

GLOBAL

Index	Last	Change	% chg
Dow	24,370	162.94	0.67
S&P 500	2,636	19.86	0.76
Eido US	27.0	0.20	0.75
H.S.I	26,756	-146.47	-0.54
Nikkei	20,402	-40.48	-0.20
STI	3,214	-14.67	-0.45
KLCI	1,683	9.89	0.59
Kospi	2,118	11.04	0.52
SET Thai	1,580	2.89	0.18

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	61.2	-0.14	-0.23
WTI Crude Oil (\$/bbl)	52.1	-0.24	-0.46
CPO (MYR/ton)	2,121	31.00	1.48
Gold (US\$/tr ounce)	1,291	-0.55	-0.04
Nickel (US\$/ton)	11,546	-18.00	-0.16
Tin (US\$/ton)	20,690	35.00	0.17
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	100.3	0.60	0.60

BEI STATISTICS

JCI	6,424
Change (1 day)	0.16%
Change YTD	3.70%
P/E Market (X)	15.3
Volume (mn shr)	9,921.4
Value (Rp bn)	7,845.7
↑ 182 ↓ 229 ↔ 214	
LQ45	1,025
% Change (1 day)	0.32%

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

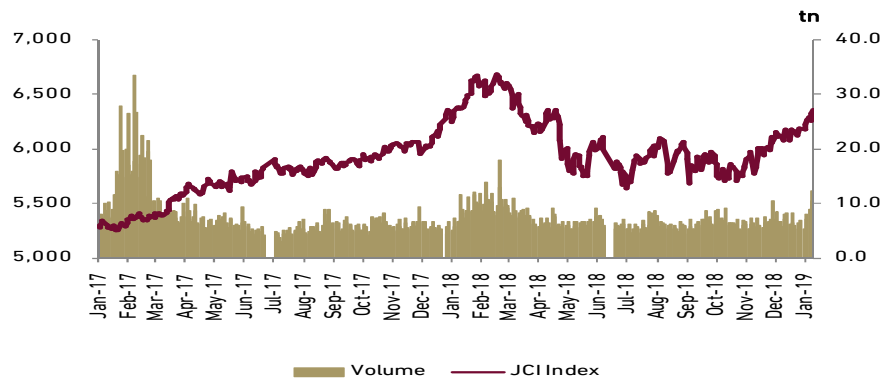
	Last	Change	% chg
1 USD = IDR	14,192	64.00	0.45
1 USD = SGD	1.36	0.00	-0.01
1 USD = JPY	109.22	-0.04	-0.04
1 USD = AUD	1.39	0.00	0.03
1 USD = EUR	0.88	0.00	-0.01

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	28.2	-0.17	-0.60	3,995	389,730
ISAT	0.1	0.00	0.00	1,916	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Bank Indonesia maintains policy rate at 6.00%
- Waskita targets new contract of Rp55 tn for this year
- SIDO allocates Rp100 bn for capex

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,350 (support) – 6,450 (resistance) level today

ASII: Sell on strength at Rp 8,325-Rp 8,425

Comment: Testing resistance level

BBRI: Sell on strength at Rp 3,840-Rp 3,910

Comment: Testing resistance level

SMGR: Speculative buy at Rp 12,400-Rp 12,200

Comment: Closed above resistance level

WIKA: Sell on strength at Rp 1,905-Rp 1,950

Comment: Testing resistance level

MARKET REVIEW & MARKET OUTLOOK

Regional

Dow Jones closed 162.9pts higher (+0.67%) to 24,370 on Thursday trades. S&P was up by 19.86pts (+0.76%) to 2,636, while Nasdaq rose 0.7%. A report mentioned that US indicates to ease China's tariffs on their trade negotiations. Some of the index movers are, Caterpillar which rose by 2.2%, and Boeing up by 2%.

On commodity markets, Brent Crude Oil declined by 0.23 % to USD 61.2/bbl and WTI Crude oil inched down 0.46% to USD52.1/bbl. CPO rose by 1.48% at MYR 2,121/ton. Nickel inched down by 0.16% to USD 11,546/ ton. While coal gained 0.6% at USD 100.3/ton.

Domestic

JCI closed at 6,423 higher 10.42 points (+0.16%). Net foreign buy was recorded at Rp1.6 tn. The leading sectors were, Basic Industry (+0.76%), Finance (+0.49%), Trade (+0.36%). The Index movers were, UNVR (+1.98% to 48,875), BBKA (+0.85% to 26,650), BBRI (+0.79% to 3,810). Rupiah weakened by 64 points to 14,192/USD. Our technical desk suggests for trading within the band of 6350 – 6450 with possibility to end at lower level.

BANK INDONESIA MAINTAIN POLICY RATE AT 6.00%

Bank Indonesia (BI) decided to maintain policy rate at 6.00%, deposit facility rate at 5.25% and lending facility rate at 6.75%. This move is seen in line with central bank's effort to reduce current account deficit (CAD) and maintain the attractiveness of Indonesia's financial market. BI put a conservative view on 4Q18 CAD as it predicted the figure will be around USD 8.8 bn, similar with 3Q18 figure. However, it believed a turnaround will happen in 1Q19 as the import growth will fall further. The central bank expect CAD in 2019 will be around 2.5% of GDP. Although CAD is seen worse than previous forecast, capital inflow in 4Q18 saved the BoP and Rupiah. BI believe BoP will have surplus around USD 4-5 that means financial account should have around USD 12.8 – 13.8 bn surplus.

Comments: We believe BI's rate decision in 2019 will fully rely on the movement of FFR.

WASKITA TARGETS NEW CONTRACTS OF RP55 TN FOR THIS YEAR

Waskita Karya (WSKT) expects to book new contract of Rp55 tn this year, which will double from Rp27.08 tn achieved in 2018. WSKT saw a 51% YoY decline in new contract last year which bring total order book to Rp117.07 tn or lower compared to Rp138.1 tn seen in 2017. Meanwhile the company just won Jakarta-Cikampek II Selatan toll road project of Rp3 tn.

Comment: We forecast new contract of Rp45 tn for this year given big miss in new contract with achievement of only 54% of target in 2018. We currently have Buy rating on WSKT with TP of Rp2,450.

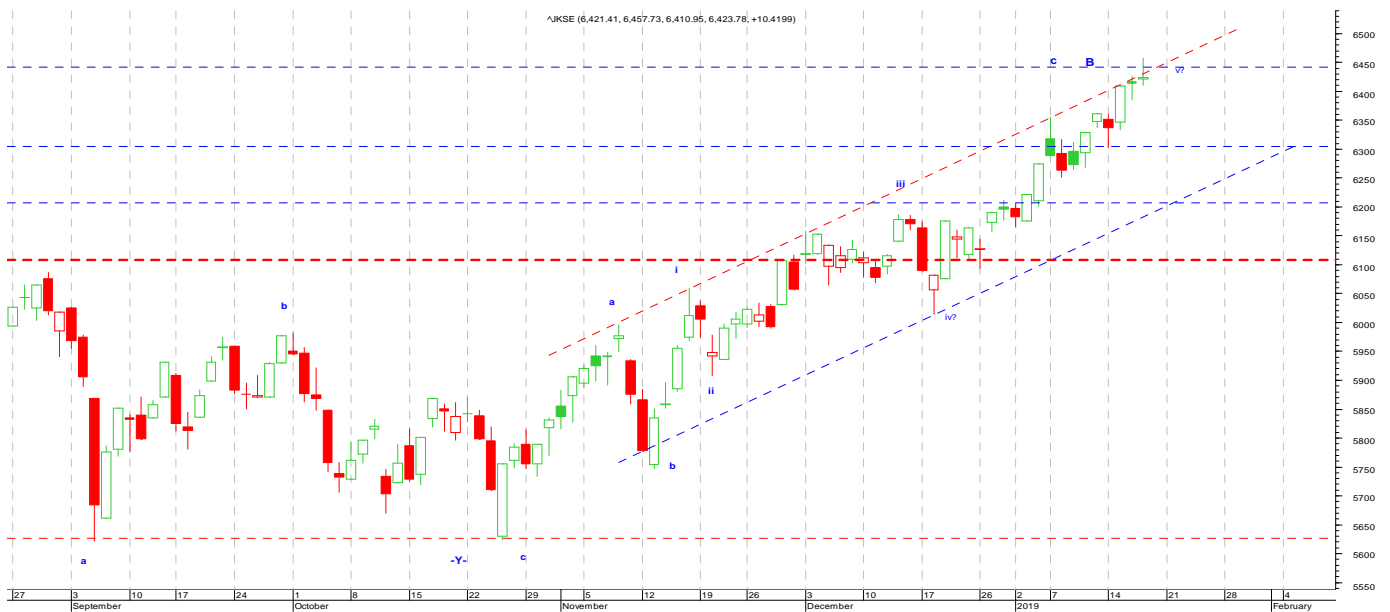
SIDO ALLOCATE RP 100BN FOR CAPEX

This year PT Sido Muncul (SIDO) only allocates Rp 100 bn for capex vs Rp 300 bn last year as the company claimed capex main purpose is for machine maintenance and will not purchase any new machine this year. Since last year SIDO finished liquid medicines factory (COD). Company also targets at 10% sales growth by growing its export market to South East Asia, Philippine and Nigeria. As in financial statement 9M18 export contribution was 2% to revenue. Positive with Indonesia's consumer purchasing power this year SIDO will strengthen the distribution network in East part of Indonesia.

TECHNICAL ANALYSIS

JCI : (6,423 +0.16%)

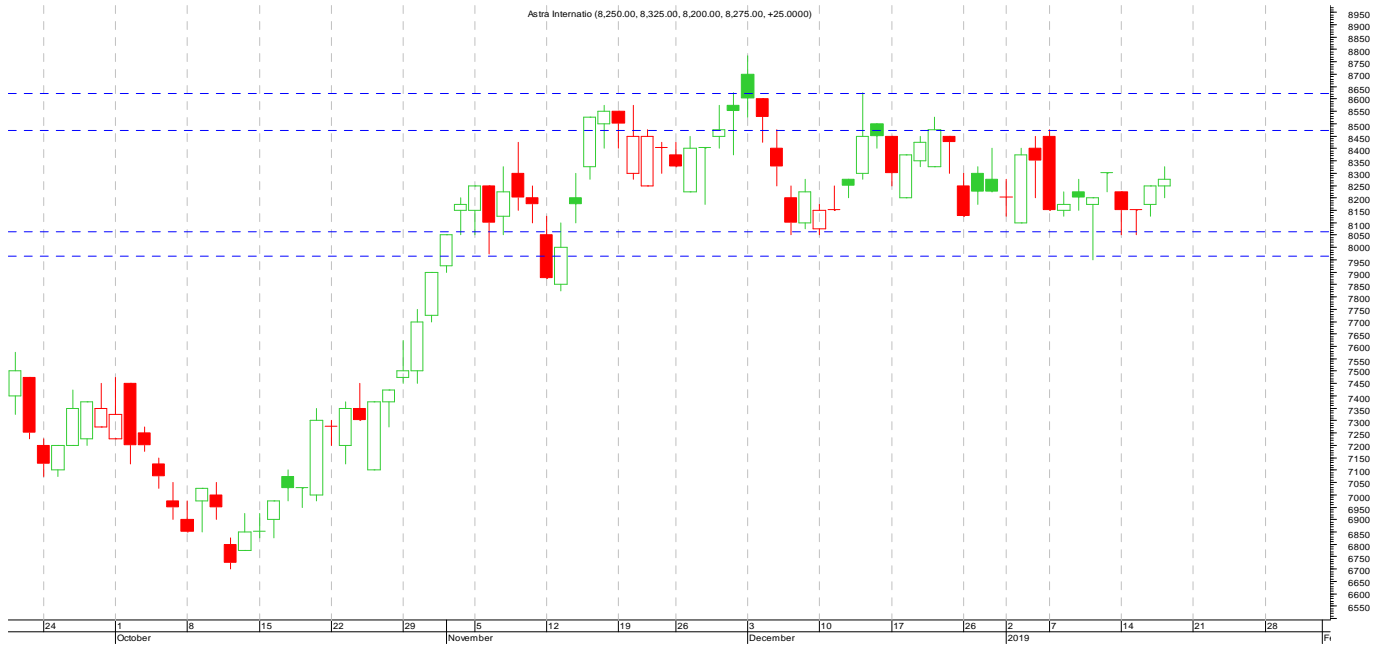
Comment : UNVR, BBCA and BBRI consecutively became leading movers. Technically, JCI still closed below resistance level of the short-term uptrend channel. Support level at 6,385. Next support and resistance level will be at 6,200-6,460. Candlestick chart likely formed a doji pattern. Based on Elliot 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 up 2 before go down to form sub wave 3 to test support level of 5,557.



STOCK OF THE DAY

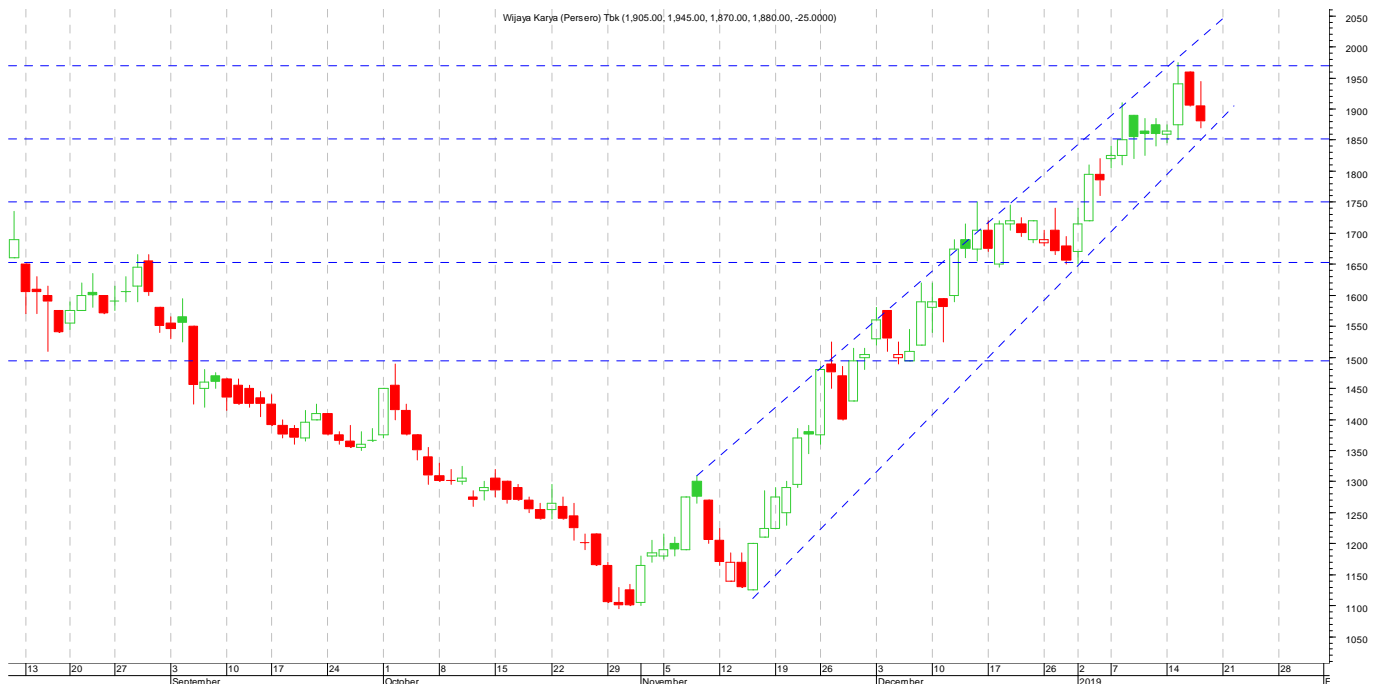
ASII : Testing resistance level

The price closed below minor resistance level of 8,500. Support level at 7,950. Next support and resistance level at 7,500-8,625. The price moved sideways in the last five weeks. Sell on strength, Sell if the price moves below the level of 7,950.



WIKA : Testing support level

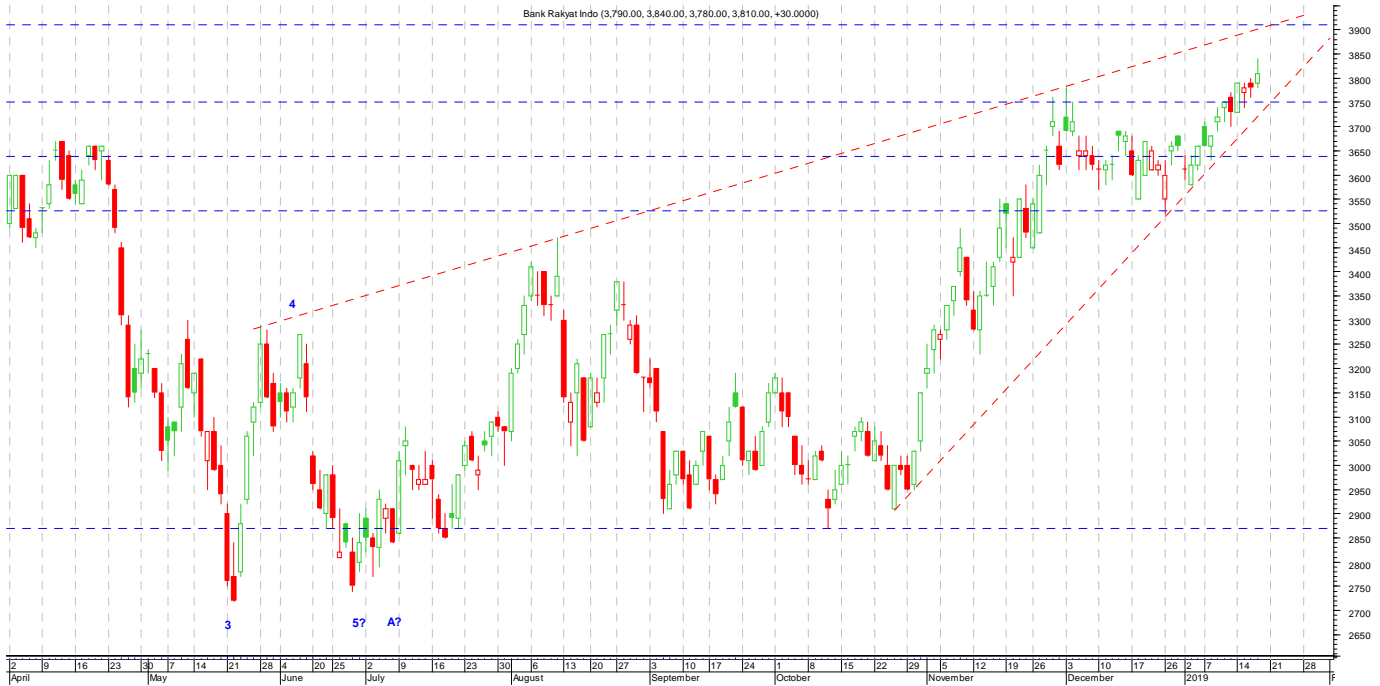
The price closed above support level of the short-term uptrend line 1,850. Resistance level at 1,975. Next support and resistance level at 1,750-2,050. Sell on strength, sell if the price moves and stable below the level of 1,850



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BBRI : Testing Resistance level

The price closed below resistance level of the channel 3,910. Support level at 3,750 which is support level of the short-term uptrend line. Next support and resistance level at 3,580-4,200. Sell on strength



SMGR : Testing resistance level

The price closed above minor resistance level of 12,225. If the breakout confirm, level of 12,200 will turn into support level and the price will continue the positive trend. Resistance level at 13,500. Next support and resistance level at 11,500-14,00. ST : Speculative buy, MT : Sell on strength ,cut if the price moves below the level of 11,900



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,140 -14,190

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.48
3	7.84
5	8.00
10	8.10
15	8.50
30	8.96

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.22	6.32	6.22	6.17	5.58
US\$	1.22	1.24	1.17	1.20	
JIBOR (RP)	7.19	7.41	7.65	7.81	

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	14,192	-0.45
1 US\$ = SGD	1.36	0.01
1 US\$ = JPY	109.22	0.04
1 US\$ = AUD	0.72	-0.03
1 US\$ = EUR	1.14	0.01

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