

GLOBAL			
Index	Last	Change	% chg
Dow	24,597	70.11	0.29
S&P 500	2,651	-0.53	-0.02
Eido US	25.1	0.35	1.41
H.S.I	26,524	337.64	1.29
Nikkei	21,733	-83.20	-0.38
STI	3,111	11.09	0.36
KLCI	1,676	12.73	0.77
Kospi	2,087	-8.11	-0.39
SET Thai	1,615	-19.89	-1.22

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	61.5	1.30	2.16
WTI Crude Oil (\$/bbl)	52.6	1.43	2.80
CPO (MYR/ton)	1,835	22.00	1.21
Gold (US\$/tr ounce)	1,242	0.05	0.00
Nickel (US\$/ton)	10,781	53.50	0.50
Tin (US\$/ton)	19,434	83.00	0.43
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	102.2	0.50	0.49

BEI STATISTICS	
JCI	6,178
Change (1 day)	1.02%
Change YTD	-2.80%
P/E Market (X)	16.5
Volume (mn shr)	8,213.0
Value (Rp bn)	7,822.2
↑ 255    ↓ 149    ↔ 217	
LQ45	987
% Change (1 day)	3.46%

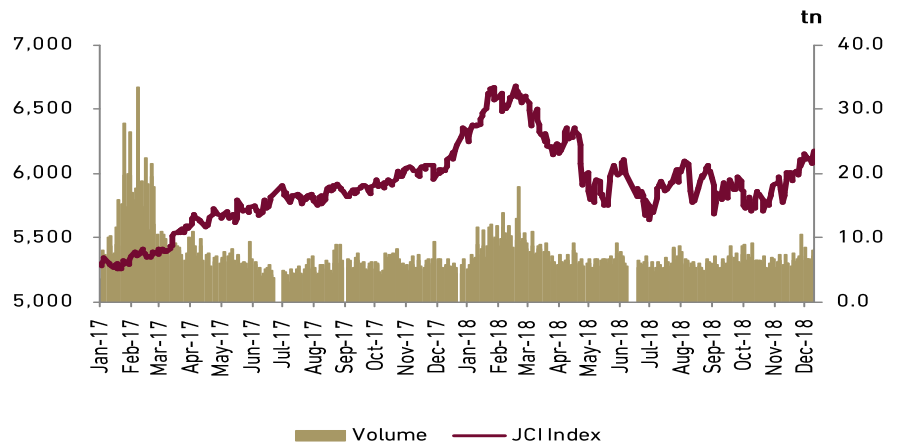
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	5.75	5.50
Fed fund rate (%)	2.25	2.00
inflation mom (%)	0.27	0.28
Inflation yoy (%)	3.23	3.16

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,497	-101.00	-0.69
1 USD = SGD	1.37	0.00	0.00
1 USD = JPY	113.64	0.01	0.01
1 USD = AUD	1.38	0.00	0.04
1 USD = EUR	0.88	0.00	0.00

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	26.8	1.44	5.67	3,888	1,857,343
ISAT	0.2	0.00	0.00	2,392	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- BKPM: FDI to fall in 2018 and is expected to recover after 2019 election
- CPO exports to China potentially decline
- Sentra Food Indonesia sets IPO price
- ACES reported Rp582 bn of gross sales in November 2018
- Pegatron sets to invest USD1 bn in Indonesia

### JCI STATISTIC



### DAILY TECHNICAL VIEW

We expect JCI to trade between 6,120 (support) – 6,200 (resistance) level today

**BBCA : Sell on strength at Rp 26,025-Rp 26,300**

Comment: Testing resistance level

**ASII : Sell on strength at Rp 8,500-Rp 8,600**

Comment: Testing resistance level

**INTP : Sell on strength at Rp 20,000-Rp 20,500**

Comment: Testing resistance level

**PTBA : Sell on strength at Rp 4,550-Rp 4,650**

Comment: Testing resistance level

### MARKET REVIEW & MARKET OUTLOOK

#### Regional

Dow Jones rose 70.1 points to 24,597. The S&P 500 inched down by 0.02% to close at 2,651.07. The Nasdaq Composite dipped 0.4% to 7,070.33 as Amazon and Alphabet fell. As more positive developments came across the US-China trades relation. General Electric also rose significantly by more than 7% after JP Morgan upgrade the recommendation. China also started to import soybeans from US, and Donald Trump said he would involve in the Huawei case. Commodity: Brent Crude Oil up by 2.2% to USD61.5/bbl. and WTI Crude oil rose by 2.8% to USD52.6/bbl. CPO up by 1.21% at MYR 1,835/ton. Nickel inched up by 0.5% to USD 10,781 / ton. While coal up by 0.49% at USD 102.2/ton.

#### Domestic

JCI closed at 6,178 higher 62.14 points (+1.02%). Net foreign BUY was recorded at Rp686 bn. The sector leader were Infrastructure (+2.02%), Misc. Industry (+1.94%), Basic Industry (+1.48%). The index mover were BMRI (+3.01% to 7,700), TLKM (+2.74% to 3,750), ASII (+2.42% to 8,450). Rupiah strengthened by 101 points to 14,497/USD. Our technical desk suggests for trading within the band of 6,120-6,200 with possibility to end at mixed to lower level.

#### BKPM: FDI TO FALL IN 2018 AND IS EXPECTED TO RECOVER AFTER 2019 ELECTION

A senior official in investment board (BKPM) said incoming foreign direct investment (FDI) to Indonesia is expected to be around USD11 bn to USD 13 bn this year, less than the average in recent years of USD20 bn per year. Thomas Lembong, chief of the Indonesia Investment Board, said the decline, which could reach as much as 40% — is “quite significant”, and blamed lack of policy reform momentum at the start of this year. However, he said reform had picked up pace in recent months, including the upcoming revision of the negative investment list, following the rupiah’s depreciation. Lembong believed that foreign investment inflows will recover after the general elections. Investment usually slows down ahead of general elections as investors await political developments in the country, he noted and will return to normal afterwards. He warned that the economic challenges in 2019 will be as heavier as in 2018, and global conditions will have the potential to disrupt investment performance, he revealed. “After all, we must go ahead with our reforms and work hard to improve our competitive edge to be able to compete with Vietnam, Thailand, and Malaysia,” he explained.

#### CPO EXPORTS TO CHINA POTENTIALLY DECLINE

Indonesian palm oil export to China is at risk of declining as the country decided to again importing soybean from US. China decision to once again purchasing soybean from US will give positive sentiment towards stronger international CPO commodity price. However, on the other side there is a concern that China demand towards CPO based biodiesel from Indonesia will decrease as China is back on soybean consumption therefore cutting the CPO consumption.

**Comment:** China’s shift to soybean from CPO will affect negatively to Indonesian CPO exports value. We maintain NEUTRAL for Plantation sector.

#### SENTRA FOOD INDONESIA SETS IPO PRICE

PT Sentra Food Indonesia, a major processed meat producer decided that its initial public offering (IPO) share price would be set at Rp 115-150 per share. With the above price, the value of the company’s IPO is Rp 28.75-37.5 billion with the assumption that the company will release 250 mn shares(33.3%). Sentra Food Indonesia should become publicly listed on the Indonesia Stock Exchange (IDX) by January 8th, 2019.

#### ACES REPORTED RP582 BN OF GROSS SALES IN NOVEMBER 2018

ACES reported Rp582 bn of gross sales in Nov 18 (-5% MoM/ +19.5% YoY), SSSG was at 11.1% on November 2018 alone (vs. 12% in October 2018). In cumulative, gross sales was recorded at Rp 6.3bn (+22.6% YoY), on the back of 13% YTD SSSG (vs. 13.2% in 10M18). These results were in line with our expectation, as it represents 85% of our 2018 gross sales forecast, hence we maintain our BUY call on ACES with unchanged TP of 1700.

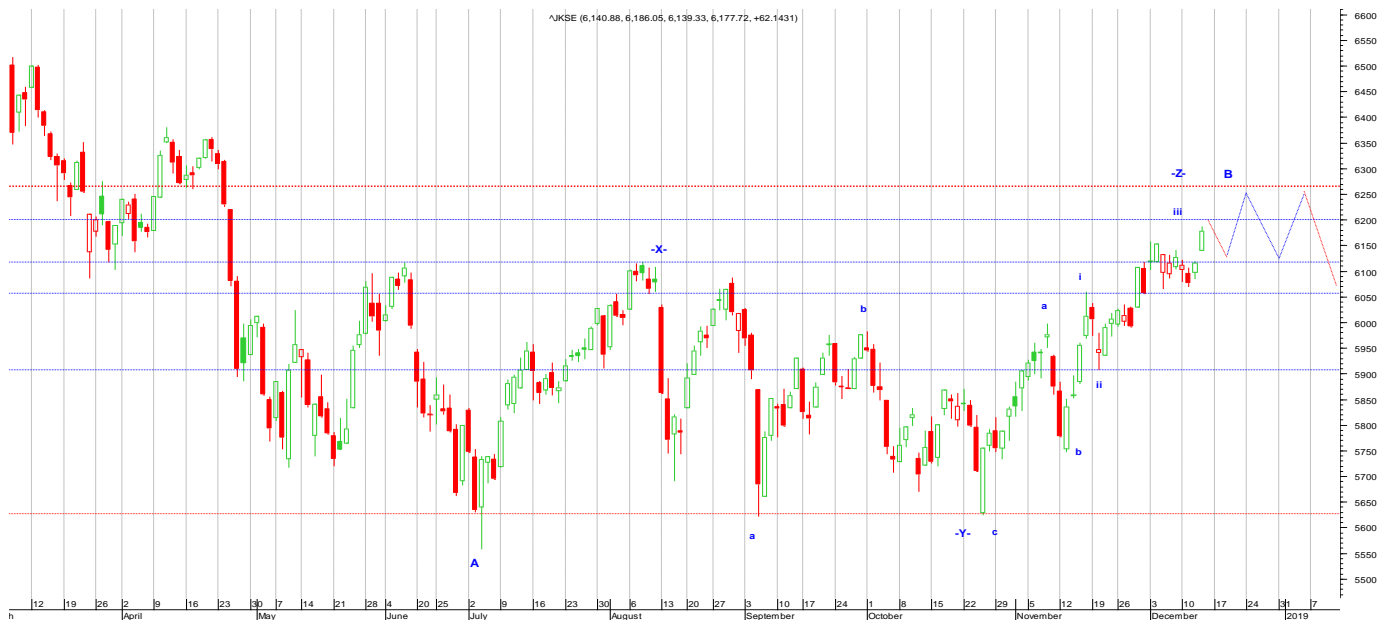
#### PEGATRON SETS TO INVEST USD1 BN IN INDONESIA

Pegatron Corporation, an iPhone assembler company, is ready to invest up to USD1 bn or Rp14.5 tn in Batam, Indonesia. Later on, Pegatron will enter Indonesia by cooperating with PT Sat Nusapersada Indonesia (PTSN) in assembling some of its electronic products. Assembled products will later be sent to the US market. Contracts to assemble electronic products are stemmed as a result of trade wars between the US and China, where electronic products assembled in China will be subject to additional tariffs if exported to the US market.

## TECHNICAL ANALYSIS

JCI : ( 6,178 +1.0%)

**Comment :** BMRI, TLKM and ASII consecutively became leading movers. Technically, JCI closed above minor resistance level of 6,157. The previous resistance level of 6,117 potentially turn into support level. Resistance level at 6,200. Next support and resistance level will be at 6,064–6,250. Based on Elliot wave approach, as we discussed before, JCI is forming corrective wave ABC. Because the index moved below the mid-term uptrend line, we consider that the index is forming a mid-term corrective wave. Meanwhile, we revised our short-term wave counting because the index moved above resistance level of the short-term downtrend line 5,850. We noted that the lowest level of 5,557 as the bottom of wave A. The peaks of wave X likely at the level of 6,117 which occurred on August 8, 2018. The lowest level of 5,623 which occurred on October 25, 2018 noted as the bottom of sub wave Y. According to this wave counting, now JCI is in the process to find the peaks of sub wave Z of wave up B which is the last wave of the cycle of wave up B. We predict the peaks of wave B around the level of 6,250–6,300 (see chart below). This wave counting will be automatically false if the index moves below the level of 5,557.



**STOCK OF THE DAY**

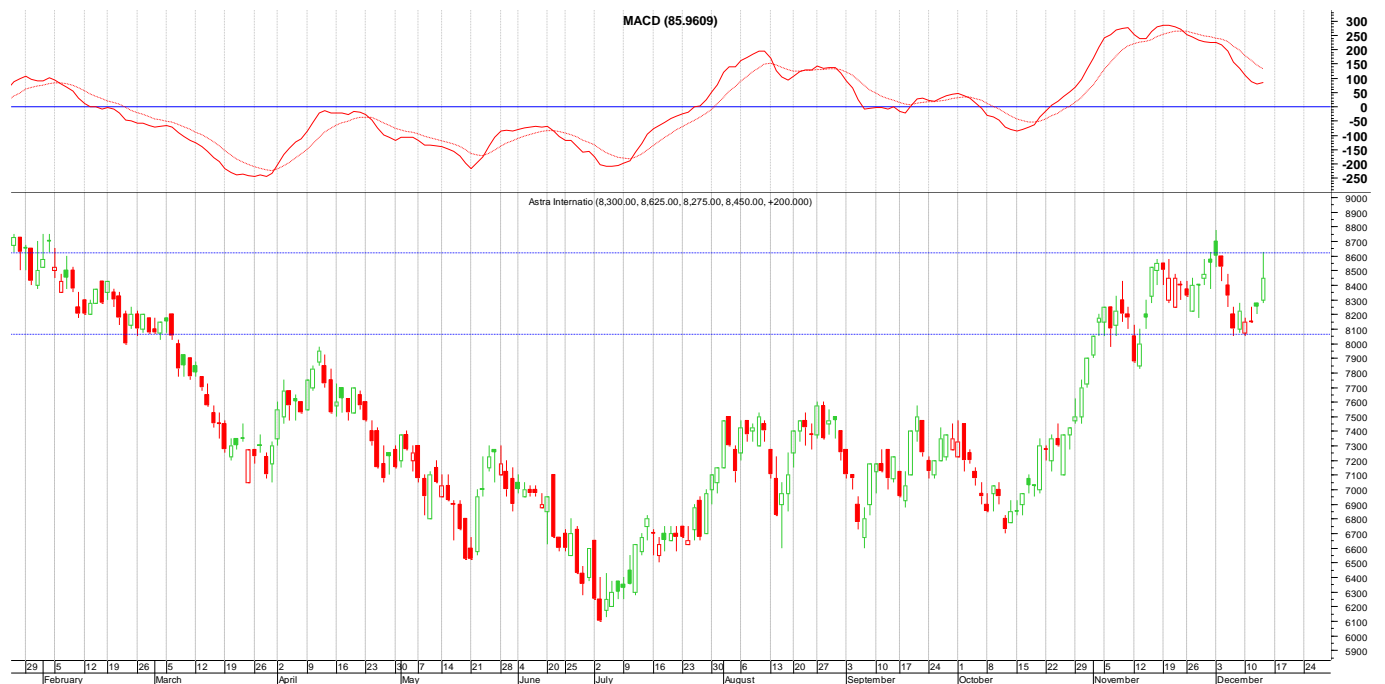
**BBCA : Testing support level**

The price failed to break minor resistance level of 26,025. Support level at 25,500. Next support and resistance level at 24,700-27,000. The price moved in uptrend channel in the last three years. According to our counting, the price is forming wave minor (5) which is the last wave of the cycle. Take profit/ Sell on strength



**ASII : Testing support level**

The price failed to break minor resistance level of 8,625. Support level at 8,050. Next support and resistance level at 7,500-9,000. The mid-term trend is still sideways. Sell on strength



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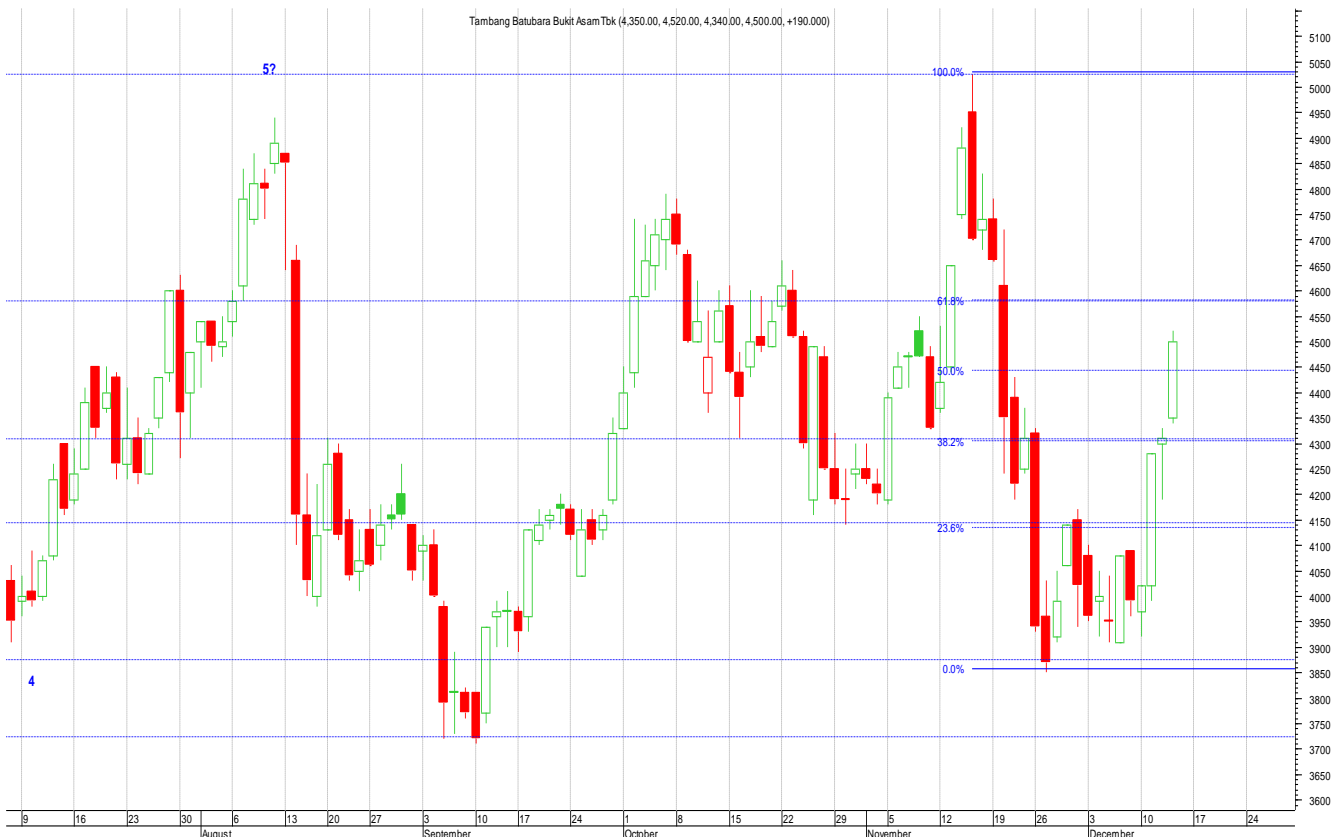
**INTP : Testing support level**

The price closed above minor support level of 19,425. Resistance level at 20,750. Next support and resistance level at 18,850-21,250. The mid-term trend is still sideways. Sell on strength



**PTBA : Testing resistance level**

The price closed below minor resistance level of 4,580 which is 61,8% fibonacci retracement level. Support level at 4,310 which is support level of the gap. Next support and resistance level at 4,190-4,830. The trend is still sideways. Sell on strength



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,445-14,545

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.33
3	7.81
5	7.92
10	8.21
15	8.23
30	9.13

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.28	6.33	6.17	6.04	5.54
US\$	1.20	1.19	1.10	1.18	
JIBOR (RP)	7.42	7.70	7.84	7.92	

BASE LENDING RATE	
BI RATE	6.00
FED FUND RATE	2.25
LPS INSURED RATE	
IDR	5.50
US\$	1.00

EXCHANGE RATE		
EXCHANGE RATE		% chg.
1 US\$ = IDR	14,497	0.70
1 US\$ = SGD	1.37	0.00
1 US\$ = JPY	113.64	-0.01
1 US\$ = AUD	0.72	-0.04
1 US\$ = EUR	1.14	0.00

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