

GLOBAL			
Index	Last	Change	% chg
Dow	26,450	-3.12	-0.01
S&P 500	2,900	-6.61	-0.23
Eido US	26.9	0.51	1.93
H.S.I	30,125	-5.19	-0.02
Nikkei	22,270	-8.13	-0.04
STI	3,349	16.60	0.50
KLCI	1,621	-8.56	-0.53
Kospi	2,242	-3.57	-0.16
SET Thai	1,673	12.75	0.77

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	71.6	-0.10	-0.14
WTI Crude Oil (\$/bbl)	63.8	-0.29	-0.45
CPO (MYR/ton)	2,130	25.00	1.19
Gold (US\$/tr ounce)	1,274	0.32	0.03
Nickel (US\$/ton)	12,813	-54.50	-0.42
Tin (US\$/ton)	20,485	-165.00	-0.80
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	84.6	0.50	0.59

BEI STATISTICS	
JCI	6,482
Change (1 day)	0.72%
Change YTD	4.63%
P/E Market (X)	15.8
Volume (mn shr)	11,742.8
Value (Rp bn)	7,421.0
↑ 235 ↓ 162 ↔ 235	
LQ45	1,024
% Change (1 day)	1.05%

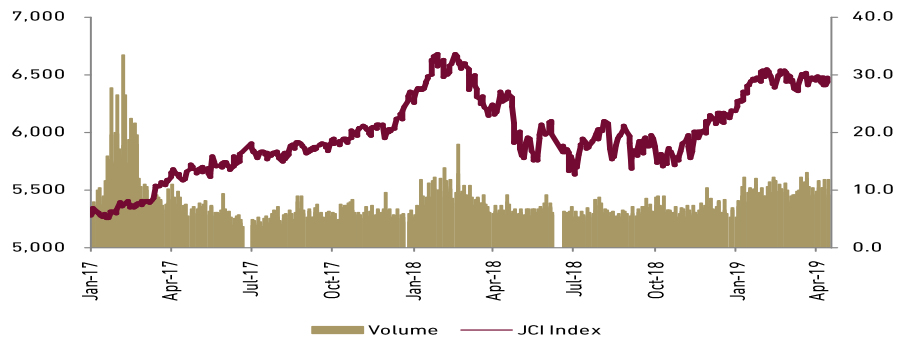
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	0.11	-0.08
Inflation yoy (%)	2.48	2.57

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,085	25.00	0.18
1 USD = SGD	1.35	0.00	0.01
1 USD = JPY	111.98	-0.08	-0.07
1 USD = AUD	1.39	0.00	0.13
1 USD = EUR	0.89	0.00	0.01

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	28.0	0.50	1.82	3,941	250,202
ISAT	0.2	0.00	0.00	2,254	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Jokowi led the race according to quick counts
- China's 1Q19 growth beating estimates
- Domestic car sales up 10.4% MoM in March, Astra fares better
- Apple still dominates the premium phone's market
- GIAA books positive net profit in 1Q19
- United Tractors machinery sales down but Pama volume still up in March

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,470 (support) – 6,650 (resistance) level today

ICBP: Speculative buy at Rp 9,075-Rp 8,950

Comment : Testing support level

MEDC: Speculative buy at Rp 840-Rp 800

Comment: Testing support level

PTPP: Speculative buy at Rp 2,390-Rp 2,300

Comment: Potentially to break resistance level

BNGA: Speculative buy at Rp 1,060-Rp 1,000

Comment: Hold above support level

MARKET REVIEW & MARKET OUTLOOK

Regional

The Dow Jones Industrial Average inched down by 3.12 points(-0.01%) to 26,449.54, while the S&P 500 fell 0.2% to 2,900.45. The Nasdaq Composite closed 0.05% lower at 7,996.08. However, Nasdaq 100, which is made up of the 100 largest companies in the composite index, rose 0.3% and hit a record high. Health care fell 2.9% as a sector, following a 2% drop from the previous session. Health care is one of the poorest performers this year. The sector's sharp losses came after UnitedHealth CEO David Wichmann warned that proposals pushed by Democratic lawmakers, such as "Medicare for All," would jeopardize the relationship people have with their doctors, destabilize the nation's health system and limit the ability of clinicians to practice medicine at their best. On commodity markets: Brent Crude Oil was down by 0.14% to USD 71.6/bbl . Coal went up by 0.6% at USD 84.6/ton. CPO rose by 1.2% at MYR 2,130/ton. Nickel was down by 0.42% to USD 12,813/ton.

Domestic

JCI ended higher by 46.4 points or +0.72% to close at 6,482 and recorded Rp560bn of net foreign sell. Property (+2.48%), Misc. Industry (+1.66%), Basic Industry (+1.10%) were the leading sector, with BMRI (+3.74% to 7,625), ASII (+1.97% to 7,750), GGRM (+3.68% to 82,425) become the index movers. Rupiah currency weakened by 25 points to 14,085/USD. Our technical desk suggests for trading within the band of 6,470–6,650, with possibility to end at higher level.

JOKOWI LED THE RACE ACCORDING TO QUICK COUNTS

Early counts indicate that Jokowi could get close to 54.4% of votes share, while Prabowo Subianto had about 45.6 %, according to ten pollsters average results compiled by Kompas daily website . This comes in line with our estimation of 54.1% vote for Jokowi vs 45.9% for Prabowo (our strategy report dated 25 March). However, Prabowo disputed the figures and said his team's own data suggested he was in the lead. According to the election timeline, the general elections commission (KPU) will announce the official count on 19 May.

Our comment: We believe the quick count result will give positive sentiment to Indonesian equity market and rupiah. If history is any guide, one day after the 2014 election JCI was up almost 1.5% with Construction and Property (+3.39%), Banking (+2.3%) , Basic industry / cement (+1.93%) stocks led the gain. Meanwhile, rupiah appreciated by 1% on that day.

CHINA'S 1Q19 GROWTH BEATING ESTIMATES

Gross domestic product rose 6.4% in the first three months from a year earlier - matching last quarter's pace and beating economists' estimates. Factory output in March jumped 8.5% from a year earlier, much higher than forecast. Retail sales expanded 8.7% while investment was up 6.3% YTD. The robust data stoked skepticism as critics said authorities are again relying on cheap credit to stoke lending and demand. Investment by state-owned firms quickened to 6.7% and slowed for private firms to 6.4%, underscoring the government's role in supporting growth.

Comment: We see the data as positive for Indonesia's export. Furthermore, China's government also weighing another stimulus as the similar policy in 2018 is seen starting bear fruit in 1Q19 pointing on the retail sales growth

DOMESTIC CAR SALES UP 10.4% MOM IN MARCH, ASTRA FARES BETTER

Indonesia domestic car sales increased by 10.4% MoM to 90.2 k units, but down 11.4% YoY, in Mar-19. Meanwhile, Astra International car sales increased at a faster pace of 20.7% MoM to 50.4 k units, led by the gain in Toyota (22.6% to 28.9 k units) and Daihatsu (+20.4% to 19.6 k units). As a results, Astra gained market share expanded to 55.8% in Mar-19 compared to 51.1% in Feb-19 and 49.9% in Mar-18. The non-Astra brands saw flat MoM sales (but down 21.8% YoY) in Mar-19 with Mitsubishi gaining by 10.3% MoM to 16.1 k unit while Honda and Suzuki experiencing a 23-24% MoM decline to 8.1 k units and 6.3 k units respectively. Cumulatively, domestic car sales remained weak with 1Q19 sales volume still down by 13.1% YoY to 253.9 k units while Astra car declined at slower pace of 5.4% to 141.9 k units, resulting its market share expanded to 52.9% in 1Q19 from 48.6% in 1Q18.

Comment: We believe the above data will give positive sentiment to Astra share price following its increased volume and stronger performance than the industry. We currently have Buy rating on ASII with TP of Rp8,250.

APPLE STILL DOMINATES THE PREMIUM PHONE'S MARKET

Premium Smartphone's market is on the rise, according to the counterpoint date, Global Smartphone sales with price above USD400 increased by 14% YoY in 2018. Premium segment rose in higher pace compared to the overall smartphone market, which declined by 3% YoY. This was attributable to the sales of top 5 premium smartphone's brand, which were, Apple (51%), Samsung (22%), Huawei (10%), Oppo (6%), and One Plus (2%). Apple series with price higher than USD800, became the most significant contributor in the premium segment, c.80% of global premium smartphone's sales (according to counter point research). However, the sales of Apple and Samsung dropped compared to 2017, around 7% and 1% respectively, where other China brand increased compared to 2017. Oppo sales increased by 5%, due to P20 and Mate20 series, they admit that Oppo

sales increased by 97% YoY. In total there were 1.4mn smartphones sold in 2018, declined by 4.1%, compared to 2017. Samsung lead by 292.3mn unit, and 20.8% marketshare (declined by 8% YoY), Apple also declined by 3.2%. However, Huawei and Xiaomi rose significantly. Huawei increased by 33.6%, on the third position below Apple, with 206mn unit. Xiaomi took the fourth place, increased by 32.2% YoY with 122.6mn unit and took 8.7% of marketshare.

Comment: We see that the global smartphone sales were slowing, this can be a negative catalyst for ERAA, as volume may decline in 2019. Overall, we have a HOLD rating for ERAA with TP of Rp1470 (-5.4%).

GIAA BOOKS POSITIVE NET PROFIT IN 1Q19

(in USD mn)	1Q19	1Q18	YoY	1Q19	4Q18	QoQ	%19F Kl.	%19F Cons.
Scheduled airline services	924.9	828.5	11.6%	924.9	971.1	-4.8%		
Non-scheduled airline services	2.9	19.8	-85.5%	2.9	12.1	-76.3%		
Others	171.8	134.7	27.5%	171.8	170.0	1.1%		
Total Op. Revenue	1,100	983	11.9%	1,099.6	1,153.2	-4.7%	21.34%	22.5%
Flight Operation	-619.0	-642	-3.5%	-619.0	-709.2	-12.7%		
Maintenance and overhaul	-118.6	-99.0	19.8%	-118.6	-184.1	-35.6%		
Ticketing, sales and promotion	-77.6	-76.0	2.2%	-77.6	-89.9	-13.7%		
Passenger services	-65.0	-72.4	-10.1%	-65.0	-71.1	-8.5%		
User charges and station	-98.5	-96.6	2.0%	-98.5	-103.1	-4.4%		
G&A	-53.6	-56.9	-5.8%	-53.6	-51.3	4.6%		
Other Operating Expenses	-17.4	-17.4	0.2%	-17.4	-17.9	-2.6%		
Total Op. Expenses	-1,049.8	-1,059.9	-1.0%	-1,049.8	-1,226.6	-14.4%		
Opr. Profit	49.7	-76.9	N/A	49.7	-73.4	N/A		
<i>Opr. Margin (%)</i>	4.5	-7.8	12.35	4.5	-6.4	10.88		
					0.0			
Finance income	1.1	1.0	13.5%	1.1	0.8	40%		
Finance Cost	-20.7	-18.7	10.5%	-20.7	-21.2	-3%		
Others	-0.2	10.9	-102.3%	-0.2	245.0	N/A		
Profit (loss) before tax	29.9	-83.8	N/A	29.9	151.2	-80%		
<i>pretax margin (%)</i>	2.7	-8.5	N/A	2.7	13.1	-79.2%		
Tax Benefits (Expenses)	-10.2	19.5	N/A	-10.2	-35.9	-71.7%		
Net profit (loss)	20.5	-65.3	N/A	20.5	114.9	-82.2%	32.5%	32.1%
<i>Net margin (%)</i>	1.9	-6.6	8.51	1.9	10.0	-8.10		

GIAA posted a solid net profit of USD20.5 mn in 1Q19, reverted back from USD65.3 net loss in 1Q18. The 1Q19 bottom line figure formed 32.5% and 32.1% of our and consensus' estimates. Total operating revenue rose 11.9% YoY to USD1.1 bn, dragged by scheduled airline services and others which soared by 11.6% YoY and 27.5% YoY, respectively. On the back of flat operating expenses, GIAA successfully recorded operating profit of USD49.7 mn (vs. - USD76.9 mn in 1Q18) and implying 4.5% operating margin.

Comment: we think the last rally in GIAA share price was driven by the strong 1Q19 result. We will review out our forecast, but we remain positive with GIAA and maintain our BUY call with TP of Rp620.

UNITED TRACTORS MACHINERY SALES DOWN BUT PAMA VOLUME STILL UP IN MARCH

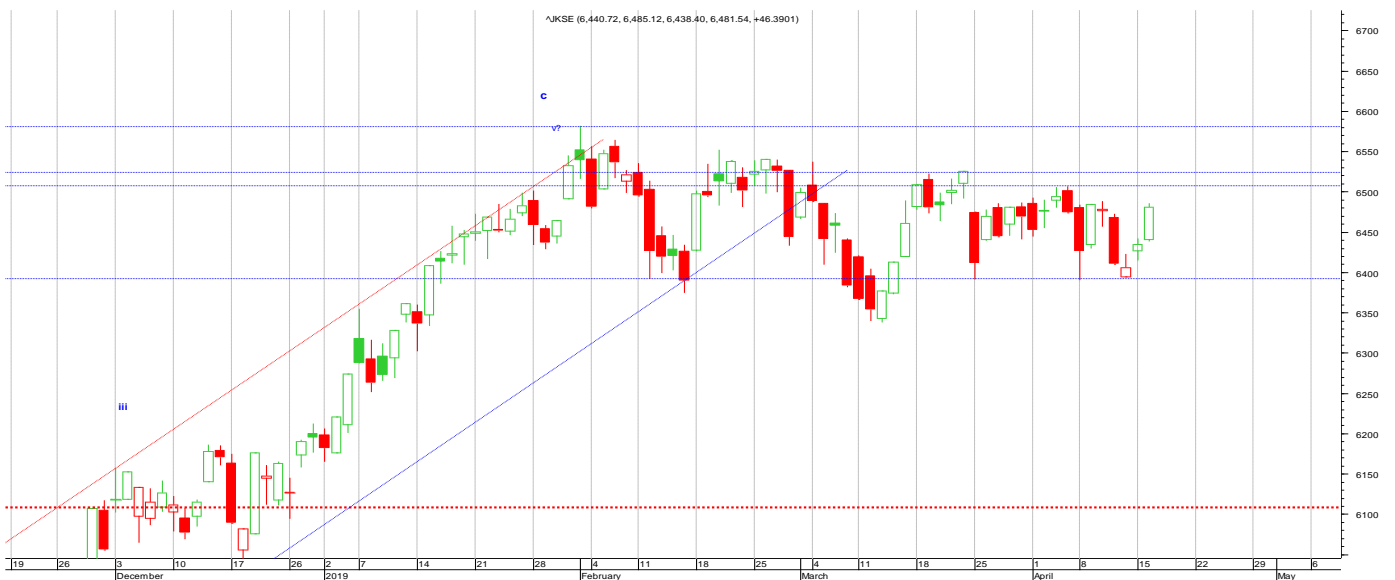
United Tractors posted Mar-19 heavy equipment volume of 344 units (-17.1% YoY, -7.5% MoM) , bringing 3M19 sales volume to 1,181 units, inching up by 0.9% MoM. This accounted for 29% of our FY19F of 4,100 units, but we see 15.9% YoY decline in FY19 volume on expected weaker coal price. However, Pamapersada (mining contracting units) still saw both 6% MoM and YoY increase in its overburden removal volume to 82.6 mn bcm in Mar , bringing 1Q19 volume to 234.6 mn bcm or 26% of our FY19F of 907.3 mn bcm. From its own coal mine, UNTR produced 894 k tons of coal in Mar-19 (+1.5% MoM but -4.8% YoY) which led to 1Q19 volume inching down by 2% YoY to 2.5 mn tons or 28.9% of our FY19F. Meanwhile its gold mine unit (Agincourt Resources) saw a 19.4% MoM increase in sales volume to 37 k ounces , resulting to 1Q19 volume of 97 k ounces or 27.9% of our FY19F of 360 k ounces. Meanwhile , the company will distribute final dividend per share of Rp828 suggesting 3.2% dividend yield.

Comment: We believe still solid data in mining contracting (48% of total revenue) and own mine coal mining (13% of revenue) combined with the incorporation of gold mine revenue will more than offset weaker heavy equipment revenue (35% of revenue). Therefore, we maintain our Buy rating on UNTR with TP of Rp33,700 (+27% upside potential).

TECHNICAL ANALYSIS

JCI : (6,482 +0.7%)

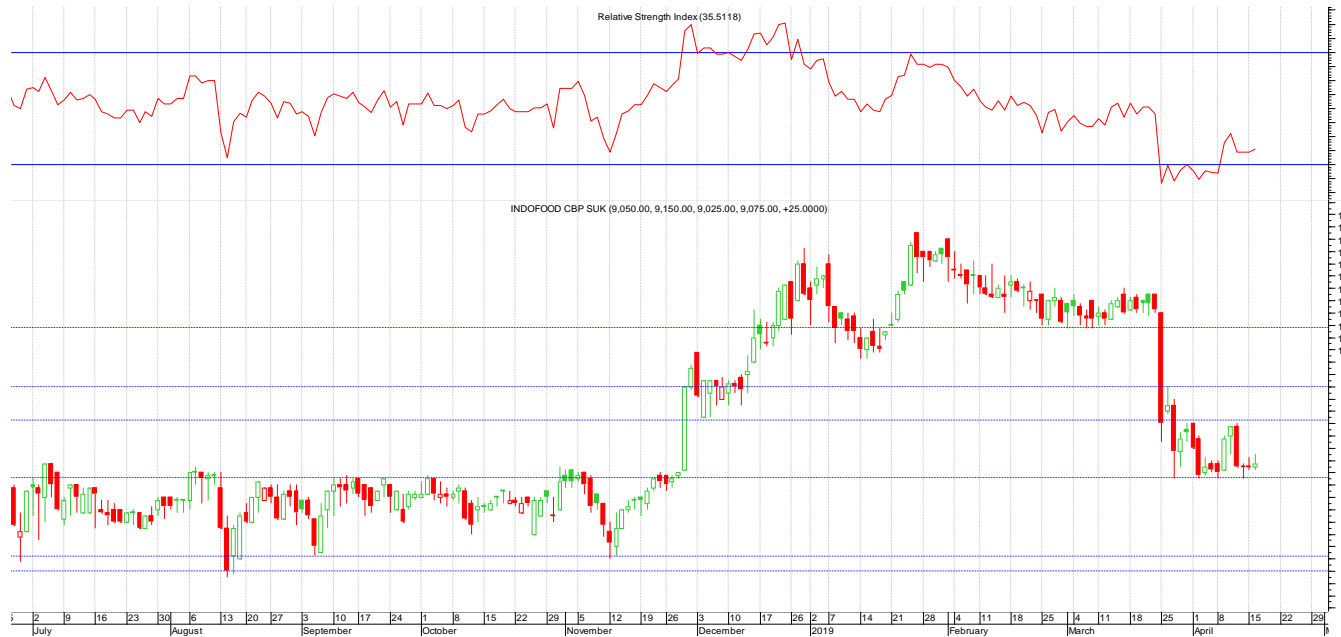
Comment : BMRI, ASII and GGRM consecutively became leading movers. Technically, JCI closed below minor resistance level of 6,525. Support level at 6,391. Next support and resistance level will be at 6,337-6,581. The penetration of support level of 6,337 will cause the trend turn into negative meanwhile the breakout of resistance level 6,525 will cause the index continue the mid-term positive trend. 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

ICBP : Testing support level

The price closed above minor support level of 8,950. Resistance level at 9,300. Next support and resistance level at 8,300-10,000. The mid-term trend is still sdieways. Speculative buy



BNGA : Testing support level

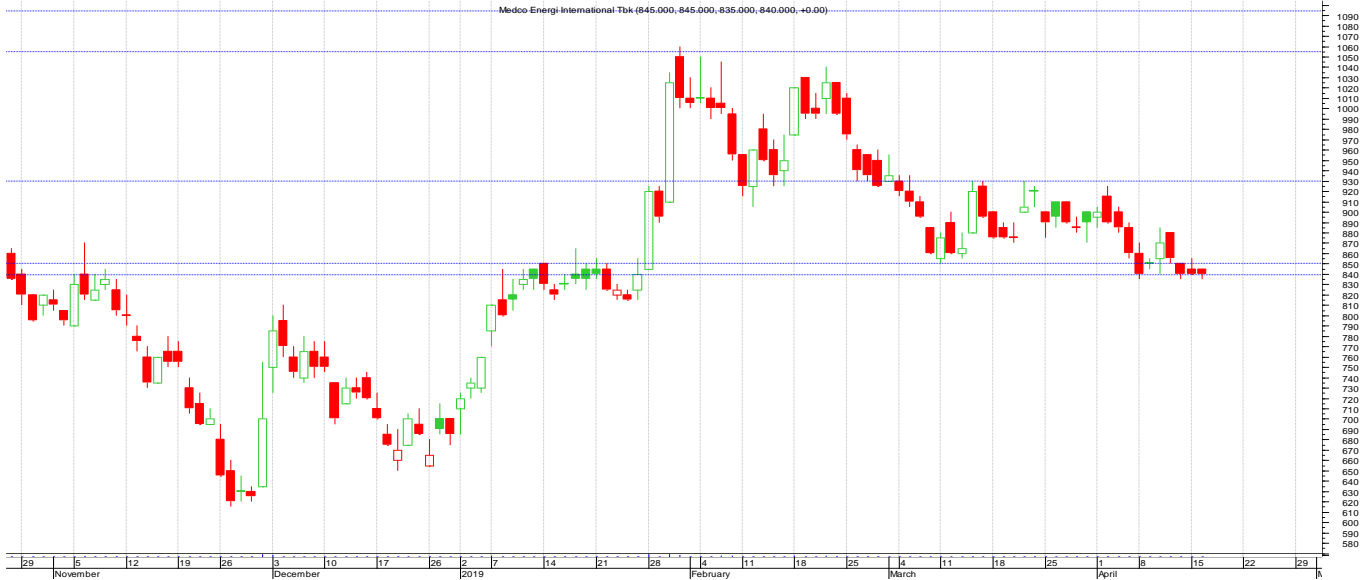
The price held and closed above minor support level of the short-term downtrend channel 1,020. Resistance level at 1,100. Next support and resistance level at 970-1,150. The mid-term trend is still sdieways. Speculative buy



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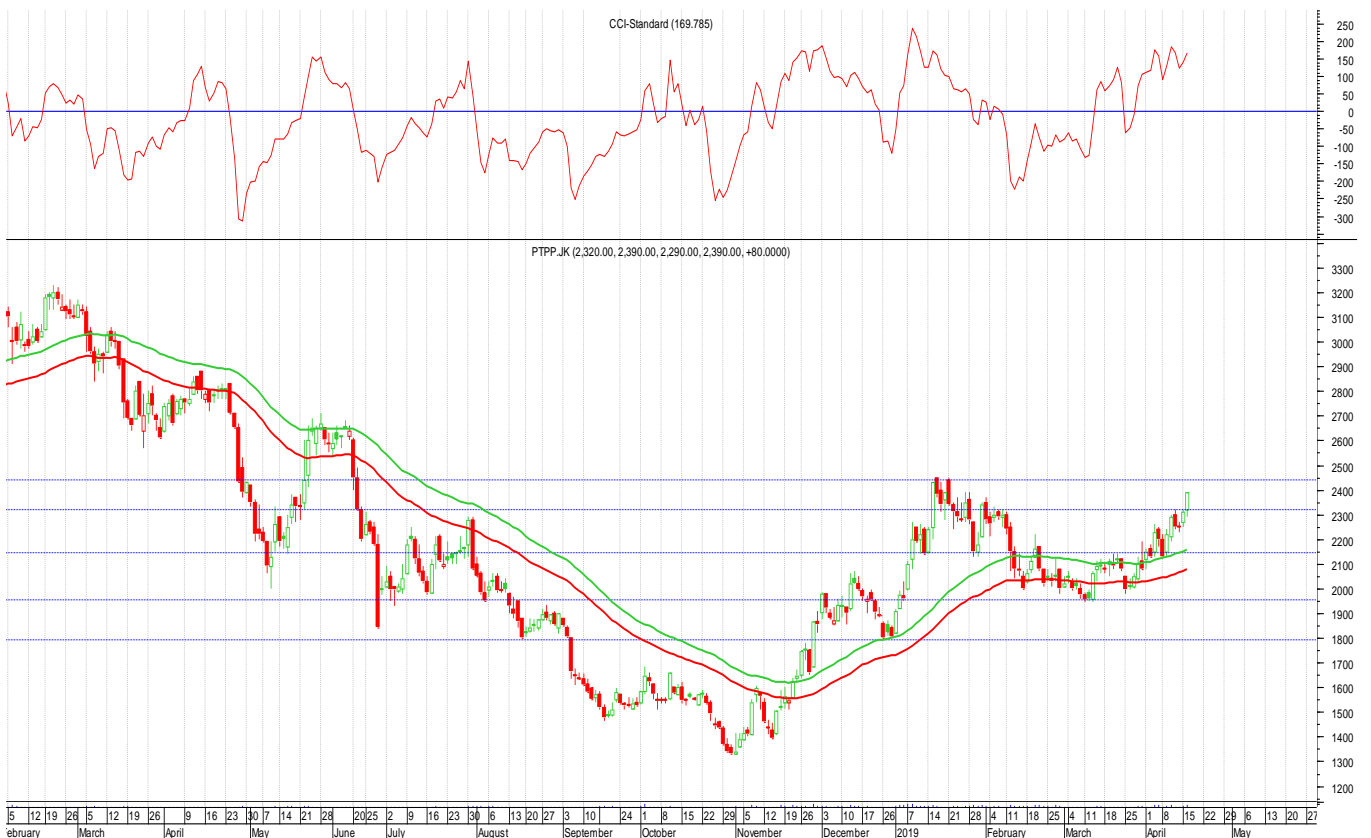
MEDC : Testing support level

The price closed around support level. Resistance level at 885. Next support and resistance level at 815-930. The mid-term trend is still sideways. Speculative buy.



PTPP : Testing resistance level

The price closed slightly below minor resistance level of 2,450. The penetration of this resistance level will cause the price continue the positive trend. Support level at 2,230. Next support and resistance level at 2,150-2,700. Speculative buy.



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,035 -14,135

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.60
3	7.01
5	7.12
10	7.62
15	8.03
30	8.49

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.17	6.29	6.25	6.10	5.60
US\$	1.23	1.21	1.22	1.20	
JIBOR (RP)	7.00	7.21	7.48	7.64	

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	14,085	-0.18
1 US\$ = SGD	1.35	-0.01
1 US\$ = JPY	111.98	0.07
1 US\$ = AUD	0.72	-0.13
1 US\$ = EUR	1.13	-0.01

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Analyst Certification

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