

GLOBAL

Index	Last	Change	% chg
Dow	25,710	7.05	0.03
S&P 500	2,808	-2.44	-0.09
Eido US	25.2	0.08	0.32
H.S.I	28,851	43.94	0.15
Nikkei	21,438	151.34	0.71
STI	3,198	2.33	0.07
KLCI	1,675	-3.72	-0.22
Kospi	2,162	6.23	0.29
SET Thai	1,636	-3.79	-0.23

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	67.2	-0.32	-0.47
WTI Crude Oil (\$/bbl)	58.6	0.35	0.60
CPO (MYR/ton)	1,950	-6.00	-0.31
Gold (US\$/tr ounce)	1,296	-0.28	-0.02
Nickel (US\$/ton)	12,799	-319.00	-2.43
Tin (US\$/ton)	21,232	5.00	0.02
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	94.6	0.10	0.11

BEI STATISTICS

JCI	6,413
Change (1 day)	0.56%
Change YTD	3.53%
P/E Market (X)	15.4
Volume (mn shr)	9,669.3
Value (Rp bn)	6,553.3
↑ 221 ↓ 179 ↔ 228	
LQ45	1,004
% Change (1 day)	0.81%

INTEREST RATE

	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	-0.08	0.32
Inflation yoy (%)	2.57	2.82

EXCHANGE RATE

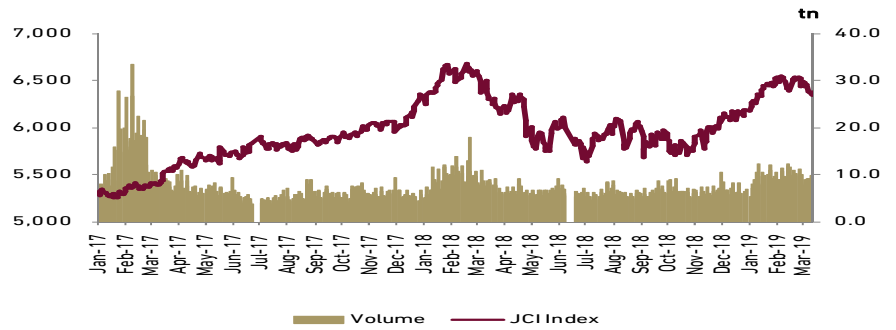
	Last	Change	% chg
1 USD = IDR	14,278	13.00	0.09
1 USD = SGD	1.36	0.00	-0.01
1 USD = JPY	111.79	0.09	0.08
1 USD = AUD	1.41	0.00	-0.16
1 USD = EUR	0.88	0.00	-0.02

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	26.2	0.02	0.08	3,738	259,063
ISAT	0.1	0.00	0.00	1,928	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Fitch Maintain Indonesia's Rating at BBB, Outlook Stable
- RI ready to file a suit against European union
- Garuda considers canceling Boeing 737 Max orders

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,370 (support) – 6,460 (resistance) level today

BMRI : Take profit at Rp 6,950-Rp 7,050

Comment : Retest the breakout previous strong support level

BBCA : Take profit at Rp 27,500-Rp 28,000

Comment: Failed to break resistance level

INKP : Sell on strength at Rp 9,760-Rp 10,500

Comment: Retest the breakout

MEDC : Speculative buy at Rp 915-Rp 900

Comment: Closed above resistance level of the gap

MARKET REVIEW & MARKET OUTLOOK

Regional

Dow Jones closed slightly higher on yesterday trade by 7.05 pts (+0.03%), to close at 25,710. While S&P 500 slightly dipped by 2.44 pts (-0.09%) to close at 2,808. Nasdaq also down by 0.2% to end at 7,631. As Facebook shares declined. Investors are still concerning about the trade negotiations between US and China. On commodity markets: Brent Crude Oil down was by 0.47% to USD 67.2/bbl. WTI Crude oil went up by 0.6% to USD 58.6/bbl. Coal gained by 0.11% at USD 94.6/ton. CPO fell by 0.31% at MYR 1,950/ton. Nickel dropped by 2.43% to USD 12,799/ton.

Domestic

JCI closed at 6,413 higher 35.69 points (+0.56%). Net foreign sell was recorded at 313 bn. The Leading sector were, Basic Industry (+2.03%), Misc. Industry (+2.02%), Finance (+0.91%). The most active stocks by value: BBRI (+1.84% to 3,870) with value of Rp530 bn, JPFA (-3.75% to 2,310) value of Rp385 bn, TLKM (unch at 3,730). The Index mover were, BMRI (+2.97% to 6,925), BBRI (+1.84% to 3,870), ASII (+2.46% to 7,275). Our Technical desk suggest for trading within the range of 6,370 – 6,460 with possibility to close at higher level.

FITCH MAINTAIN INDONESIA'S RATING AT BBB, OUTLOOK STABLE

Fitch Rating maintain Indonesia's sovereign rating at BBB with stable outlook. The rating agency said Indonesia's ratings balance a favorable GDP growth outlook and a small government debt burden. Growth outlook continues to be strong relative to its peers, Fitch sees "slight deceleration" to 5.0% in 2019 from 5.2% in 2018. It sees headline inflation to average 3.4% in 2019. Fitch views there is little indication the presidential and parliamentary elections on 17 April 2019 will lead to major changes in the direction of economic policy. External challenges to debt burden include dependence on external sources of financing, low government revenue.

Comments: Fitch still sees Indonesia's government revenue as low despite 100% target achievement in 2018. It means government needs to improve the tax and overall government revenue target and realization to achieve rating upgrade.

RI READY TO FILE A SUIT AGAINST EUROPEAN UNION

Indonesia threatens to bring the European Union to WTO regarding the decision to ban CPO for biodiesel. The move was made following the UE announcement on Thursday which said that CPO is not environmentally friendly through the Renewable Energy Directive (RED) II scheme. In RED scheme, the European commission stated that the expansion of land that caused more than 10% nature destruction is considered dangerous product and will not be used in UE. Because of that, the use of CPO in UE will be reduced gradually within 2019-2023 and eliminated starting 2030.

Comment: We see that the ban will adversely affect the shares of CPO based companies as EU is the second largest export destination for Indonesian CPO. Other than lobbying the EU, Indonesia is also finding ways to increase the domestic CPO consumption through the increase of biodiesel blending. Currently we have NEUTRAL recommendation for Plantation sector.

GARUDA CONSIDERS CANCELING BOEING 737 MAX ORDERS

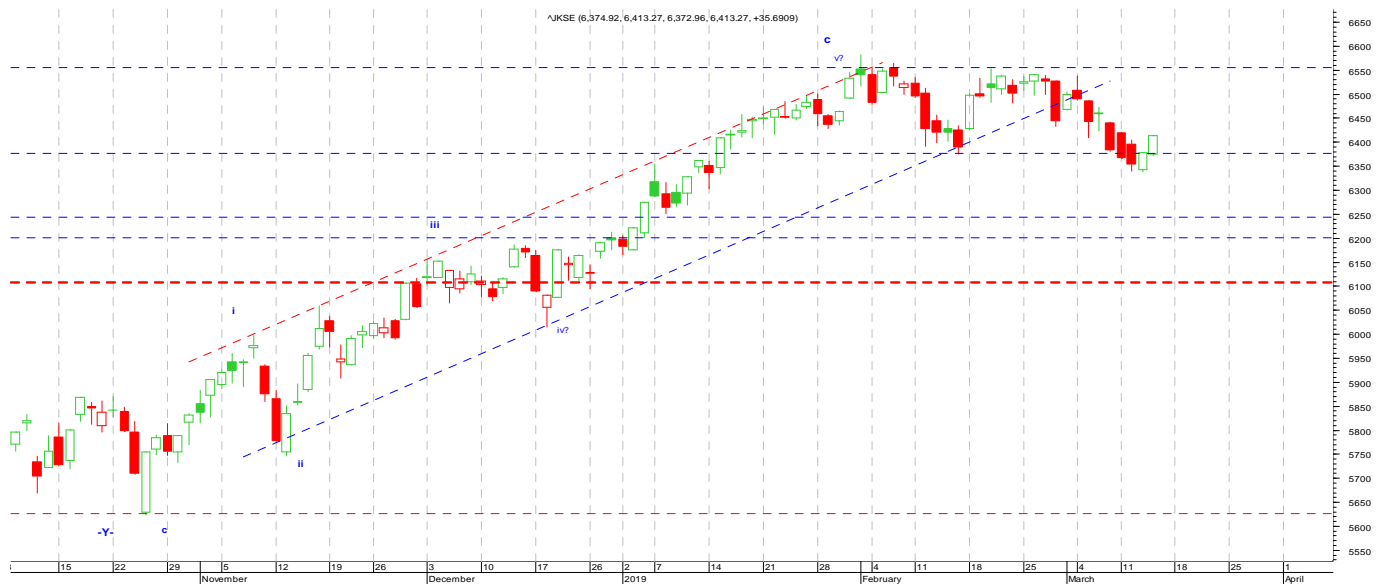
Garuda Indonesia (GIAA) CEO said there is a possibility the airline will cancel its orders of Boeing Co's 737 MAXs, with the final decision depending on what the U.S. Federal Aviation Administration (FAA) does. The 737 MAX has been banned from flying in most countries after an Ethiopian Airlines crash that killed all 157 people on board. This was a second deadly incident involving the relatively new Boeing model in five months. In October, a Lion Air jet crashed in Indonesia killing all 189 people on board. Garuda is reconsidering its upcoming order of 20 Boeing 737 MAXs after the two Boeing crashes, while its only Boeing 737 MAX would stay grounded pending to notification from the FAA.

Comment: We believe this will ease the increasing customer concerns toward Boeing 737 Max. We currently have Buy rating on GIAA with TP of Rp680.

TECHNICAL ANALYSIS

JCI : (6,413 +0.6%)

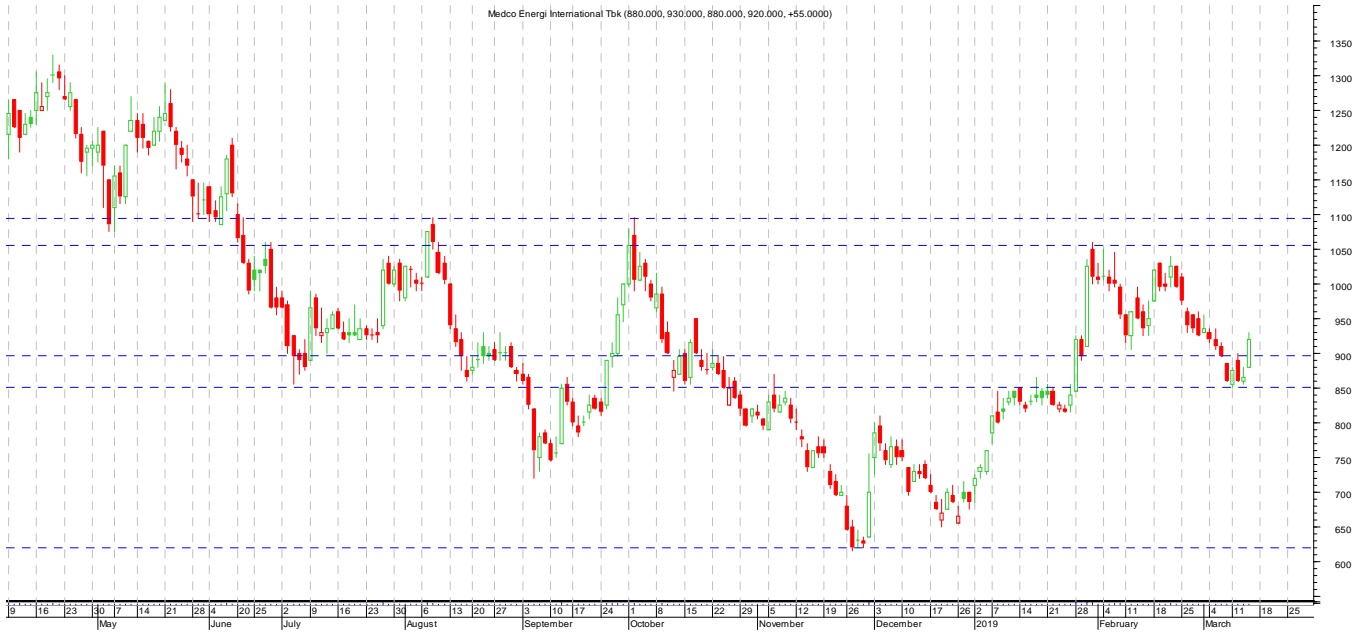
Comment : BMRI, BBRI and ASII consecutively became leading movers. Technically, JCI closed above previous minor support level of 6373 so the penetration which occurred two days ago not confirm yet. Support level at 6,337. Resistance level at 6,460. Next support and resistance level will be at 6,250-6,550. Based on traditional technical approach, the index likely will form a double top pattern with theoretical target around the level of 6,200. This pattern will confirm if the index moves below the level of 6,337. Based on Elliott 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

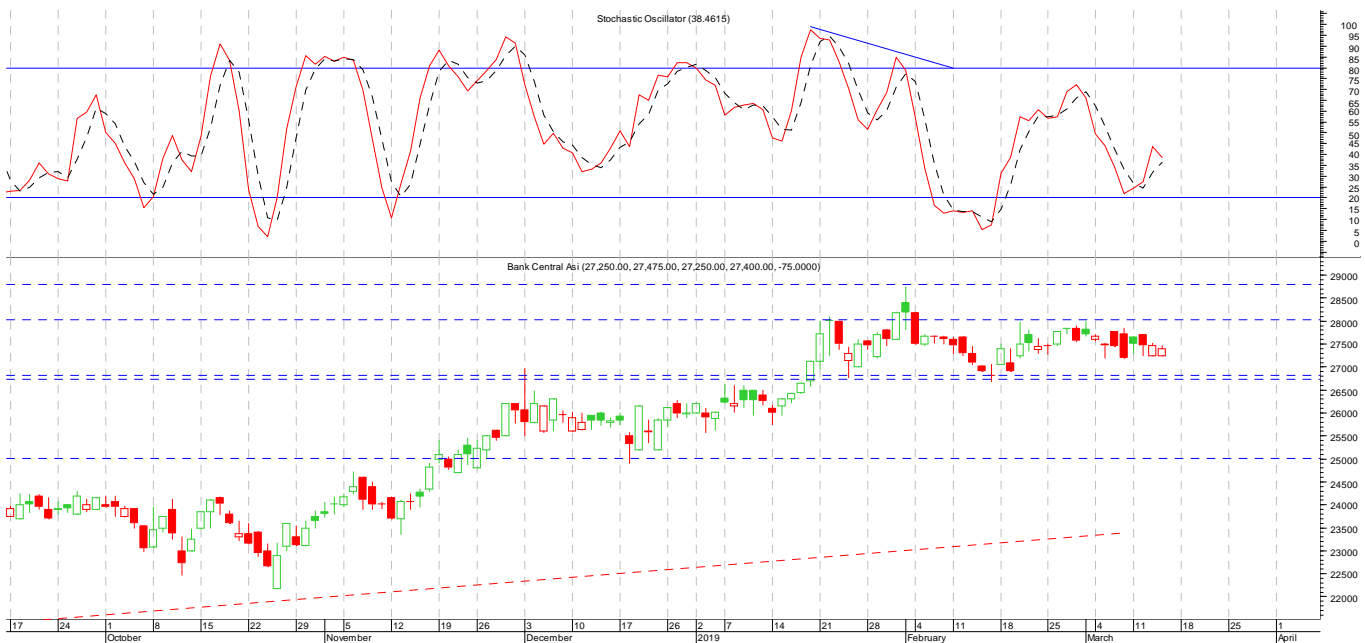
MEDC : Testing resistance level

The price closed above resistance level of the gap 895. Support level at 850. Next support and resistance level at 815-975. The trend is still positive. Speculative buy



BBCA : Testing resistance level

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



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INKP : Testing resistance level

The price bounced from support level of 8,775. Resistance level at 9,750. Next support and resistance level at 8,000-10,500, The trend turn into negative when the price moved below previous strong support level of 10,500. Level of 10,500 potentially turn into strong resistance level. Sell on strength



BBRI : Testing Support level

The price closed below previous strong support level of 7,050. If the breakout confirm, level of 7,050 will turn into strong resistance level. Support level at 6,650. Next support and resistance level at 6,200-7,200. The price likely formed a bearsih Head and shoulder pattern with theoretical target around the level of 6,200. Take profit/Sell on strength/Sell



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,220 -14,320

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.28
3	7.15
5	7.42
10	7.83
15	8.23
30	8.58

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.23	6.38	6.19	6.06	5.68
US\$	1.26	1.18	1.22	1.19	
JIBOR (RP)	7.02	7.23	7.50	7.70	

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	14,278	-0.09
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1 US\$ = JPY	111.79	-0.08
1 US\$ = AUD	0.71	0.16
1 US\$ = EUR	1.13	0.02

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