

GLOBAL

Index	Last	Change	% chg
Dow	26,090	-17.16	-0.07
S&P 500	2,887	-4.66	-0.16
Eido US	25.1	-0.29	-1.14
H.S.I	27,118	-176.36	-0.65
Nikkei	21,055	-61.42	-0.29
STI	3,223	1.97	0.06
KLCI	1,639	-5.11	-0.31
Kospi	2,093	-2.65	-0.13
SET Thai	1,672	-1.81	-0.11

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	62.0	0.70	1.14
WTI Crude Oil (\$/bbl)	53	0.23	0.44
CPO (MYR/ton)	2,002	-2.00	-0.10
Gold (US\$/tr ounce)	1,340	-2.02	-0.15
Nickel (US\$/ton)	11,792	30.00	0.26
Tin (US\$/ton)	19,356	-177.00	-0.91
Pulp (US\$/ton) weekly	1,205.0	0.00	0.00
Coal (US\$/ton)	71.4	-0.45	-0.63

BEI STATISTICS

JCI	6,250
Change (1 day)	-0.36%
Change YTD	0.90%
P/E Market (X)	15.4
Volume (mn shr)	8,879.8
Value (Rp bn)	5,612.6
↑ 175 ↓ 230 ↔ 229	
LQ45	991
% Change (1 day)	-0.34%

INTEREST RATE

	Current	Previous
BI 7D Reverse Repo (%)	6.00	6.00
Fed fund rate (%)	2.50	2.50
inflation mom (%)	0.68	0.44
Inflation yoy (%)	3.32	2.83

EXCHANGE RATE

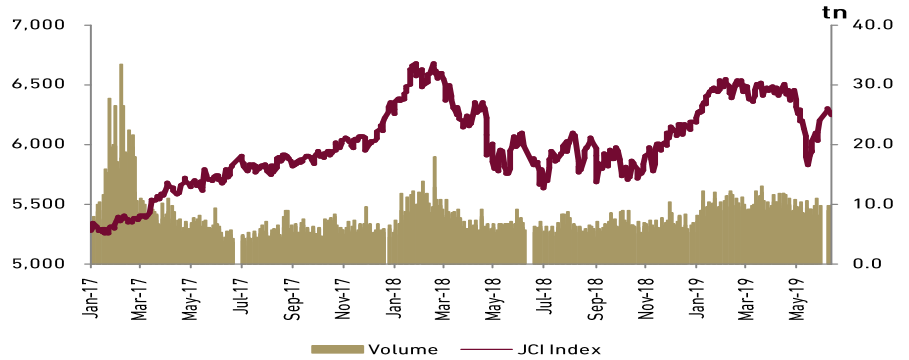
	Last	Change	% chg
1 USD = IDR	14,325	45.00	0.32
1 USD = SGD	1.37	0.00	-0.04
1 USD = JPY	108.58	0.02	0.02
1 USD = AUD	1.45	0.00	-0.12
1 USD = EUR	0.89	0.00	-0.11

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.6	-0.13	-0.47	3,948	120,194
ISAT	0.2	0.00	0.00	2,292	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- PTPP obtains contract to construct ferronickel smelter
- KLBF sales increased 10% - 20% during Ramadan
- TINS export reaches 27,905 mt in May

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,200 (support) – 6,300 (resistance) level today

BBCA: Sell on strength at Rp 29,200-Rp 30,000

Comment: The uptrend cycle likely has completed

UNVR: Sell on strength at Rp 45,000-Rp 46,500

Comment: The trend is still sideways

INDF: Sell on strength at Rp 7,100-Rp 7,400

Comment: The trend is still sideways

GGRM: Sell on strength at Rp 78,500-Rp 81,000

Comment: The trend turn into negative

MARKET REVIEW & MARKET OUTLOOK

Regional

US equities declined Friday as risk-off sentiment returned after chipmaker Broadcom warned of weakening demand linked to US sanctions against Huawei with Dow Jones fell 0.1%. Notable decliners in the semiconductor sector were Broadcom, down 6%, Advanced Micro Devices down about 4%, and Nvidia down about 3%. Apple also fell 1%, a big negative for the main market indexes. US retail sales data were relatively upbeat, with a 0.5% MoM gain in May while US industrial production proved mixed in May, up a stronger-than-expected 0.4% MoM at the headline level but up only a modest and as-expected 0.2% MoM for manufacturing. On commodity markets, WTI crude oil went up by 0.44% to USD53/bbl, while nickel price gained by 0.26% to USD11,792/ton.

Domestic

JCI closed lower at 6,250 by 23 points or -0.36% on Friday trading and recorded Rp64 bn of net foreign sell. The laggard sectors were Property (-1.48%), Miscellaneous Industry (-0.93%), and Basic Industry (-0.89%) which mainly driven by HMSP (-1.18% to 3,340), CPIN (-5.05% to 4,700) and ASII (-1.00% to 7,425) as the key movers. Rupiah currency weakened by 45 points to 14,325/USD. Our technical desk suggests for trading within the band of 6,200 – 6,300 with possibility mixed to higher level.

PTPP OBTAINS CONTRACT TO CONSTRUCT FERRONICKEL SMELTER

PT PP (PTPP) is appointed as contractor of ferronickel smelter in Kolaka regency, Sulawesi, with total investment of Rp18.5 tn. PTPP will team up with China state-owned company ENFI and expect the project will complete within 24 months. The smelter will have capacity of 4x72 MVA and produce 229,000 ton of ferronickel annually.

Comment: The detail of PTPP contract value share in this project is yet to available. However, the construction cost could reach 30-50% of smelter investment cost, therefore we expect the company to get sizable new contract from this project. We currently have Buy rating on PTPP with TP of Rp2,900.

KLBF SALES INCREASED 10% - 20% DURING RAMADAN

Consumption recovery during Ramadan and Lebaran 2019, helped to support KLBF sales in the first half 2019. According to the president director of Kalbe, Vidjongtius, sales during Ramadan season increased by 10% - 20%, compared to the average of ordinary month. Hike in sales mostly came from consumer health segment. Vidjongtius hope that sales during Ramadan may increase by 7% to 8%. The company maintains their 2019 revenue growth target at 6%-8%, same with 2019 net profit growth target. Hence, Kalbe aims for Rp22.3 tn – Rp22.76 tn gross revenue in 2019, and Rp2.65 tn – Rp2.7 tn net profit.

Comment: At the moment, we see that KLBF sales is still in-line with our estimate and the company's guidance. Strengthening Rupiah against USD should be a positive catalyst for KLBF. We maintain our BUY rating with unchanged TP of Rp1,770/sh.

TINS EXPORT REACHES 27,905 MT IN MAY

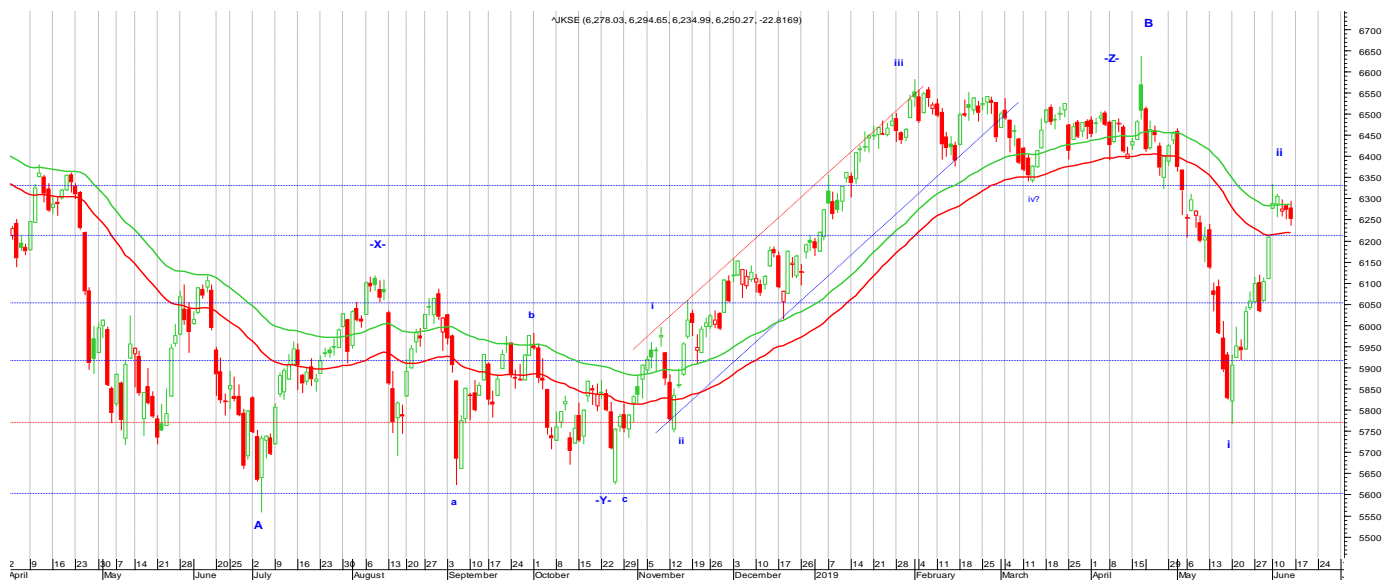
In May Timah (TINS) registered export of 6,759.26 mt (+15.2% MoM) in tin, making their total export year to date at 27,905.4 mt. Management guidance for TIN production is set at around 60,000 mt (vs. our prediction at 53,633 mt) and that number is looking more and more plausible with each passing month. The increased production shows that Indonesia's attempt on regulating tin mining and eradicating illegal tin mining are working. This is despite in March 2019 ICDX restoring PT Surveyor Indonesia's ability to verify tin ores.

Comment: This will have a very positive impact for TINS earnings in Q2 as they have been able to consistently produce an average of around 5500 mt to date. Currently we still have BUY rating for TINS at Rp2,100 /share

TECHNICAL ANALYSIS

JCI : (6,250 -0.36%)

Comment : HMSP, CPIN and ASII consecutively became lagging movers. Technically, JCI failed to break resistance level of the gap 6,135. Support level at 6,209. Next support and resistance level will be at 6,033-6,450. Candlestick chart likely formed a reversal pattern. 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 and the highest level of 6,636 which occurred on April 18, 2019 as the peaks of wave Z of the peaks of wave minor B. Based on this wave counting, the index now is forming wave down minor C. The lowest level 5,767 which occurred on May 20, noted as the bottom of wave minute (i) of wave C. The highest level of 6,334 which occurred on June 10, 2019 noted as the peaks of wave (ii) of C. Based on this wave counting, the index now forming wave down (iii) to test again level of 5,767. This wave counting automatically false if the index moves above the level of 6,636.



STOCK OF THE DAY

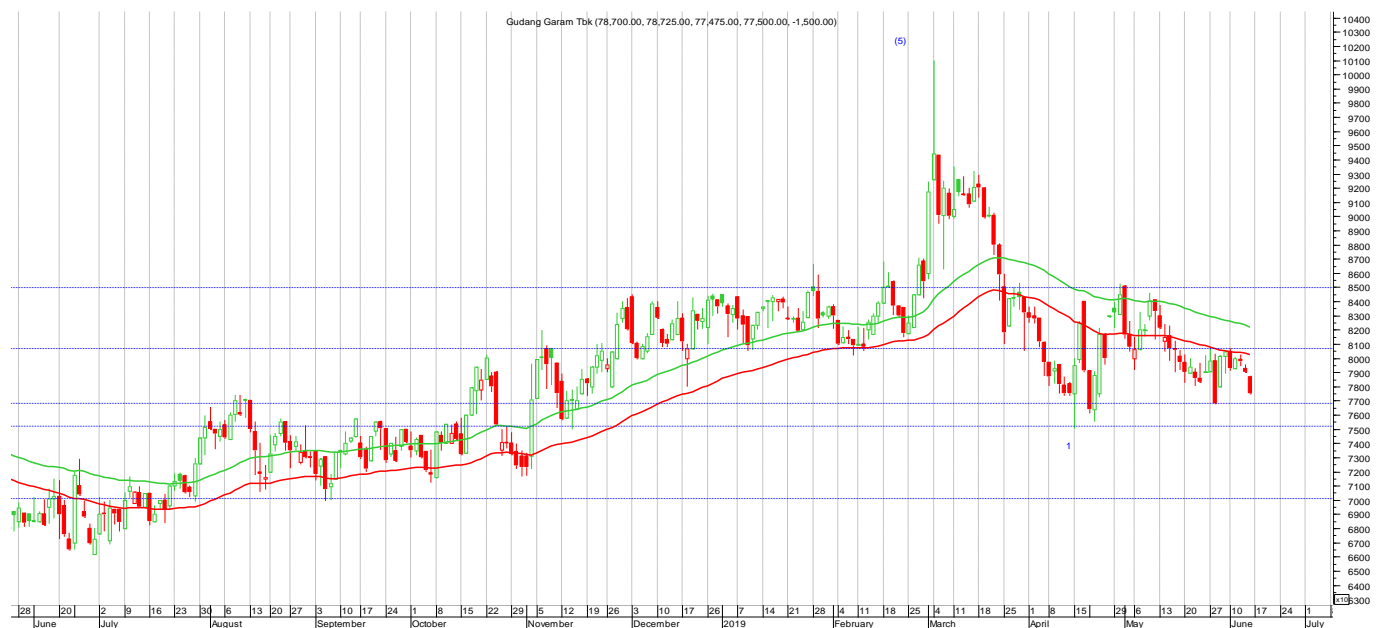
BBCA : Testing support level

The price closed at minor support level of 29,000. Resistance level at 30,200. Next support and resistance level at 27,600-30,950. The price moved in uptrend channel in the last eleven months. If there is no extension the price the highest level of 30,950 likely the peaks of wave minute 5 which is the last wave of the cycle. Based on this counting, the price vulnerable to profit taking. Take profit/Sell on strength



GGRM : Testing support level

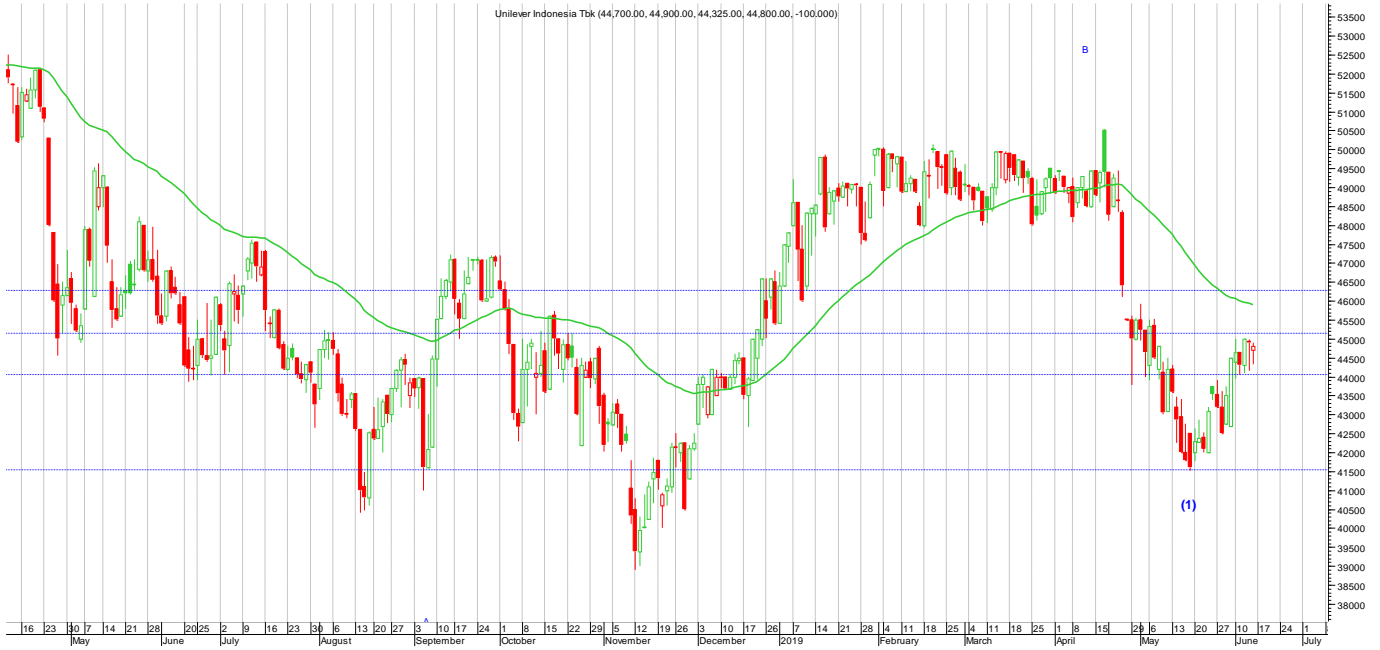
The price closed above minor support level of 76,800. Resistance level at 80,700. Next support and resistance level at 75,000-85,250. The short-term trend turn into negative. Sell on strength/Take profit, Sell if the price moves and stable below the level of 75,000.



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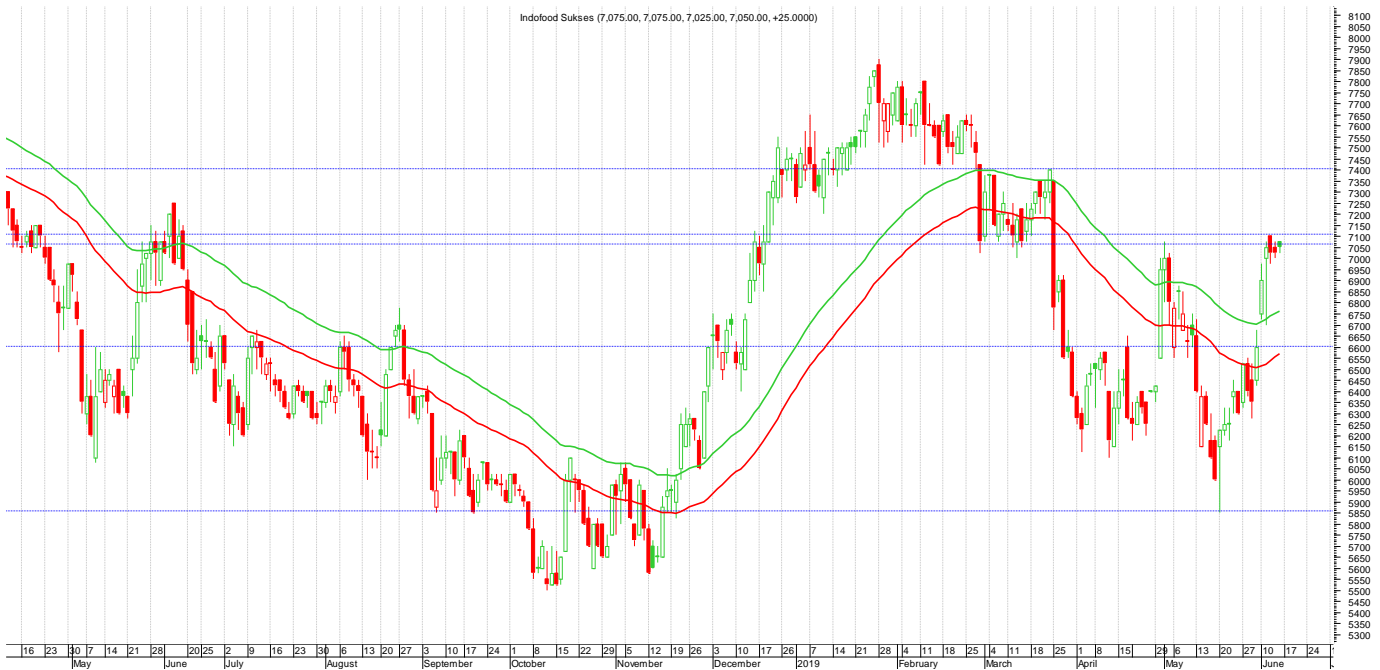
UNVR : Testing resistance level

The price closed below minor resistance level of 45,000. Support level at 44,000. Next support and resistance level at 41,500-46,500. The trend is still negative. Sell on strength



INDF : Testing resistance level

The price closed below minor resistance level of 7,100. Support level at 6,700. Next support and resistance level at 6,250-7,400. The mid-term trend is still sideways. Sell on strength



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 14,275 -14,375

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.63
3	7.07
5	7.19
10	7.68
15	8.02
30	8.51

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.13	6.31	6.24	6.07	5.60
US\$	1.28	1.31	1.18	1.16	
JIBOR (RP)	6.92	7.22	7.45	7.62	

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	14,325	-0.31
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1 US\$ = JPY	108.58	-0.02
1 US\$ = AUD	0.69	0.12
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