

GLOBAL

Index	Last	Change	% chg
Dow	25,450	-22.99	-0.09
S&P 500	2,743	-5.86	-0.21
Eido US	25.1	-0.33	-1.30
H.S.I	28,228	-551.03	-1.91
Nikkei	21,036	10.83	0.05
STI	3,196	-33.61	-1.04
KLCI	1,680	0.00	0.00
Kospi	2,127	-10.71	-0.50
SET Thai	1,630	-3.09	-0.19

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	65.9	0.12	0.18
WTI Crude Oil (\$/bbl)	56.2	0.12	0.21
CPO (MYR/ton)	1,971	-2.00	-0.10
Gold (US\$/tr ounce)	1,298	-0.66	-0.05
Nickel (US\$/ton)	13,004	-152.50	-1.16
Tin (US\$/ton)	21,420	-101.00	-0.47
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	95.6	-2.05	-2.10

BEI STATISTICS

JCI	6,383
Change (1 day)	-1.16%
Change YTD	3.04%
P/E Market (X)	15.3
Volume (mn shr)	9,258.9
Value (Rp bn)	6,426.1
↑ 142 ↓ 274 ↔ 212	
LQ45	995
% Change (1 day)	-1.42%

INTEREST RATE

	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	-0.08	0.27
Inflation yoy (%)	2.57	3.23

EXCHANGE RATE

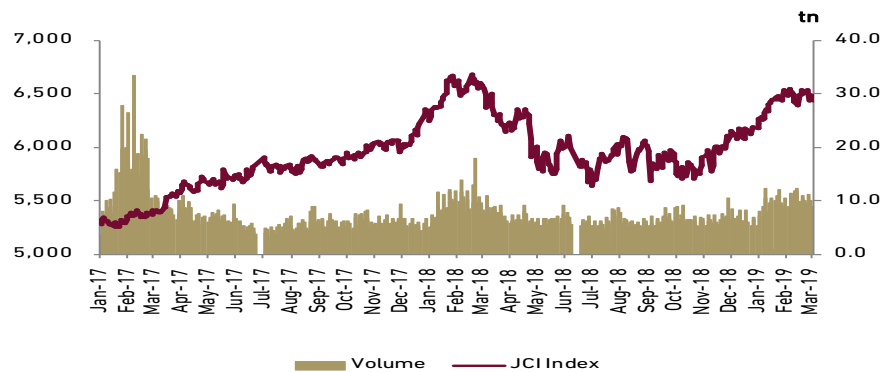
	Last	Change	% chg
1 USD = IDR	14,315	171.00	1.21
1 USD = SGD	1.36	0.00	0.08
1 USD = JPY	110.98	-0.19	-0.17
1 USD = AUD	1.42	0.00	0.23
1 USD = EUR	0.89	0.00	0.08

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	26.4	-0.28	-1.05	3,781	267,305
ISAT	0.1	0.00	0.00	1,933	2,150

- Forex reserves rise to USD123.3 bn in February
- Consumer Confidence Index in down in February
- TINS earnings grew 5.8% YoY on excellent 4Q18 result
- PTBA earnings grew 12%, in-line with expectations
- ANTM earnings grew 540.6%, above our expectations by 8.2%
- Feb-19 audience share: SCMA gained in prime time, slightly contracted all-time
- TLKM announced the purchase of PT persada sokka tama (PST)

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,250 (support) – 6410 (resistance) level today

ANTM: Speculative buy at Rp 980-Rp 935

Comment: Testing support level

SMGR : Sell on strength at Rp 12,600-Rp 12,7500

Comment: Closed below support level of the uptrend line

BBCA : Sell on strength at Rp 27,350-Rp 28,000

Comment: Failed to break resistance level

BMRI : Sell on strength at Rp 6,950-Rp 7,050

Comment: Potentially to form reversal pattern

MARKET REVIEW & MARKET OUTLOOK

Regional

Dow Jones posted only modest 0.09% declines on Friday but fell in the week with the down 2.2% at 25,450. The unexpectedly low 20,000 increase in February US nonfarm payrolls likely overstates any weakness in the labor market. Aside from payroll employment, other employment was strong and helped cut the unemployment rate by 2/10 to 3.8%. US average hourly earnings are also an indication of underlying strength in the labor market, rising a sharp 0.4% on the month for the best year-on-year showing, at 3.4%, of the expansion. On commodity markets, WTI crude oil was up by 0.21% to USD56.2/bbl. and nickel price was down 1.16% to USD13,004/ton.

Domestic

JCI closed lower at 6,383 by 75 points or 1.16% on Friday trading and recorded Rp610 bn of net foreign sell. The laggard sectors were Finance (-1.09%), Infrastructure (-2.58%), and Consumer (-0.84%) which were mainly driven by BMRI (-2.47% to 6,900), TLKM (-2.09% to 3,740), and ASII (-2.31% to 7,150) as the key movers. Indonesia foreign exchange reserve increased to USD123.27 bn in Feb from USD120.08 in Jan 19. Rupiah weakened by 171 points to 14,315/USD. Our technical desk suggests for trading within the band of 6,250 – 6,410 with possibility to end at lower level.

FOREX RESERVES RISE TO USD123.3 BN IN FEBRUARY

Bank Indonesia announced that the country's foreign exchange reserves added by USD3.2 bn to reach the level of USD123.3 bn at the end of February 2019, which is the highest level since May 2018. The increase was mainly driven by the central government's global sukuk issuance (Islamic debt paper), oil & gas exchange receipts, and other foreign exchange receipts. The current level of foreign reserve assets is equivalent to the financing of 6.9 months of imports or 6.7 months of imports and payment of government external debt, which is well above the international standard of reserve adequacy of three months of imports.

Comment: We also see strong forex reserve will help BI to have more ammunition to mitigate volatility in rupiah exchange rate.

INDONESIA CONSUMER CONFIDENCE INDEX DOWN IN FEBRUARY

Indonesia Consumer Confidence Index in February 2019 was recorded at 125.1, decline from the index in the previous month at 125.5. Based on Bank Indonesia (BI) data, the declining of CCI occurred in respondents with expenditures of Rp4.1 million (US\$292.86) to Rp5 million a month and aged 20-40 years. The decreased also occurred in consumer perceptions of the current economic conditions, as indicated by the lowest index at 109.4 from previous month 110.3. The declining due to a decrease in all its components, such as current income index, employment availability index and durable goods purchasing index. Nevertheless, consumer confidence in economic forecasts rose, indicated by the index of economic condition from 140.6 in January to 140.9 in February. The Bank predicted, consumption expenditure in the next three months will increase from the previous month, in line with the fasting month and ahead of Eid al-Fitr. This is indicated by the forecast for the next three months household consumption, which increased from 157.5 in the previous month to 161.8 in February 2019. The consumers prices in the next three months also will rise compared to the previous month. This is indicated by the three-month price expectation index of 169, up from 166.7 in the previous month. The increasing of consumer optimism towards economic conditions in the future is mainly supported by strong expectations of received income and the availability of employment in the next six months. From the financial condition, the average proportion of consumer income used for consumption increased from 66.8 % to 68.3 % in February. The rising of consumption was followed by the decline in the average proportion of consumer saved income from 20.2 % to 19.1 %. While the average repayment ratio decreased from 13 % to 12.5 %. We maintain overweight rating for consumer sector as overall consumer confidence index still shows consumer optimism towards economic conditions, employment availability and household income. The rising of income proportion used for consumption also indicated that consumer still confident with their current conditions.

TINS EARNINGS GREW 5.8% YOY ON EXCELLENT 4Q18 RESULT

Timah (TINS) recorded Rp531 bn net income in FY18, up by 5.8% YOY relatively in-line with our expectations at 97.4% of FY18F but slightly lower than consensus'. FY18 revenue grew by 19.9% to Rp11 tn, driven by an increase of 13.1% YoY in tin sales to 33,818mt despite ASP decreasing slightly by 1% YoY to USD 20,205/mt. COGS grew by 21.9% driven mainly by higher fuel cost caused by a surge in global oil and coal benchmark prices which dragged down GPM by 140 BPS to 15.2%. While operating profit only inched up by 2.2% to Rp747 bn, an increase of 17.1% in operating expenses caused OPM to decrease by 120BPS to 6.8%. Moving below the operating line, total other expenses grew by 12.1% which impacted earnings negatively.

On a Quarterly basis TINS recorded net profit of Rp279 bn up 260.5% QoQ, mainly due to a 6% increase in ASP to USD 22.032/mt. Revenue increased by 75.2% to Rp4.2 tn as sales volume grew by 83.6% QoQ to 13,644mt. COGS grew by 81% mainly due to an increase of 60.8% in Tin ore production to 18,121 mt. However, as operating expenses fell by 7.9% this improved operating profit by 156.8% to Rp344 bn, below operating line, the company other income improved to Rp3 bn and tax grew by 26.7% further affecting earnings.

(Rp bn)	FY18	FY17	YoY	4Q18	3Q18	QoQ	FY18F	18A/18F
Revenue	11,050	9,217	19.9%	4,248	2,425	75.2%	10,945	101.0%
Cost of sales	-9,372	-7,692	21.9%	-3,653	-2,018	81.0%		
Gross Profit	1,678	1,526	10.0%	595	407	46.2%		
<i>Gross Margin</i>	15.2%	16.6%	-1.4%	14.0%	16.8%	-2.8%		
Operating Expenses	-931	-795	17.1%	-252	-273	-7.9%		
Operating Profit	747	731	2.2%	344	134	156.8%	870	85.8%
<i>Operating Margin</i>	6.8%	7.9%	-1.2%	8.1%	5.5%	2.6%		
Interest Inc. (Exp)	-266	-176	51.2%	-97	-65	49.0%		
Other Income (Expenses)	242	155	56.6%	100	62	61.1%		
Total Other Inc.(Exp.)	-24	-21	12.1%	3	-3	n/a		
Pre-tax Profit	723	710	1.9%	346	131	165.2%		
Tax	-192	-207	-7.5%	-67	-53	26.7%		
Net Profit	531	502	5.8%	279	77	260.5%	545	97.4%
<i>Net Margin</i>	4.8%	5.5%	-0.6%	6.6%	3.2%	3.4%		

Operational	FY18	FY17	YoY	4Q18	3Q18	QoQ
Tin concentrate production (mt)	44,514	31,178	42.8%	18,121	11,271	60.8%
Refined tin production (mt)	33,444	30,249	10.6%	12,180	8,898	36.9%
Refined tin sales (mt)	33,818	29,914	13.1%	13,644	7,433	83.6%
Average selling price (USD/mt)	20,205	20,429	-1.1%	22,032	20,789	6.0%

Comment: We deemed FY18 results in-line with expectations as revenue and net profit came at 101% and 97.4% of FY18F respectively. We will attend analyst meeting to get 2019 guidance.

PTBA EARNINGS GREW 12%, IN-LINE WITH OUR EXPECTATION

Bukit Asam (PTBA) recorded Rp5,024 bn net income in FY18, up by 12% YoY in line with our estimates and missing consensus estimates by 5.2%. FY18 revenue grew by 9% to Rp21 tn, while COGS grew by 15% driven mainly by higher fuel cost caused by a surge in global oil benchmark prices this dragged down GPM by 331 BPS to 40.4% respectively. While operating profit only decreased by 5% to Rp5,948 bn, an increase of 17.1% in operating expenses caused OPM to decrease by 406BPS to 28.1%. Moving below the operating line, PTBA recorded other income amounting to Rp 910 bn mainly due to DMO quota sales which improved earnings significantly.

Rp bn	FY18	FY17	YoY	4Q18	3Q18	QoQ	2018F	9M/18F
Financial performance								
Revenue	21,167	19,471	9%	5,131	5,511	-7%	21,055	100.5%
COGS	-12,621	-10,965	15%	-3,253	-3,267	0%		
Gross profit	8,546	8,507	0%	1,878	2,243	-16%		
<i>Gross margin (%)</i>	40.4	43.7	-331%	36.6	40.7	-410%		
Op. Expense	-2,598	-2,245	16%	-959	-625	54%		
Op. Profit	5,948	6,261	-5%	919	1,618	-43%	6,611	90.0%
<i>Operating margin (%)</i>	28.1	32.2	-406%	17.9	29.4	-1146%		
Oth. Income (exp)	910	-160	n/a	1,117	193	480%		
Profit before tax	6,858	6,102	12%	1,811	1,811	0.0%		
<i>PBT margin (%)</i>	32.4	31.3	106%	35.3	32.9	243%		
Income tax	-1,737	-1,554	12%	-326	-436	-25%		
Profit before MI	5,121	4,547	13%	1,485	1,375	8%		
Minority interest	97	71	37%	33	21	55%		
Net profit	5,024	4,476	12%	1,452	1,354	7%	4,975	101.0%
<i>Net margin (%)</i>	23.7	23.0	74%	28.3	24.6	374%		

Comment: We will be reviewing our recommendation and TP after analyst meeting today.

ANTM EARNINGS GREW 540.6%, ABOVE OUR EXPECTATIONS BY 8.2%

Aneka Tambang Tbk (ANTM) recorded Rp874 bn net income in FY18, up by 540.6% YOY above ours and consensus expectation by 8.2% and 11.1% respectively. FY18 revenue grew by 99.5% to Rp25 tn due to excellent sales performance on all of its business segment, while COGS grew by 97.7% driven mainly by higher fuel cost caused by a surge in global oil benchmark prices and an increase in production volume in all of its business segment. This caused GPM to inched up by 80 BPS to 13.8% respectively. While operating profit only increased by 208.5% to Rp1,853 bn, which caused OPM to improve by 260BPS to 7.3%. Moving below the operating line, ANTM's other expenses increased by 301.6% and tax increased by 23% which affected net earnings slightly.

On a quarterly basis ANTM recorded net profit of Rp243 bn down 15.1% QoQ. Revenue decreased by 35.0% to Rp5.2 tn, as gold and Ferronickel sales volume decreased by 36.2% and 24.6% respectively. COGS grew by 29.7% which dragged down gross profit to decline by 61.5%. ANTM recorded an operating loss amounting to Rp 84 bn caused by a 32.8% increase in expenses to Rp606 bn. While other expenses improved to Rp 416 bn which partly helped earnings

Rp bn	FY18	FY17	YoY	4Q18	3Q18	QoQ	FY18F	FY18A/F1
Revenue	25,241	12,654	99.5%	5,290	8,137	-35.0%	25,668	98.3%
Cost Of Revenue	-21,765	-11,010	97.7%	-4,768	-6,783	-29.7%		
Gross Profit	3,476	1,644	111.5%	521	1,353	-61.5%		
<i>Gross Margin</i>	<i>13.8%</i>	<i>13.0%</i>	<i>0.8%</i>	<i>9.9%</i>	<i>16.6%</i>	<i>-6.8%</i>		
Operating Expenses	-1,624	-1,043	55.6%	-606	-456	32.8%		
Operating Profit	1,853	601	208.5%	-84	897	n/a	2,090	88.7%
<i>Operating Margin</i>	<i>7.3%</i>	<i>4.7%</i>	<i>2.6%</i>	<i>-1.6%</i>	<i>11.0%</i>	<i>-12.6%</i>		
Other Exp	-587	-146	301.6%	416	-476	n/a		
Tax	-391	-318	23.0%	-88	-135	-34.6%		
Net Profit	874	137	540.6%	243	287	-15.1%	808	108.2%
<i>Net Margin</i>	<i>3.5%</i>	<i>1.1%</i>	<i>2.4%</i>	<i>4.6%</i>	<i>3.5%</i>	<i>1.1%</i>		

Production Volume	Unit	FY18	FY17	YoY	4Q18	3Q18	QoQ	18E
Ferronickel	Tni (K)	24.8	21.7	14.3%	5.5	6.5	-14.2%	27.0
Iron ore	Wmt (K)	9,317.9	5,572.1	67.2%	2,826.1	2,723.6	3.8%	8,637
Gold	Kg	1,957.0	1,967.0	-0.5%	479.0	437.0	9.6%	2,100
Silver	Kg	15,611.0	14,191.0	10.0%	4,018.0	3,955.0	1.6%	14,901
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
Ferronickel	Tni (K)	24.1	21.8	10.6%	5.0	6.6	-24.6%	28.4
Iron ore	Wmt (K)	6,335.3	2,935.6	115.8%	2,226.0	2,187.5	1.8%	5,400
Gold	Kg	27,894.0	13,202.0	111.3%	5,506.0	8,629.0	-36.2%	24,000
Silver	Kg	18,357.0	16,588.0	10.7%	6,136.0	4,225.0	45.2%	17,086
Bauxite	Wmt (K)	965.4	838.1	15.2%	271.8	437.1	-37.8%	881

Comment: We will be reviewing our recommendation and TP after analyst meeting today.

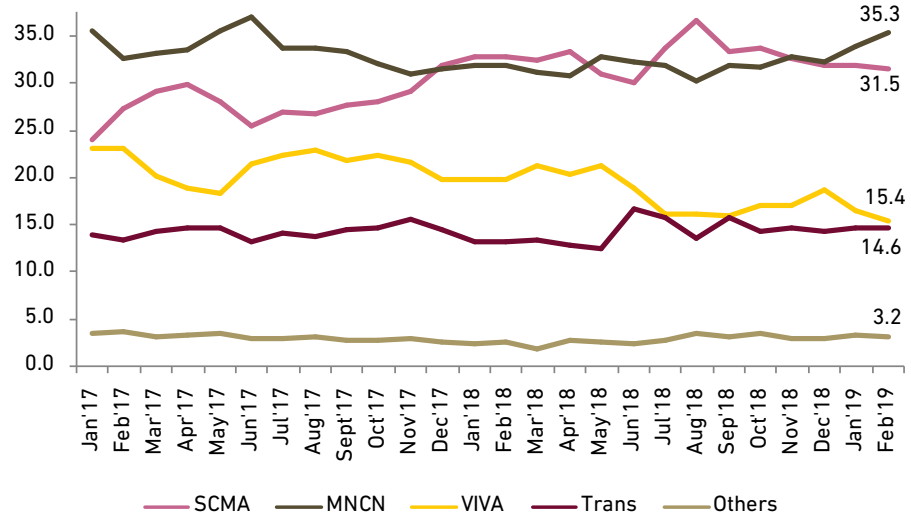
FEB-19 AUDIENCE SHARE: SCMA GAINED IN PRIME TIME, SLIGHTLY CONTRACTED ALL-TIME

Surya Citra Media (SCMA) posted 31.5% all-time audience share in Feb-19, -30bps MoM. Despite the slight contraction MoM, the more important prime time audience share rose by +120bps MoM to 33.2%, while on the other hand, non-prime time declined by -130bps MoM. MNCN on the other hand, was on the reverse trend, booking a solid +220bps on non-prime time while losing -40bps on prime time. As the result, MNCN all-time audience share rose by +140bps MoM. Meanwhile, VIVA audience share deteriorated by -100bps MoM and Trans Group scored a flat audience share in Feb-19. Overall, we think MNCN and SCMA continue to enjoy their supremacy as the first and second FTA TV

station groups by recording >30% of audience share, respectively, while VIVA, Trans, and other TV stations are still far away to catch up with the top-2.

Comment: We currently only cover SCMA with BUY rating and TP of Rp2,270/share.

Exhibit: All-time Audience Shares Monthly Movement by Group



TLKM ANNOUNCED THE PURCHASE OF PT PERSADA SOKKA TAMA (PST) THROUGH ITS SUBSIDIARY

TLKM announced that it has completed the acquisition of 95% of share in PST with a commitment to acquire the remaining 5% within 24 months. The transaction is performed by Mitratel, TLKM's subsidiary, to strengthen Mitratel's business in tower renting. No other disclosure regarding the transaction is available.

Comment: We believe the size of the transaction is marginal to TLKM's size as the top 3 tower companies (TOWR, TBIG, SUPR) control c.90% share in the industry. We have a BUY rating on TLKM with TP of Rp4,375/share.

TECHNICAL ANALYSIS

JCI : (6,383 -1.16%)

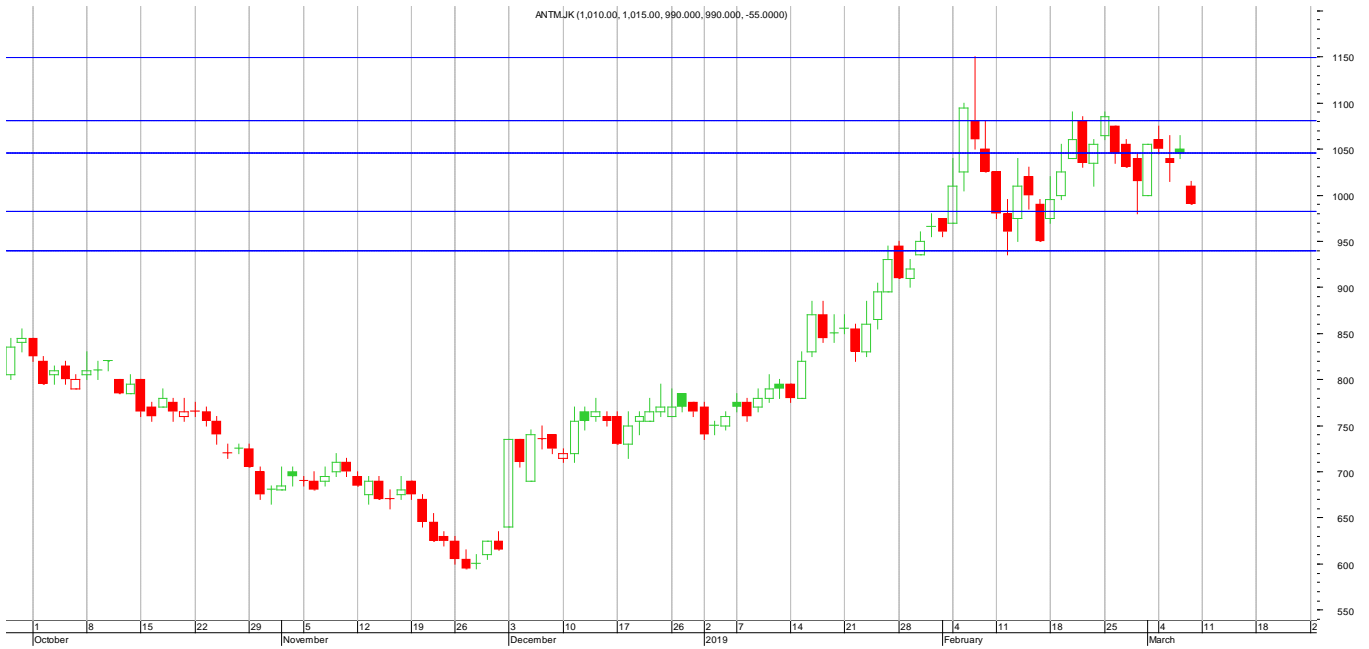
Comment : BMRI, TLKM and ASII consecutively became lagging movers. Technically, JCI closed above historical support level of 6373. The penetration of this support level will cause the short-term trend turn into negative. Resistance level at 6,473. Next support and resistance level will be at 6,250-6,550. 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

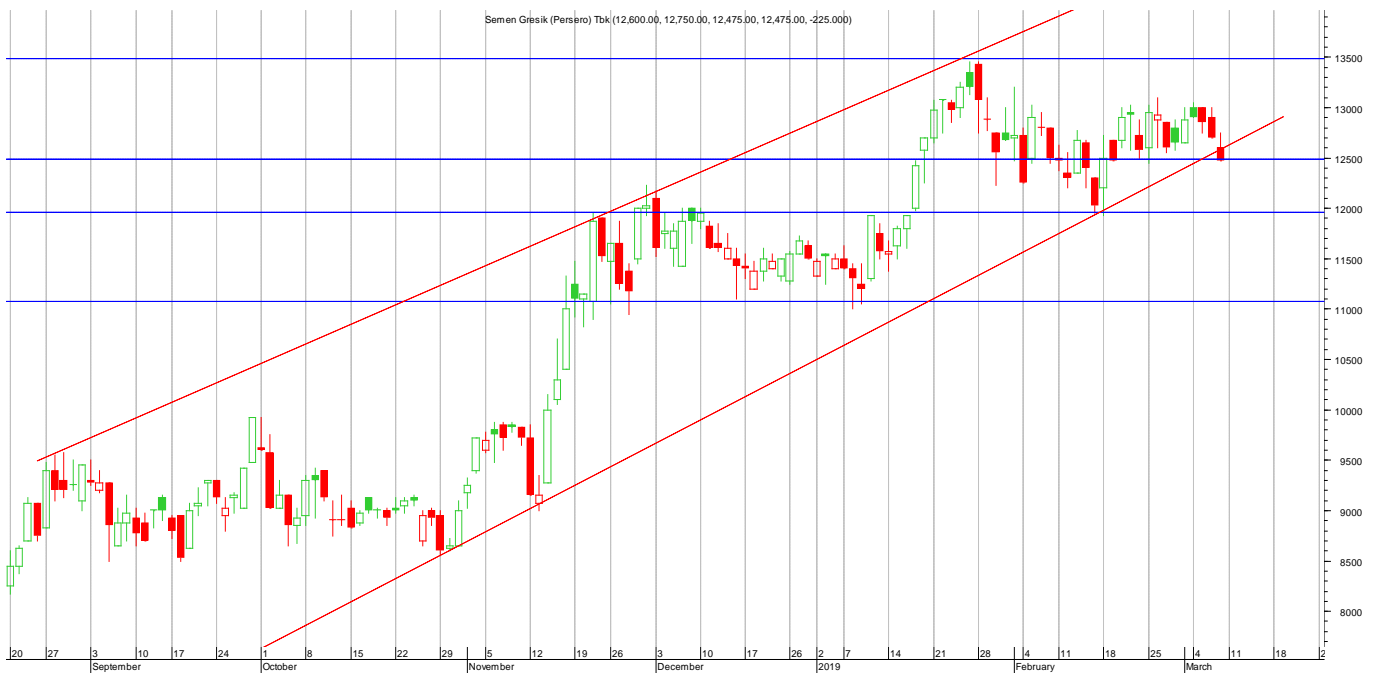
ANTM : Testing support level

The price closed above minor support level of 980. Resistance level at 1,090. Next support and resistance level at 935-1,150. The trend is still positive as long as the price hold above the level of 935. Speculative buy/Buy on weakness, cut if the price moves below the level of 935.



SMGR : Testing support level

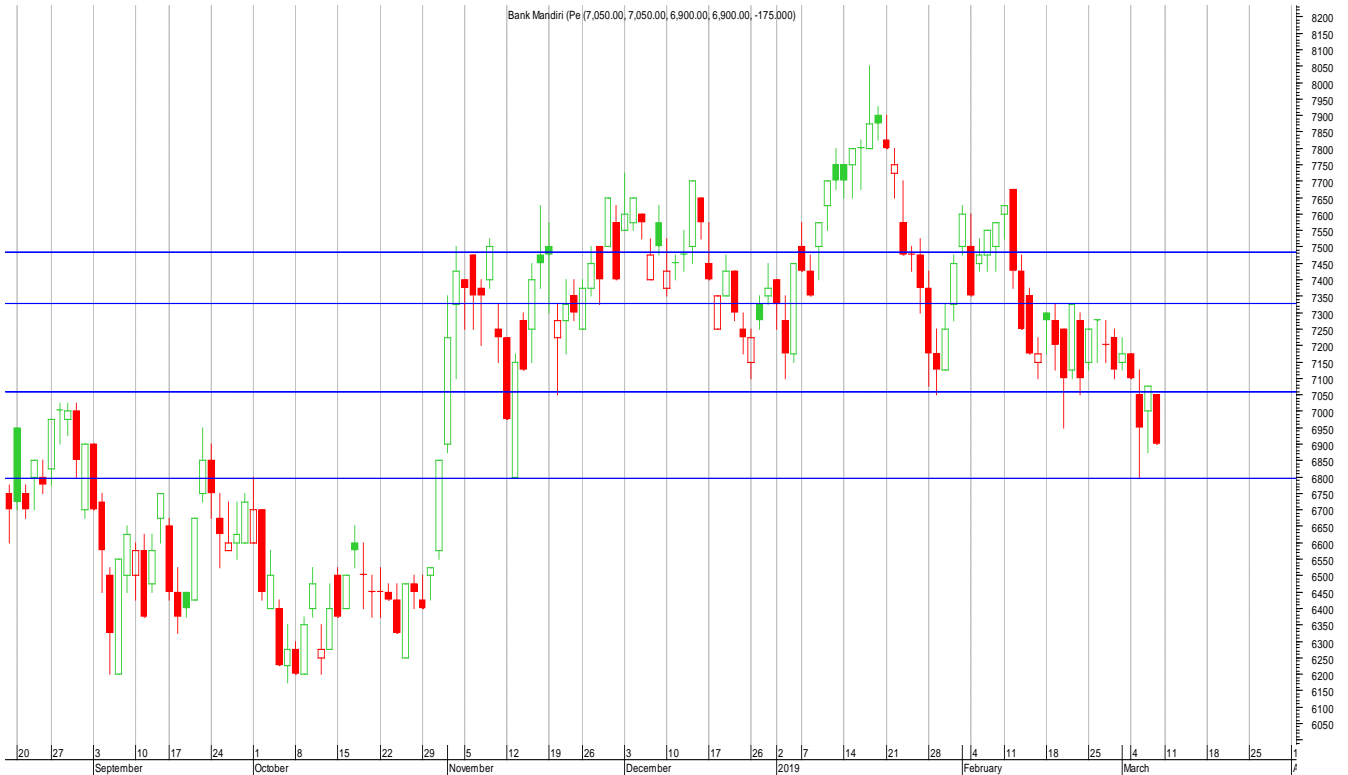
The price closed slightly below support level of the short-term uptrend line. Resistance level at 13,100. Next support and resistance level at 11,925-13,450. The penetration of support level 11,925 will cause the trend turn into negative. Sell on strength, sell if the price moves below the level of 11,900.



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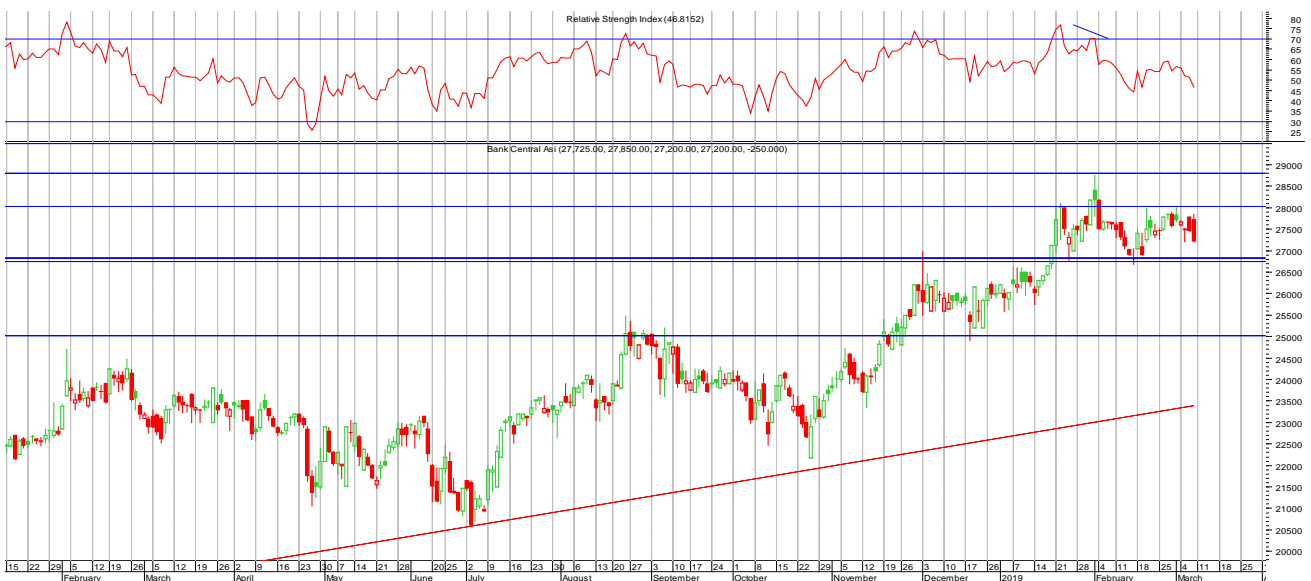
BMRI : Testing support level

The price closed above minor support level of 6,800. Resistance level at 7,050. Next support and resistance level at 6,300-7,350. The trend will turn into negative if the price moves below the level of 6,800. The price likely will form a bearish Head and shoulder pattern. This pattern will confirm if the price moves and stable below the level of 6,800. Sell on strength, sell if the price moves below the level of 6,800



BBCA : Testing Support level

The price failed to break minor resistance level of 28,000. Support level at 27,200. Next support and resistance level at 26,675-28,750. The trend will turn into negative if the price moves below the level of 26,675. Take profit/Sell on strength, sell if the price moves below the level of 26,650.



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,265 -14,365

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.28
3	7.33
5	7.56
10	7.98
15	8.35
30	8.66

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.25	6.33	6.25	6.09	5.66
US\$	1.24	1.25	1.19	1.26	
JIBOR (RP)	7.06	7.26	7.52	7.72	

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	14,315	-1.19
1 US\$ = SGD	1.36	-0.08
1 US\$ = JPY	110.98	0.17
1 US\$ = AUD	0.70	-0.23
1 US\$ = EUR	1.12	-0.08

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