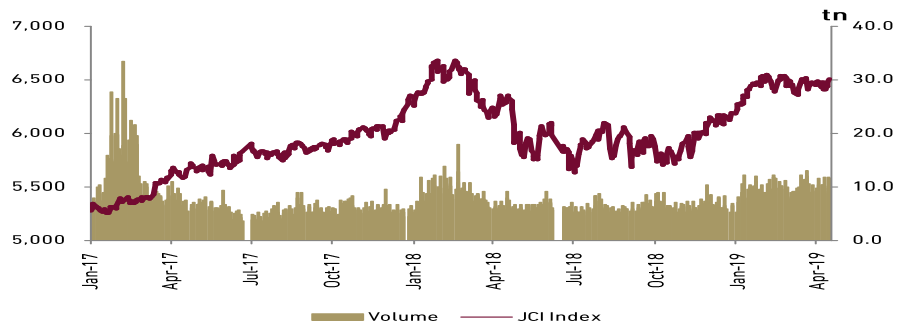


GLOBAL			
Index	Last	Change	% chg
Dow	26,543	81.25	0.31
S&P 500	2,940	13.71	0.47
Eido US	26.0	0.36	1.40
H.S.I	29,605	55.21	0.19
Nikkei	22,259	-48.85	-0.22
STI	3,357	6.67	0.20
KLCI	1,638	2.70	0.17
Kospi	2,187	7.40	0.34
SET Thai	1,667	-6.17	-0.37

- WTON 1Q19 earnings strongly up by 23% YoY, in-line
- WIKA profit indicated growing by 58.4% to Rp341.3 bn
- WSKT posts weak profits in 1Q19
- Pharmaceuticals company's strategy for lebaran
- HMSP 1Q19 results in line but slowing down
- Bekasi Fajar books Rp95 bn of 1Q19 net profit; below estimate

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	72.2	-2.20	-2.96
WTI Crude Oil (\$/bbl)	63.3	-1.91	-2.93
CPO (MYR/ton)	2,013	-37.00	-1.80
Gold (US\$/tr ounce)	1,285	-0.82	-0.06
Nickel (US\$/ton)	12,354	102.00	0.83
Tin (US\$/ton)	20,035	122.00	0.61
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	87.0	-0.90	-1.02

JCI STATISTIC



BEI STATISTICS	
JCI	6,401
Change (1 day)	0.44%
Change YTD	3.33%
P/E Market (X)	15.6
Volume (mn shr)	8,738.6
Value (Rp bn)	6,571.2
↑ 211	↓ 186 ↔ 235
LQ45	1,011
% Change (1 day)	0.56%

DAILY TECHNICAL VIEW

We expect JCI to trade between 6,350 (support) – 6,450 (resistance) level today

BBCA: Sell on strength at Rp 28,200-Rp 29,000

Comment : Testing resistance level

GGRM : Sell on strength at Rp 83,500-Rp 85,000

Comment: Testing resistance level

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

Comment: Testing resistance level

SMGR: Sell on strength at Rp 13,900-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

MARKET REVIEW & MARKET OUTLOOK

Regional

Global stocks rose on Friday with Dow Jones up 0.3% to 26,543 yet down 0.1% on the week while S&P with a 0.5% gain closed at new record highs. At a higher-than-expected 3.2% rate, US 1Q19 GDP was solid but not as strong as the headline suggests. An inventory rise, which may be unwanted, contributed to the headline gain as did net exports where data for March still have yet to be released. Consumer spending was solid in the quarter but did slow while residential investment continues to hold the economy back. On commodity markets, WTI crude oil price went down by 2.93% to USD63.3/bbl. while nickel price rose by 0.83% to USD12,354/ton.

Domestic

JCI ended higher by 28 points or 0.44% to close at 6,401 and recorded Rp869 bn of net foreign sell. Infrastructure (+1.61%), Miscellaneous Industry (+1.17%), and Finance (+0.52%) were the leading sector, with TLKM (+2.09% to 3,910), GGRM (+3.69% to 82,950), and ASII (+1.32% to 7,650) become the index movers. Rupiah currency weakened by 3 points to 14,190/USD. Our technical desk suggests for trading within the band of 6,450 – 6,550 with the possibility mixed to high level.

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,190	3.00	0.02
1 USD = SGD	1.36	0.00	-0.03
1 USD = JPY	111.61	0.03	0.03
1 USD = AUD	1.42	0.00	-0.06
1 USD = EUR	0.90	0.00	0.02

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.5	0.68	2.53	3,907	259,006
ISAT	0.2	0.00	0.00	2,270	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

PHARMACEUTICALS COMPANY'S STRATEGY FOR LEBARAN

Some of the pharma companies strengthen their sales distribution for lebaran & Ramadan, in response to higher demand on the OTC segments. Phapros (PEHA) plans to increase promotions during lebaran period to boost sales, promotions will be more on transportation and recreational point. They will open outlets to prepare the stocks earlier. They also use their retail channel and outlets along the Trans Java toll road. Usually most of the sales will be contributed by OTC segments such as, Antimo, Livron B plex. Sales during lebaran period used to grow by more than 100% relative to the other months. On the other hand, Kalbe Farma (KLBF) plans to improve their marketing and distribution activity in some places during Ramadan and Lebaran period. They predict the sales will improve on healthy F&B segment for around 10% - 19% in Ramadan and lebaran period. Most of the sales will be from healthy F&B, vitamins, and ulcer medication.

Comment: We see that Lebaran and Ramadan will have a positive impact for pharma industry, as the demand for some medicines may increase. We have a BUY rating for KLBF with TP of Rp1,750/sh.

HMSP 1Q19 RESULTS IN LINE BUT SLOWING DOWN

HM Sampoerna (HMSP) booked 1Q19 revenue growth of 2.9% YoY to Rp23.8tn at 21% of our FY19F and consensus. Net income up by 8.4% higher than the same period last year, reached Rp3.2tn in-line with our and consensus expectations(23.8% of our FY19F & 22% of consensus FY19F).As COGS increased at a slower rate of 1.6% YoY gross profit gained 7%YoY growth. While opex inched up by 12% YoY, this resulted operating profit slightly increased by 4.1%to Rp3.9tn. Finance income that rose significantly higher (+82%YoY) to Rp 348bn, resulting to +8.4%YoY bottom line growth. Machine-made cigarettes experienced single digit sales growth of 5% YoY. While, white cigarettes booked higher sales growth of +7%YoY. On quarterly basis, HMSP recorded negative revenue growth for its entire cigarette segment.4Q18 revenue was at Rp23.8 tn, down significantly by 18.5% QoQ with weaker gross and operating profit (-18.1% and -17.6%QoQ). Lower opex brought 1Q19 net profit to Rp 3.2tn(-14.6%QoQ).

While Indonesia total cigarette markets decrease by 0.8%YoY to 68.7 bn sticks. HMSP 1Q19 sales volume was down at 22.1 bn sticks (-3.7%YoY and -18%QoQ). Further, HMSP market share in 1Q19 was down by 0.8%. We view that HMSP positive top and bottom line growth YoY mainly due to the impact of higher ASP. Judging from the declining sales volume and market share, we doubt widened retail price gap of HMSP products to competitors it's a good long term strategy for HMSP. We will revise HMSP earnings forecast and review our 2019F target price.

(in Rp Bn)	1Q19	1Q18	YoY	1Q19	4Q18	QoQ	2019F	1Q/2019F
Revenue	23,806	23,136	2.9%	23,806	29,207	-18.5%	111,917	21.3%
Gross Profit	5,885	5,496	7.1%	5,885	7,183	-18.1%	29,315	20.1%
Gross Profit Margin	24.7%	23.8%	1.0%	24.7%	24.6%	0.1%		
Opex	1,953	1,720	-11.9%	1,953	2,412	23.6%		
Operating Profit	3,933	3,776	4.1%	3,933	4,770	-17.6%	18,193	21.6%
Operating margin	16.5%	16.3%	0.2%	16.5%	16.3%	0.2%		
Finance Cost	14	7	99.9%	14	9	51.6%		
Others-net	372	205	81.1%	372	367.8	1.1%		
Pre-tax profit	4,291	3,975	8.0%	4,291	5,129	-16.3%		
Pre-tax margin	18.0%	17.2%	0.8%	18.0%	17.6%	0.5%		
Net Profit	3,286	3,032	8.4%	3,286	3,848	-14.6%	13,795	23.8%
Net Margin	13.8%	13.1%	0.7%	13.8%	13.2%	0.6%		
Revenue breakdown:	1Q19	1Q18	YoY	1Q19	4Q18	QoQ		
Machine made clove cigarettes	16,707	15,921	4.9%	16,707	20,303	-17.7%		
Hand rolled clove cigarettes	4,246	4,549	-6.7%	4,246	5,805	-26.9%		
White cigarettes	2,630	2,457	7.0%	2,630	2,900	-9.3%		
Export	96	93	3.1%	96	76	26.3%		
Others	127	116	9.3%	127	124	2.0%		

WTON 1Q19 EARNINGS STRONGLY UP BY 23% YOY, IN-LINE

Wijaya Karya Beton (WTON) posted 1Q19 net income of Rp70.8 bn, which is in-line with our expectation, forming 13% of our FY19F vs. 12% in 1Q18 on seasonality (1Q was historically the weakest quarter). Strong net income growth was driven by 8% YoY higher in revenue to Rp1.29 tn coupled with margin expansion across the board. These help lifted 1Q19 operating profit to grow by 19% YoY to Rp128.3 bn, meeting 15% of our FY19F (1Q/FY18: 15%). On quarterly basis, net income dropped by 66% QoQ as the company booked 42% of its FY18 net income in 4Q18 due to earnings seasonality.

Comment: We believe 1Q19 results were solid as expected. We maintain our earnings forecast and TP of Rp730 which still offers 16% upside potential. BUY

WTON 1Q19 results

Rp bn	1Q19	1Q18	YoY	1Q19	4Q18	QoQ	2019F	1Q/19F
Revenues	1,294.0	1,193.3	8%	1,294.0	2,825.1	-54%	7,816.6	17%
COGS	-1,133.4	-1,056.3	7%	-1,133.4	-2,486.8	-54%	-6,800.4	17%
Gross profit	160.6	137.0	17%	160.6	338.3	-53%	1,016.2	16%
Gross margin (%)	12.4	11.5	0.9	12.4	12.0	0.4	14.7	
Operating expenses	-32.3	-29.4	10%	-32.3	-34.8	-7%		
Operating profit	128.3	107.6	19%	128.3	303.5	-58%	845.0	15%
Operating margin (%)	9.9	9.0	0.9	9.9	10.7	-0.8	12.5	
Net interest income (exp)	-24.6	-19.6	26%	-24.6	-16.6	48%		
Other income (expense)	-1.1	-5.4	-80%	-0.7	7.2	n/a		
Total other income (exp)	-24.6	-25.2	-2%	-24.2	-9.5	156%		
Pre-tax profit	103.7	82.4	26%	104.1	294.1	-65%	707.1	15%
Tax	-33.1	-24.7	34%	-33.3	-86.5	-62%		
Net profit before MI	70.7	57.7	22%	70.8	207.5	-66%		
Net profit	70.8	57.6	23%	70.7	206.5	-66%	553.3	13%
Net profit margin (%)	5.5	4.8	0.6	5.5	7.3	-1.8	8.8	

WIKA PROFIT INDICATED GROWING BY 58.4% TO RP341.3 BN

Wijaya Karya (WIKA) management mentioned, as quoted by Kontan.co.id, that the company booked profit before minority interest (PBMI) of Rp341.3 bn, increased by 58.5% YoY and met 13% of our FY19F vs 10% achievement in 1Q18. 1Q19 revenue was up by 4% YoY to Rp6.5 tn, our conversation with the company official revealed that the main driver of earnings growth was better margin and strong income from joint operation. Meanwhile, the company's new contract also jumped by 62.4% YoY to Rp10.9 tn.

Comment: We are waiting for release of more detailed figures. We believe the market will react positively on this strong result. WIKA is currently our top pick in the construction sector with buy rating and TP of Rp2,650.

WSKT POSTS WEAK PROFITS IN 1Q19

Waskita Karya (WSKT) advertised several key financial figures in the newspaper where profit before minority interest (PBMI) dropped significantly by 54% YoY to Rp1.74 tn and achieved 18% of our FY19F. This mainly resulted from 30% YoY decline in revenue to Rp8.68 tn or 16% of our FY19F. The company saw its new contract increasing by 15.8% YoY to Rp4.17 tn, however, total contract declined to Rp70.07 tn (-25.4% YoY). Other figures are yet to available.

Comment: We are waiting for release of more detailed figures. We think the poor results will bring negative sentiment on the share price. We believe most of WSKT projects enter end cycle which also leads to lower margins.

BEKASI FAJAR BOOKS RP95 BN OF 1Q19 NET PROFIT; WITHIN EXPECTATIONS

Bekasi Fajar Industrial Estate (BEST) recorded in-line revenues of Rp247 bn (+17% YoY) in 1Q19 on the back of 16% YoY growth in revenue recognition of land sales and 16% YoY growth in maintenance fee in their MM2100 industrial estate. However, COGS grew significantly 56% YoY hence gross profit margin drop to 60.0% (vs. 69.9% in 1Q18). Operating profit margin also shrank to 49.3% (vs. 59.4% in 1Q18). These together lead to 1Q19 net profit come at Rp95 bn (+2% YoY). On quarter over quarter basis, the 1Q19 revenues drop 44% while net profit down by 65%.

Exhibit : BEST 1Q19 results

(Rp bn)	1Q19	1Q18	YoY	1Q19	4Q18	QoQ	FY19F	1Q/19F
Revenues	247	211	17%	247	442	-44%	1,100	22%
Cost of revenue	(99)	(64)	56%	(99)	(124)	-21%		
Gross profit	148	147	1%	148	318	-53%	786	19%
Gross margin (%)	60.0	69.9	- 9.8	60.0	71.8	- 11.8	71.5	
G&A expenses	(26)	(21)	23%	(26)	(36)	-27%		
Marketing expenses	(1)	(1)	-32%	(1)	(4)	-86%		
Operating expenses	(27)	(22)	21%	(27)	(39)	-32%		
Operating profit	122	125	-3%	122	278	-56%	647	19%
Operating margin (%)	49.3	59.4	- 10.2	49.3	63.0	- 13.7	58.9	
Forex gain (loss)	8	(10)	-174%	8	19	-60%		
Interest income	11	6	84%	11	4	212%		
Interest expense	(39)	(23)	69%	(39)	(59)	-34%		
Other income (exp)	0	1	-54%	0	36	-99%		
Total other inc (exp)	(20)	(27)	-26%	(20)	(1)	3022%		
Pre-tax profit	102	98	3%	102	278	-63%		
Tax	(6)	(5)	30%	(6)	(9)	-26%		
PBMI	95	94	2%	95	269	-65%		
MI	(0)	(0)	497%	(0)	0	-103%		
Net profit	95	94	2%	95	269	-65%	490	19%
Net margin (%)	38.6	44.3	- 5.7	38.6	60.9	- 22.3	44.5	
Revenue breakdown								
Sales of land	212	182	16%	212	406	-48%		
Maintenance fee	26	22	16%	26	27	-6%		
Hotel	4	1	284%	4	9	-62%		
Others	6	0	#DIV/0!	6	(1)	-1192%		
Gross profit margin (%)								
Sales of land	64%	75%	-11%	64%	75%	-11%		
Maintenance fee	35%	47%	-13%	35%	35%	0%		
Hotel	-27%	49%	-76%	-27%	54%	-81%		
Others	88%	#DIV/0!	#DIV/0!	88%	294%	-207%		

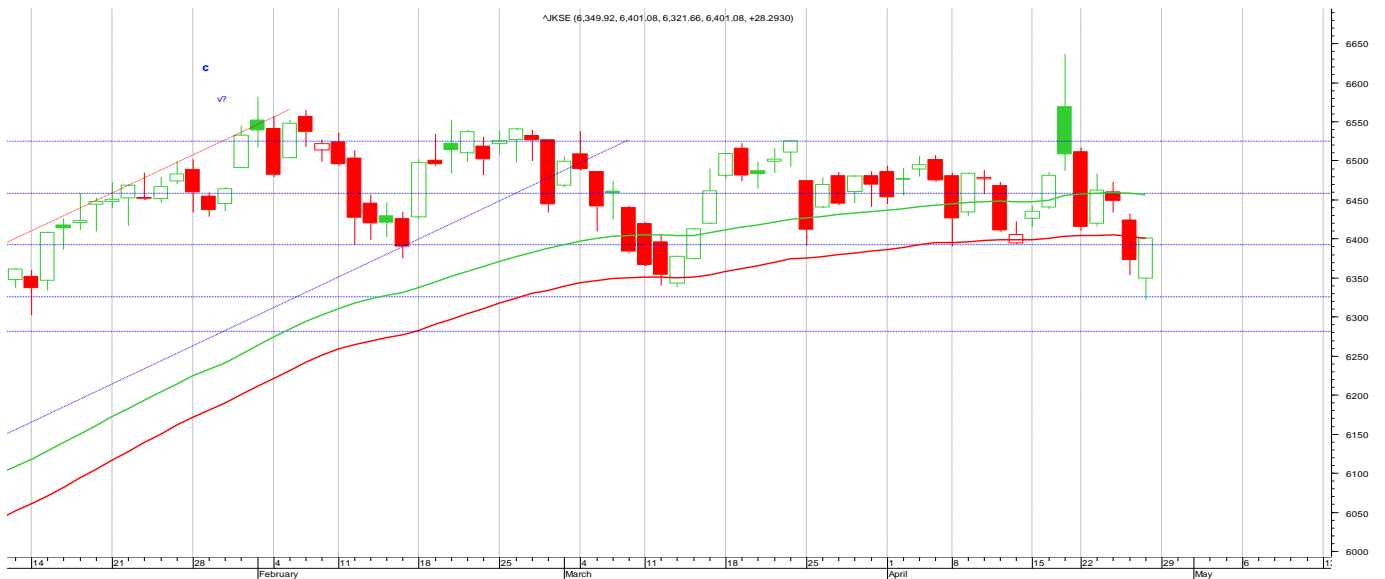
Source : BEST, Ciptadana estimates

Comment: The 1Q19 revenues came in-line with our and consensus expectation, representing 22% and 22% of our and consensus FY19F revenues. Meanwhile, net profit was still within historical first quarter achievement of 18-25%. Therefore, we maintain BUY rating for BEST with TP Rp330/sh based on 75% discount to our RNAV.

TECHNICAL ANALYSIS

JCI : (6,401 +0.4%)

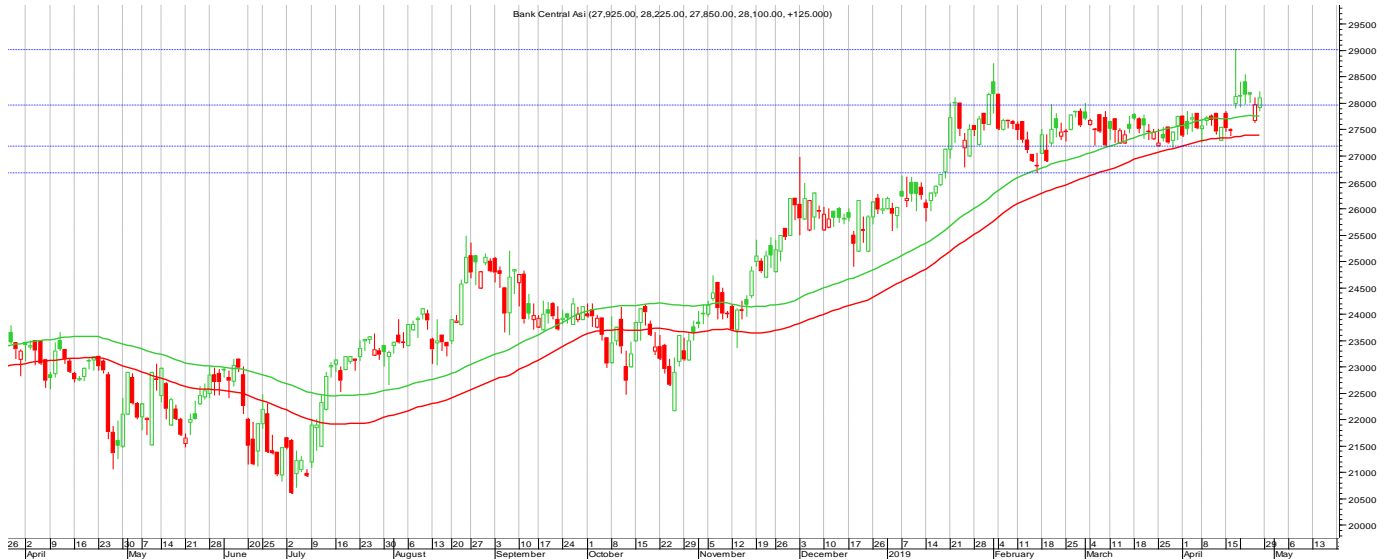
Comment : TLKM, GGRM and ASII consecutively became leading movers. Technically, JCI closed above support level of 6,391 so the penetration of this support level not confirm yet. Historically, support level at 6,321. Resistance level at 6,460. Next support and resistance level will be at 6,250-6,525. 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

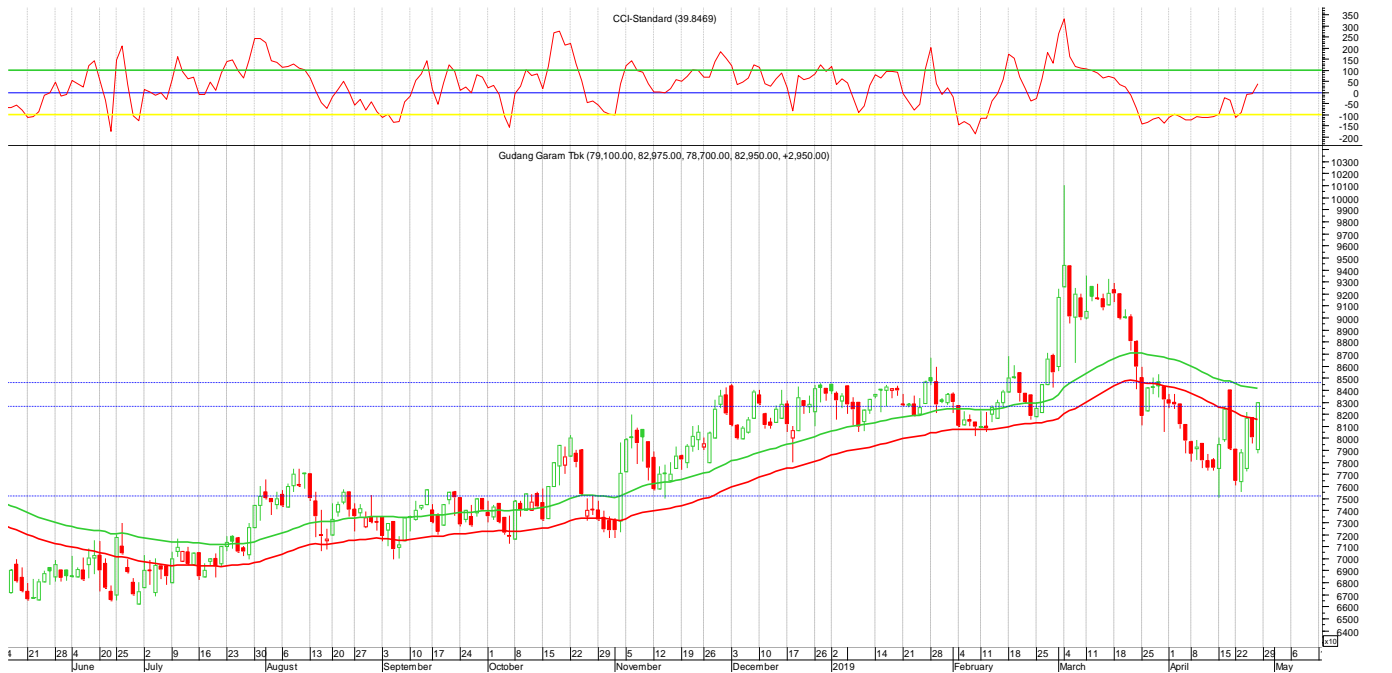
BBCA : Testing support level

The price closed around support level. Resistance level at 29,000. Next support and resistance level at 27,100-29,000. Candlestick chart likely will form a reversal pattern. Sell on strength



GGRM : Testing resistance level

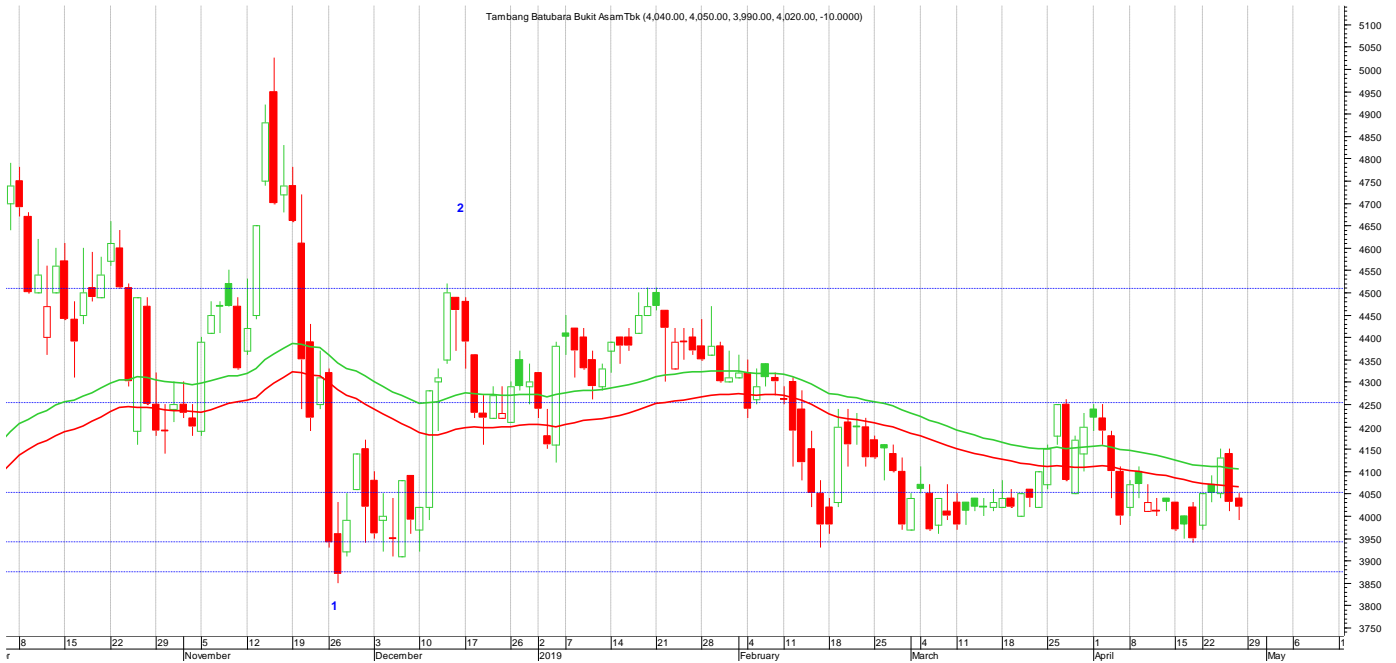
The price closed below minor resistance level of 84,000. Support level at 78,700. Next support and resistance level at 75,000-90,000. The short-term trend turn into negative. Sell on strength



Please see analyst certification and other important disclosures at the back of this report

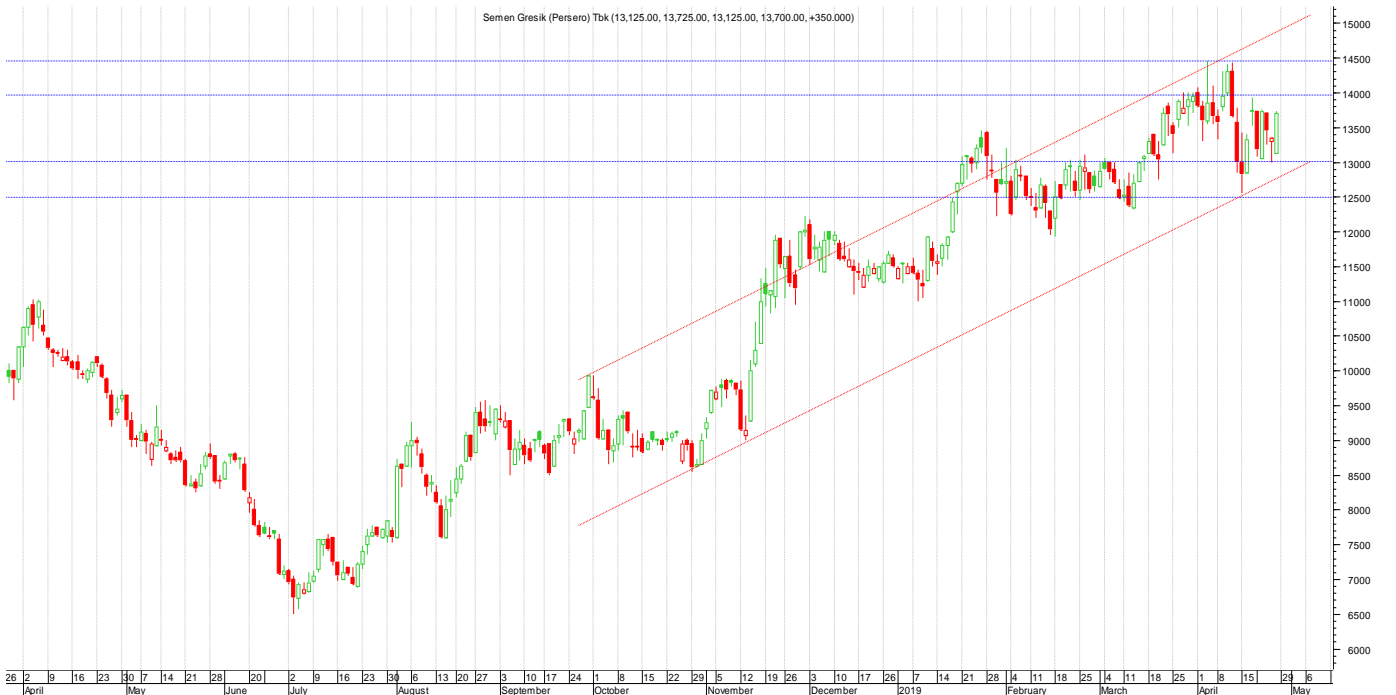
PTBA : Testing support level

The price closed above minor support level of 3,950. Resistance level at 4,150. Next support and resistance level at 3,850-4,250. The trend is still sideways. Sell on strength, sell if the price moves below the level of 3,850.



SMGR : Testing resistance level

The price closed below minor resistance level of 13,925. Support level at 13,000. Next support and resistance level at 12,425-14,450. The trend is still positive as long as the price hold above the level of 12,425. Indicator of RSI potentially to form negative divergence. Sell on strength, sell if the price moves below the level of 12,425.



Please see analyst certification and other important disclosures at the back of this report

CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,140 -14,240

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.67
3	7.07
5	7.22
10	7.77
15	8.22
30	8.52

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.10	6.27	6.24	6.13	5.62
US\$	1.23	1.30	1.25	1.27	
JIBOR (RP)	7.00	7.21	7.47	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	14,190	-0.02
1 US\$ = SGD	1.36	0.03
1 US\$ = JPY	111.61	-0.03
1 US\$ = AUD	0.70	0.06
1 US\$ = EUR	1.11	-0.02

PlazaASIA Office Park Unit 2
Jl. Jend. Sudirman Kav. 59
Jakarta 12190, Indonesia

T +62 21 2557 4800
F +62 21 2557 4900
E research@ciptadana.com
www.ciptadana.com

Analyst Certification

Each contributor to this report hereby certifies that all the views expressed accurately reflect his or her personal views about the companies, securities and all pertinent variables. It is also certified that the views and recommendations contained in this report are not and will not be influenced by any part or all of his or her compensation.

Disclaimer

This report does not constitute an offer to buy or sell any security/instrument, invitation to offer or recommendation to enter into any transaction. Nor are we acting in any other capacity as a fiduciary to you. By accepting this report, subject to applicable law or regulation. When making an investment decision, you should determine, without reliance upon us or our affiliates, the economic risks and merits (and independently determine that you are able to assume these risks) as well as the legal, tax and accounting characterizations and consequences of any such transaction. In this regard, by accepting this presentation, you acknowledge that (a) we are not in the business of providing (and you are not relying on us for) legal, tax or accounting advice, (b) there may be legal, tax or accounting risks associated with any transaction, (c) you should receive (and rely on) separate and qualified legal, tax and accounting advice and (d) you should apprise senior management in your organization as to such legal, tax and accounting advice (and any risks associated with any transaction and our disclaimer as to these matters).

The information contained in this report is based on material we believe to be reliable; however, we do not represent that it is accurate, current, complete, or error free. Assumptions, estimates and opinions contained in this report constitute our judgement as of the date of the document and are subject to change without notice. Any projections are based on a number of assumptions as to market conditions and there can be no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results. CIPTADANA SPECIFICALLY DISCLAIMS ALL LIABILITY FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL OR OTHER LOSSES OR DAMAGES INCLUDING LOSS OF PROFITS INCURRED BY YOU OR ANY THIRD PARTY THAT MAY ARISE FROM ANY RELIANCE ON THIS REPORT OR FOR THE RELIABILITY, ACCURACY, COMPLETENESS OR TIMELINESS THEREOF.