

Indonesia Market Daily

Market Issue

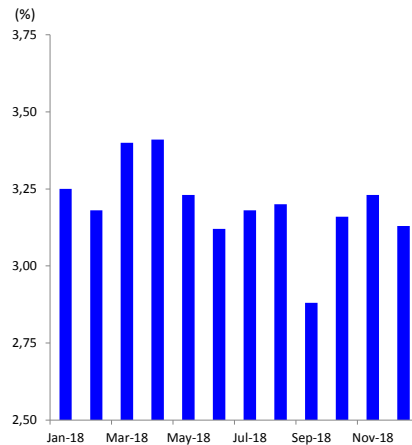
Three Strategic Steps to Reach 2019 Inflation Target

Indonesian government decided three strategic steps to keep the Consumer Price Index (CPI) inflation rate in the range of 3.5% ± 1% according to the target in 2019. The first step is to maintain the price of volatile food maximum in the range of 4-5%. This strategy will be carried out through four main policies (4K) related to price affordability, supply availability, smooth distribution, and effective communication. The priority will be given to the availability of supplies and smooth distribution, which will be supported by more conducive ecosystem and the availability of accurate data.

Second, strengthening the implementation of the National Inflation Control Roadmap 2019-2021 and also implementing the Roadmap for Inflation Control at the Provincial level. And third, strengthening the coordination of the central and regional governments in controlling inflation through the holding of the National Inflation Control Coordination Meeting. Based on BI's third week price monitoring survey result, January 2019 inflation is estimated to be at around 0.5% MoM. While annual inflation is projected at 3% YoY. Moreover, the central bank claimed a manageable Rupiah depreciation. Foreign inflow keeps coming to emerging countries like Indonesia. Until January 17th, there were IDR 14.75Tn foreign inflow entered almost all instruments.

Focus Chart

Indonesia Inflation Rate



Daily Market

JCI Index: +1.06%

JCI managed to surge by +68.78 points (+1.06%) to 6,532.97 in line with the majority of the other Asian stock market, which also closed in a positive territory on the back of The Fed decision to keep its benchmark interest rate unchanged, and will be patient with raising rates in the future. Meanwhile, investors also take a close look on the ongoing trade negotiations between the US and China in Washington. Most of the Industrial Sector was closed higher, led by Finance (+1.73%) as the best performing sector along with the Rupiah exchange rate appreciation against the US Dollar. Property (+1.33%) sector followed the higher closing as the dovish stance from the US central bank boost risk sentiment for emerging market assets.

Trading Value: IDR 28.01Tn
Foreigner Net Sell: IDR 11.54Tn

Bond: 2Y: 7.248% (-2.6bp) / 10Y: 8.028% (-12.7bp)

Bond Yield of 2 year and 10 year instruments were still in a lower trend after the Federal Reserve signaled that the central bank is done with tightening monetary policy in the near future.

FX: IDR/USD: 13,973 (+1.12%)

Indonesia Rupiah was able to strengthen past its psychological level of IDR 14,000 per US Dollar as The Fed dovish statement that boosted capital inflow to risk assets. Meanwhile, BI will maintained a hawkish stance even after aggressive interest rate policy last year.

Company Focus

PT Bank Rakyat Indonesia Tbk (BBRI)

BBRI posted a net profit of IDR 32.4Tn last year, up 11.6% YoY. The profit was fueled by the distribution of credits which rose 14.1% YoY to IDR 843.6Tn at the end of 2018, with the gross non-performing loan (NPL) ratio reaching 2.27%. The bank's profitability was mostly contributed by the distribution of credits to micro small and medium enterprises (MSMEs) which reached IDR 645.7Tn, or 76.5% of the total credits channeled by the bank. The bank has set itself the target of increasing the amount of credits extended to MSMEs to 80% of the total credits in 2022. The amount if third party funds placed in the bank last year rose 12.2% YoY to IDR 944.3Tn. On a funding side, the bank's current account/saving account structure rose to 60.1% at the end of 2019 from 59% the year before.

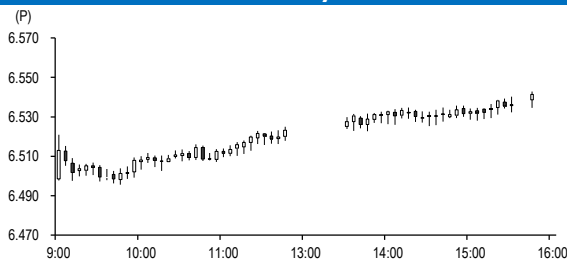
Source: Antara

PT Medco Energi International Tbk (MEDC)

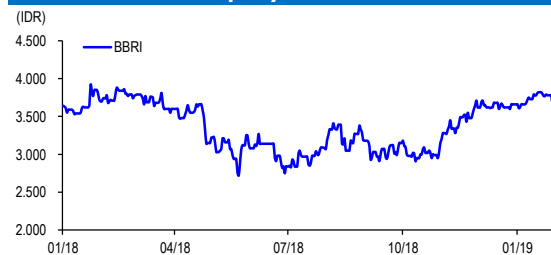
MEDC has secured an agreement to acquire Ophir Energy Ltd. at a price of 55 pence per share. The total value of this transaction is estimated to be at £ 390Mn or around USD 551.02Mn. Previously, Ophir had refused an acquisition offer from MEDC at a price of 48.5 pence per share or USD 437Mn in total. This transaction will make MEDC the seventh largest oil producer in Southeast Asia. Ophir currently has the capability of producing 29,700 barrels of oil equivalent per day (BOEPD). This production power is supported by a number of oil and gas production assets that Ophir has acquired from Santos Energy.

Source: IDN Financials

JCI Index Intraday Movement



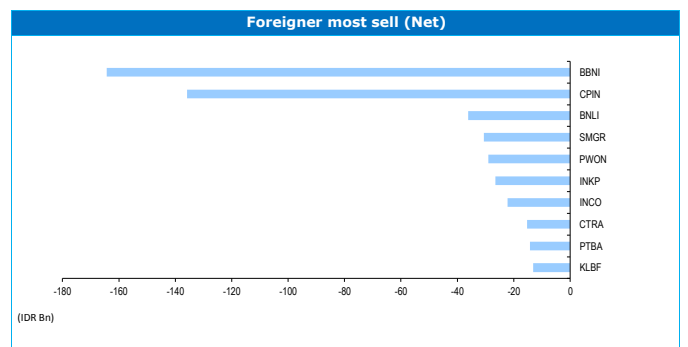
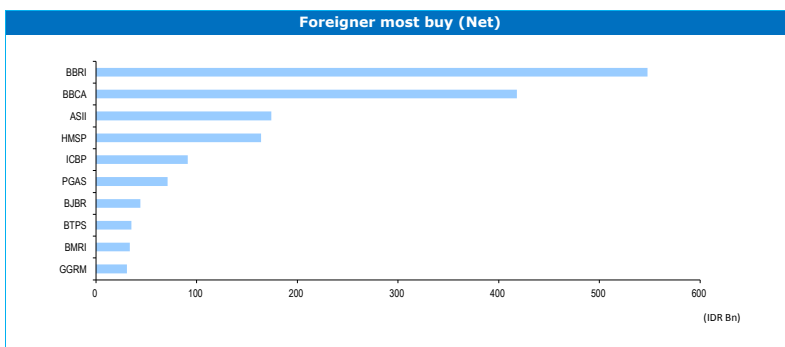
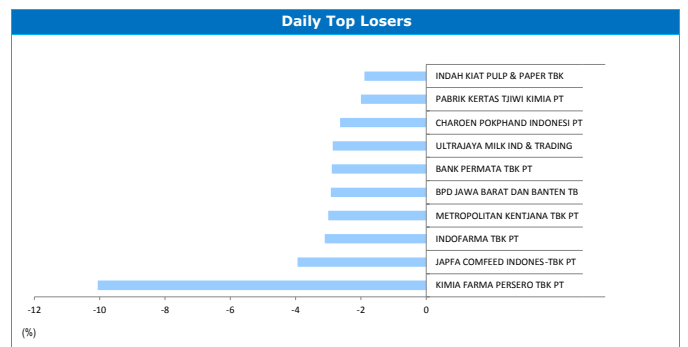
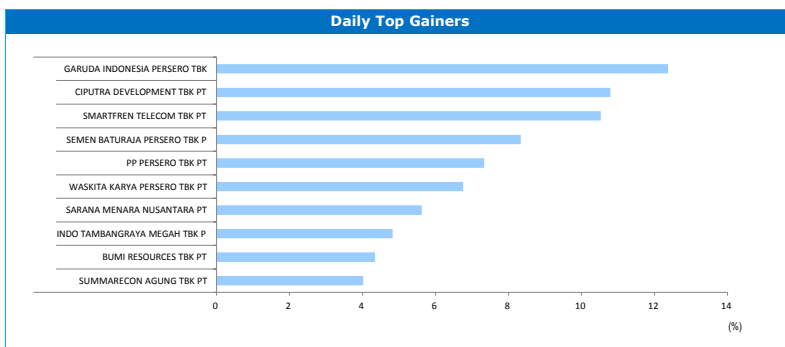
Company Focus Chart



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Key Company

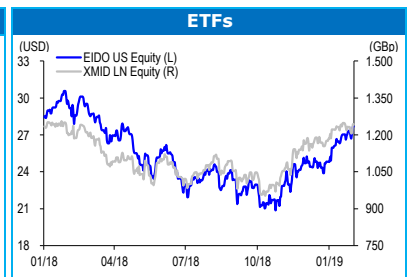
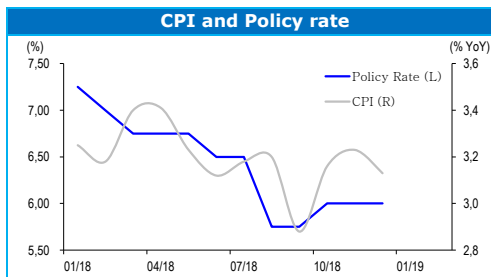
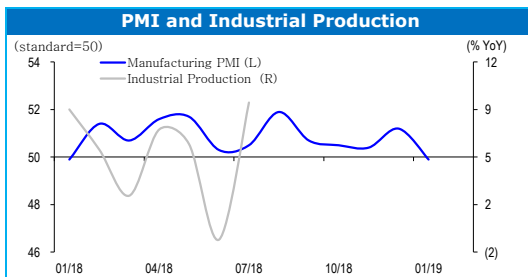
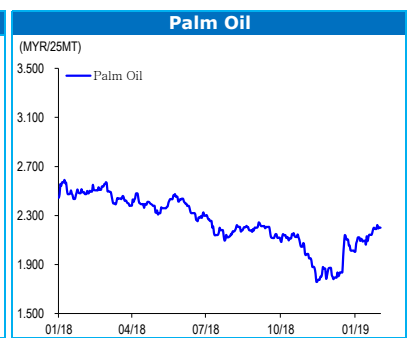
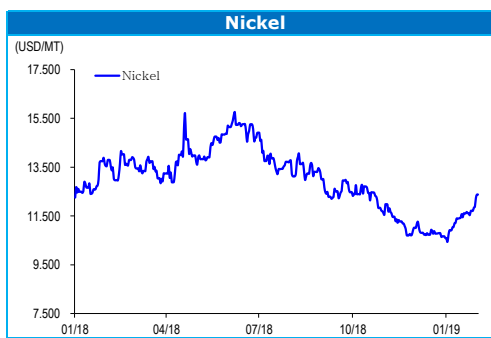
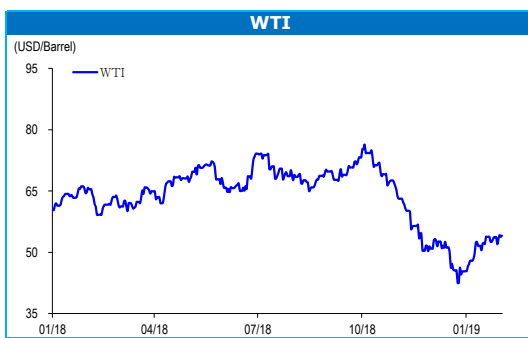
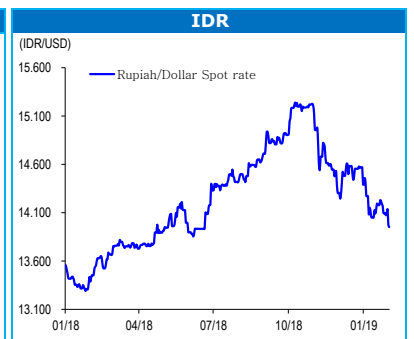
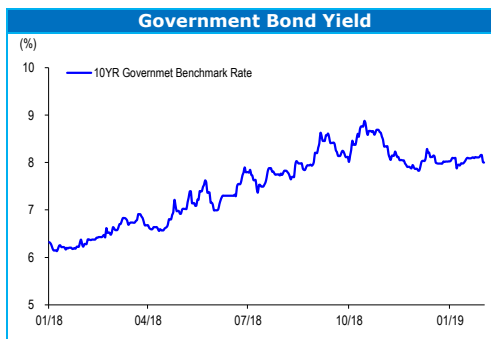
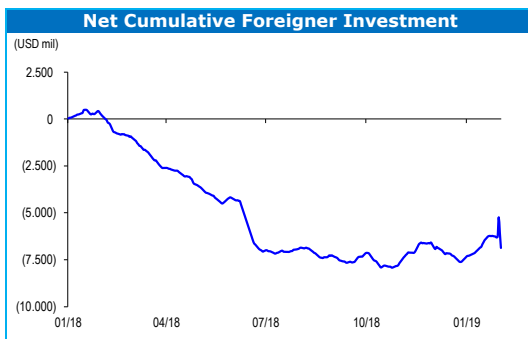
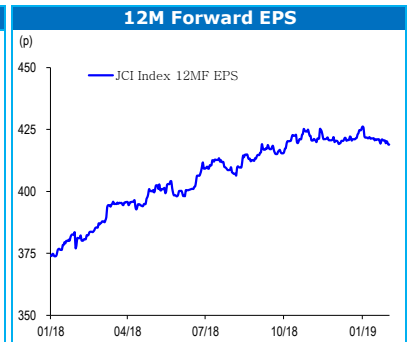
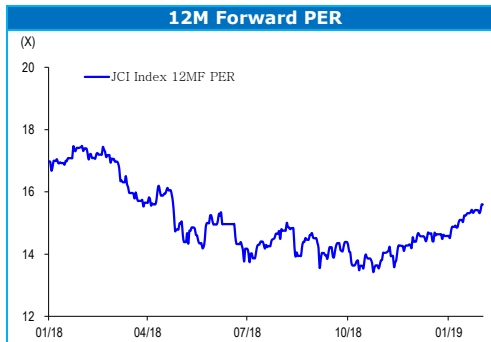
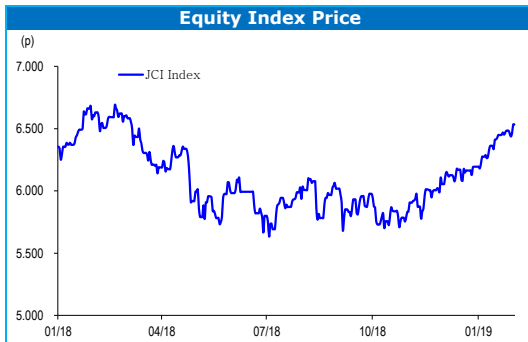
| Sector | Ticker | Company | Top Companies in Each Sector | | | | | | | | |
|------------------------|----------------------------|---------------------------------------|------------------------------|----------------------|--------|--------|--------|---------|--------------|--------------|--------------|
| | | | Close Price | Market Cap (IDR trl) | 1D (%) | 1M (%) | 3M (%) | YTD (%) | PER(19F) (X) | PBR(19F) (X) | ROE(19F) (%) |
| Energy | UNTR IJ Equity | United Tractors Tbk PT | 25.725 | 96,0 | (0,7) | (5,9) | (23,2) | (5,9) | 8,0 | 1,6 | 21,1 |
| | ADRO IJ Equity | Adaro Energy Tbk PT | 1.390 | 44,5 | 3,0 | 14,4 | (15,8) | 14,4 | 7,1 | - | 10,9 |
| | PTBA IJ Equity | Bukit Asam Tbk PT | 4.310 | 49,7 | 0,2 | 0,2 | 1,4 | 0,2 | 9,2 | 2,6 | 30,0 |
| | ITMG IJ Equity | Indo Tambangraya Megah Tbk PT | 22.800 | 25,8 | 4,8 | 12,6 | (8,4) | 12,6 | 7,0 | - | 26,1 |
| Materials | TPIA IJ Equity | Chandra Asri Petrochemical Tbk PT | 5.875 | 104,8 | 3,1 | (0,8) | 22,1 | (0,8) | 35,1 | - | 13,0 |
| | INTP IJ Equity | Indocement Tunggal Prakarsa Tbk PT | 19.225 | 70,8 | 0,3 | 4,2 | 11,1 | 4,2 | 49,7 | 3,1 | 6,9 |
| | SMGR IJ Equity | Semen Indonesia Persero Tbk PT | 12.675 | 75,2 | 1,0 | 10,2 | 40,8 | 10,2 | 27,0 | 2,4 | 8,8 |
| | SMBR IJ Equity | Semen Baturaja Persero Tbk PT | 1.625 | 16,1 | 8,3 | (7,1) | (7,7) | (7,1) | 191,2 | 4,5 | 2,3 |
| Industrials | JSMR IJ Equity | Jasa Marga Persero Tbk PT | 4.920 | 35,7 | 2,1 | 15,0 | 18,6 | 15,0 | 17,3 | 1,9 | 10,7 |
| | WSKT IJ Equity | Waskita Karya Persero Tbk PT | 1.975 | 26,8 | 6,8 | 17,6 | 37,2 | 17,6 | 6,2 | 1,0 | 16,7 |
| | AKRA IJ Equity | AKR Corporindo Tbk PT | 5.250 | 21,1 | 4,0 | 22,4 | 51,7 | 22,4 | 21,0 | 2,4 | 12,3 |
| | PTPP IJ Equity | PP Persero Tbk PT | 2.340 | 14,5 | 7,3 | 29,6 | 75,9 | 29,6 | 7,9 | 1,0 | 13,2 |
| Consumer Discretionary | ASII IJ Equity | Astra International Tbk PT | 8.450 | 342,1 | 1,2 | 2,7 | 7,0 | 2,7 | 14,0 | 2,2 | 16,3 |
| | EMTK IJ Equity | Elang Mahkota Teknologi Tbk PT | 8.700 | 49,1 | 0,0 | 3,6 | 1,8 | 3,6 | - | - | - |
| | LPPF IJ Equity | Matahari Department Store Tbk PT | 7.000 | 20,4 | 3,3 | 25,0 | 44,3 | 25,0 | 9,9 | 5,1 | 61,6 |
| Consumer Staples | SCMA IJ Equity | Surya Citra Media Tbk PT | 1.885 | 27,6 | 0,5 | 0,8 | 20,1 | 0,8 | 16,6 | 5,1 | 32,5 |
| | HMSP IJ Equity | Hanjaya Mandala Sampoerna Tbk PT | 3.830 | 445,5 | 0,8 | 3,2 | 2,7 | 3,2 | 30,0 | 11,9 | 40,9 |
| | UNVR IJ Equity | Unilever Indonesia Tbk PT | 50.000 | 381,5 | 1,9 | 10,1 | 15,7 | 10,1 | 50,7 | 60,3 | 122,9 |
| | GGRM IJ Equity | Gudang Garam Tbk PT | 83.650 | 160,9 | 0,8 | 0,0 | 15,7 | 0,0 | 16,8 | 3,2 | 19,5 |
| Health Care | ICBP IJ Equity | Indofood CBP Sukses Makmur Tbk PT | 10.775 | 125,7 | 0,0 | 3,1 | 20,7 | 3,1 | 26,3 | 5,2 | 20,5 |
| | KLBF IJ Equity | Kalbe Farma Tbk PT | 1.600 | 75,0 | (0,6) | 5,3 | 16,8 | 5,3 | 29,0 | 4,7 | 16,9 |
| | MIKA IJ Equity | Mitra Keluarga Karyasehat Tbk PT | 1.510 | 22,0 | (0,3) | (4,1) | 5,6 | (4,1) | 31,7 | 5,1 | 16,4 |
| | KAEF IJ Equity | Kimia Farma Persero Tbk PT | 2.950 | 16,4 | (10,1) | 13,5 | 20,4 | 13,5 | - | - | - |
| Financial | SILO IJ Equity | Siloam International Hospitals Tbk PT | 3.220 | 5,2 | (1,8) | (10,3) | 40,0 | (10,3) | 91,8 | 0,8 | 1,0 |
| | BBCA IJ Equity | Bank Central Asia Tbk PT | 28.175 | 694,7 | 2,1 | 8,4 | 19,1 | 8,4 | 23,7 | 4,1 | 18,2 |
| | BBRI IJ Equity | Bank Rakyat Indonesia Persero Tbk PT | 3.850 | 474,9 | 2,7 | 5,2 | 22,2 | 5,2 | 11,4 | 2,0 | 18,8 |
| | BMRI IJ Equity | Bank Mandiri Persero Tbk PT | 7.450 | 347,7 | 2,8 | 1,0 | 8,8 | 1,0 | 11,0 | 1,6 | 15,3 |
| IT | BBNI IJ Equity | Bank Negara Indonesia Persero Tbk PT | 9.075 | 169,2 | 0,8 | 3,1 | 23,9 | 3,1 | 8,7 | 1,3 | 15,4 |
| | DNET IJ Equity | Indoritel Makmur Internasional Tbk PT | 3.250 | 46,1 | 0,0 | (1,2) | (2,1) | (1,2) | - | - | - |
| | ERAA IJ Equity | Erajaya Swasembada Tbk PT | 2.290 | 7,3 | 0,4 | 4,1 | 34,7 | 4,1 | 7,8 | 1,4 | 18,1 |
| | KBLV IJ Equity | First Media Tbk PT | 500 | 0,9 | 0,0 | (28,6) | 9,2 | (28,6) | - | - | - |
| Utility | MTDL IJ Equity | Metrodata Electronics Tbk PT | 895 | 2,2 | (0,6) | 3,5 | 25,2 | 3,5 | - | - | - |
| | PGAS IJ Equity | Perusahaan Gas Negara Persero Tbk | 2.570 | 62,3 | 1,6 | 21,2 | 15,8 | 21,2 | 16,7 | - | 8,3 |
| | POWR IJ Equity | Cikarang Litrindo Tbk PT | 840 | 13,5 | 0,0 | (5,6) | (6,1) | (5,6) | 8,6 | - | 15,7 |
| | TGRA IJ Equity | Terregre Asia Energy PT | 805 | 2,2 | 0,6 | 0,6 | (1,2) | 0,6 | - | - | - |
| Real Estate | MPOW IJ Equity | Megapower Makmur Tbk PT | 108 | 0,1 | (1,8) | (5,3) | (15,6) | (5,3) | - | - | - |
| | BSDE IJ Equity | Bumi Serpong Damai Tbk PT | 1.330 | 25,6 | 0,4 | 6,0 | 20,9 | 6,0 | 11,2 | 0,9 | 8,0 |
| | PWON IJ Equity | Pakuwon Jati Tbk PT | 650 | 31,3 | (1,5) | 4,8 | 36,0 | 4,8 | 12,6 | 2,1 | 17,6 |
| | MKPI IJ Equity | Metropolitan Kentjana Tbk PT | 16.975 | 16,1 | (3,0) | (24,6) | (18,4) | (24,6) | - | - | - |
| CTRA IJ Equity | Ciputra Development Tbk PT | 975 | 18,1 | 10,8 | (3,5) | 18,9 | (3,5) | 16,6 | 1,1 | 7,0 | |



Stocks, Bonds, Foreign Exchange

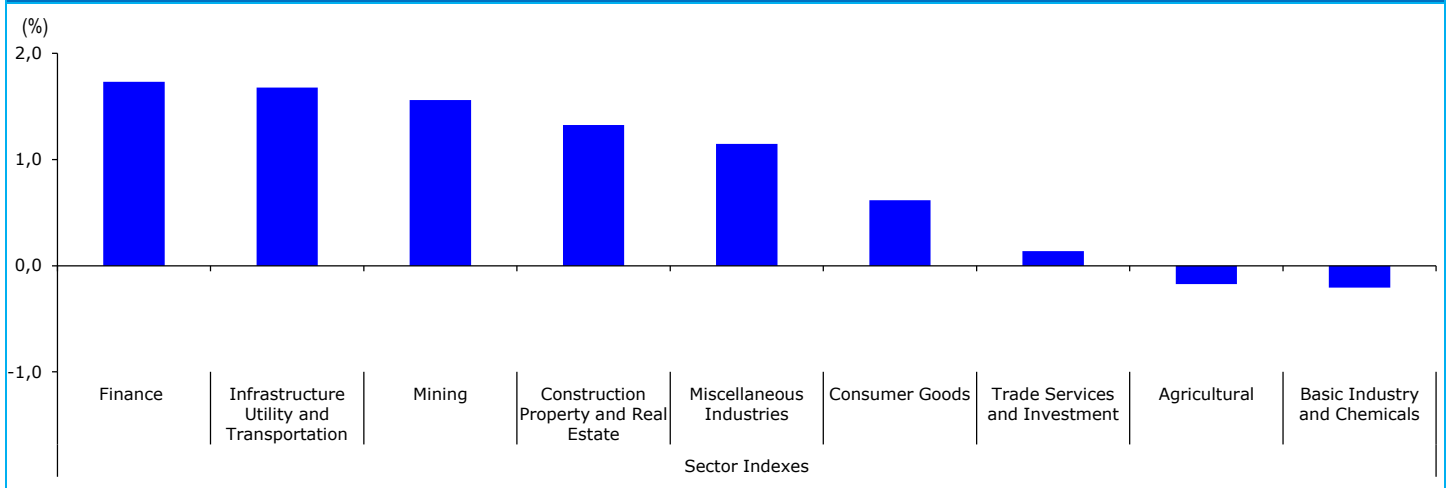
Equity, FI, FX Makret

| Stock | Index | Close | 1D | YTD | Fixed Income | Close | 1D | YTD | FX | Close | 1D | YTD |
|-------------|--------------|---------|-------|-----|--------------|-------------|------|--------|--------|-------|----------|-----------|
| Indonesia | JCI Index | 6.533,0 | 1,1 | 5,7 | Indonesia | Policy Rate | 6,00 | 0,0 | 0,0 | IDR | 13.973,0 | 1,1 (3,4) |
| EM Asia | MSCI EM Asia | 520,8 | 1,0 | 9,3 | | 3M | 7,65 | (14,2) | (3,6) | CNY | 6,7 | 0,2 (2,4) |
| China | SHCOMP | 2.584,6 | 0,3 | 4,8 | | Govt 10YR | 7,99 | (14,2) | (0,3) | INR | 71,1 | 0,1 1,3 |
| India | Sensex | 36.257 | 1,9 | 1,0 | China | Govt 10YR | 3,10 | (2,6) | (2,2) | MYR | 4,0953 | 0,3 (1,0) |
| Malaysia | KLCI | 1.683,5 | (0,0) | 0,9 | India | Govt 10YR | 7,59 | 0,0 | 3,2 | VND | 23201 | 0,0 (0,0) |
| Vietnam | VN Index | 910,7 | (0,6) | 2,1 | Malaysia | Govt 10YR | 4,06 | (1,1) | (0,0) | PHP | 52,12 | 0,5 (0,8) |
| Philippines | PSE | 8.007,5 | 0,3 | 6,9 | Vietnam | Govt 10YR | 4,68 | (6,7) | (6,8) | THB | 31,24 | 0,5 (3,2) |
| Thailand | SET | 1.641,7 | 0,6 | 4,8 | Philippines | Govt 10YR | 6,13 | (16,2) | (10,9) | SGD | 1,3 | 0,1 (1,5) |
| Singapore | STI | 3.190,2 | 0,5 | 5,0 | Thailand | Govt 10YR | 2,38 | (3,4) | (0,0) | HKD | 7,8 | (0,0) 0,2 |

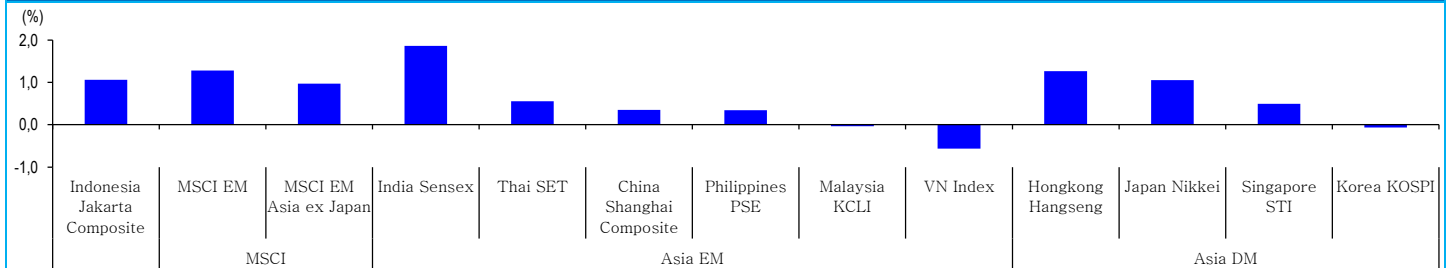


Daily Change

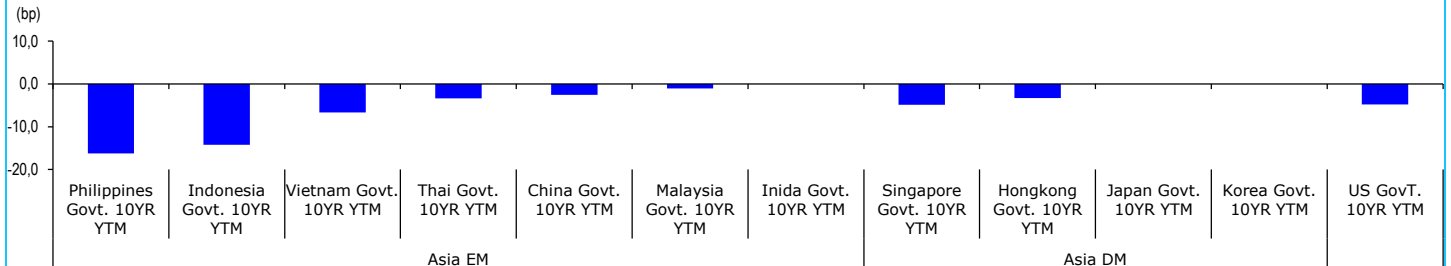
MSCI Indonesia Sector 1D Change



Asian Equity Market 1D Change



Asian Fixed Income Market 1D Change



Asian FX 1D Change

