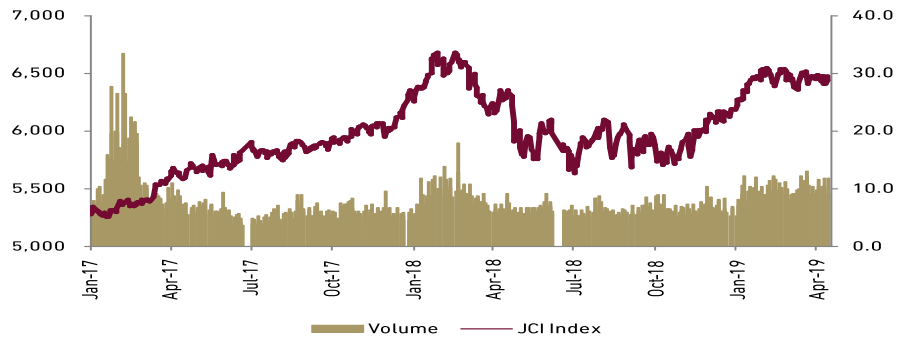


GLOBAL			
Index	Last	Change	% chg
Dow	26,560	110.00	0.42
S&P 500	2,905	4.58	0.16
Eido US	26.7	-0.20	-0.74
H.S.I	29,963	-161.42	-0.54
Nikkei	22,222	21.28	0.10
STI	3,348	-1.06	-0.03
KLCI	1,622	2.34	0.14
Kospi	2,225	9.25	0.42
SET Thai	1,674	-0.90	-0.05

- Capital Injection to PT Hutchison 3 Indonesia (H3I)
- WIKA obtains MRT station project in Taiwan

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	72.0	0.35	0.49
WTI Crude Oil (\$/bbl)	64.0	0.24	0.38
CPO (MYR/ton)	2,108	1.00	0.05
Gold (US\$/tr ounce)	1,276	1.00	0.08
Nickel (US\$/ton)	12,588	-225.00	-1.76
Tin (US\$/ton)	20,350	-135.00	-0.66
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	84.5	-0.15	-0.18

JCI STATISTIC



BEI STATISTICS	
JCI	6,507
Change (1 day)	0.40%
Change YTD	5.05%
P/E Market (X)	15.9
Volume (mn shr)	11,638.8
Value (Rp bn)	10,988.6
↑ 206 ↓ 212 ↔ 214	
LQ45	1.030
% Change (1 day)	0.60%

DAILY TECHNICAL VIEW

We expect JCI to trade between 6,450 (support) – 6,550 (resistance) level today

BBCA: Take profit at Rp 28,125-Rp 29,000

Comment : Candlestick chart formed a reversal pattern

BBRI : Take profit at Rp 4,450-Rp 4,600

Comment: Candlestick chart formed a reversal pattern

WIKA : Take profit at Rp 2,420-Rp 2,500

Comment: Testing resistance level

SMGR: Take profit at Rp 13,725-Rp 14,500

Comment: Testing resistance level

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	14,045	-40.00	-0.28
1 USD = SGD	1.36	0.00	0.03
1 USD = JPY	111.97	0.05	0.04
1 USD = AUD	1.40	0.00	0.07
1 USD = EUR	0.89	0.00	0.01

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.6	-0.39	-1.39	3,875	464,495
ISAT	0.2	0.00	0.00	2,247	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

MARKET REVIEW & MARKET OUTLOOK

Regional

Gains in stocks were mixed with Dow Jones rising 0.42% on Thursday to 26,560. US retail sales rose very sharply in March to beat high estimates across readings. Unquestionably strong were weekly jobless which once again moved to 50-year lows and are signaling another strong monthly employment report for April. However, US housing starts came in far below expectations in March, at a 1.139 mn annual rate which is below consensus range. However, notwithstanding the strength in the jobs market, residential investment is the consistent tail ender in last year's GDP statistics and doesn't look like it will be improving in the first quarter. From commodity market, WTI crude oil up by 0.38% to USD64.0/bbl. and nickel price down by 1.76% to USD12,588/ton.

Domestic

JCI closed higher at 6,507 by 26 points or +0.4% on Thursday trading and recorded Rp1.4 tn of net foreign buy. The leading sectors were Finance (+1.56%), Property (+1.36%), and Misc. Industry (+1.20%) which mainly driven by BBCA (+2.37% to 28,125), BBRI (+2.76% to 4,460) and BMRI (+2.30% to 7,800) as the key movers. Rupiah strengthened by 40 points to 14,045/USD. Our technical desk suggests for trading within the band of 6,450-6,550 with possibility to end at lower level.

CAPITAL INJECTION TO PT HUTCHISON 3 INDONESIA (H3I)

One local newspaper reported that H3I will issue new shares which will be subscribed by Hutchison Asia Telecom and PT Tiga Telekomunikasi (affiliated company of Garibaldi Thohir). The amount is reported to reach Rp47 tn, whereas Hutch will inject Rp31 tn while the balance of Rp16 tn is allocated to Tiga Telekomunikasi. After the rights issuance, Hutch will control 66% stake of H3I and Tiga Telekomunikasi will hold 33%; PT Cyber Access Communications will control the remaining 1%. Note that PT Cyber Access Communications is currently a shareholder of H3I of c.30% stake; it will not subscribe to the rights issuance, therefore its ownership will be diluted to a mere 1%. The news also reported that H3I claimed that its 2018 EBITDA grew four-fold to HKD1.64 bn (Rp2.9 tn) with revenue of HKD7.31 mn (Rp13.2 tn), implying an EBITDA margin of 22.4%. The Company also reported that its subscribers count declined by 49% to 37mn due to the SIM registration and data traffic grew by c.80% in 2018. The rights issuance process is now pending to the approval of Ministry of Information and Communication.

Comment: This should somewhat dissipate the potential M&A rumor activity in the industry as the remaining potential candidates are only ISAT and FREN. Given ISAT and FREN's current rich valuation, we believe this news may somewhat put pressure on their share price as we believe the recent share price rallies were mostly driven by the M&A news. On H3I performance, H3I's EBITDA margin of 22.4% is higher than that of FREN but is still lower than that of the top three operators, therefore we believe H3I is still in the red in 2018. Given the lackluster industry condition and the other operators' performance in 2018, we are doubtful that the punchy EBITDA jump was driven by revenue growth; we believe it was more of lower costs, perhaps there was a one-off costs in 2017 that was absent in 2018, hence robust YoY EBITDA growth.

WIKA OBTAINS MRT STATION PROJECT IN TAIWAN

Wijaya Karya (WIKA) secures new contract worth Rp200 bn to construct four MRT stations in Taiwan in Apr-19, which is potentially to increase by Rp500 bn for additional eight MRT stations. The company previously obtained Rp560 bn new contract from overseas project in 2M19. WIKA also eyes for new contract worth Rp1.7 tn in Serawak Malaysia. Meanwhile the company has bagged new contract worth Rp10.5 tn in year to 25 Mar-19 or 17% of FY19F of Rp61.7 tn.

Comment: We view tapping overseas projects is positive for WIKA as normally it generates higher margin than domestic projects. WIKA is currently trading at 2019-20F PER of 10.4-8.6x while we maintain our Buy rating on the counter with TP of Rp2,650.

TECHNICAL ANALYSIS

JCI : (6,507 +0.4%)

Comment : BBCA, BBRI and BMRI consecutively became leading movers. Technically, after opening gap up and reached the highest level of 6,636, 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

BCA : Testing support level

After opening gap up and reached the highest level of 29,025, the price closed slightly above the opening level. Support level at 27,200. Next support and resistance level at 26,675-29.500. Candlestick chart formed a long upper shadow which indicates that the price vulnarable to profit taking. Take profit/Sell on strength



BBRI : Testing support level

After opening gap up and reached the highest level of 4,730, the price closed slightly the opening level. Support level at 4,200. Next support and resistance level at 4,100-4,830. Candlestick chart formed a long upper shadow which indicate that the price vulnarable to profit taking. Take profit/Sell on strength



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WIKA : Testing resistance level

After opening gap up the price closed slightly below resistance level of the short-term uptrend channel. Support level at 2,300. Next support and resistance level at 2,200-2,500. Take profit/Sell on strength



SMGR : Testing resistance level

The price closed slightly below minor resistance level of 14,000. Support level at 13,500. Next support and resistance level at 12,500-14,500. Candlestick chart formed a crossing doji pattern. Take profit/Sell on strength



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,995 -14,095

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.58
3	6.98
5	7.08
10	7.57
15	8.01
30	8.49

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.15	6.32	6.25	6.12	5.49
US\$	1.27	1.27	1.22	1.19	
JIBOR (RP)	7.00	7.22	7.48	7.65	

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	14,045	0.28
1 US\$ = SGD	1.36	-0.03
1 US\$ = JPY	111.97	-0.04
1 US\$ = AUD	0.71	-0.07
1 US\$ = EUR	1.12	-0.01

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Analyst Certification

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