

GLOBAL			
Index	Last	Change	% chg
Dow	26,425	40.36	0.15
S&P 500	2,893	13.35	0.46
Eido US	26.4	0.05	0.19
H.S.I	29,936	-50.07	-0.17
Nikkei	21,832	24.36	0.11
STI	3,323	6.43	0.19
KLCI	1,642	-3.26	-0.20
Kospi	2,210	0.67	0.03
SET Thai	1,646	1.96	0.12

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	70.3	0.94	1.35
WTI Crude Oil (\$/bbl)	63.1	0.98	1.58
CPO (MYR/ton)	2,129	29.00	1.38
Gold (US\$/tr ounce)	1,292	0.65	0.05
Nickel (US\$/ton)	12,987	-94.50	-0.72
Tin (US\$/ton)	21,130	-140.00	-0.66
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	78.9	1.15	1.48

BEI STATISTICS	
JCI	6,474
Change (1 day)	-0.32%
Change YTD	4.51%
P/E Market (X)	15.7
Volume (mn shr)	10,404.4
Value (Rp bn)	5,936.9
↑ 177 ↓ 223 ↔ 229	
LQ45	1,021
% Change (1 day)	-0.46%

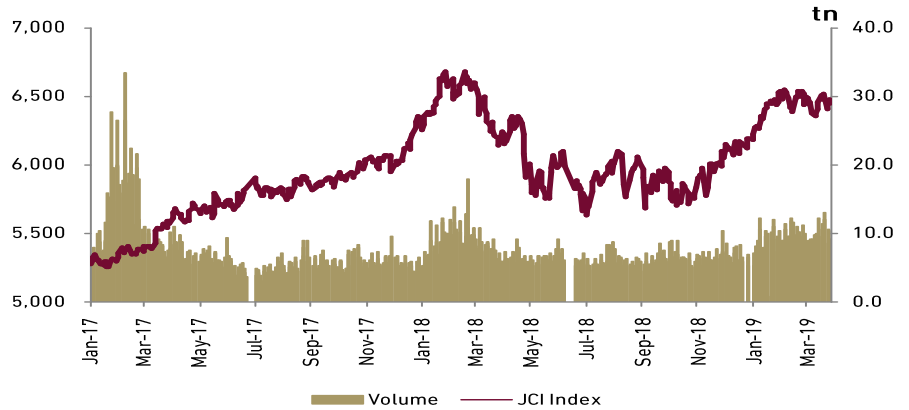
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	0.11	-0.08
Inflation yoy (%)	2.48	2.57

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,133	-49.00	-0.35
1 USD = SGD	1.36	0.00	0.02
1 USD = JPY	111.63	-0.10	-0.09
1 USD = AUD	1.41	0.00	0.14
1 USD = EUR	0.89	0.00	-0.04

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	28.4	0.36	1.28	4,018	232,735
ISAT	0.2	0.00	0.00	2,261	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Government to establish SOE holding for aviation sector
- Indonesia Consumer Confidence Index declines in March 2019
- MEDC FY18 results broadly in-line, but earnings below

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,440 (support) – 6525 (resistance) level today

BBNI: Sell on strength at Rp 9,700-Rp 10,000

Comment : Testing resistance level of the channel

HMSP: Sell on strength at Rp 3,750-Rp 3,800

Comment: The trend is still sideways

PTBA: Sell on strength at Rp 4,050-Rp 4,150

Comment: The trend is still sideways

ICBP: Buy on weakness at Rp 8,950-Rp 8,300

Comment: Testing support level

MARKET REVIEW & MARKET OUTLOOK

Regional

Stocks rose solidly by 0.15% on Friday for the Dow to 26,424 and ended the week with a strong 1.9% gain, up 13.3% so far this year. On US employment situation, a 196,000 MoM rise in nonfarm payrolls for March is a relief, following only a revised 33,000 February increase that had raised questions over the strength of job growth. Another plus, at least for Fed policy, is a slowing in wage pressures that gives payroll growth room to rise. On commodity market, WTI crude oil went up by 1.58% to USD63.1/bbl. while nickel price was down 0.72% to USD12,987/ton.

Domestic

JCI closed lower at 6,474 by 21 points or -0.32% on Friday trading and recorded Rp435 bn of net foreign buy. The laggard sectors were Mining (-1.39%), Basic Industry (-1.01%), and Consumer (-0.58%) which were mainly driven by HMSP (-1.33% to 3,720), BMRI (-1.63% to 7,550) and BBKA (-0.72% to 27,525) as the key movers. Rupiah strengthened by 49 points to 14,133/USD. Indonesia's consumer confidence index fell to a 4-month low of 124.5 in March from 125.1 in the previous month. Our technical desk suggests for trading within the band of 6,440-6525 with possibility mixed to lower level.

GOVERNMENT TO ESTABLISH SOE HOLDING FOR AVIATION SECTOR

After succeeded establishing SOE holding for other sectors, government now plans to form the holding for aviation sector. According to Indonesia SOE Minister, Rini Soemarno, holding company in aviation sector will comprise Angkasa Pura I, Angkasa Pura II and Garuda Indonesia (GIAA). Moreover, by establishing the SOE holding for aviation, government aims to create synergy among the companies which may allow them to be more cost efficient and have higher ability to expand the business.

Comment: the plan is still in the early discussion. However with the aim of government to make the companies in aviation sector becoming more efficient, we are positive on that given the difficulties of aviation players to control the pressure from cost side.

INDONESIA CONSUMER CONFIDENCE INDEX DECLINES IN MARCH 2019

Consumer Confidence Index in March 2019 was 124.5, lower by 0.6 points from February 2019. This decline was due to consumer perceptions of current conditions and consumer expectations of economic conditions in the next 6 months that were not as strong as the previous month. As of March 2019, consumer perceptions of the current economic conditions also weakened from the previous month, reflected in the Current Economic Conditions Index in March 2019 of 108.9, lower than 109.4 in February 2019. The decline in the Economic Condition Index was caused by a decline in consumer confidence in purchasing durable goods and a decrease in current employment availability compared to conditions 6 months ago. Consumer perceptions of the forecast of future economic conditions also weakened from the previous month, reflected in the Economic Conditions Expectation Index in March 2019 of 140.2, lower than 140.9 in February 2019. The survey results also indicate that the pressure of rising prices is expected to increase in the next 3 months (June 2019), mainly influenced by the increase in demand during the Eid-ul-Fitr period. Meanwhile, price pressures in the next 6 months (September 2019) are expected to decline supported by consumer perceptions of the maintained supply of household consumer goods and the increasingly smooth distribution of goods.

Comment: While on quarterly basis, the average consumer confidence index in the first quarter of 2019 was 125.0, an increase compared to 123.0 in 4Q18 and 123.4 in 1Q18. We maintain overweight rating for consumer sector as overall consumer confidence index in 1Q19 still shows higher consumer optimism towards economic conditions.

MEDC FY18 RESULTS BROADLY IN-LINE, BUT EARNINGS BELOW

Medco Energi (MEDC) reported FY18 net loss of USD51.3 mn, weighed down by higher other expenses (interest and loss from associates company) and loss from discontinued operation. FY18 revenue and operating income of USD1.22 bn (+34.6% YoY) and USD471 mn (+76.1% YoY) were in-line with our expectations as they formed 103% and 105% of our FY18 forecast, respectively. FY18 EBITDA of USD580 mn (+35.5%) was also broadly in-line, meeting 95.3% of our FY18F. Margins also improved across the board with GMP, OPM and EBITDA improved by 30-550bps. On quarterly basis, the company reported lower operating profit of USD98.1 mn (-25.4% QoQ) as revenue declined by 16.7% to USD348.9 mn and margins contracted across the board, which we believe it was dented sharp decline in oil price in 4Q18.

Comment: The company actually reported net income of USD2.3 mn from continuing operation but it is still lower than our FY18F. We are reviewing our earnings forecast for MEDC and will incorporate positive impact from Ophir acquisition.

Medco FY18 results

USD mn	FY18	FY17	YoY Chg	4Q18	3Q18	QoQ Chg	2018F	FY18A/F
Revenue	1,218.3	905.1	34.6%	290.8	348.9	-16.7%	1,181	103.2%
Cost of sales	(586.1)	(489.6)	19.7%	(156.9)	(170.3)	-7.9%	(572)	102.5%
Gross profit	632.2	415.5	52.1%	133.8	178.6	-25.1%	609	103.8%
SGA expenses	(160.7)	(147.8)	8.7%	(35.7)	(47.0)	-24.1%	(160)	100.4%
Operating profit	471.5	267.7	76.1%	98.1	131.6	-25.4%	449	105.0%
EBITDA	580.3	428.3	35.5%	130.1	148.9	-12.6%	609	95.3%
Other income/exp	(272.7)	25.8	n/a	(76.5)	(101.6)	-24.7%	(345)	79.0%
Profit before tax	198.8	293.5	-32.3%	21.6	29.9	-27.7%	264	75.3%
Income tax expenses	(196.5)	(102.5)	91.6%	(26.2)	(74.1)	-64.6%	(212)	92.7%
Loss fr disc operation	(53.7)	(63.9)	-16.0%	(35.6)	(81.7)	-56.4%	(33)	162.6%
Net profit	(51.3)	127.1	n/a	(40.2)	(44.1)	-8.9%	19	n/a
Gross margin	51.9%	50.2%	1.7%	46.0%	51.2%	-5.2%	51.6%	100.6
EBIT margin	38.7%	33.2%	5.5%	33.8%	37.7%	-4.0%	38.0%	101.8
EBITDA margin	47.6%	47.3%	0.3%	44.7%	42.7%	2.1%	51.6%	92.4
Net margin	-4.2%	27.5%	-31.7%	-13.8%	-12.6%	-1.2%	1.6%	n/a

TECHNICAL ANALYSIS

JCI : (6,474 -0.3%)

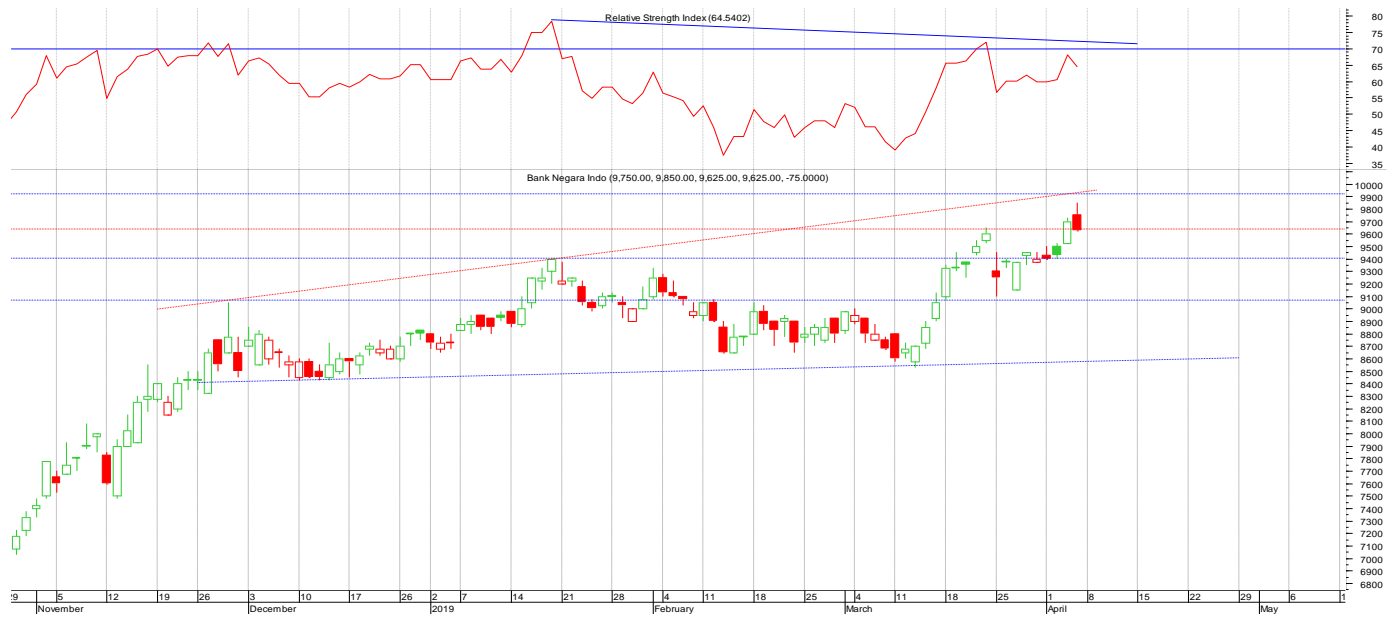
Comment : HMSP, BMRI and BBCA consecutively became lagging movers. Technically, JCI still fail to break resistance level of the gap 6,500-6,525. Support level at 6,440. Next support and resistance level will be at 6,391-6,581. The penetration of support level of 6,337 will cause the trend turn into negative. 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

BBNI : Testing resistance level

The price closed below previous minor resistance level of 9,650 so the breakout not confirmed yet. Resistance level at 9,850. Support level at 9,350. Next support and resistance level at 9,100-10,000. Indicator of RSI (14) likely formed a negative divergence which indicates that the trend potentially to reversal. Sell on strength



HMSP : Testing Support level

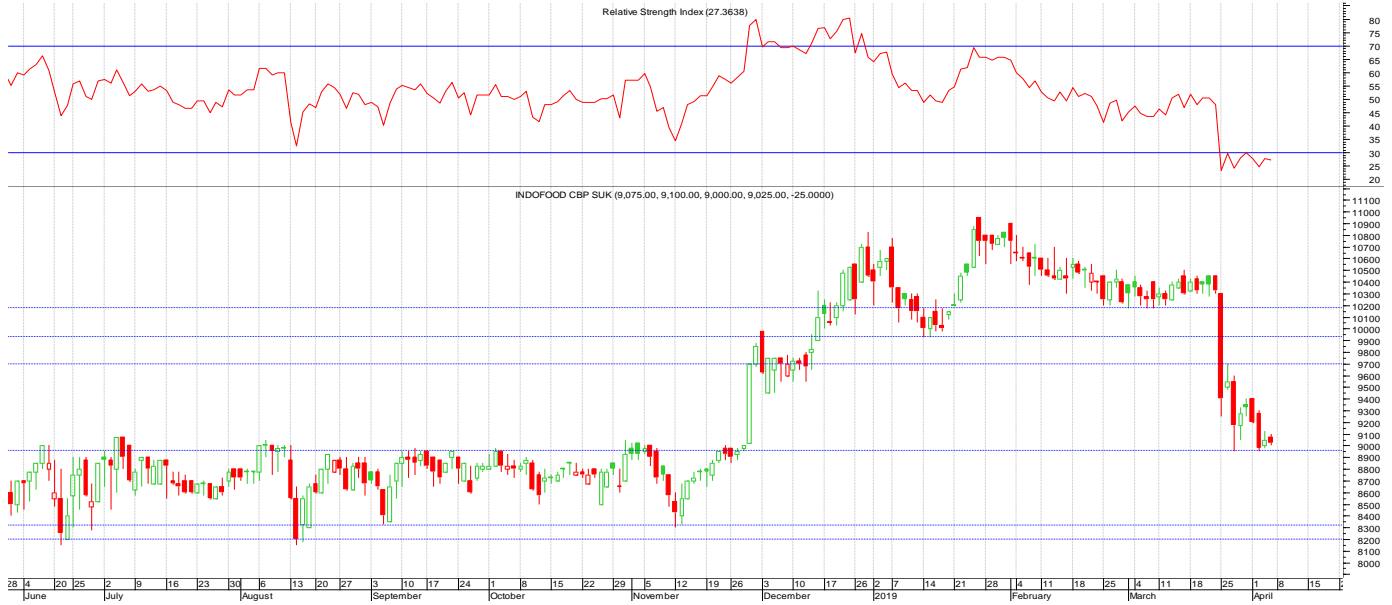
The price closed at minor support level of 3,720. Resistance level at 3,810. Next support and resistance level at 3,660-3,860. The trend is still sideways. The trend potentially to turn into negative if moves and stable below support level of 3,660. Sell on strength, sell if the price moves and stable below the level of 3,660.



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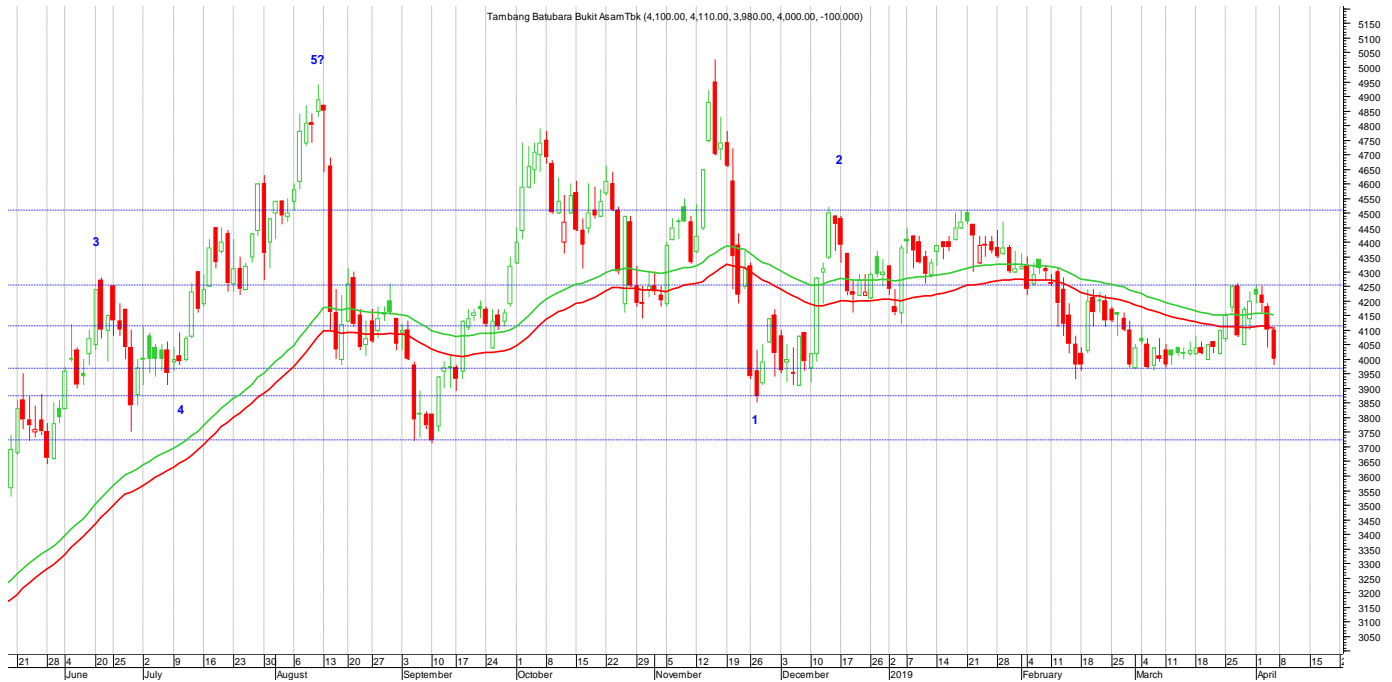
ICBP : Testing support level

The price closed above minor support level of 8,950. Resistance level at 9,400. Next support and resistance level at 8,300-9,700. Some of momentum indicators indicates that the price already enter oversold area. ST : Buy on weakness, MT : Sell on strength



PTBA : Testing support level

The price closed above minor support level of 3,930. Resistance level at 4,150. Next support and resistance level at 3,850-4,260. The trend is still sideways. Sell on strength, sell if the price moves and stable below the level of 3,850.



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,080 -14,180

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.28
3	7.04
5	7.08
10	7.57
15	7.98
30	8.46

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.15	6.31	6.21	6.06	5.62
US\$	1.26	1.28	1.25	1.27	
JIBOR (RP)	7.03	7.21	7.49	7.67	

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	14,133	0.35
1 US\$ = SGD	1.36	-0.02
1 US\$ = JPY	111.63	0.09
1 US\$ = AUD	0.71	-0.14
1 US\$ = EUR	1.12	0.04

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