

GLOBAL

Index	Last	Change	% chg
Dow	24,737	183.96	0.75
S&P 500	2,665	22.43	0.85
Eido US	27.3	0.24	0.89
H.S.I	27,569	448.21	1.65
Nikkei	20,747	-26.19	-0.13
STI	3,202	11.52	0.36
KLCI	1,701	7.44	0.44
Kospi	2,179	0.93	0.04
SET Thai	1,624	3.09	0.19

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	62	0.55	0.90
WTI Crude Oil (\$/bbl)	53.7	0.56	1.05
CPO (MYR/ton)	2,190	-10.00	-0.45
Gold (US\$/tr ounce)	1,301	-2.08	-0.16
Nickel (US\$/ton)	11,907	200.00	1.71
Tin (US\$/ton)	20,815	-305.00	-1.44
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	99.5	0.30	0.30

BEI STATISTICS

JCI	6,483
Change (1 day)	0.25%
Change YTD	4.65%
P/E Market (X)	15.5
Volume (mn shr)	9,203.5
Value (Rp bn)	7,726.4
↑ 216 ↓ 204 ↔ 207	
LQ45	1,026
% Change (1 day)	0.26%

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

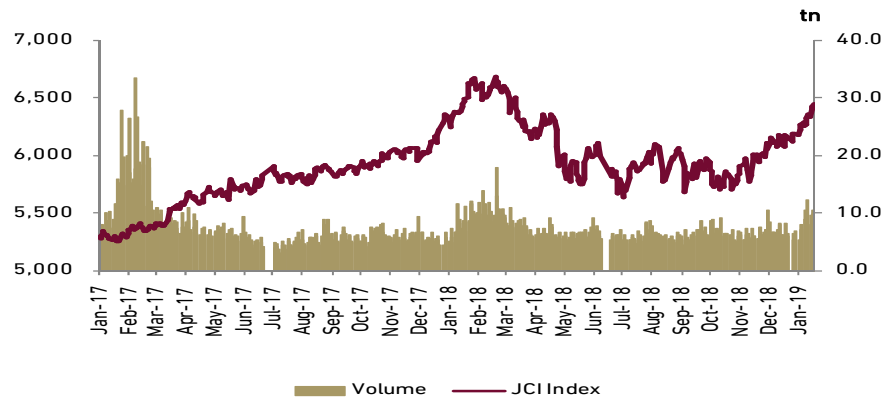
	Last	Change	% chg
1 USD = IDR	14,093	-77.00	-0.54
1 USD = SGD	1.35	0.00	-0.04
1 USD = JPY	109.35	-0.20	-0.18
1 USD = AUD	1.39	0.00	-0.06
1 USD = EUR	0.88	0.00	-0.09

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.6	-0.04	-0.14	3,885	236,158
ISAT	0.1	0.00	0.00	1,903	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Joint-payment may lead to increase BPJS deficit
- Wijaya Karya Beton expects new contract to grow by 16.9%
- TLKM establishes a fintech company
- ANTM to increase its exploration funds

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,450 (support) – 6,530 (resistance) level today

BBNI: Sell on strength at Rp 9,175-Rp 9,250

Comment: The trend potentially to reversal

TLKM: Sell on strength at Rp 3,930-Rp 3,980

Comment: The trend is still sideways

JPPA: Sell on strength at Rp 2,750-Rp 2,850

Comment: Testing resistance level

BBRI: Sell on strength at Rp 3,800-Rp 2,820

Comment: Testing resistance level

MARKET REVIEW & MARKET OUTLOOK

Regional

Positive was the theme for the stock market as Dow Jones, at 24,737, closed Friday 0.8% higher but only 0.1% on the week. News late Friday afternoon that President Trump has agreed to reopen the government before debating the funding for a border wall had little initial impact on the markets as stocks held steady at moderate gains and bonds and the dollar showed little reaction. Last week's economic news did not include durable goods and new home sales, both of which were delayed, but it did include updates on other housing data, which were mostly soft including existing home sales, and on manufacturing where indications are decidedly downbeat especially the Richmond Fed index which remains in the negative column. On commodity markets, WTI crude oil upped by 1.05% to USD53.7/bbl. while nickel price rose by 1.71% USD11,907/ton.

Domestic

JCI closed higher at 6,483 by 16 points or 0.25% on Friday trading and recorded Rp177 bn of net foreign sell. The leading sectors were Agriculture (+1.80%), Property (+1.13%), and Basic Industry (+0.39%) which mainly driven by BBKA (+0.73% to 27,500), GGRM (+2.54% to 84,650), and KAEP (+14.81% to 3,100) as the key movers. Rupiah strengthened by 77 points to 14,093/USD. Our technical desk suggests for trading within the band of 6,450 – 6,530 with possibility mixed to end at lower level.

JOINT-PAYMENT MAY LEAD TO INCREASE BPJS DEFICIT

The joint-payment scheme and the gap in JKN were concerned to increase another BPJS deficit amounting of Rp1,3 tn. According to the advocate coordinator of BPJS watch, Timboel Siregar, the deficit increment is backed by the cesarean section cost on the list of joint-payment. According to the BPJS watch data, the number of Caesar surgery cases in November 2018 was 586,696 cases with the total cost of Rp3.2 tn, which increased from the previous month of 524,370 cases or at Rp2.88 tn. In addition, in 2018 the BPJS deficit reached Rp10.98 tn.

Comment: We maintain our NEUTRAL view on healthcare-sector, as we remain concerned about the BPJS deficit, that may affect the company's cash-flow and profitability.

WIJAYA KARYA BETON EXPECTS NEW CONTRACT TO GROW BY 16.9%

Wijaya Karya Beton (WTON) sees new contract to reach Rp9 tn for this year , 16.9 % higher than last year's realization of Rp7.7 tn. The company aims at a number of projects including the the regional government, state-owned enterprises (BUMN), and private projects. WTON is optimistic that the target is achievable because, in the previous year, the total value of contract acquired was above the target. In 2018, WTON set a target of Rp7.5 tn, but the realization at the end of the year was recorded at Rp7.7 tn. One of company's official estimates that 40-50% of WTON's contracts this year will come from infrastructure projects. 80% of infrastructure projects are government/SOEs projects, while the remaining 20% are predicted to come from private projects.

Comment: The company's 2019 new contract target is in-line with ours of Rp9 tn. WTON is trading at only 6.8x 2019F with dividend yield of 3.4% based on latest share price of Rp404. We maintain our Buy rating on WTON with TP of Rp570.

TLKM ESTABLISHES A FINTECH COMPANY

TLKM, through its subsidiary: Telkomsel, established a fintech company called PT Fintek Karya Nusantara ("Finarya"). The Company stated that the main purpose of the establishment is to support fintech ecosystem that is currently available in Telkomsel. Finarya will embark in payment system business and is aimed to synergize with Telkomsel. No other detail is available at the moment.

Comment: Given the very limited disclosure of the event, we reserve our judgment on this matter. Having said that, we deem the Company's initiative to foisting into fintech business as positive to strengthen its core business. We have a BUY rating on TLKM with TP of Rp4,600/share.

ANTM TO INCREASE ITS EXPLORATION FUNDS

Antam (ANTM) is looking to maintain and add its gold, bauxite and nickel reserves and would increase its Capex allocation for exploration in 2019, amounting to Rp120 bn. Management has not explained the exploration budget allocation details. However, looking at 2018 exploration activities, ANTM allocates around 45% of its exploration budget to search for gold mines.

Comment: Because ANTM stood at Rp5.8 tn cash at end 9M18, we believe the company will fund the Capex exploration internally . We still have a BUY rating for ANTM with TP of Rp1,250.

TECHNICAL ANALYSIS

JCI : (6,483 +0.25%)

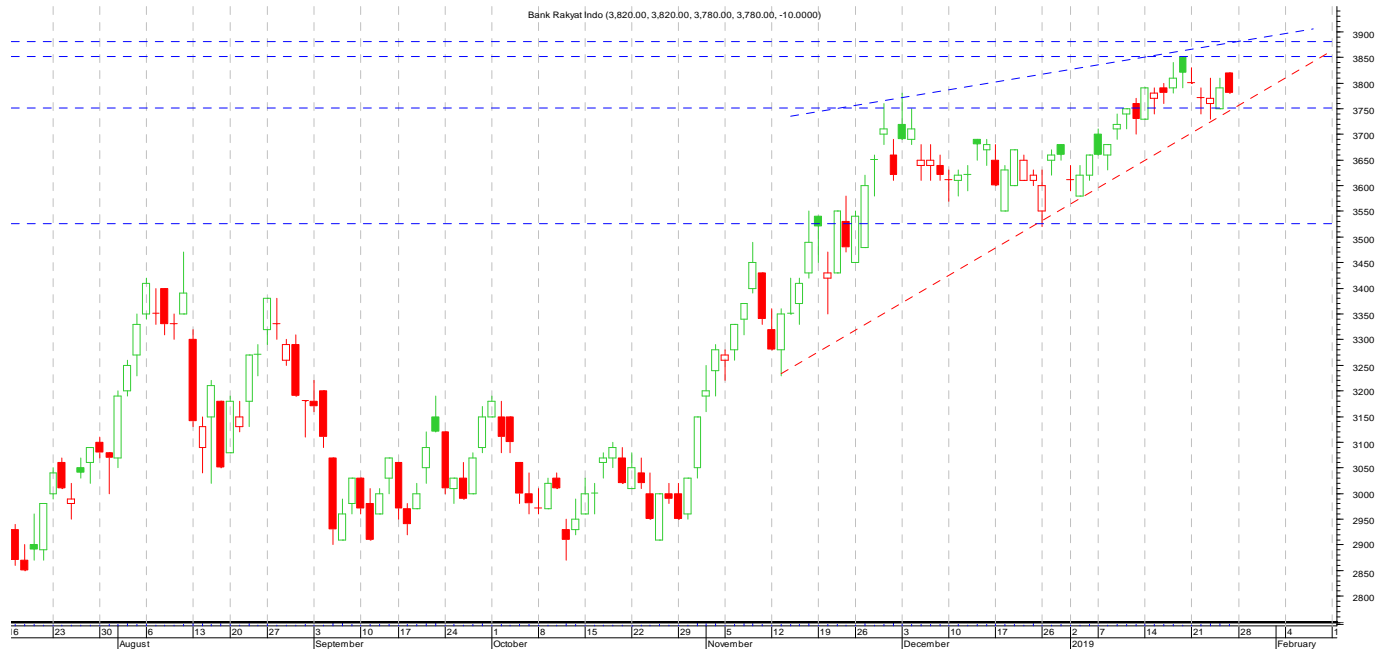
Comment : BBCA, GGRM and KAEF consecutively became leading movers. Technically, JCI still closed below resistance level of the short-term uptrend channel. Support level at 6,385. Next support and resistance level will be at 6,200-6,510. Based on Elliot wave approach, as we discussed before, JCI is forming 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

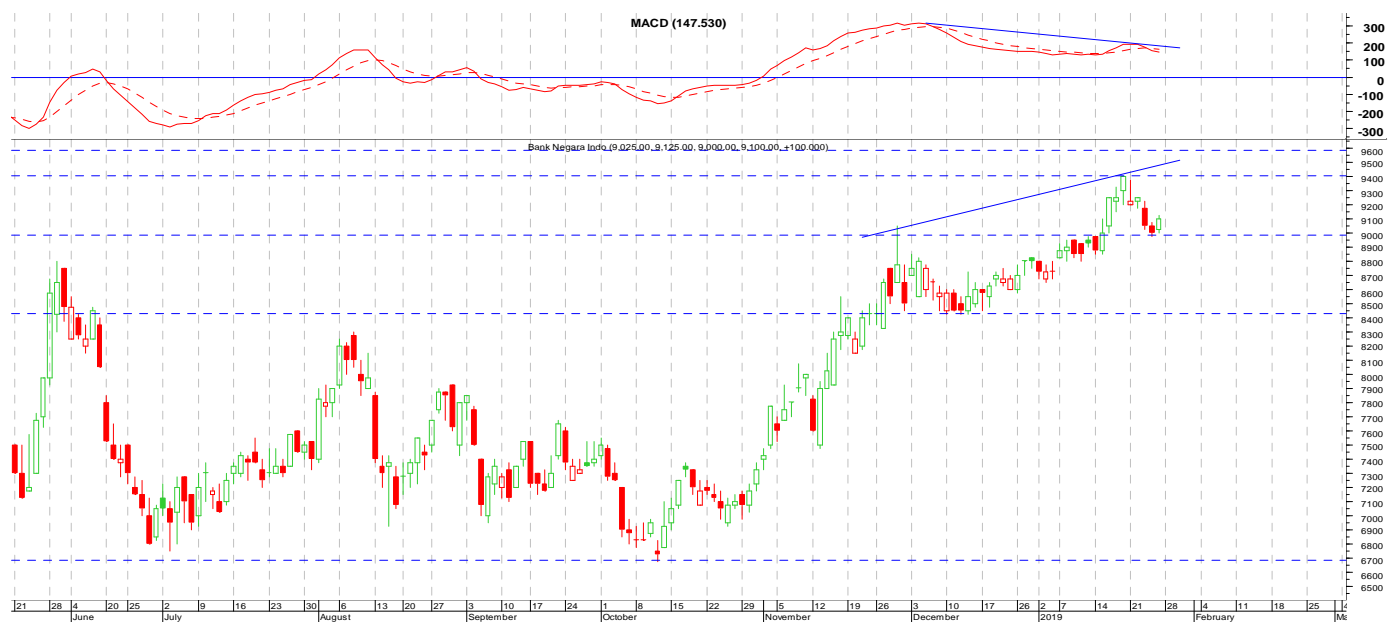
BBRI : Testing support level

The price failed to break minor resistance level of 3,850. Support level at 3,730 which is support level of the short-term uptrend channel. The price likely will form a reversal rising wedges pattern. Next support and resistance level at 3,520-3,900. Sell on strength



BBNI : Testing support level

The price held above minor support level of 8,975. Resistance level at 9,400. Next support and resistance level at 8,400-9,600. Indicator of MACD likely give a negative sign. Sell on strength, sell if the price moves below the level of 8,975.



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JPFA : Testing Resistance level

The price moved and closed above major resistance level of 2,440. If the breakout confirm, level of 2,440 will turn into support level and the price will continue the positive trend. Resistance level at 2,700. Next support and resistance level at 2,140-2,860. If there is no extension, the price likely form wave minute 5 which is the last wave of the cycle. Sell on strength at resistance level



TLKM : Testing resistance level

The price held above minor support level of 3,830. Resistance level at 3,920. Next support and resistance level at 3,700-4,050. The trend is still sideways. Sell on strength



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,040-14,0140

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.48
3	7.80
5	7.99
10	8.10
15	8.49
30	8.96

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.24	6.34	6.20	6.16	5.59
US\$	1.23	1.28	1.19	1.21	
JIBOR (RP)	7.17	7.41	7.62	7.79	

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	0.55
1 US\$ = SGD	1.35	0.04
1 US\$ = JPY	109.35	0.18
1 US\$ = AUD	0.72	0.06
1 US\$ = EUR	1.14	0.09

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