

GLOBAL

| Index | Last | Change | % chg |
|----------|--------|--------|-------|
| Dow | 25,883 | 0.00 | 0.00 |
| S&P 500 | 2,776 | 0.00 | 0.00 |
| Eido US | 26.0 | 0.00 | 0.00 |
| H.S.I | 28,347 | 446.17 | 1.60 |
| Nikkei | 21,282 | 381.22 | 1.82 |
| STI | 3,266 | 26.23 | 0.81 |
| KLCI | 1,693 | 3.91 | 0.23 |
| Kospi | 2,209 | -2.19 | -0.10 |
| SET Thai | 1,636 | -1.23 | -0.08 |

COMMODITIES

| Index | Last | Change | % chg |
|--------------------------|---------|--------|-------|
| Brent Crude Oil (\$/bbl) | 66.5 | 0.25 | 0.38 |
| WTI Crude Oil (\$/bbl) | 55.6 | 1.18 | 2.17 |
| CPO (MYR/ton) | 2,206 | 4.00 | 0.18 |
| Gold (US\$/tr ounce) | 1,325 | -1.49 | -0.11 |
| Nickel (US\$/ton) | 12,374 | 54.00 | 0.44 |
| Tin (US\$/ton) | 21,180 | -70.00 | -0.33 |
| Pulp (US\$/ton) weekly | 1,205.0 | 0.00 | 0.00 |
| Coal (US\$/ton) | 95.0 | 0.15 | 0.16 |

BEI STATISTICS

| | |
|-------------------|---------|
| JCI | 6,498 |
| Change (1 day) | 1.70% |
| Change YTD | 4.90% |
| P/E Market (X) | 15.6 |
| Volume (mn shr) | 9,776.6 |
| Value (Rp bn) | 7,152.2 |
| ↑ 264 ↓ 148 ↔ 215 | |
| LQ45 | 1,018 |
| % Change (1 day) | 2.30% |

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 |

EXCHANGE RATE

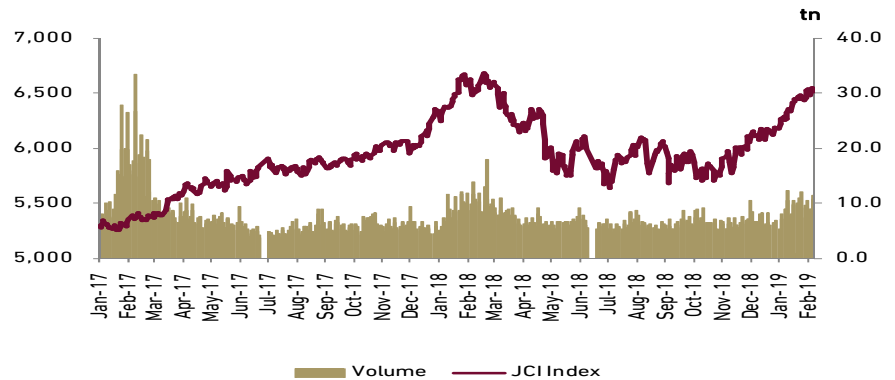
| | Last | Change | % chg |
|-------------|--------|--------|-------|
| 1 USD = IDR | 14,107 | -42.00 | -0.30 |
| 1 USD = SGD | 1.36 | 0.00 | 0.04 |
| 1 USD = JPY | 110.55 | -0.07 | -0.06 |
| 1 USD = AUD | 1.40 | 0.00 | 0.08 |
| 1 USD = EUR | 0.88 | 0.00 | 0.04 |

DUAL LISTING

| Stocks | Close | Chg. | % chg | In Rp. | Vol. (ADR) |
|----------|-------|------|-------|--------|------------|
| TLKM | 27.2 | 0.34 | 1.27 | 3,833 | 171,540 |
| ISAT | 0.1 | 0.00 | 0.00 | 1,904 | 2,150 |
| BUMI Plc | 36.8 | 0.00 | 0.00 | 7,522 | - |

- High-speed train project still on track
- Mayora Indah(MYOR) to strengthen export market
- GIAA targets Rp1 tn net profit this year
- Intiland prepares two high end projects

JCI STATISTIC



DAILY TECHNICAL VIEW

Our technical desk suggests for trading within the band of 6,420 – 6,540 with possibility to end at higher level.

WIKA : Buy on Weakness at Rp 1,690-1,610

Comment: Inverted hammer candle pattern

UNTR : Speculative Buy at Rp26,300-Rp25,900

Comment: Buy signal from Ultimate Oscillator and RSI indicators

WTON : Strong Buy at 476-458

Comment: Strong Buy signal from STOHRs (14) and Williams % R indicators

BMTR : Speculative Buy at 438-428

Comment: Buy signal from MACD (12,26) and RSI (14) indicators

MARKET REVIEW & MARKET OUTLOOK

Regional

US stock market was closed for the holiday on President's day, but in Asia, the Shanghai composite leapt 2.7%, the Hang Seng 1.6% and Nikkei 1.8%. European markets were narrowly mixed. Markets will resume regular trading hours on Tuesday. US stock futures traded slightly higher on Monday, as Democrats geared up to fight President Trump's emergency declaration to fund a new steel barrier along the southern border with Mexico. Dow Jones futures edged up 14 points to 25,902, while the S&P 500 mini contract was flat at 2,778. On commodity markets, oil prices inched up with Brent up by 0.38% to USD66.5/bbl. Coal inched up by 0.16% to USD95/ton and nickel rose by 0.44% to USD12,374/ton.

Domestic

JCI gained by 1.7% to 6,498 or 109 points on Monday trading and recorded Rp147 bn of net foreign sell. All sectors closed in positive territory with the leading sectors were Misc. industry (+2.93%), Infrastructure (+2.46%), and Consumer (+2.07%). The main big caps movers were BBKA (+2.24% to 27,400), HMSP (+2.97% to 3,810), and ASII (+3.62% to 7,875). Rupiah strengthened by 42 points to 14,107/USD. Our technical desk suggests for trading within the band of 6,420-6,540 with possibility to end at higher level.

HIGH-SPEED TRAIN PROJECT STILL ON TRACK

Wijaya Karya (Wika) will expedite the development of a long-awaited high-speed train (HST) project connecting Jakarta and Bandung, West Java. The company expects to wrap up 60% of the construction this year before its full completion in 2021, according its CEO. The current development was going well as the company had reached 8% of the target by the end of last year, while 90.1% of the land had been cleared. WIKA acts as the leader of PT Kereta Cepat Indonesia China (KCIC), an Indonesia-China consortium for the project, alongside other SOEs, such as railway operator KAI and toll road operator Jasa Marga (JSMR). To support the work on tunnels and tracks, KCIC as the project contractor received a tunnel boring machine (TBM) from China earlier this month.

Comment: We expect WIKA (Buy , TP: Rp2,420) to get additional contract of Rp17 tn from construction of HST in 5 year while WTON (Buy, TP: Rp680) should also benefit from this project as around 30% material will use precast.

MAYORA INDAH (MYOR) TO STRENGTHEN EXPORT MARKET

MYOR plans to build a new factory in Philippine with total investment of US\$ 50-75 mn as a strategy to expand on Philippine's market. This year Company target to export more than 2,000 containers per month. In 2018, MYOR recorded 250,000 containers sent to export market, with the estimation value of US \$50,000 per container. Further, MYOR also plans to sell more products to penetrate African market. This year, Company expects 10-11% revenue growth with 20% sales growth from export. We maintain our HOLD recommendation with TP of Rp 2,800. We expect MYOR extensive network, strong products portfolio, export oriented business justify its premium valuation. In our view, all the positive results and good news is appropriately reflected in the current stock price. MYOR is trading at 2019F PER of 30.9x.

GIAA TARGETS RP1 TN NET PROFIT THIS YEAR

This year the GIAA targets Rp1 tn net profit or equivalent with USD70 mn. Meanwhile in the company's work plan and budget (RKAP) 2019, GIAA expects USD7 mn net profit. There are several ways that GIAA has planned to reach the target such as adjust up fares, increase cargo tariff and maximize the F&B (Food and Beverage) in flights. Recently, due to complain of passengers on expensive ticket price, GIAA cut 20% of its ticket price. In addition, after the fares became lower 20%, seat load factor of GIAA improved.

Comment: We see the target of the CEO is quite ambitious. If the target that previously submitted to IDX was only USD7 mn, it means that the internal target is 10 folds bigger than that. At the moment, consensus 2019F net profit is at USD49 mn, in which lower than the internal target. Hence, if the performance of the company is favorable this year, there is still room for earnings upgrade.

INTILAND PREPARES TWO HIGH END PROJECTS

Intiland Development (DILD) prepared two projects targeting middle up segment in Jakarta. The two projects consist of landed houses and apartments with price start from Rp1.6 bn per unit. Apartemen SQ Res project is designed with two 23-storey towers and total capacity of 672 units. Meanwhile the other project is Townhouse Pinang Residence in South Jakarta where the company will launch 17 units of three-storey house.

Comment: The two projects is expected to support DILD's marketing sales target of Rp2.5 tn this year, which is flattish compared to 2018's marketing realization of Rp2.28 tn due to sluggish demand from mid-high end property segment is expected to continue this year. We have 2019F TP of Rp350 based on 60% discount to our RNAV which offers limited upside from current market price, hence HOLD rating.

CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,050 -14,150

| INDONESIA GOVERNMENT SECURITIES YIELD | |
|---------------------------------------|-----------|
| Maturity (yrs) | Yield (%) |
| 1 | 6.25 |
| 3 | 7.50 |
| 5 | 7.82 |
| 10 | 8.00 |
| 15 | 8.28 |
| 30 | 8.67 |

| AVERAGE DEPOSIT RATE | | | | | |
|----------------------|------|------|------|------|------|
| | 1M | 3M | 6M | 1YR | 2YRS |
| IDR | 6.23 | 6.33 | 6.28 | 6.07 | 5.66 |
| US\$ | 1.27 | 1.29 | 1.15 | 1.23 | |
| JIBOR (RP) | 7.11 | 7.36 | 7.58 | 7.76 | |

| 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 | 14,115 | -0.06 |
| 1 US\$ = SGD | 1.36 | -0.04 |
| 1 US\$ = JPY | 110.55 | 0.06 |
| 1 US\$ = AUD | 0.71 | -0.08 |
| 1 US\$ = EUR | 1.13 | -0.04 |

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