

GLOBAL			
Index	Last	Change	% chg
Dow	25,942	114.01	0.44
S&P 500	2,881	10.68	0.37
Eido US	24.3	0.08	0.33
H.S.I	28,550	239.17	0.84
Nikkei	21,162	-183.29	-0.86
STI	3,274	3.80	0.12
KLCI	1,610	-8.26	-0.51
Kospi	2,098	-9.92	-0.47
SET Thai	1,649	1.89	0.11

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	70.6	0.23	0.33
WTI Crude Oil (\$/bbl)	61.7	-0.04	-0.06
CPO (MYR/ton)	1,920	10.00	0.52
Gold (US\$/tr ounce)	1,288	2.21	0.17
Nickel (US\$/ton)	11,885	150.00	1.28
Tin (US\$/ton)	19,821	393.00	2.02
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	86.2	-0.10	-0.12

BEI STATISTICS	
JCI	6,209
Change (1 day)	0.17%
Change YTD	0.24%
P/E Market (X)	15.2
Volume (mn shr)	8,589.2
Value (Rp bn)	6,618.0
↑ 212 ↓ 183 ↔ 236	
LQ45	973
% Change (1 day)	0.13%

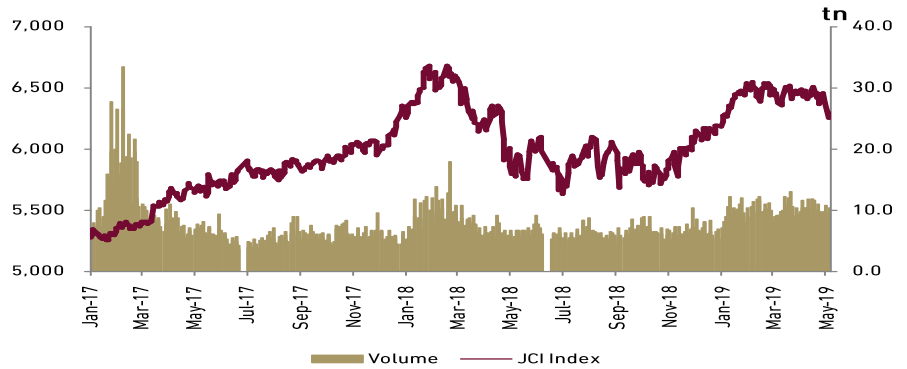
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	0.44	0.11
Inflation yoy (%)	2.83	2.48

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,327	-38.00	-0.26
1 USD = SGD	1.36	0.00	0.14
1 USD = JPY	109.72	-0.23	-0.21
1 USD = AUD	1.43	0.00	0.26
1 USD = EUR	0.89	0.00	-0.01

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	26.5	0.00	0.00	3,800	184,893
ISAT	0.2	0.00	0.00	2,292	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- CAD widens 2.6% of GDP but BoP still surplus at USD 2.4 bn in 1Q19
- Ceiling price of Indonesian air fares to lower by 15%
- Siam Cement acquires FASW for USD665 mn

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,170 (support) – 6,270 (resistance) level today

BBNI: Speculative buy at Rp 8,600-Rp 8,500

Comment :Hold above support level

BBRI: Speculative buy at Rp 4,120-Rp 4,090

Comment: Testing support level

TINS: Speculative buy at Rp 1,205-Rp 1,180

Comment: Candlestick chart formed reversal pattern

ANTM: Speculative buy at Rp 745-Rp 720

Comment: Candlestick chart formed reversal pattern

MARKET REVIEW & MARKET OUTLOOK

Regional

Though a trade agreement is still distant, a cooling in US-China tensions helped Dow Jones post a 0.44% gain in Friday trading to 25,942. Talks in Washington are continuing, described by President Trump as "congenial". Dow Jones finished the week with a 2.3% loss but a still sizable 11.0% YTD gain. Data in the session were headed by another subdued US consumer price report where the core rate, posting only 0.1% MoM April gain, continued to reflect broad weakness, weakness that fits in with expectations that the next rate move for the Federal Reserve may be down and not up. On commodity markets, WTI crude oil price inched down by 0.06% to USD61.7/bbl. while nickel price went up by 1.28% to USD11,885/ton.

Domestic

JCI closed higher by 10 points or +0.17% to close at 6,209 and recorded Rp898 bn of net foreign sell. Property (+0.90%), Basic Industry (+0.49%), and Consumer (+0.44%) were the leading sector, with UNVR (+2.67% to 44,200), TPIA (+2.31% to 5,525), and ICBP (+1.55% to 9,825) become the index movers. Rupiah strengthened by 38 points to 14,327/USD. On economic news, Indonesia's current account deficit widened to USD6.97 bn in 1Q19 from an upwardly revised USD5.34 bn gap in 1Q18. Our technical desk suggests for trading within the band of 6,200 – 6,320 with the possibility to end at lower level. Rupiah weakened by 70 points to 14,365/USD. Our tehcnical desk suggest for trading within the band of 6170-6270 with possibility to close end at lower level.

CAD WIDENS TO 2.6% OF GDP BUT BOP STILL SURPLUS AT 2.4 BN IN 1Q19

According to Bank Indonesia's release, Balance of Payment (BoP) remained surplus but with lower magnitude of USD 2.4 bn (vs 4Q18 surplus at USD 5.4 bn) in 1Q19. This surplus was in line with the increasing forex reserve of USD 3.9 bn in 1Q19. Meanwhile, Current account deficit (CAD) reached USD 7.0 bn, equivalent to 2.6% of GDP, which was lower than 4Q18 that reached USD 9.2 bn (3.6% of GDP) but still higher compared to 1Q18 figures at USD 5.2 bn (2.0% of GDP). Goods export had negative growth of -8.6% YoY and goods import at -6.0% YoY, resulting on trade surplus of USD 1.0 bn. On service side, the deficit slightly widened to USD 1.8 bn (vs 1Q18 at USD 1.5 bn). Lower surplus on travel segment (USD 1.4 bn) brought the service deficit higher. Primary income deficit also widened to USD 8.1 bn (1Q18: USD 7.4 bn) despite 1Q19 was not the peak of interest and dividend payment. Secondary income posted USD 1.9 bn surplus in 1Q19, higher than 1Q18 figures at USD 1.4 bn but still lower than 4Q8 figures at USD 2.0 bn. Financial account maintained its significant surplus at USD 10.0 bn despite it was lower than 4Q18 figure at USD 15.9 bn. Direct investment posted unexpected higher surplus of USD 5.1 bn. Meanwhile, portfolio account posted lower surplus at USD 5.4 bn (vs 4Q18: USD 10.5 bn). Lower foreign investment to private bonds (1Q19: USD 0.4 bn vs 4Q18: USD 6.6 bn) became the major cause of declining portfolio account surplus. Nevertheless, the capital inflow to government bonds remained robust at USD 3.8 bn.

Comments: Due to sluggish trade war development, we shift our assumption from base case to alternative case with some revisions on Rupiah and bond yield from previous report. Due to sluggish global (China and US growth may fall below 6% and 2%, respectively), we believe export growth will be disturbed and bring 2019 CAD to remain at 3.0% of GDP. As the consequences, our BoP will experience deficit and drag down Rupiah to Rp 14,529 in 2019 average and Rp 14,750 in YE 2019. As the consequences, Bank Indonesia will hold the rate in 2019 and 10 yr govt bond yield in YE 2019 may reach 8.3%.

CEILING PRICE OF INDONESIAN AIR FARES TO LOWER BY 15%

According Coordinating Ministry for Maritime Affairs, Luhut Binsar Pandjaitan, ceiling air fares potentially goes down by 15%. The plan has not decided, but it has been entering the finalization phase. However, Luhut will keep focusing on the market mechanism in order to maintain GIAA at its healthy level. In addition, please note Singapore has about a 25% cheaper avtur price compare to Indonesia, even though Singapore also imported the fuel. As such, Avtur price in Indonesian will remain become the important issue to be tackled by government.

Comment: the news flow related with the lower ticket price has been started from a couple months ago. GIAA has also planned to lower their air fares starting in April or May-19. Looking at the attractive performance of GIAA during 1Q19, we view that the impact of lower fare is narrowing the growth of passengers' yield. However, we still believe the prospect of GIAA this year to be better than last year. BUY recommendation maintained with TP of Rp620/share.

SIAM CEMENT ACQUIRES FASW FOR USD665 MN

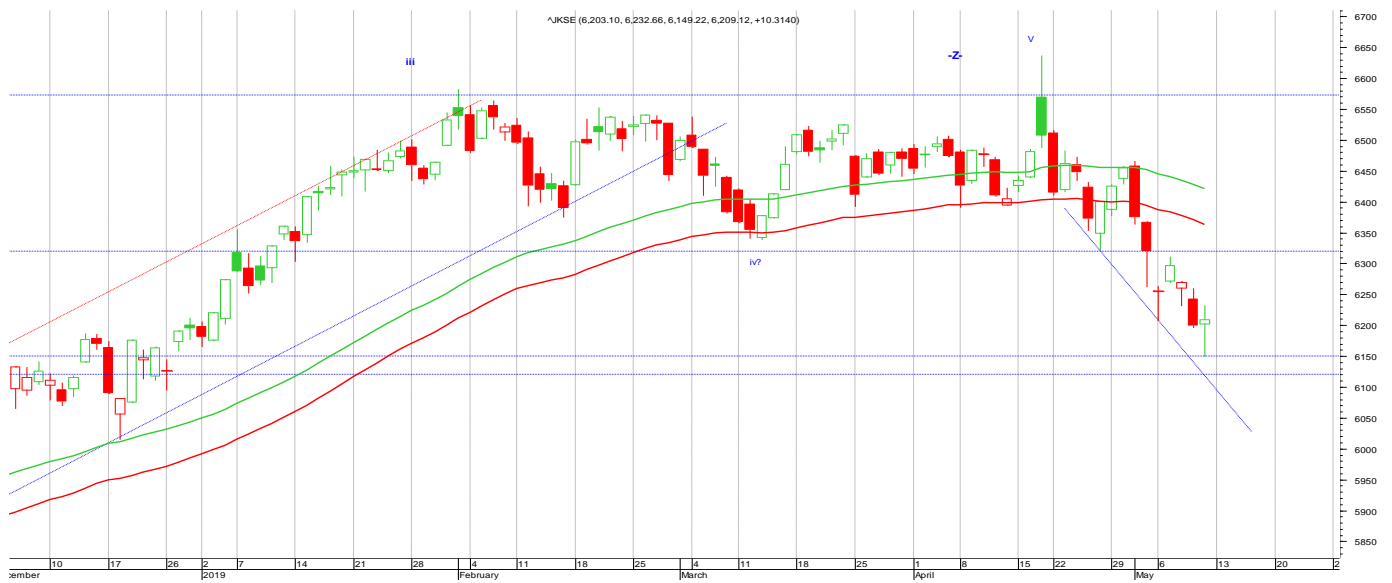
Thailand's conglomerate Siam Cement Group Pcl (SCG) acquired a 55% stake in Indonesian paper packaging company, PT Fajar Surya Wisesa (FASW) from existing shareholders for USD665 mn (Rp9.5 tn). SCG expects the major shareholding in Fajar will allow SCG to enhance its ASEAN growth. Financing will come from internal sources and the transaction is expected to be completed in 3Q19, after which SCG will make a mandatory tender offer.

Comment: The acquisition price is around Rp7,000/share which is lower than the latest share price of Rp8,000 and translates to 10.4x PER if we annualize 1Q19 earnings vs INKP's of 8.5x.

TECHNICAL ANALYSIS

JCI : (6,209 +0.17%)

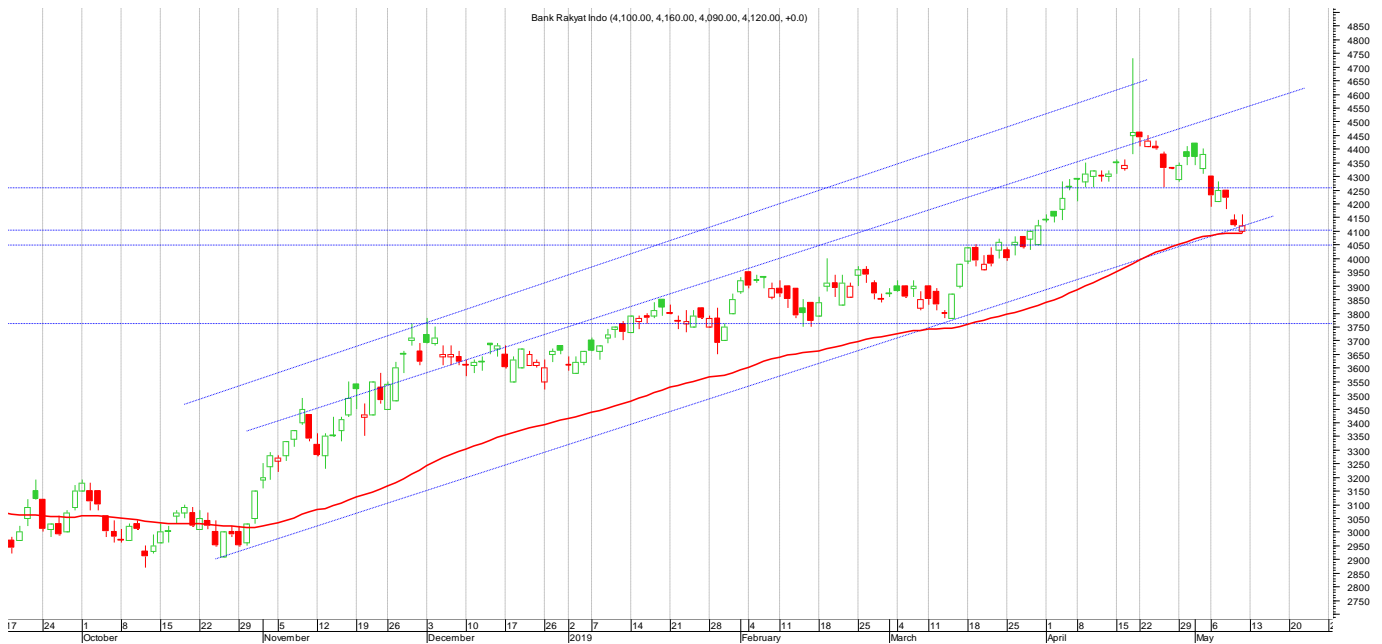
Comment : UNVR, TPIA and ICBP consecutively became leading movers. Technically, JCI held above minor support level of 6,149. Resistance level at 6,270. Next support and resistance level will be at 6,120-6,320. Based on Elliot wave approach, as we discussed before, JCI is forming corrective wave ABC. We noted that the lowest level of 5,557 as the bottom of wave A. The 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. The highest level of 6,636 which occurred on April 18, 2019 could be the peaks of wave Z. Based on this wave counting, the index now is forming wave down minor C. The lowest level 6,321 which occurred on April 26, noted as the peaks of sub wave (i) of wave C. The highest level of 6,465 which occurred on May 2 noted as the bottom of wave (ii) of C and now the index is forming wave (iii) of wave C.



STOCK OF THE DAY

BBRI : Testing support level

The price closed above support level of the short term uptrend line 4,100. Resistance level at 4,250. Next support and resistance level at 4,000-4,400. Speculative buy/Buy on weakness, cut if the price moves and stable below the level of 4,100.



BBNI : Testing support level

The price held and closed above minor support level of 8,525. Resistance level at 9,000. Next support and resistance level at 8,400-9,250. Candlestick chart likely formed a reversal pattern. ST : Speculative buy, MT : Sell on strength



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ANTM : Testing support level

The price held and closed above minor support level of 720. Resistance level at 790 which is resistance level of the gap. Next support and resistance level at 670-850. Candlestick chart likely formed a reversal pattern. ST : Speculative buy



TINS : Testing support level

The price bounced from minor support level of 1,140. Resistance level at 1,275. Next support and resistance level at 1,000-1,400. Candlestick chart likely formed a reversal pattern. ST : Speculative buy



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,270 -14,370

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.81
3	7.27
5	7.50
10	8.00
15	8.49
30	8.65

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.16	6.23	6.25	6.11	5.62
US\$	1.25	1.25	1.15	1.20	
JIBOR (RP)	7.01	7.25	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	14,327	0.27
1 US\$ = SGD	1.36	-0.14
1 US\$ = JPY	109.72	0.21
1 US\$ = AUD	0.70	-0.26
1 US\$ = EUR	1.12	0.01

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

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