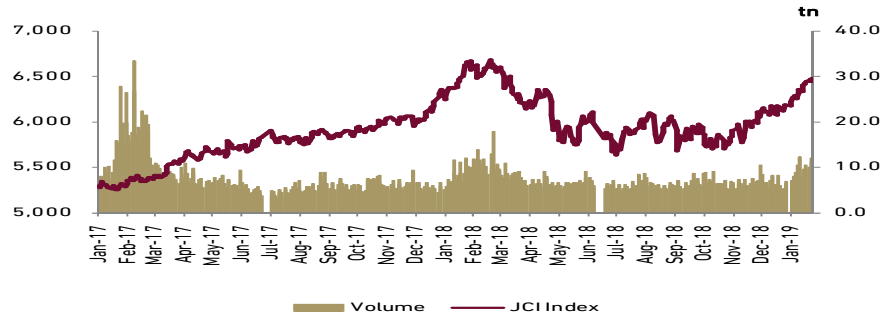


GLOBAL			
Index	Last	Change	% chg
Dow	25,170	-220.77	-0.87
S&P 500	2,706	-25.56	-0.94
Eido US	27.2	-0.09	-0.33
H.S.I	27,990	59.47	0.21
Nikkei	20,751	-122.78	-0.59
STI	3,201	16.08	0.50
KLCI	1,693	9.78	0.58
Kospi	2,190	-13.05	-0.59
SET Thai	1,653	-5.60	-0.34

- January foreign reserves declined to USD120.1 bn
- Waskita Beton targets revenues of Rp 9.37 tn in 2019
- PTPP Consortium wins the Makassar-Parepare train auction
- EXCL to issue Rp1.27 tn bonds and sukuk
- ISAT to expand its international network by participating in Indigo Underwater Cables

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	61.6	-1.06	-1.69
WTI Crude Oil (\$/bbl)	52.6	-1.37	-2.54
CPO (MYR/ton)	2,216	9.00	0.41
Gold (US\$/tr ounce)	1,310	0.23	0.02
Nickel (US\$/ton)	12,910	54.00	0.42
Tin (US\$/ton)	21,000	-55.00	-0.26
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	97.8	-0.50	-0.51

### JCI STATISTIC



BEI STATISTICS	
JCI	6,536
Change (1 day)	-0.17%
Change YTD	5.52%
P/E Market (X)	15.8
Volume (mn shr)	11,511.3
Value (Rp bn)	6,751.5
↑ 199	↓ 226 ↔ 202
LQ45	1,033
% Change (1 day)	-0.25%

### DAILY TECHNICAL VIEW

We expect JCI to trade between 6,450 (support) – 6,550 (resistance) level today

**ASII: Take profit at Rp 4,290-Rp 4,260**

Comment: Failed to break resistance level

**BBCA: Take profit at Rp 27,650-Rp 28,000**

Comment: Formed a negative divergence

**INDF: Take profit at Rp 7,600-Rp 7,700**

Comment: The trend turn into sideways

**PGAS: Sell on strength at Rp 2,480-Rp 2,500**

Comment: Testing resistance level

INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	0.32	0.27
Inflation yoy (%)	2.82	3.23

### MARKET REVIEW & MARKET OUTLOOK

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,973	53.00	0.38
1 USD = SGD	1.36	0.00	0.07
1 USD = JPY	109.82	0.00	0.00
1 USD = AUD	1.41	0.00	0.13
1 USD = EUR	0.88	0.00	0.01

#### Regional

US stocks fell on Thursday trade as the trade meeting between Trump and Xi Jinping would not happen before March deadline. Dow Jones dropped by 221 points (-0.87%) to 25,170 driven by the decline on Apple and DowDuPont. S&P 500 also fell by 25.5 points (-0.94%) to 2,706, driven mostly by energy and tech sectors. The White House economic advisor Larry Kudlow added that China and US were still far from trade deal. On commodity market, Brent Crude Oil down by 1.69% to USD 61.6/bbl and WTI Crude oil dropped by 2.54% to USD52.6/bbl. CPO was up by 0.41% at MYR 2,216/ton. Nickel inched up by 0.41% to USD 12,910/ ton. While coal was slightly lower by 0.51% at USD 97.8/ton.

#### Domestic

JCI closed at 6,536 or was lower by 11.42 points (-0.2%). Net foreign BUY was recorded at 373 bn. The laggard sectors were, Agriculture (-0.93%), Basic Industry (-0.84%), Mining (-0.60%), The Index mover were, CPIN (-2.50% to 7,800), JPFA (-5.37% to 2,820), PGAS (-2.77% to 2,460). Rupiah weakened by 53 points to 13,973/USD. Our technical desk suggests for trading within the band of 6,450-6,550 with possibility to end lower level.

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.5	-0.08	-0.29	3,848	149,744
ISAT	0.1	0.00	0.00	1,886	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

#### JANUARY FOREIGN RESERVES DECLINED TO USD 120.1 BN

Bank Indonesia reported that January foreign reserve experienced slight downtrend to USD 120.1 bn from previous position at USD 120.7 bn in Dec-18. This was equivalent to 6.7 months of imports or 6.5 months of imports and servicing of government external debt. The decline in the reserve assets in January 2019 was mainly due to government external debt repayment. Bank Indonesia considers the official reserve assets remain adequate supported by confidence in stability of and the upbeat outlook for the domestic economy as well as positive export performance

**Comments:** Although there was significant capital inflow in January, the forex reserve remained decline due to debt repayment. We see this is government effort to "front loading" the debt repayment in order to prevent volatility this year.

#### WASKITA BETON TARGETS REVENUES OF RP 9.37 TN IN 2019

Waskita Beton Precast (WSBP) expect to book revenue of Rp9.37 tn this year which would bring 19% net income growth to Rp1.31 tn. Currently, WSBP has 11 plants spread in Cibitung, Palembang, Karawang, Subang, Sadang, Sidoarjo, Kalijati, Bojonegara, Klaten, Gasing, and Legundi. The company's production capacity last year reached 3.5 mn tons, up 7.7% from 3.25 mn tons in 2017

**Comment:** The net profit guidance is in-line with consensus forecast of Rp1.28 tn. WSBP is trading at 8.3x 2019F PER which is on par with WTON. We do not cover WSBP.

#### PTPP CONSORTIUM WINS THE MAKASSAR-PAREPARE TRAIN AUCTION

The consortium led by PT Pembangunan Perumahan Tbk (PTPP) has won the auction of the Trans-Sulawesi railway project in the Makassar-Parepare segment. This project is the first project of government cooperation with business entities (KPBUs) in the railway sector. PTPP's consortium was the winner of the auction offering an investment value of Rp1 tn and payment for service availability of Rp 246.74 bn. PTPP will team up with PT Bumi Karsa, PT China Communication Construction Engineering Indonesia, and PT Iroda Mitra, where PTPP hold 55% share. The Makassar-Parepare Trans-Sulawesi railway KPBUs project covers the construction, operation and maintenance of railways in the F segment along 13.90 kilometers. In addition, the winner will also carry out the operation and maintenance of the 125.70 kilometer of segments B, C and D.

**Comment:** This would bring positive sentiment to PTPP share price as it will help reach new contract target. We are maintaining our Buy rating on PTPP but reviewing our target price.

#### EXCL TO ISSUE RP1.27 TN BONDS AND SUKUK

After the conclusion of book building process of its debts, EXCL decided to lower the total amount of the issued debts to Rp1.27 tn from Rp2 tn previously targeted. Initially, the Company stated that it will issue Rp1 tn of bonds and Rp1 tn of sukuk. Now, EXCL will only issue Rp634 bn of bonds, and Rp640 bn of sukuk, offered in several series with 7.9-10% p.a rate, ranging from 370 days to 10 years maturity. The cancelled offerings were the portion sold under the 'best effort' commitment, while all the 'full commitment' issuance were all absorbed by the market. The Company does not cite any reasons pertaining to this issue.

**Comment:** We currently have a HOLD rating on EXCL with TP of Rp2,270/share.

#### ISAT TO EXPAND ITS INTERNATIONAL NETWORK BY PARTICIPATING IN INDIGO UNDERWATER CABLES

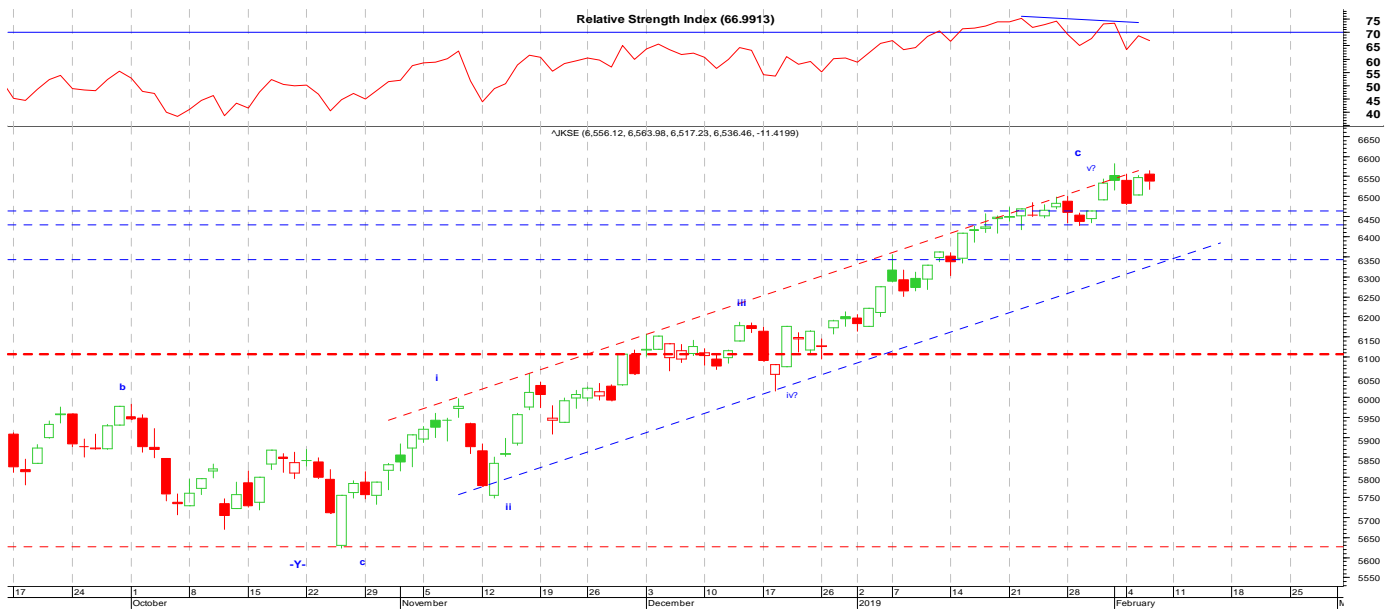
Post the completion of the West Indigo and Central Indigo underwater cables layoff, ISAT stated that it will participate on the network under a consortium. The consortium consists of ISAT, AARNet, Google, Singtel, SubPartners, and Telstra (TLKM's partner in Australia). The West Indigo has

4,600km of length, spanning from Singapore to Perth, while the Central Indigo connects Perth to Sydney with the same length. Indigo is aimed to improve international connection throughout Australia and South East Asia. It is reported that the cable could provide as much as 36 terabit per second.

## TECHNICAL ANALYSIS

**JCI : ( 6,538 -0.2%)**

**Comment :** CPIN, JPFA and PGAS consecutively became lagging movers. Technically, JCI closed below minor Resistance level of 6,581. Support level at 6,481. Next support and resistance level will be at 6,350-6,650. Candlestick chart likely formed a reversal 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**

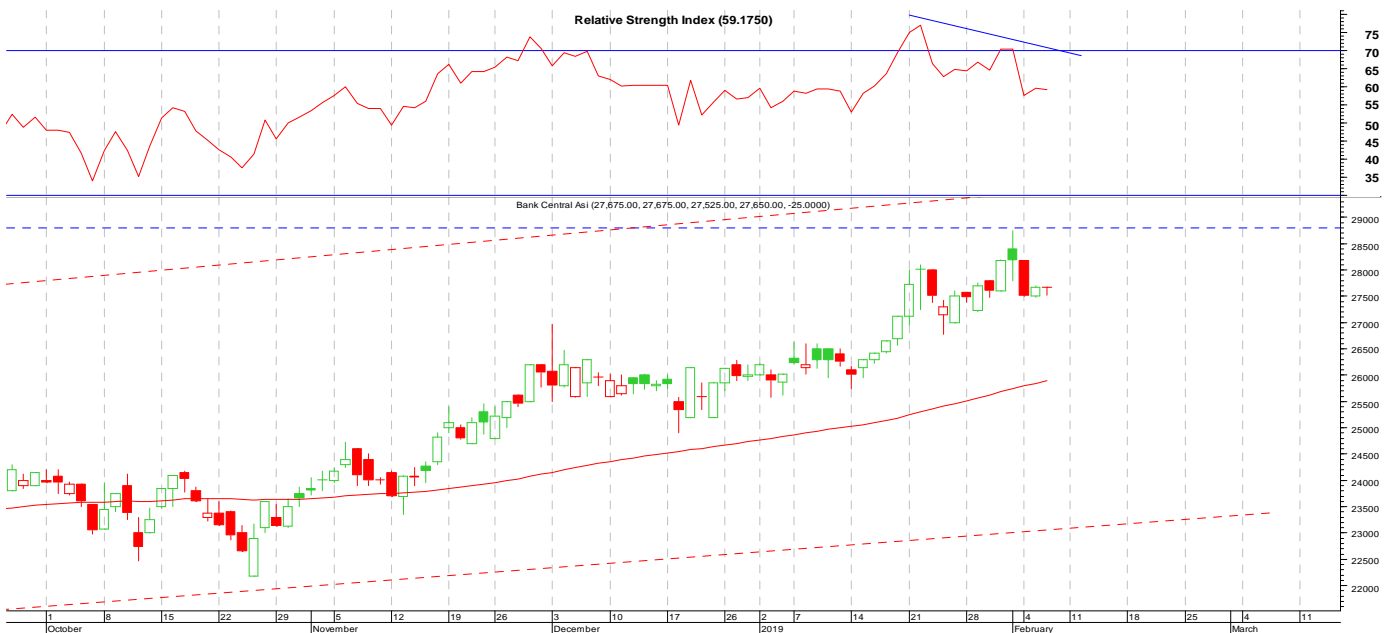
**ASII : Testing support level**

The price closed above minor support level of 8,150. Resistance level at 8,350. Next support and resistance level at 7,950-8,500. The price moved in sideways in the last two months. Sell on strength, sell if the price moves below the level of 8,150



**BBCA : Testing resistance level**

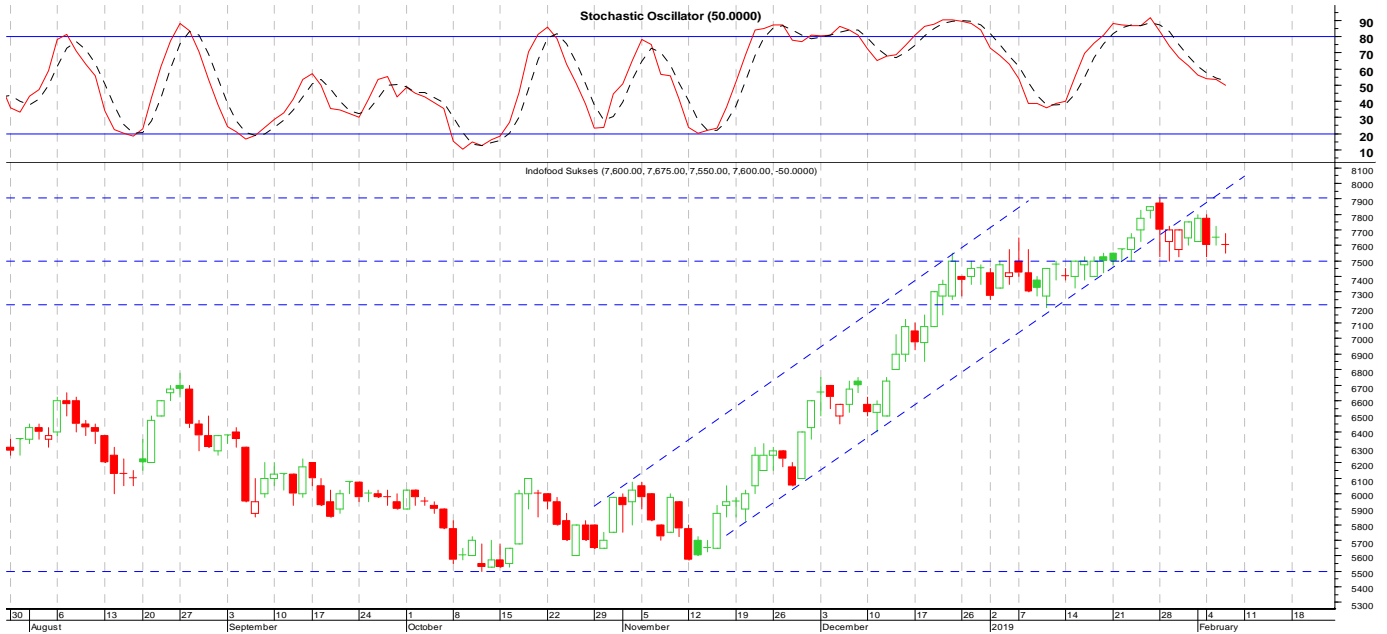
The price held above minor support level of 27,500. Resistance level at 28,400. Next support and resistance level at 26,750-28,750. Some momentum indicators give a negative signal. Indicator of RSI likely formed a negative divergence which indicate that the short-term uptrend cycle has finished. Take profit/ Sell on strength



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**INDF : Testing support level**

The price closed above minor support level of 7,500. Resistance level at 7,725. Next support and resistance level at 7,200-7,900. The short-term trend turn into sideways when the price moved below support level of the uptrend line. Sell on strength, sell if the price moves below the level of 7,500.



**PGAS : Testing support level**

The price closed above support level of the short-term uptrend line. Resistance level at 2,560. Next support and resistance level at 2,350-2,640. Many of momentum indicators formed negative signals. Sell on strength, sell if the price moved below the level of 2,440.



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,925 -14,020

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.49
3	7.36
5	7.73
10	7.81
15	8.04
30	8.90

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
<b>IDR</b>	6.28	6.32	6.27	6.17	5.59
<b>US\$</b>	1.28	1.23	1.21	1.14	
<b>JIBOR (RP)</b>	7.12	7.38	7.59	7.77	

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

EXCHANGE RATE		
EXCHANGE RATE		% chg.
1 US\$ = IDR	13,973	-0.38
1 US\$ = SGD	1.36	-0.07
1 US\$ = JPY	109.82	0.00
1 US\$ = AUD	0.71	-0.13
1 US\$ = EUR	1.13	-0.01

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