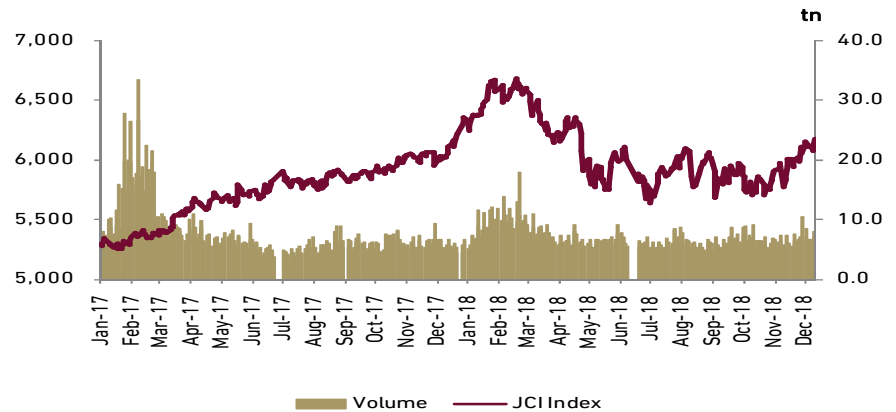


GLOBAL			
Index	Last	Change	% chg
Dow	24,101	-496.87	-2.02
S&P 500	2,600	-50.59	-1.91
Eido US	24.8	-0.29	-1.15
H.S.I	26,095	-429.56	-1.62
Nikkei	21,431	56.66	0.27
STI	3,077	-33.99	-1.09
KLCI	1,662	-14.04	-0.84
Kospi	2,072	2.83	0.14
SET Thai	1,609	-5.54	-0.34

- BPS to report November trade balance data
- BBRI targets 12-14% YoY loan growth in 2019F
- Astra car sales down in Nov , market share still above 50%
- Waskita receives payment of Rp1.9 tn from a toll road project
- New PMK no. 156/PMK.010/2018 to increase the cigarette ASP
- ANTM refinances rupiah bonds with a series bond of Rp 900 bn

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	60.3	0.01	0.02
WTI Crude Oil (\$/bbl)	51.2	-1.38	-2.62
CPO (MYR/ton)	1,974	16.00	0.82
Gold (US\$/tr ounce)	1,237	-1.27	-0.10
Nickel (US\$/ton)	11,010	229.00	2.12
Tin (US\$/ton)	19,369	-65.00	-0.33
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	102.3	0.15	0.15

JCI STATISTIC



BEI STATISTICS	
JCI	6,170
Change (1 day)	-0.13%
Change YTD	-2.92%
P/E Market (X)	16.5
Volume (mn shr)	6,194.4
Value (Rp bn)	6,791.5
↑ 156 ↓ 221 ↔ 244	
LQ45	987
% Change (1 day)	-0.06%

DAILY TECHNICAL VIEW

We expect JCI to trade between 6,120 (support) – 6,190 (resistance) level today

BBRI: Sell on strength at Rp 3,690-Rp 3,780

Comment: Testing resistance level

PTPP: Sell on strength at Rp 2,070-Rp 2,150

Comment: Testing resistance level

ICBP: Buy on weakness at Rp 10,000-Rp 9,900

Comment: Closed above resistance level

ISAT: Speculative buy at Rp 1,820-Rp 1,790

Comment: Potentially to reversal

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

MARKET REVIEW & MARKET OUTLOOK

Regional

Dow Jones fell 2.0% on Friday to 24,100. Weak overnight data out of China are raising concerns over global demand in general, tripping another sizable rout in the stock market. US economic news is led by jump for the retail sales control group which is pointing to strength for 4Q18 consumer spending. But sales results outside this group were soft as was the manufacturing component of the industrial production which may be pointing to a year-end fizzle for the factory sector. On commodity markets, WTI crude oil dropped by 2.62% to USD51.2/bbl. while nickel price was up 2.12% to USD11,010/ton.

Domestic

JCI closed lower at 6,170 by 8 points or 0.13% on Friday trading and recorded Rp84 bn of net foreign sell. The laggard sectors were Mining (-0.65%), Basic Industry (-0.62%), and Infrastructure (-0.55%) which were mainly driven by BMRI (-1.62% to 7,575), TLKM (-0.53% to 3,730), and TKIM (-4.99% to 10,950) as the key movers. On economic news, Indonesia car sales decreased to 100,231 units in Nov 18 or down 5.5% compared to Oct 18. Rupiah weakened by 88 points to 14,585/USD. Our technical desk suggests for trading within the band of 6,120 – 6,190 with possibility end at lower level.

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,585	88.00	0.61
1 USD = SGD	1.38	0.00	0.03
1 USD = JPY	113.40	0.01	0.01
1 USD = AUD	1.39	0.00	-0.06
1 USD = EUR	0.88	0.00	-0.03

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	25.8	-1.04	-3.88	3,760	1,206,133
ISAT	0.2	0.00	0.00	2,407	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

BPS TO REPORT NOVEMBER TRADE BALANCE DATA TODAY

Statistics Office (BPS) is scheduled to release November trade balance data by today. According to Bloomberg consensus, trade balance is expected remain deficit at USD -790 mn with export grew at 4.7% YoY and import grew at 11.0% YoY. Previous October trade balance has been quite disappointing as it recorded another significant trade deficit of USD 1.8 bn. However, the silver lining is there as the oil price started to trend down significantly in November (-18.3% MoM), even though other commodities price also trended down like coal (-6.3% MoM) and palm oil (-11.8% MoM). We expect export to grow at 5.5% YoY while import grew 9.5%, bring trade deficit soften to USD -342 mn.

BBRI TARGETS 12-14% YOY LOAN GROWTH IN 2019F

Bank Rakyat Indonesia (BBRI) targets 12-14% YoY loan growth in 2019F, slightly lower than this year loan growth target of 13-14%. The bank targets some potential sectors for next year: trading, export oriented products, import substitutions, alongside the consumer loan sectors. On the funding side, BBRI targets total deposits to grow at the same pace with loan at 12-14% YoY in 2019F. Hence BBRI target to maintain its LDR level at 88-90% in 2019F. The bank also states that they would like to watch the liquidity condition in 2019F first, before considering increasing the credit interest rates. The bank would also consider many other factors before starting to raise the rates, such as the condition of customer's business and the condition of bank's competition. With that said, BBRI also plan to maintain its NPL ratio level at 2.0-2.2% in 2019F. Meanwhile for NIM, the bank targets 6.5-7.0% NIM for 2019F, decline from this year target of 7.0-7.5%.

Comment: Overall the company guidance is still in-line with our 2019F estimates. We have a Buy call on BBRI with Rp3,850/share target price.

ASTRA CAR SALES DOWN IN NOV , MARKET SHARE STILL ABOVE 50%

Astra International (ASII) reported car sales of 53.1k units in Nov-18 which went down by 11% MoM (but up 13% YoY) and brought 11M18 total car sales volume to 537.6 k units (-0.5% YoY). These fare worse than non-Astra car sales volume which grew 4% MoM and (but down 2% YoY) to 48.1k units and led 11M18 volume to grow by 10.1% YoY to 526.4 k units. As a results, Astra's market share was down to 53.0% in Nov-18 as compared to 56.5% in Oct-18 while 11M18 share was 50.5% vs 54.2% in 11M17.

Comment: We see ASII 11M18 car sales of 537.6 k units is still in-line with our FY18F of 576 k units while 11M18 industry sales of 1.06 mn units was also in-line with our FY18F of 1.15 mn units. We currently have Hold rating on ASII with TP of Rp8,000.

WASKITA RECEIVES PAYMENT OF RP1.9 TN FROM A TOLL ROAD PROJECT

Waskita Karya (WSKT) secured payment of Rp1.9 tn from Tol Terbanggi Besar-Pematang Panggang-Kayu Agung project where the remaining Rp600 bn will be received on 20 December. The company also expects cash inflow of Rp5.8 tn in 20 Dec from the completion of Batang-Semarang toll road. This payment is part of WSKT's target of payment receipt of Rp20 tn for this year. Previously ,the company has booked several payments received from LRT Palembang project of Rp5.6 tn and Batang-Semarang toll road stage 1 of Rp600 bn.

Comment: We are positive with this payment as it will ease WSKT cash flow problem. We currently have Buy rating on WSKT with TP of Rp2,450.

NEW PMK NO. 156/PMK.010/2018 TO INCREASE THE CIGARETTE ASP

New regulation of Ministry of Finance (PMK) No. 156/PMK.010/2018 on December 12, 2018 on excise tax will replace PMK 146/2017 will be effective on January 1st 2019. While the excise tax structure remain same as 2018. However, in the new regulation minimum retail price per stick must be rounding up with multiple of Rp 25. New PMK 156 also erased off the simplification of tax layer and will apply 57% excise tax for more tobacco products such as vape, tobacco extract, essences and molasses. Further, in new PMK regulation excise tax will be determined based on each segment production sticks for SKM and SPM instead of the total output for both SKM and SPM.

Comment: As 57% excise tax will be applied to more tobacco products such as vape, tobacco essences, molasses (shisha/hookah). In our view, this new regulation will become a positive sentiment for cigarette industry. In our forecast, we expect HMSP will increase SKM price by 6-8% and SPM segment price by 3-5%. For GGRM, we expect 5-6% price increase for SKM segment and 3-5% for SKT segment. New PMK regulation that classifies each production sticks for each SKM and SPM segment will be beneficial for HMSP. Since lower production of SPM means SPM segment will pay lower excise tax as well. We maintain BUY rating for both HMSP and GGRM with 2019F target price of 4,500 and 93,000, respectively.

ANTM REFINANCES RUPIAH BONDS WITH A SERIES BOND OF RP 900 BN

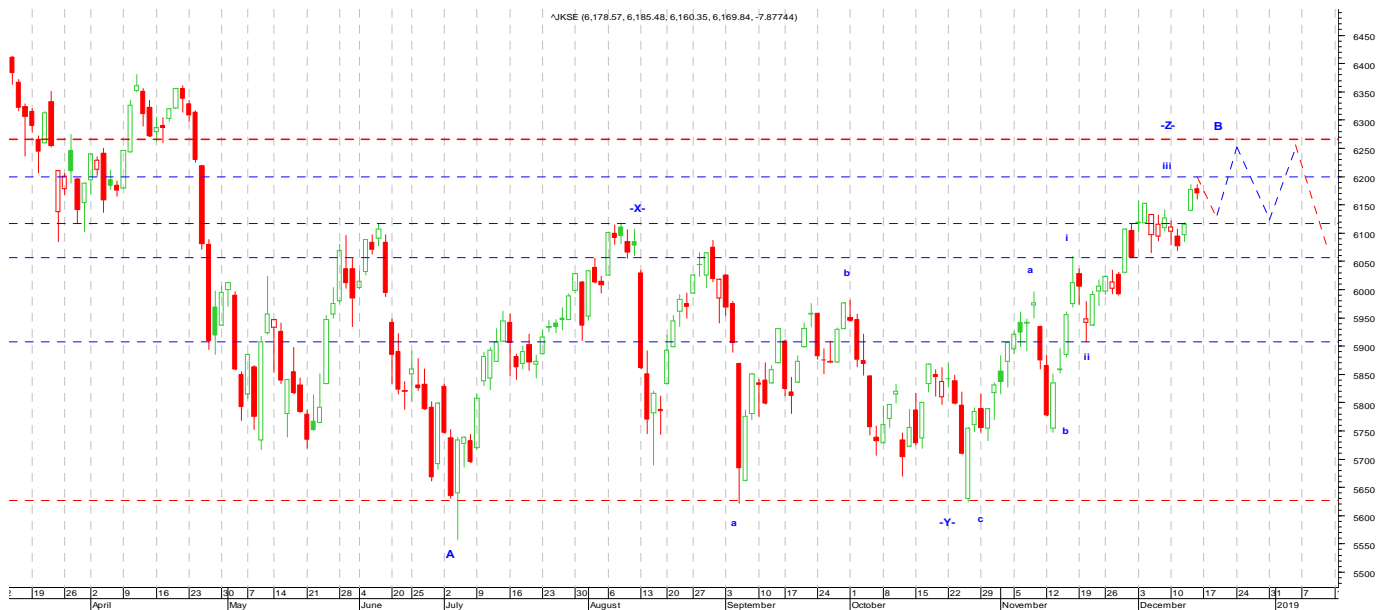
PT Aneka Tambang Tbk is preparing to refinance its rupiah bond amounting to Rp900 bn is maturing on December 14, 2018 with an interest of 8.37% / year. The effort was made by issuing a "series bond of IDR 900B".

Comment: We are still waiting for more detailed interest charge fon new bond. We currently have a BUY rating for ANTM di Rp 1,250

TECHNICAL ANALYSIS

JCI : (6,170 -0.13%)

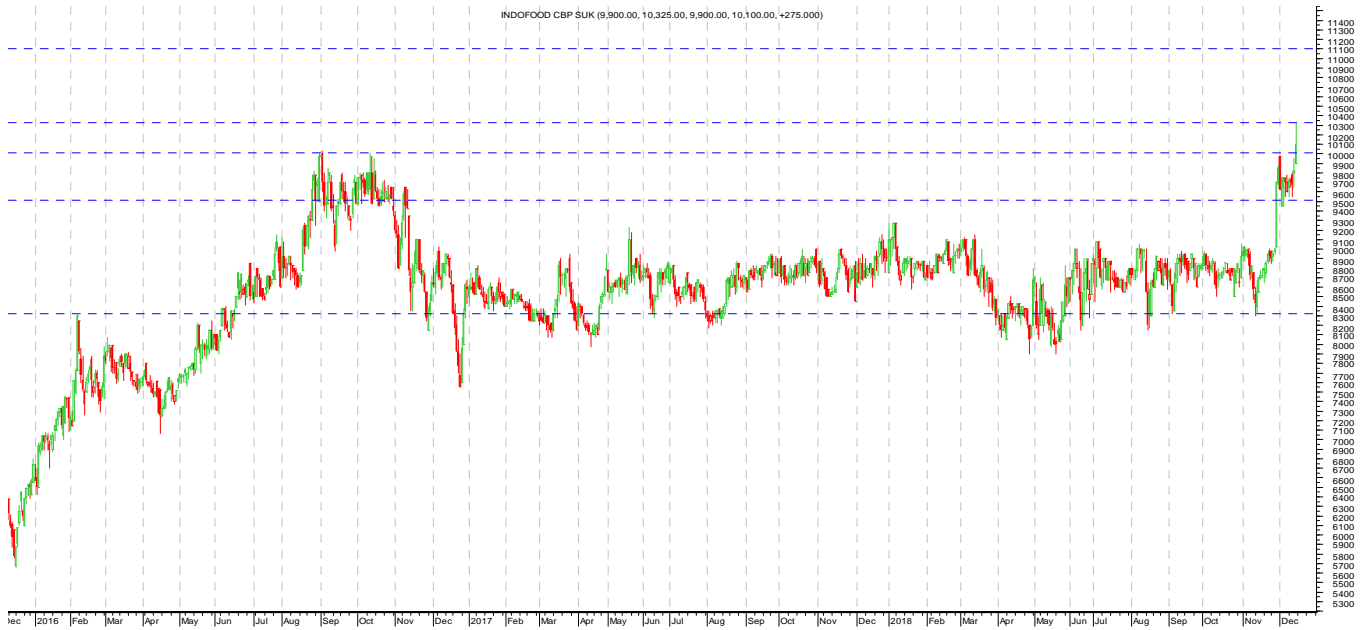
Comment : BMRI, TLKM and TKIM consecutively became lagging movers. Technically, JCI closed above minor resistance level of 6,157. The previous resistance level of 6,117 potentially turn into support level. Resistance level at 6,200. Next support and resistance level will be at 6,064-6,250. Based on Elliot 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

ICBP : Testing resistance level

The price closed above major resistance level of 9,975. If the breakout confirm, level of 9,975 will turn into support level and the mid-term trend turn into positive. Resistance level at 10,325. Next support and resistance level at 9,650-11,350. Buy on weakness, cut if the price moves below the level of 9,450.



ISAT : Testing support level

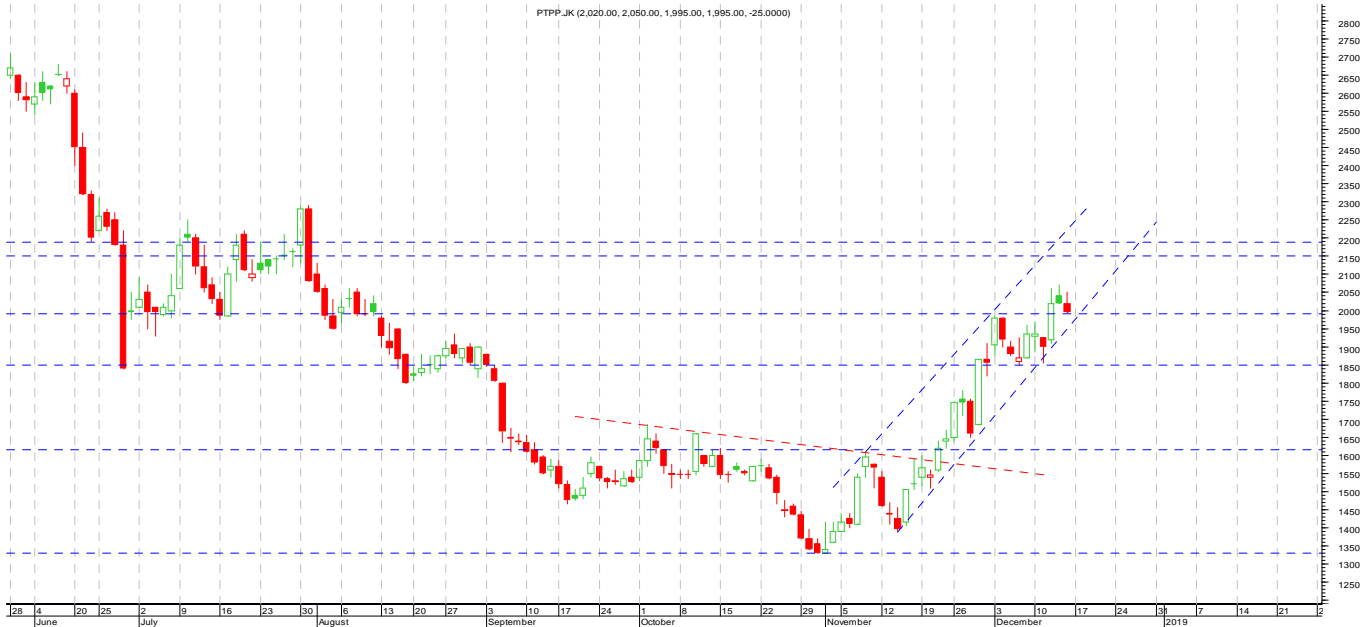
After opening gap up, the price and reached the highest level of 1,885. The price closed above opening level. Candles tick chart likely formed a reversal pattern. Support level at 1,775. Next support and resistance level at 1,700-2,000. Indicator of RSI likley formed a positive divergence. Speculative buy/Buy on weakness



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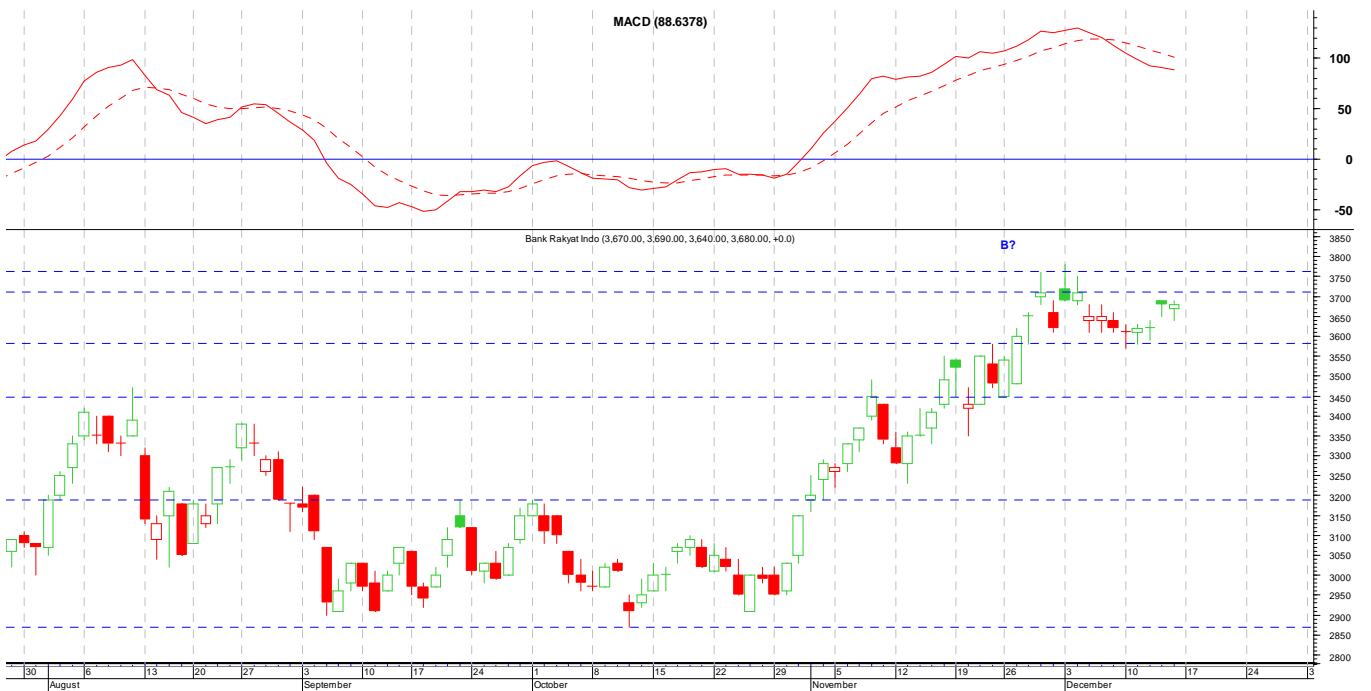
PTPP : Testing support level

The price closed above support level of the short-term uptrend line. Resistance level at 2,070. Next support and resistance level at 1,850-2,250. The mid-term trend is still sideways. Sell on strength



BBRI : Testing resistance level

The price closed below minor resistance level of the gap 3,710. Support level at 3,570. Next support and resistance level at 3,570-3,780. The mid-term trend is still sideways. Take profit/ Sell on strength



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,535-14,635

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.33
3	7.82
5	7.95
10	8.12
15	8.27
30	9.13

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.26	6.35	6.18	6.09	5.50
US\$	1.21	1.22	1.16	1.15	
JIBOR (RP)	7.44	7.71	7.85	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	14,585	-0.60
1 US\$ = SGD	1.38	-0.03
1 US\$ = JPY	113.40	-0.01
1 US\$ = AUD	0.72	0.06
1 US\$ = EUR	1.13	0.03

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