

GLOBAL

Index	Last	Change	% chg
Dow	24,404	-301.87	-1.22
S&P 500	2,633	-37.81	-1.42
Eido US	26.6	-0.42	-1.55
H.S.I	27,005	-191.09	-0.70
Nikkei	20,623	-96.42	-0.47
STI	3,193	-27.85	-0.86
KLCI	1,702	9.90	0.59
Kospi	2,112	-6.18	-0.29
SET Thai	1,602	13.39	0.84

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	62	-1.20	-1.91
WTI Crude Oil (\$/bbl)	52.6	-1.23	-2.29
CPO (MYR/ton)	2,163	21.00	0.98
Gold (US\$/tr ounce)	1,284	-0.92	-0.07
Nickel (US\$/ton)	11,517	-219.50	-1.87
Tin (US\$/ton)	20,560	-225.00	-1.08
Pulp (US\$/ton weekly)	1,205.0	0.00	0.00
Coal (US\$/ton)	99.2	-0.15	-0.15

BEI STATISTICS

JCI	6,469
Change (1 day)	0.27%
Change YTD	4.42%
P/E Market (X)	15.4
Volume (mn shr)	10,077.6
Value (Rp bn)	8,262.9
↑ 198 ↓ 231 ↔ 198	
LQ45	1,031
% Change (1 day)	0.19%

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

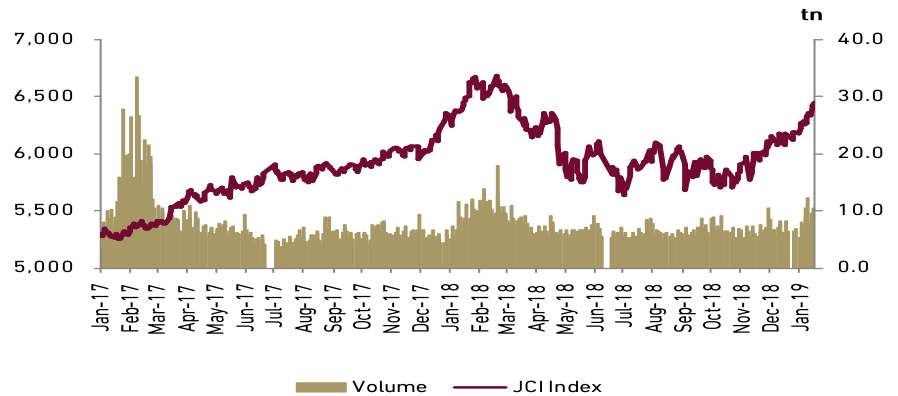
	Last	Change	% chg
1 USD = IDR	14,220	-8.00	-0.06
1 USD = SGD	1.36	0.00	-0.01
1 USD = JPY	109.40	0.03	0.03
1 USD = AUD	1.40	0.00	0.04
1 USD = EUR	0.88	0.00	-0.03

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	28.0	-0.43	-1.51	3,976	294,423
ISAT	0.1	0.00	0.00	1,920	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Indonesia targets 5.4% - 6.0% growth in RPJMN 2020-2024
- Michelin to purchase 80% stake in MASA
- DILD books Rp2.28 tn marketing sales in 2018
- Sarimelati Kencana(PZZA) to open 60 new stores
- ANTM FY18 production and sales volume higher than our forecasts

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,330 (support) – 6,475 (resistance) level today

**GGRM: Take profit at Rp 82,800-Rp 83,500**

Comment: Testing resistance level

**ASII : Take profit at Rp 8,200-Rp 8,300**

Comment: Testing resistance level

**JSMR : Take profit at Rp 4,940-Rp 5,050**

Comment: Testing resistance level

**BSDE : Take profit at Rp 1,400-Rp 1,450**

Comment: Testing resistance level

MARKET REVIEW & MARKET OUTLOOK

Regional

U.S. stock market tumbled on the first trading day of the week on concern of global growth slowdown after IMF cut its growth target, weak data out of China, and disappointing of earnings result from several U.S. companies. Other reason driving the market yesterday was the report which mentioned that U.S. officials turned down the offer by China to hold preparatory meeting on trade, yet in late session the losses narrowed after White House adviser denied it. S&P 500 dropped 37.81 points or 1.4%, DJIA plunged 301.87 points or 1.22% and Nasdaq fell 136.87 points or 1.91%. From commodity market, Brent crude oil and WTI crude oil declined by 1.91% and 2.29% to USD61.5/bbl and USD52.6/bbl, respectively. The unfavorable data from China has led rising concern on future demand. In addition, CPO rose by 0.98% to 2,163 MYR/ton.

Domestic

JCI ended higher by 17.73 points or 0.28% to close at Rp6,469 on Tuesday and recorded Rp3.5 bn net foreign buy. Basic Industry (+1.42%), Consumer (+0.74%), Property (+0.69%), Finance (+0.41%), Agriculture (+0.35%) and Trade (+0.02%) were the sector leader, BBKA (+0.99% to 28,000), BDMN (+7.78% to 9,000) and HMSP (+1.07% to 3,770) become the index movers. Rupiah currency strengthened by 8 point to Rp14,220/USD. Our technical desk suggests for trading within the band of 6,330–6,475, with possibility to end at mix level.

#### INDONESIA TARGETS 5.4% - 6.0% GROWTH IN RPJMN 2020-2024

In the newest Indonesia's national medium term development plan, government targets 5.4% - 6.0% YoY growth in 2020-2024. Manufacture should be the motor of growth through productivity, investment and export. Government plans to accelerate innovation in manufacture which will be divided to several steps. First, Indonesia should focus on product development. Second, government will push efficiency of energy utilization through industry machine restructuring and prepare fiscal incentive for high tech development license. Government targets manufacture growth at 5.40% - 7.05% YoY in 2020 - 2024.

#### MICHELIN TO PURCHASE 80% STAKE IN MASA

Michelin signed an agreement to buy 80% of Indonesian tire producer Multistrada Arah Sarana (MASA) and for USD439m for 80% stake. Michelin will subsequently launch a public offer for the remaining outstanding shares at same price per share as offered to 80% shareholder group. Michelin will also acquire 20% stake in the retailer PT Penta Artha in partnership with Indomobil and private investors which is expected to boost sales of Michelin brands in Indonesia.

**Comment:** Based on our calculation the acquisition price translates to Rp847/share or 10.7% from MASA last closing price.

#### INTILAND BOOKS RP2.28 TN MARKETING SALES IN 2018

Intiland Development (DILD) recorded marketing sales of Rp2.28 tn, down 22.1% compared to with Rp2.93 tn recorded in 2017. Nevertheless, the Company increased its recurring income to Rp595.7 bn, up 12.8% compared with Rp528.2 bn booked in 2017. The marketing sales figure was equivalent to 67.5% of the Rp3.38 tn that the company aimed to achieve in 2018. The drop in marketing sales was caused mainly by a weak property market and decline in consumer purchase interest.

**Comment:** DILD's FY18 marketing sales came in below our target at 67% achievement. Currently, our 2019F TP Rp350 (based on 60% discount to our RNAV) offers less than 10% upside from current market price hence HOLD rating. We review our FY19 marketing sales target with potential to downgrade.

#### ANTM FY18 PRODUCTION AND SALES VOLUME RESULT HIGHER THAN OUR FORECASTS

ANTM's ferronickel production rose by 14.3% YoY in FY18 to 24.8 k tons and sales volume rose 10.6% YoY to 24.1 k tons. ANTM's nickel ore production rose by 67.2% YoY to 9.3 mn wmt and sales rose 114.4% to 6.2 mn wmt, this results exceeded our estimates by 8% and 17% respectively. Its gold production decreased by 0.7% YoY to 1,953 kg, however ANTM's gold sales increased considerably by 114% YoY to 28,258 kg exceeding our estimates by 18%. Furthermore, ANTM's bauxite production rose 70% to 1.1 mn wmt and sales rose 15.2% to 965 k wmt.

Production Volume	Unit	FY18	FY17	YoY	4Q18	3Q18	QoQ	18E
Ferronikel	Tni (K)	24.8	21.7	14.3%	5.5	6.5	-14.2%	27.0
Bijih Nikel	Wmt (K)	9,317.9	5,572.1	67.2%	2,826.1	2,723.6	3.8%	8,637
Gold	Kg	1,953.0	1,967.0	-0.7%	475.0	437.0	8.7%	2,100
Bauxite	Wmt (K)	1,102.4	648.4	70.0%	314.0	371.6	-15.5%	881

Sales Volume	Unit	FY18	FY17	YoY	4Q18	3Q18	QoQ	18E
Ferronikel	Tni (K)	24.1	21.8	10.6%	5.0	6.6	-24.6%	28.4
Bijih Nikel	Wmt (K)	6,294.1	2,935.6	114.4%	2,184.8	2,187.5	-0.1%	5,400
Gold	Kg	28,258.0	13,202.0	114.0%	5,870.0	8,629.0	-32.0%	24,000
Bauxite	Wmt (K)	965.4	838.1	15.2%	271.8	437.1	-37.8%	881

**Comment:** Higher-than-expected operating data could offer upside risks to our FY18 earnings forecasts. We still have BUY rating for ANTM with TP of Rp1,250

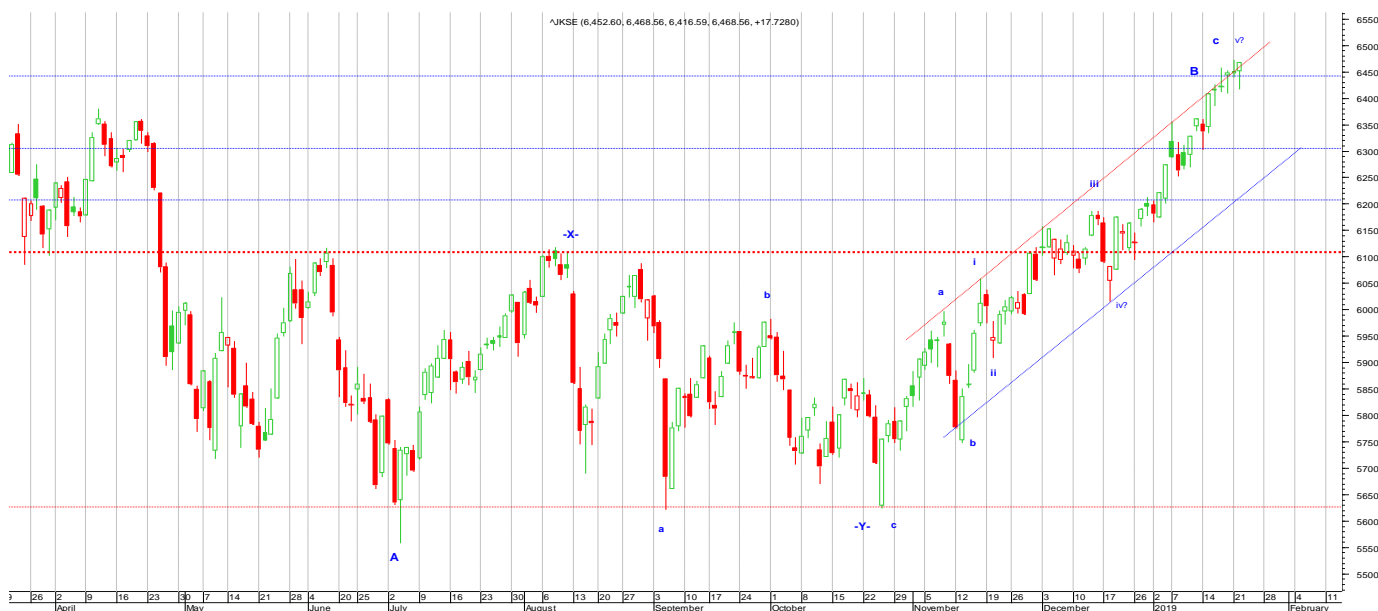
**SARIMELATI KENCANA(PZZA) TO OPEN 60 NEW STORES**

PZZA plan to expand their business in Sumatera, Kalimantan and Sulawesi by opening 60 new stores. Company forecast the total investment per store will be around Rp 7- 8bn, as they plan to use stand alone concept that provide parking area. Throughout 2018, PZZA had successfully open 69 new stores and Company view there is promising prospect in culinary business. In 3Q18, PZZA recorded 17.9%YoY revenue growth to Rp 2.57 tn and net profit grew by 20.5%YoY to Rp 101.5 bn. This year, company expects they could book higher growth than last year.

## TECHNICAL ANALYSIS

JCI : ( 6,469 +0.28%)

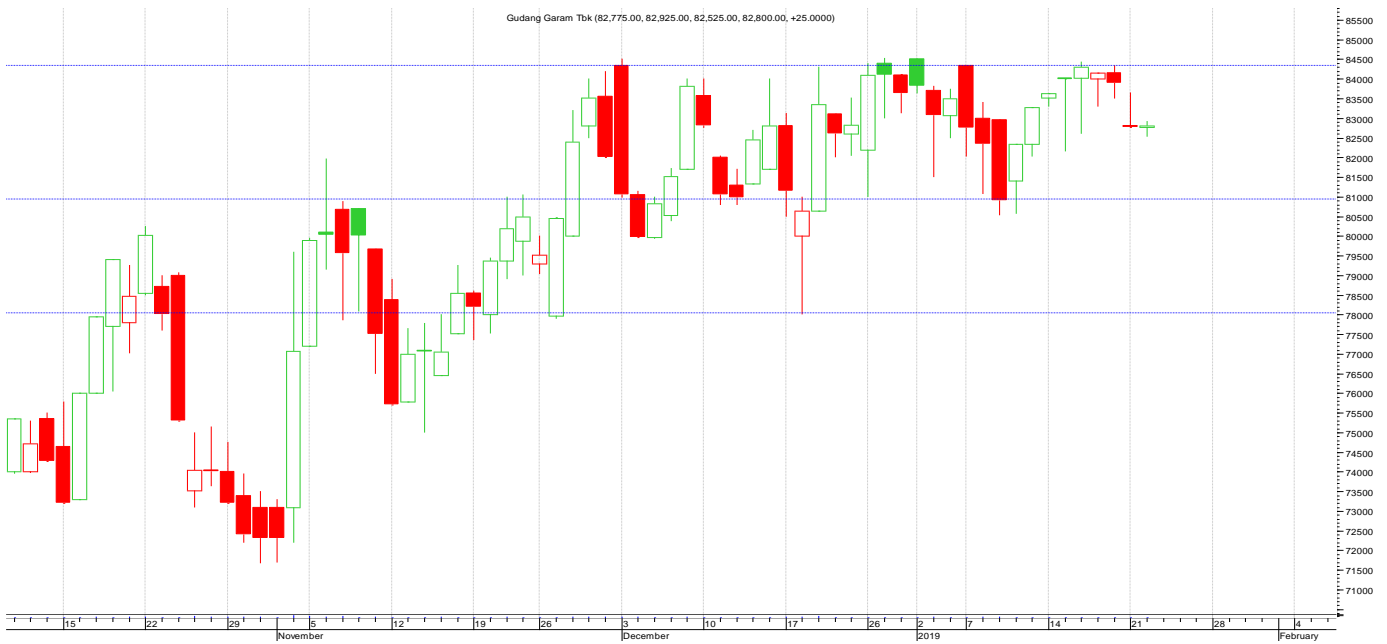
**Comment :** BBCA, BDMN and HMSP consecutively became leading movers. Technically, JCI still closed below resistance level of the short-term uptrend channel. Support level at 6,385. Next support and resistance level will be at 6,200-6,472. Candlestick chart likely formed a reversal hanging man pattern. 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**

**GGRM : Testing resistance level**

The price failed to break minor resistance level of 84,425. Support level at 80,500. Next support and resistance level at 78,000-86,000. The mid-term trend is still sideways. Candlestick chart likely formed a reversal pattern. Take profit/Sell on strength



**JSMR : Testing resistance level**

The price held above minor support level of 4,810. Resistance level at 4,980-5,000. Next support and resistance level at 4,600-5,150. If there is no extension, level of 5,150 likley the peaks of the short-term uptrend cycle. Take profit/Sell on strength



Please see analyst certification and other important disclosures at the back of this report

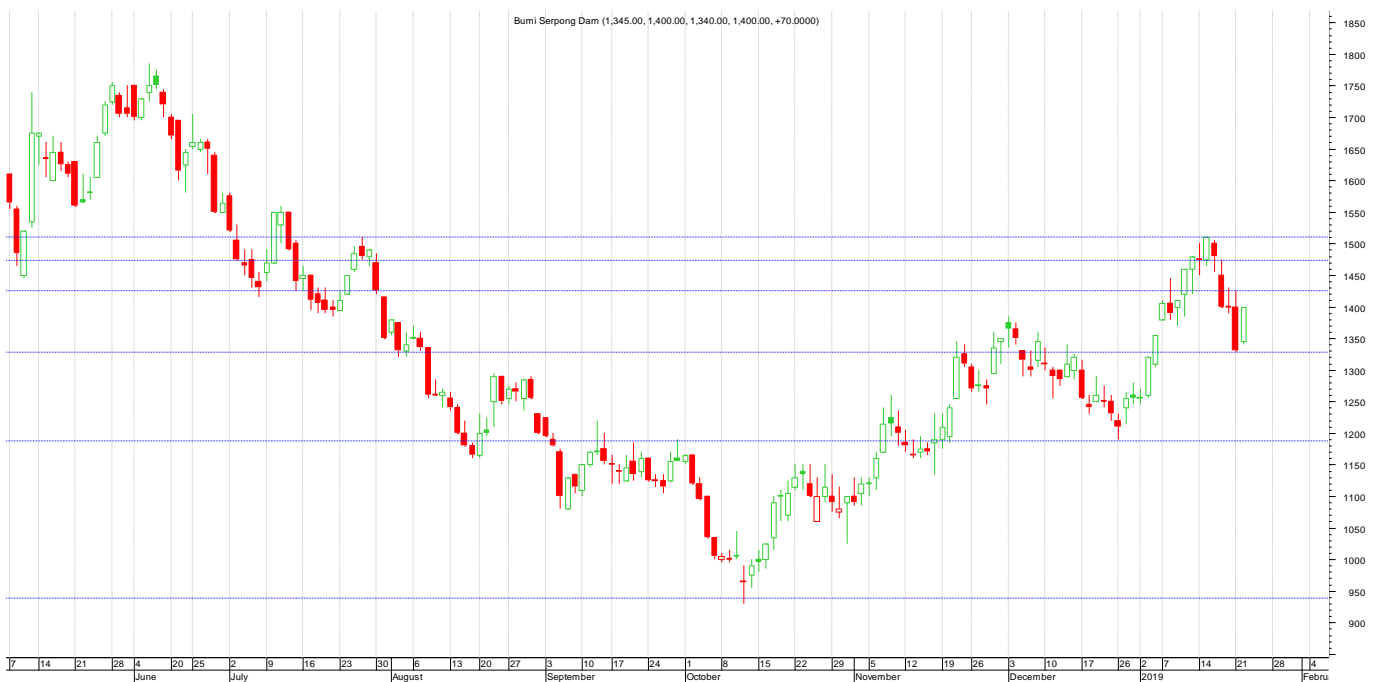
**ASII : Testing support level**

The price closed above strong support level of 8,050. Resistance level at 8,550. Next support and resistance level at 7,950-8,775. The mid-term trend is still sideways. Sell on strength, Sell if the price moves below the level of 7,950.



**BSDE : Testing resistance level**

The price held above minor support level of 1,330. Resistance level at 1,510. Next support and resistance level at 1,190-1,650. Some momentum indicators give negative sign. Take profit/Sell on strength



## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,178 -14,270

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.55
3	7.88
5	8.01
10	8.11
15	8.52
30	8.96

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.19	6.33	6.20	6.09	5.59
US\$	1.27	1.25	1.16	1.17	
JIBOR (RP)	7.17	7.41	7.64	7.80	

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	14,220	0.06
1 US\$ = SGD	1.36	0.01
1 US\$ = JPY	109.40	-0.03
1 US\$ = AUD	0.71	-0.04
1 US\$ = EUR	1.14	0.03

PlazaASIA Office Park Unit 2  
Jl. Jend. Sudirman Kav. 59  
Jakarta 12190, Indonesia

T +62 21 2557 4800  
F +62 21 2557 4900  
E [research@ciptadana.com](mailto:research@ciptadana.com)  
[www.ciptadana.com](http://www.ciptadana.com)

**Analyst Certification**

Each contributor to this report hereby certifies that all the views expressed accurately reflect his or her personal views about the companies, securities and all pertinent variables. It is also certified that the views and recommendations contained in this report are not and will not be influenced by any part or all of his or her compensation.

**Disclaimer**

This report does not constitute an offer to buy or sell any security/instrument, invitation to offer or recommendation to enter into any transaction. Nor are we acting in any other capacity as a fiduciary to you. By accepting this report, subject to applicable law or regulation. When making an investment decision, you should determine, without reliance upon us or our affiliates, the economic risks and merits (and independently determine that you are able to assume these risks) as well as the legal, tax and accounting characterizations and consequences of any such transaction. In this regard, by accepting this presentation, you acknowledge that (a) we are not in the business of providing (and you are not relying on us for) legal, tax or accounting advice, (b) there may be legal, tax or accounting risks associated with any transaction, (c) you should receive (and rely on) separate and qualified legal, tax and accounting advice and (d) you should apprise senior management in your organization as to such legal, tax and accounting advice (and any risks associated with any transaction and our disclaimer as to these matters).

The information contained in this report is based on material we believe to be reliable; however, we do not represent that it is accurate, current, complete, or error free. Assumptions, estimates and opinions contained in this report constitute our judgement as of the date of the document and are subject to change without notice. Any projections are based on a number of assumptions as to market conditions and there can be no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results. CIPTADANA SPECIFICALLY DISCLAIMS ALL LIABILITY FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL OR OTHER LOSSES OR DAMAGES INCLUDING LOSS OF PROFITS INCURRED BY YOU OR ANY THIRD PARTY THAT MAY ARISE FROM ANY RELIANCE ON THIS REPORT OR FOR THE RELIABILITY, ACCURACY, COMPLETENESS OR TIMELINESS THEREOF.