

GLOBAL			
Index	Last	Change	% chg
Dow	23,910	-86.11	-0.36
S&P 500	2,583	-13.65	-0.53
Eido US	26.3	-0.15	-0.57
H.S.I	26,298	-368.94	-1.38
Nikkei	20,360	195.90	0.97
STI	3,200	26.51	0.84
KLCI	1,675	-1.31	-0.08
Kospi	2,065	-11.05	-0.53
SET Thai	1,583	-14.47	-0.91

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	59.0	-1.49	-2.46
WTI Crude Oil (\$/bbl)	50.5	-1.08	-2.09
CPO (MYR/ton)	2,062	-31.00	-1.48
Gold (US\$/tr ounce)	1,291	-0.27	-0.02
Nickel (US\$/ton)	11,355	-59.50	-0.52
Tin (US\$/ton)	20,620	240.00	1.18
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	97.4	-0.70	-0.71

BEI STATISTICS	
JCI	6,336
Change (1 day)	-0.40%
Change YTD	2.29%
P/E Market (X)	15.1
Volume (mn shr)	7,973.1
Value (Rp bn)	6,436.1
↑ 157 ↓ 268 ↔ 200	
LQ45	1,008
% Change (1 day)	-0.56%

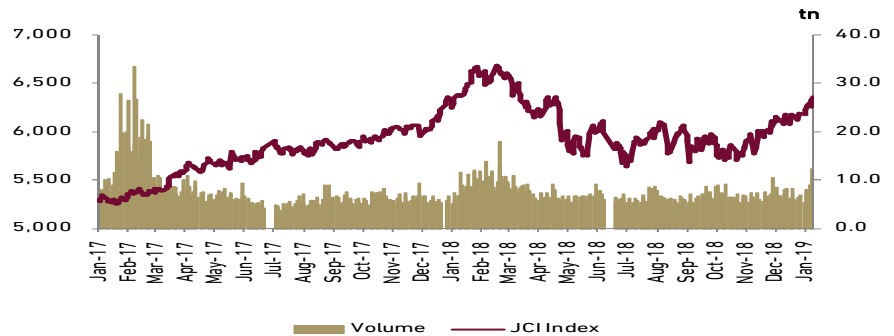
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	0.62	0.27
Inflation yoy (%)	3.13	3.23

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,125	77.00	0.55
1 USD = SGD	1.35	0.00	-0.07
1 USD = JPY	108.40	0.24	0.22
1 USD = AUD	1.39	0.00	-0.18
1 USD = EUR	0.87	0.00	-0.07

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.4	-0.15	-0.54	3,870	260,742
ISAT	0.1	0.00	0.00	1,907	2,150
BUMI Ptc	36.8	0.00	0.00	7,522	-

- BPS to release trade balance data today
- Ophir Energy rejects Medco takeover bid
- PT PP consortium wins Trans-Sulawesi railway project
- TLKM to embark into game publisher business this year
- Sriwijaya to cooperate with 5 subsidiaries of GIAA
- ULTJ to operate dairy farm in Berastagi, North Sumatera

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,260 (support) – 6,360 (resistance) level today

ASII: Take profit at Rp 8,150-Rp 8,300

Comment: Potentially to break support level

GGRM : Take profit at Rp 83,650-Rp 84,350

Comment: Testing resistance level

PTBA : Take profit at Rp 4,390-Rp 4,450

Comment: Testing resistance level

UNVR : Take profit at Rp 48,550-Rp 49,200

Comment: Testing resistance level

MARKET REVIEW & MARKET OUTLOOK

Regional

US stocks closed lower Monday weighed by weaker-than-expected China trade data which flared up concern of economic slowdown. China imports fell by 7.6% YoY in Dec-18, exports dropped by 4.4% YoY, while China's trade surplus with the US hit a record USD323.3 bn in 2018. Dow Jones slid 86 points (-0.36%) to end at 23,910 and S&P 500 fell 0.53% to 2,583. Corporate results were also in the spotlight as 4Q18 season got under way. Shares of Citigroup rallied 4% after the banking giant reported that earnings bounced back in the 4Q18 from a loss a year earlier. Another sentiment came from President Trump, which said on early Monday that talks with China were going well and that he thought he would get a deal. On commodity markets, oil prices fell with Brent down by 2.46% to USD59.0/bbl while WTI crude oil price dropped by 2.10% to USD50.5/bbl. Nickel price was down by 0.52% to USD11,354/ton and coal down by 0.71% to USD97.4/ton. CPO decline by 1.48% to close at MYR2,062/ton.

Domestic

JCI closed by 25 points lower to 6,336 or -0.4% on Monday trading and recorded Rp497 bn of net foreign buy. The laggard sectors were Misc. Industry (-1.24%), Trade (-1.03%), and Basic Industry (-0.81%) which mainly driven by HMSP (-1.56% to 3,790), UNTR (-6.47% to 26,000), and BBKA (-0.95% to 26,000) as the key movers. Rupiah weakened by 77 points to 14,125/USD. Our technical desk suggests for trading within the band of 6,260 – 6,360 with possibility to end at lower level.

BPS TO RELEASE TRADE BALANCE DATA TODAY

Statistics Office (BPS) is expected to deliver December trade balance data by today. As of Jan 14, Bloomberg consensus expect export to grow 1.03% YoY, import 7.72% YoY and resulting trade deficit as high as USD -1,115 mn. The economic slowdown in China as seen from the latest trade balance figure (export: -4.4% YoY; import: -7.6% YoY; trade balance: USD 57.06 bn) is expected to hurt Indonesia's export performance. Furthermore, Indonesia main commodities price development was not satisfying as coal price only grew 2.9% YoY, CPO trended down -24.8% YoY and oil price was also down by -9.8% YoY. We see export growth will be still on negative territory of -1.3% YoY. Meanwhile, we forecast import growth will be moderate at 7.5% YoY as the policy mix of both government and central bank to curb import and also stabilizing GDP growth in 4Q18. Our assessment sees December balance will remain deficit at USD -1.55 bn.

OPHIR ENERGY REJECTS MEDCO TAKEOVER BID

Ophir Energy, the UK oil and gas company focused on south-east Asia, is calling on takeover suitor Medco Energi (MEDC) to raise its planned takeover offer or walk away from the negotiating table. Ophir Energy has rejected a £343m offer from MEDC. Ophir said in a brief statement on Monday that its board had unanimously rebuffed the offer price, stating that it undervalues the company. Medco had argued that the price represented a 46% premium to Ophir's share price on December 28, the day before the two companies announced they were holding discussions about a possible tie-up.

Comment: The latest development could have a slight negative sentiment to MEDC share price. Under UK takeover rules, MEDC has until 28-Jan-2019 to make a firm offer or walk away.

PT PP CONSORTIUM WINS TRANS-SULAWESI RAILWAY PROJECT

PT PP (PTPP) which teams up with PT China Communication Construction Engineering Indonesia and PT Iroda Mitra has won Trans-Sulawesi railway project (Makasar – Pare-pare segment). The consortium has offered Rp1 tn investment and additional Rp246.7 bn for service availability for project.

Comment: This should increase PTPP new contract for this year and boost positive sentiment for the share price which has gained 24.1% Ytd.

TLKM TO EMBARK INTO GAME PUBLISHER BUSINESS THIS YEAR

To expand its digital business, TLKM aims to embark into game publisher business. The Company plans to distribute game and support the payment system. This is to diversify its digital business with the vision to cater holistic entertainment needs of its subscribers.

Comment: This is included in the "other business" segment in the financial report. As at 9M18, other business segment's contribution is still very small to total revenue. It recorded Rp751 bn of revenue, equivalent to 0.58% to consolidated TLKM's revenue.

SRIWIJAYA TO COOPERATE WITH 5 SUBSIDIARIES OF GIAA

Sriwijaya Air is cooperating with 5 of GIAA's subsidiaries comprise of Gapura Angkasa, Aerofood Indonesia, AeroTrans Service Indonesia, Aero Globe Indonesia and Aerojasa Cargo. More specifically, on ground handling service Sriwijaya will hand over to Gapura Angkasa, passengers' consumption and selling souvenir to Aerofood Indonesia, all pilot and cabin crew accommodation to Aero Trans Service Indonesia, travel and leisure to Aero Globe Indonesia, and the last one entrust cargo to Aerojasa Cargo. Moreover, by 2019, Sriwijaya Air expects to improve the quality of service after the cooperation with Garuda Group.

Comment: We think the main purpose of cooperation is to enable Sriwijaya in fulfilling their obligation to GMFI. However, with the operational control by GIAA, implicitly GIAA has control around 50% of the domestic market share, whereby lead to higher market power.

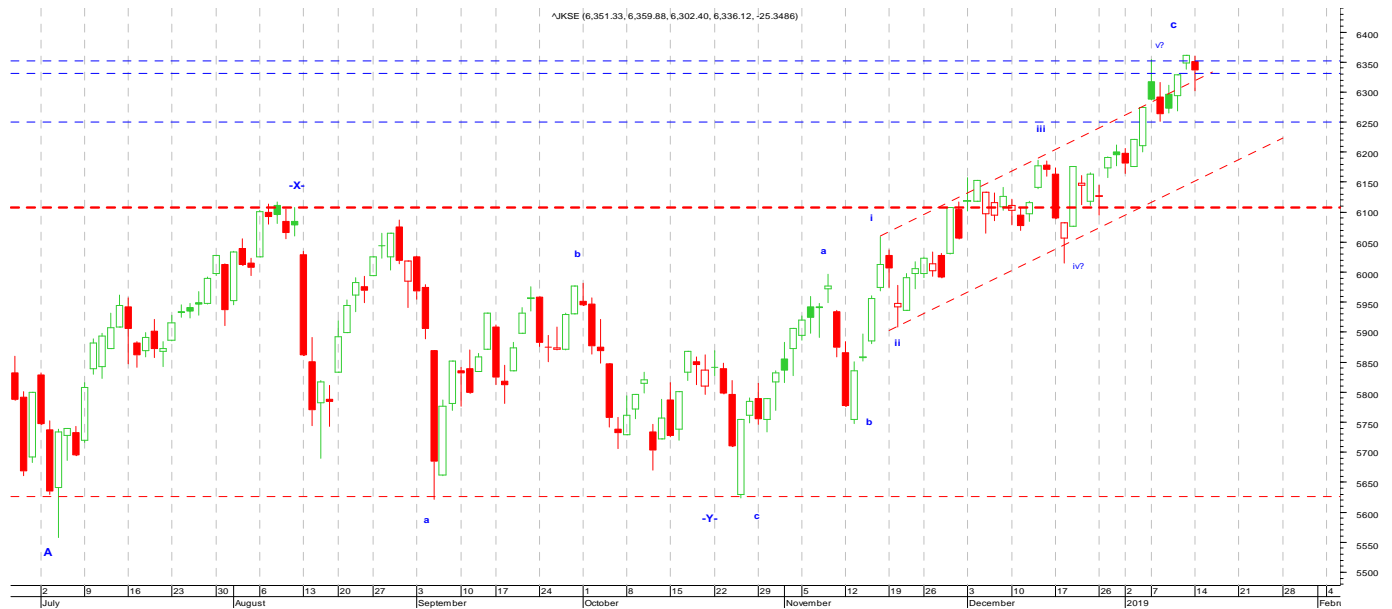
ULTJ TO OPERATE DAIRY FARM IN BERASTAGI, NORTH SUMATERA

Ultrajaya Milk Industry & Trading Company (ULTJ) targets to operate Berastagi dairy farm with 2000 dairy cows from Australia. Hence to support Berastagi's operational activities MYOR allocate Rp 65 bn capex this year for new machines and office. This year, Company expects sales growth from existing product's brand instead of launching the new brand. ULTJ claimed 42% market share in Indonesia UHT market and 71% market share in ready to drink tea. Hence as the consumer spending expected to improve, Company targets at double digit sales growth this year.

TECHNICAL ANALYSIS

JCI : (6,336 -0.4%)

Comment : HMSP, UNTR and BBCA consecutively became lagging movers. Technically, JCI closed below resistance level of 6,361. Support level at 6,250. Resistance level at 6,380. Next support and resistance level will be at 6,120-6,450. Based on Elliot wave approach, as we discussed before, JCI is forming corrective wave ABC. We noted that the lowest level of 5,557 as the bottom of wave A. The rising movement that occurred in the last three months noted as sub wave X of wave up B. 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 B. If the peaks of wave B has reached, then the index will reversal to form wave down minor C. Wave C usually will form five waves. Sub wave 1 of wave (1) of wave C will test support level of 6,120 then JCI will bounce to form sub wave 2 before go down to form sub wave 3 to test support level of 5,557.



STOCK OF THE DAY

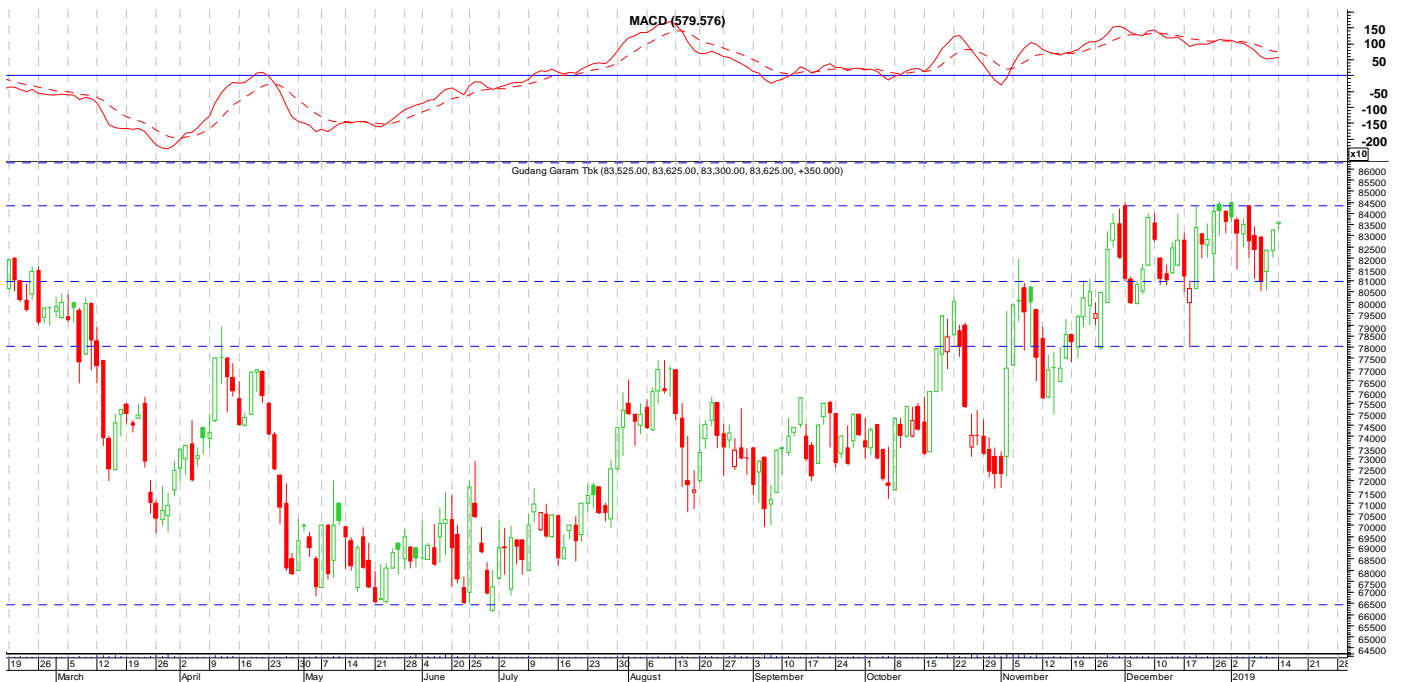
ASII : Testing support level

The price held above minor support level of 8,050. Resistance level at 8,300. Next support and resistance level at 7,500-8,500. The trend is still sideways. Take profit/Sell on strength. Sell if the price moves below the level of 7,950.



GGRM : Testing resistance level

The price closed below minor resistance level of 84,350. Support level at 80,500. Next support and resistance level of 78,000-90,000. The mid-term trend is still sideways. Take profit/ Sell on strength



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PTBA : Testing Resistance level

The price closed below minor resistance level of 4,450. Support level at 4,260. Next support and resistance level at 4,120-4,520. The mid-term trend is still sideways. ST : Take profit/Sell on strength



UNVR : Testing resistance level

The price closed below minor resistance level of 49,200. Support level at 46,000. Next support and resistance level at 42,675-52,000. The price likely wil form a right shoulder of the reversal Head and shoulder pattern. Take profit/Sell on strength



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,075 -14,175

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.36
3	7.84
5	7.95
10	8.01
15	8.38
30	9.02

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.28	6.36	6.20	6.06	5.57
US\$	1.25	1.21	1.16	1.15	
JIBOR (RP)	7.24	7.44	7.69	7.83	

BASE LENDING RATE	
BI RATE	6.00
FED FUND RATE	2.50
LPS INSURED RATE	
IDR	5.50
US\$	1.00

EXCHANGE RATE		
EXCHANGE RATE		% chg.
1 US\$ = IDR	14,093	0.23
1 US\$ = SGD	1.35	0.07
1 US\$ = JPY	108.40	-0.22
1 US\$ = AUD	0.72	0.18
1 US\$ = EUR	1.15	0.07

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