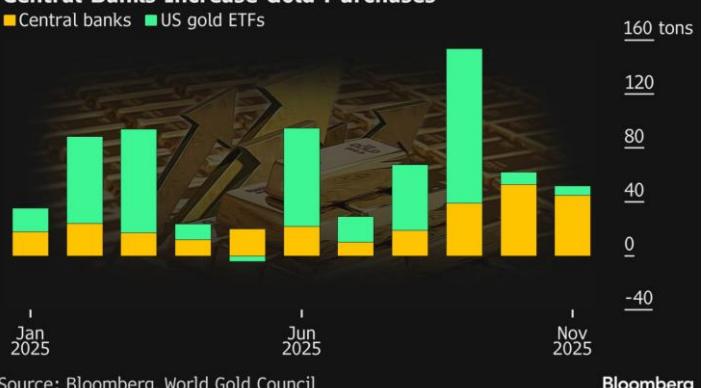
15 Jan: (US) Jobless Claim, Empire Exports, Trade Manufacturing. (CN)

Friday

16 Jan: (US) Industrial Production. (ID)
Market Close

Chart of the Week

Central Banks Increase Gold Purchases



Commentary: Central bank ramped up gold purchases in late 2025, outpacing ETF purchases, with purchasing in 4Q25 higher than the first 9 month of 2025. This signals that central bank purchases would remain a key support in gold purchase despite increased volatility in prices, especially in during periods of high geopolitical tension.