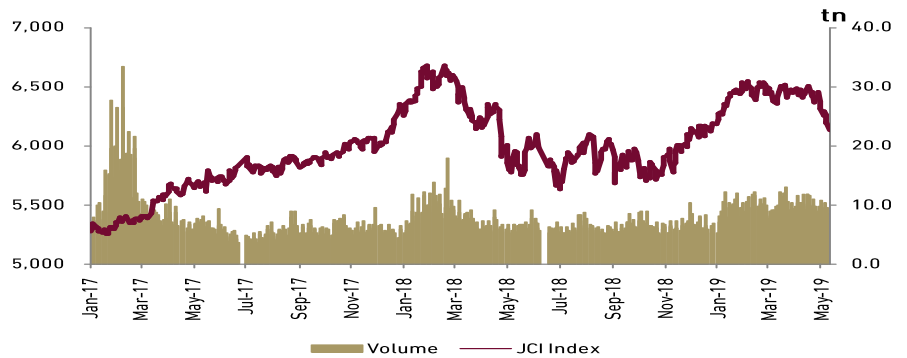


GLOBAL			
Index	Last	Change	% chg
Dow	25,648	115.97	0.45
S&P 500	2,851	16.55	0.58
Eido US	23.3	-0.49	-2.06
H.S.I	28,269	146.69	0.52
Nikkei	21,093	-95.90	-0.45
STI	3,219	-4.94	-0.15
KLCI	1,611	12.24	0.77
Kospi	2,089	-3.65	-0.17
SET Thai	1,621	-12.57	-0.77

- April trade balance swings to jumbo deficit of USD 2.5 bn in April
- Adhi Karya secures new contract of Rp3.9 tn in 4M19
- BBRI announces dividend of Rp16.2 tn or Rp131/share
- Intiland designs two new property projects
- ACES announces dividend of Rp488 bn or Rp28.25/share

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	71.8	0.53	0.74
WTI Crude Oil (\$/bbl)	62.0	0.24	0.39
CPO (MYR/ton)	2,004	16.00	0.80
Gold (US\$/tr ounce)	1,296	-0.14	-0.01
Nickel (US\$/ton)	12,158	246.00	2.07
Tin (US\$/ton)	20,040	35.00	0.17
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	84.5	-0.35	-0.41

### JCI STATISTIC



BEI STATISTICS	
JCI	5,981
Change (1 day)	-1.49%
Change YTD	-3.45%
P/E Market (X)	14.6
Volume (mn shr)	9,297.9
Value (Rp bn)	6,867.1
↑ 115	↓ 287
↔ 230	
LQ45	932
% Change (1 day)	-1.94%

### DAILY TECHNICAL VIEW

We expect JCI to trade between 5,960 (support) – 6,060 (resistance) level today

**BBCA: Sell on strength at Rp 27,500-Rp 28,000**

Comment: Closed below support level

**PTPP: Buy on weakness at Rp 1,760-Rp 1,650**

Comment: Testing support level

**PTBA: Buy on weakness at Rp 2,850-Rp 2,700**

Comment: Testing support level

**ANTM: Buy on weakness at Rp 690-Rp 650**

Comment: Testing support level

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

### MARKET REVIEW & MARKET OUTLOOK

#### Regional

Stocks rose on Wednesday on news that President Donald Trump plans to delay the implementation of auto tariffs. The Dow Jones Industrial Average closed up 0.45% at 25,648.02 after falling as much as 190 points earlier in the session. The S&P 500 gained 0.6% to end the day at 2,850.96 while the Nasdaq Composite rose 1.1% to 7,822.15. Equities initially fell after the release of weaker-than-expected economic data stoked fears that the U.S and China trade war is dragging down global economic growth. U.S. retail sales fell 0.2% in April. Further, Chinese retail sales also disappointed economists, showed industrial production rose by 5.4%YoY in April, notching the slowest pace of growth since May 2003. On commodity prices: Brent Crude Oil rose by 0.74% to USD 71.8/bbl. WTI Crude oil went up by 0.4% to USD 62/bbl. Coal was down by 0.4% at USD 84.5/ton. CPO gained by 0.8% at MYR 2,004/ton. Nickel jumped by 2.07% to USD 12,158/ton.

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	14,460	22.00	0.15
1 USD = SGD	1.37	0.00	0.01
1 USD = JPY	109.43	-0.17	-0.16
1 USD = AUD	1.44	0.00	0.09
1 USD = EUR	0.89	0.00	-0.05

#### Domestic

JCI closed at 5,981 lower 90.3 points (-1.5%) and recorded Rp458 bn of net foreign sell. Infrastructure (-2.80%), Basic Industry (-2.46%) and Property (-1.52%) were the laggard sector, with BBRI (-3.95% to 3,890), TLKM (-2.66% to 3,660), FREN (-14.57% to 258) become the index movers. Rupiah currency weakened by 40 points to 14,460/USD. Our technical desk suggests for trading within the band of 5,960–6,060, with possibility to end at higher level.

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	25.6	-0.57	-2.18	3,695	246,248
ISAT	0.2	0.00	0.00	2,314	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

#### APRIL TRADE BALANCE SWINGS TO JUMBO DEFICIT OF USD 2.5 BN IN APRIL

After registering a surplus for two consecutive months, Indonesia's trade balance unexpectedly swung to deficit of USD2.5 bn in April. This came worse than our and consensus' deficit expectations at USD943 mn and USD509 mn, respectively. BPS recorded April export grew -13.1% YoY (-10.8% MoM) to USD 12.6 bn, bringing 4M19 figures grew -9.4% YoY. The main drag came from oil and gas sector export which fell -37.06% YoY (-34.95% MoM), due mainly to lower gas export at -37.2% YoY. Manufacture sector experienced 11.82% YoY decline. Animal/vegetables oil and fat (including CPO) should be the one that dragged the growth down as its export fell by 31.2% YoY in April due to global sluggish demand and European ban to Indonesia's CPO. According to BPS, April sluggish export product price that made the export went down as its aggregate price declined by -20.7% YoY in April. As we have expected before, import growth will improve on monthly basis (12.2% MoM) However, the annual growth remained negative at -6.6% YoY. Based on usage, consumption goods import led the monthly jump of 24.1% MoM (-5.4% YoY) and raw/intermediary goods at 12.1% MoM (-6.3% YoY). These sectors monthly jump denoted firms' preparation approaching Ramadhan and Lebaran festive.

**Comment:** We have shifted our forecast to alternative case as US increased China export's tariff from 10% to 25% of USD 200 bn. Negative effect from the increasing tension of trade war is inevitable. We predict current account deficit (CAD) may remain at 3.0% of GDP in FY 2019 due to sluggish global growth. Indonesia even may find its CAD for more than 3% of GDP in 2Q19 – 4Q19 which may weaken Rupiah position to Rp14,750/USD in YE 2019 and force Bank Indonesia to hold rate in 2019.

#### ADHI KARYA SECURES NEW CONTRACT OF RP3.9 TN IN 4M19

Adhi Karya (ADHI) has obtained new contract worth Rp3.9 tn in 4M19, up by 3% YoY. This was mostly generated by construction & energy segment (81.1%) followed by property (18.6%) and other business segments (0.3%). On type of work, building project made up 68.5% of total new contract followed by infrastructure (29.1%) and road & bridges (2.4%). As for project owner, 86.4% of total new contract came from SOEs, 6.7% from government and the remaining 6.9% from private sectors.

**Comment:** Despite registering mediocre growth, we are positive with increase in ADHI's new contract. We expect new contract to be strongly skewed toward 2H19. We currently have Buy rating on ADHI with TP of Rp2,120.

#### BBRI ANNOUNCES DIVIDEND OF RP16.2 TN OR RP131/SHARE

Bank Rakyat Indonesia (BBRI) announced Rp16.2 tn cash dividend or equivalent to 50% of 2018 net profit. The dividend per share is Rp131, which represents 3.4% dividend yield based on last closing price. This amount is 24% higher than last year dividend of Rp13.0 tn. Annual General Meeting of Shareholders also agreed to add Wahyu Kuncoro as Deputy Commissioner to replace Gatot Trihargo, and Hendricus Ivo as Independent Commissioner to replace Mahmud.

**Comment:** The dividend is slightly higher than our estimates of 45% payout ratio. We have a Buy call on BBRI with Rp4,875/share target price.

#### INTILAND DESIGNS TWO NEW PROPERTY PROJECTS

Intiland Development (DILD) targeted 10% or at least flat net profit growth this year. The company applied tagline of Stay on the Blue Line (MRT) and expected the marketing strategy would give added value to company's product. Intiland targeted Rp2.5 tn of marketing sales this year. The company allocated capex of Rp1.5 tn, however up until now the budget is still unused. On the other side,

Intiland is still actively seeking investor to develop land bank of 1,000 ha in Maja. For new project, DILD will launch two new projects on 1H19, one project in Jakarta and one project in Surabaya.

**Comment:** We projected net income growth of only 1.1% YoY this year for DILD on the back of 19% YoY growth in revenues. Though revenues are strong, margin growth is lacking due to higher costs arise from high-rise projects. Currently we have BUY rating with 2019F TP of Rp400/sh based on 69% discount to our RNAV.

#### ACES ANNOUNCES DIVIDEND OF RP488 BN OR RP28.25/SHARE

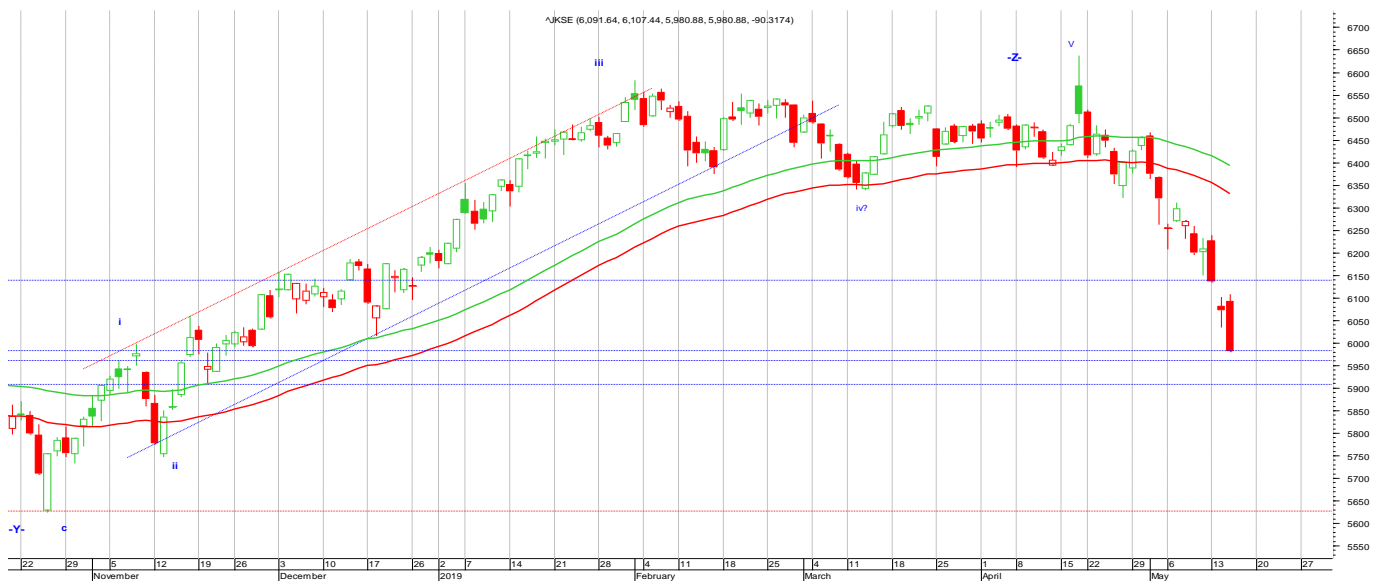
Ace Hardware Indonesia (ACES) will distribute Rp488 bn of dividend or at Rp28.25/share, equal to 50% pay-out ratio, dividend yield is 1.7%. Same as last year pay-out ratio, but dividend per share is higher compared to the previous year, as 2018 performance was better compared to 2017 (Rp 22.8/share in 2018). The cum dividend date will be 23 May (in regular and negotiation market), the ex dividend date will be 24 May (regular and negotiation market), the payment date will be 14 June 2019.

**Comment:** We are positive with ACES' large dividend payout and increase in dividend. We currently have a BUY rating for ACES with TP of Rp1,950/sh.

## TECHNICAL ANALYSIS

JCI : ( 5,981 -1.5%)

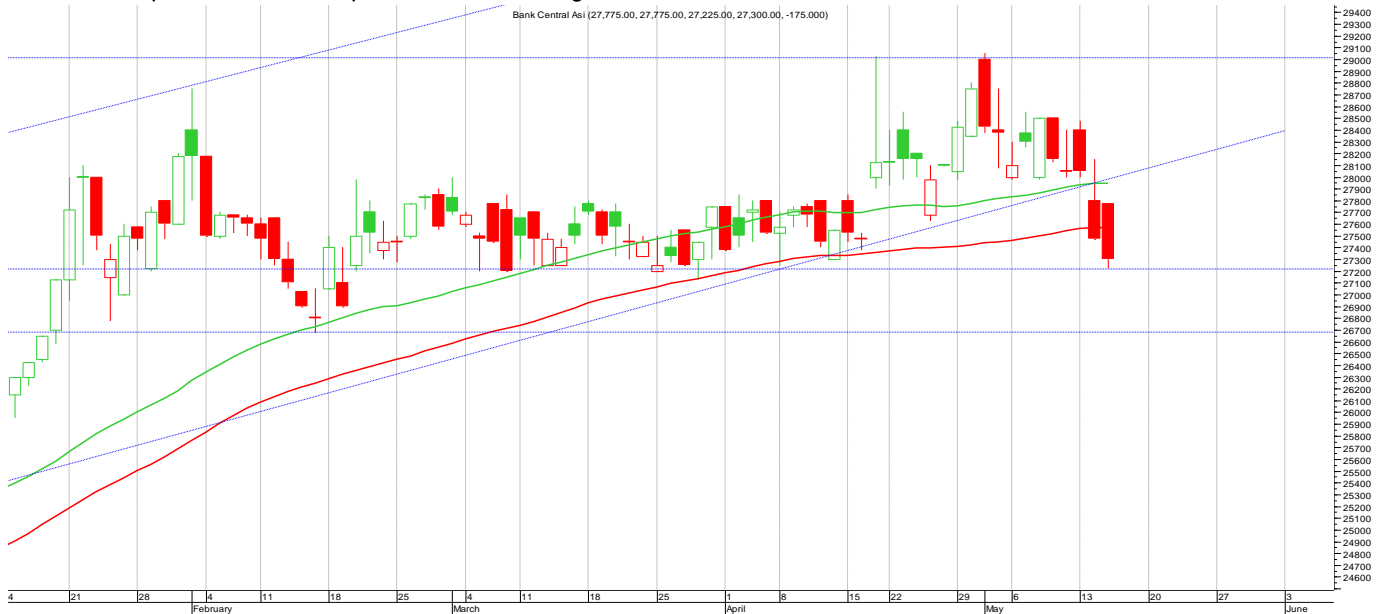
**Comment :** BBRI, TLKM and FREN consecutively became lagging movers. Technically, JCI closed below psychological level of 6,000. Support level likely around the level of 5,960 which is 161.8% fibonacci projection. Resistance level at 6,135 which is resistance level of the gap. Next support and resistance level will be at 5,900-6,250. 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**

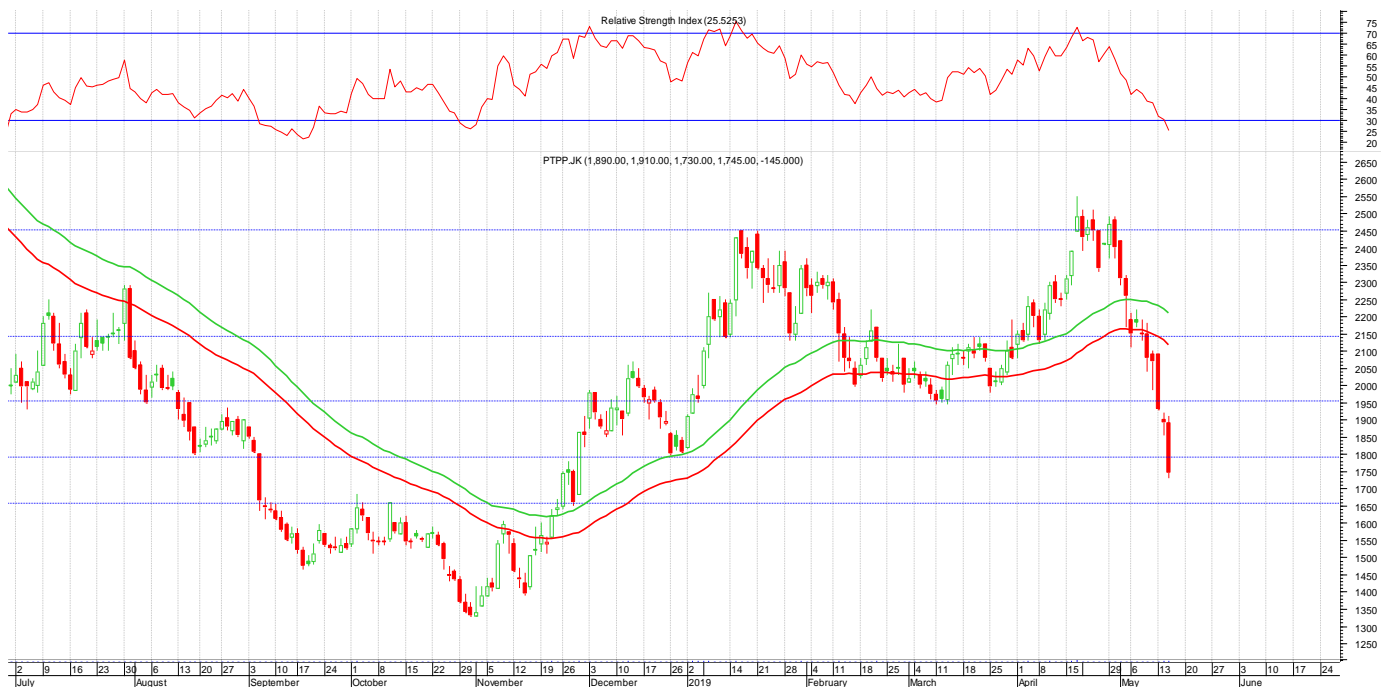
**BBCA : Testing support level**

The price closed above minor support level of 27,125. Resistance level at 28,150. Next support and resistance level at 26,675-29,000. The short-term trend potentially turn into negative when the price moved below support level of the short-term uptrend line. Take profit/Sell on strength



**PTPP : Testing support level**

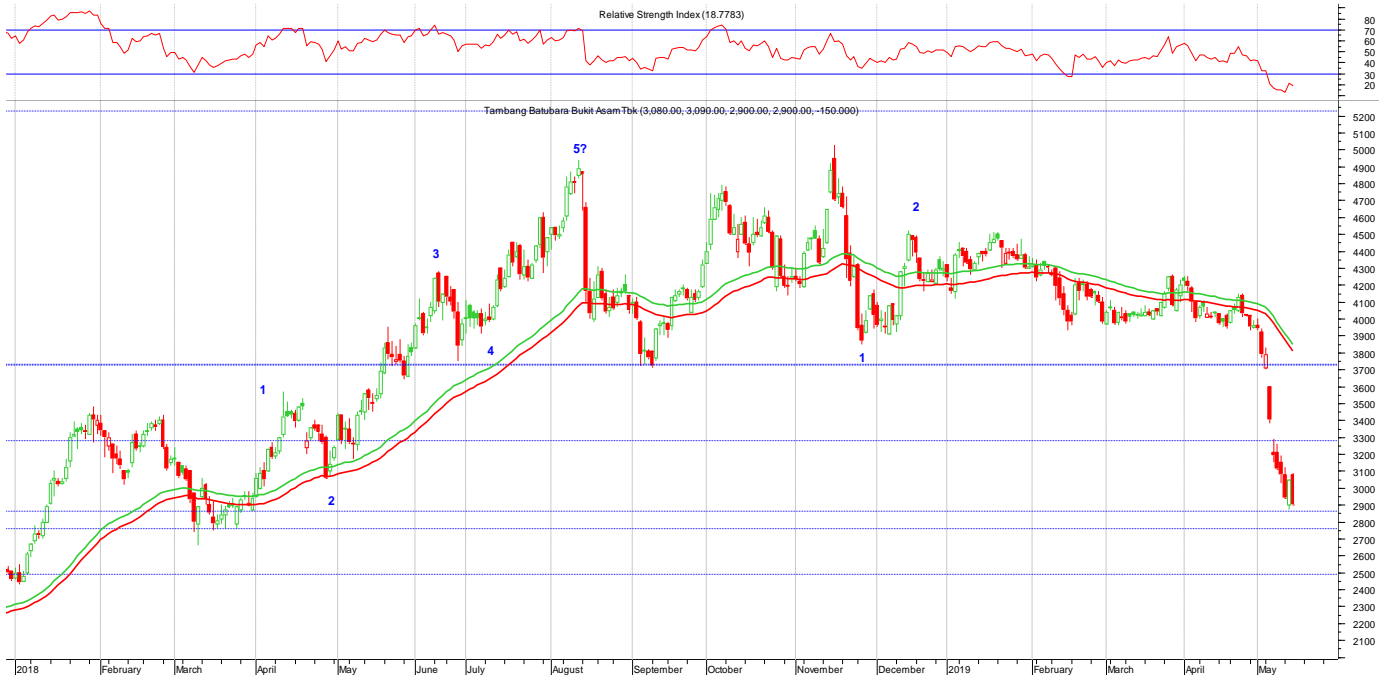
The price closed below minor support level of 1,795 . Resistance level at 1,950. Next support and resistance level at 1,650-2,150. The price has retraced 61.8% fibonacci retracement. Buy on weakness



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**PTBA : Testing support level**

The price closed above minor support level of 2,870. Resistance level at 3,090. Next support and resistance level at 2,700-3,300. ST : Buy on weakness, MT : Sell on strength



**ANTM : Testing support level**

The price closed above minor support level of 690. Resistance level at 750. Next support and resistance level at 650-780. The mid-term trend is still sideways. Some of momentum indicators indicate that the price already enter oversold area. Buy on weakness



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,375 -14,475

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.80
3	7.30
5	7.53
10	8.03
15	8.53
30	8.68

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.18	6.27	6.26	6.14	5.64
US\$	1.27	1.28	1.19	1.23	
JIBOR (RP)	7.00	7.25	7.47	7.63	

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	14,460	-0.15
1 US\$ = SGD	1.37	-0.01
1 US\$ = JPY	109.43	0.16
1 US\$ = AUD	0.69	-0.09
1 US\$ = EUR	1.12	0.05

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