

GLOBAL			
Index	Last	Change	% chg
Dow	24,923	98.67	0.40
S&P 500	2,713	17.25	0.64
Eido US	28.4	-0.18	-0.63
H.S.I	30,561	45.64	0.15
Nikkei	22,765	0.00	0.00
STI	3,464	33.98	0.99
KLCI	1,793	10.09	0.57
Kospi	2,486	6.70	0.27
SET Thai	1,779	24.82	1.42

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	66.6	-0.30	-0.45
WTI Crude Oil (\$/bbl)	61.6	1.26	2.09
CPO (MYR/ton)	2,555	83.00	3.36
Gold (US\$/tr ounce)	1,313	-4.25	-0.32
Nickel (US\$/ton)	12,361	-200.75	-1.60
Tin (US\$/ton)	19,963	-149.00	-0.74
Pulp (US\$/ton) weekly	1,003.3	0.00	0.00
Coal (US\$/ton)	103.8	1.15	1.12

BEI STATISTICS	
JCI	6,251
Change (1 day)	-1.38%
Change YTD	-1.64%
P/E Market (X)	16.1
Volume (mn shr)	4,886.7
Value (Rp bn)	5,180.3
↑ 142 ↓ 210 ↔ 218	
LQ45	854
% Change (1 day)	0.28%

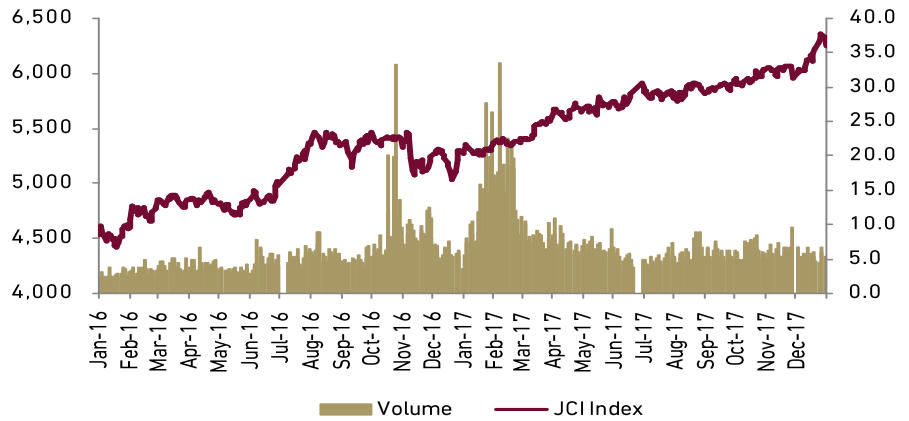
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	4.25	4.50
Fed fund rate (%)	1.50	1.25
inflation mom (%)	0.71	0.20
Inflation yoy (%)	3.61	3.30

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,475	-39.00	-0.29
1 USD = SGD	1.33	0.00	0.05
1 USD = JPY	112.68	0.17	0.15
1 USD = AUD	1.28	0.00	0.13
1 USD = EUR	0.83	0.00	0.08

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	31.2	-1.25	-3.85	4,206	399,265
ISAT	0.3	0.00	0.00	4,582	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- PTPP eyes 22% net profit growth this year
- SCMA regains momentum
- PP Properti booked net income of Rp440 bn
- T-Cash to be revamped as separate entity
- EXCL data traffic increased 160% in New Year's eve
- Trans java Toll-Road – Land Acquisition to complete in January'18
- Asahi announcement regarding the sale of shares in ICBP

IHSG STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,220 (support) – 6,310 (resistance) level today

BBTN: Sell on strength at Rp 3,620-Rp 3,700

Comment: Testing resistance level

MEDC: Buy on weakness at Rp 880-Rp 870

Comment: Testing support level

HMSP: Buy on weakness at Rp 4,530-Rp 4,400

Comment: Testing support level

ASII: Buy on weakness at Rp 8,025-Rp 7,975

Comment: Testing support level

MARKET REVIEW & MARKET OUTLOOK

Regional

U.S. stock market closed higher, DJIA finished 0.4% higher to 24,922.68. For the first time S&P 500 closed above 2,700, increased 0.6% to 2,713.06 as technology sectors rising 1.1%. NASDAQ inched up 0.8% to 7,065.53, with Advanced Micro Devices surging more than 5%. Positive sentiments were coming from strong economic data. The ISM manufacturing index hit 59.7% in December, while construction spending rose 0.8% in November. The Atlanta Federal Reserve raised its fourth-quarter real GDP forecast to 3.2%. Further, The Fed released a summary of its December meeting, showed that changes to the federal tax code pushed the central bank to raise its economic forecast. On commodity markets, WTI Crude oil up by 2.09% to USD61.6/bbl. CPO was up by 3.36% to MYR2,555/ton. Coal rose by 1.12% to USD 103.8/ton.

Domestic

JCI closed lower at 6,251 by 87.75 points (-1.4%) on Wednesday trading and recorded Rp71 bn net foreign buy. The laggard sectors were Consumer (-2.51%), Infrastructure (-1.90%), Misc. Industry (-1.59%) mainly driven by HMSP (-3.79% to 4,570), TLKM (-4.08% to 4,230), UNVR (-3.36% to 54,000) as the key movers. Rupiah strengthened by 39 points to 13,475/USD. Our technical desk suggests for trading within the band of 6,220 – 6,310, with possibility to end at higher level.

PTPP EYES 22% NET PROFIT GROWTH THIS YEAR

PT PP (PTPP) expects to book net profit of Rp2.1 tn this year , up by 22% from FY17 net profit estimate of Rp1.72 tn. The company foresees new contract of Rp49.1 tn , growing by 20% YoY, which would lift revenue by 21% from Rp23.6 tn in FY17 to Rp28.5 tn in FY18. Meanwhile, the company has bagged new contracts worth of Rp37.4 tn during 11M17 or achieved 92% of company's FY17 target of Rp40.6 tn.

Comment: All company guidance data are above our forecast. New contract, revenue and earnings targets are 9%, 19% and 17% higher than our forecasts, respectively. Historical data shows the company mostly met their expectations. We have Buy rating on PTPP with TP of Rp3,700. PTPP is trading at only 8.9x 2018F PER while we see the company to post strong 29% CAGR EPS growth in 2017-19F.

SCMA REGAINS MOMENTUM

Surya Citra Media (SCMA) controlled largest audience share in December as its TV channel SCTV and Indosiar gained share by 270bps MoM and 360bps MoM, respectively, to 18.8% and 17.6% for prime time. This led to its SCTV and Indosiar all time audience share increasing by 160bps to 15.5% and 110bps to 16.3% in December.

Comment: We believe strong increase in audience share will positively impact the share price. SCMA is trading at 18.8x 2018F PER . We still maintain our TP of Rp2,800 (13.3% upside potential) for SCMA.

PP PROPERTI BOOKED NET INCOME OF RP440 BN

Pembangunan Perumahan Properti (PPRO) recorded growth in revenue to Rp 3 tn in FY 2017, or increased by 21% compared to previous year. While net income reached Rp440 bn, up 20% compared to FY 2016 of around Rp365 bn. Revenues contributed by sales from Grand Kamala Lagoon by 24%, Grand Shamaya Surabaya 18%, Alton Semarang 11%, Evencilo Depok 10%, Begawan Malang 9%, and several real estate and commercial projects.

Comment: The FY 2017 revenues came in above than expected stands for 131% of consensus estimates while net profit in line with consensus full year 2017 net profit estimates, at 100%.

T-CASH TO BE REVAMPED AS SEPARATE ENTITY

TLKM plans to further strengthen TCash digital payments service to make it as a special entity, although not yet determined whether it will be direct or indirect subsidiary to parent Telkom. TCash will be separated and have its own management. The decision to spin T-Cash is pending on Telkom and Singapore Telecommunication Limited approval. TCash is ambitious to become a digital money player the largest in Indonesia. Tcash plans to target customers outside Telkomsel and that is why this option is being considered becoming more agnostic to subscribers of other operators as well. Currently, TCash serves 10 mn users in 34 provinces. TLKM targets with expansion market outside the user Telkomsel, TCash users can growing 300% -400% in 1 years ahead. TCash can continue to increase growth users so as to achieve 100 mn people in 5 years. Some other companies too are developing this business such as Go-Jek strengthened its position in the technology business financially through the acquisitions of Kartuku, Midtrans, and Mapan. PT Digital Artha Media, also the pilot company of Bank Mandiri is also managing the E-Money.

Comment: In line with Telkom's effort to become a digital telco, TLKM is determined to renew effort and expand business focus. Maintain Buy with TP of Rp5300/sh for its data traction and digital focus.

EXCL DATA TRAFFIC INCREASED 160% IN NEW YEAR'S EVE

Data traffic soared to 300% for 4G LTE network for New Year's eve YoY. In the 5 days during before and after New Year's eve trafik XL Axiata increased by about 20% compared to the normal day and its peak occurs at night of new Year. Total data traffic increased by 160% at 1 January 2018, and LTE 4G traffic itself increased by 300%. High speed internet is available in 360 cities with the number of customers is of course also continues to increase. YouTube service over the Christmas holidays, continues to increase higher by 15x from the year average. Social media are up by 15% on average, but on new Year's eve they increased their traffic by 60% and WhatsApp being the highest the increase is 70%. We note Telkomsel traffic increased by 142% on New Year's eve while Indosat Ooredoo data in the period long holiday end of 2017 increased by ~ 88% YoY with higher traffic of 14.3% compared to a normal day.

Comment: The data traffic follows similar pattern with last year and in line with our expectations. We maintain confidence on the stock. Buy wit TP of Rp3,800/sh.

TRANS JAVA TOLL-ROAD – LAND ACQUISITION TO COMPLETE IN JANUARY'18

In order to operate the segment at the end of 2018, land procurement of Trans Java toll road is expected to finish in January. Trans-Java toll road has 649 km length in total, and at the moment the land acquisition progress has reached 98%. Moreover, Jasa Marga as the giant highway operator in Indonesia is targeted to disburse Rp27 tn capex this year which will be utilized for Trans-Java toll road, given the high priority level of this segment. In addition, JSMR is projected to operate new toll road segments this year such as Batang – Semarang, Gempol – Pasuruan and Salatiga – Kertasura.

Comment: We view land acquisition remains become the main culprit of slow project construction. Yet, as Jokowi's infrastructure program is relatively closed to an end (2019). We believe all of the priority projects will be completed in a faster pace. In addition, if realization of the target to build new toll roads is success, it potentially stands as fundamental for future traffic and revenue growth.

ASAHI ANNOUNCEMENT REGARDING THE SALE OF SHARES IN ICBP

On December 31st 2017, Asahi Group Holding, Ltd. has executed a share transfer agreement regarding the sale of the entire stake in PT Asahi Indofood Beverage Makmur (51%) and PT Indofood Asahi Sukses Beverage (49%). All of the 617,100 AIBM shares held by Asahi and 632,100 shares held by Asahi will be transferred to PT Prima Intipangan Sejati, a subsidiary of PT Indofood Sukses Makmur (INDF), the parent company of ICBP. Shares of the 4 companies which are AIBM's subsidiaries including PT Prima Cahaya Indo beverages, and PT Tirta Sukses Perkasa, and IASB's subsidiaries including PT Tirta Makmur Perkasa, and PT Buana Distrindo, will also be transferred indirectly to PT Prima Intipangan Sejati.

Comment: We still recommend buy for ICBP with the FY18 target price of Rp 10,000/ share. As we see the beverage division only contribute 4-5% to ICBP's revenue. While our view on the beverage division is still negative, however with the recovery of consumer spending forecasted this year, volume growth and margin expansion might improve.

TECHNICAL ANALYSIS

JCI : (6,251 -1.4%)

Comment : HMSP, TLKM and UNVR consecutively became lagging movers. Technically, JCI closed above support level of 6,200. Level of 6,445 become first resistance level. Next support and resistance level at 6,100-6,500. Based on Elliot wave approach, one of alternate wave countings is the index now is doing wave (v) which is the last wave of the uptrend cycle. The lowest level of 5,022 which occurred on December 23, 2016, was the origin level of the short-term uptrend cycle, and the highest level of 5,360 which occurred on January 9, 2017 as the peak of sub wave up (i). The lowest level of 5,228 which occurred on January 23, 2017 as the bottom of sub wave (ii). The highest level of 5,916 which occurred on August 24, 2017 as the peak of wave (iii). The lowest level of 5,774 which is the lowest level on September 5, 2017 noted as the bottom of wave (iv) . Based on this assumption, the index now is in the process to form wave (v) which is the last wave of the cycle. The peaks of wave (v) could reach the level of 6,080-6,300 which the projection of the uptrend channel. This wave counting automatically is false if the index moves below the level of 5,749.



STOCK OF THE DAY

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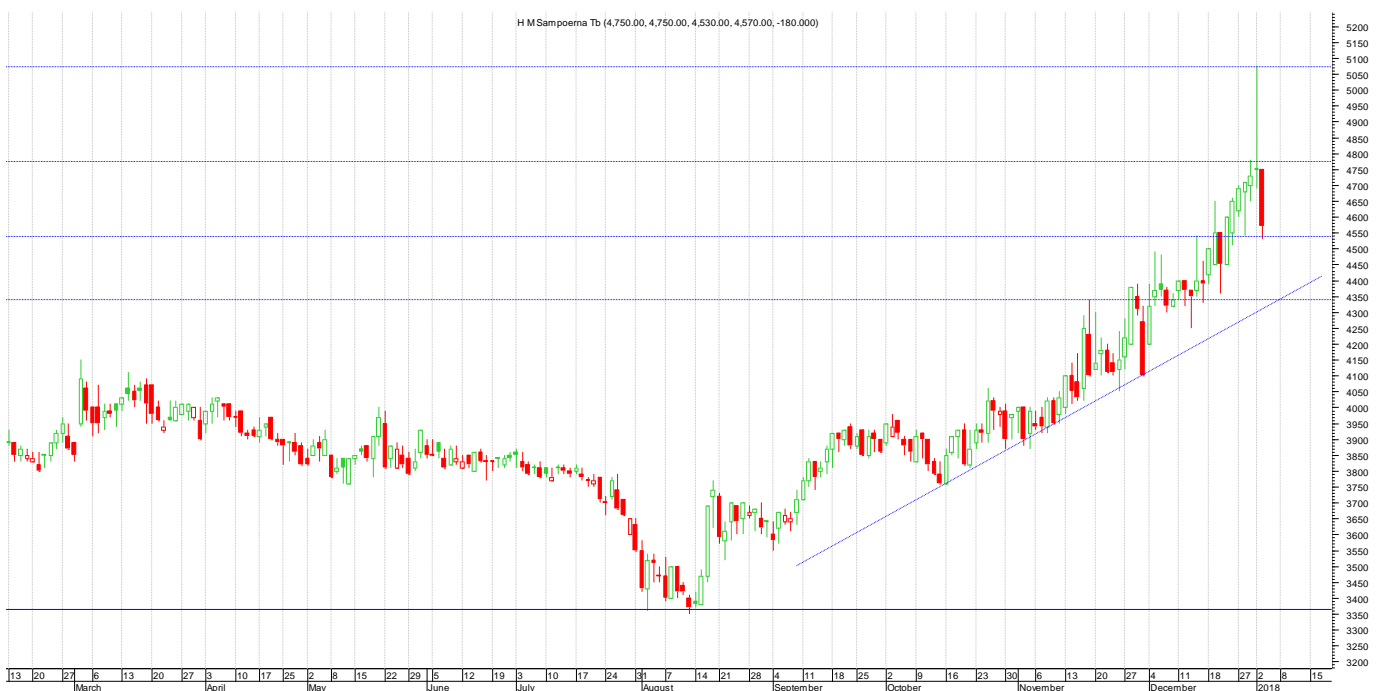
MEDC : Testing resistance level

The price closed below minor resistance level of 910-936. Support level at 870. Next support and resistance level at 815-1,000. The trend is still positive. Buy on weakness, cut if the price moves below the level of 845.



HMSP : Testing resistance level

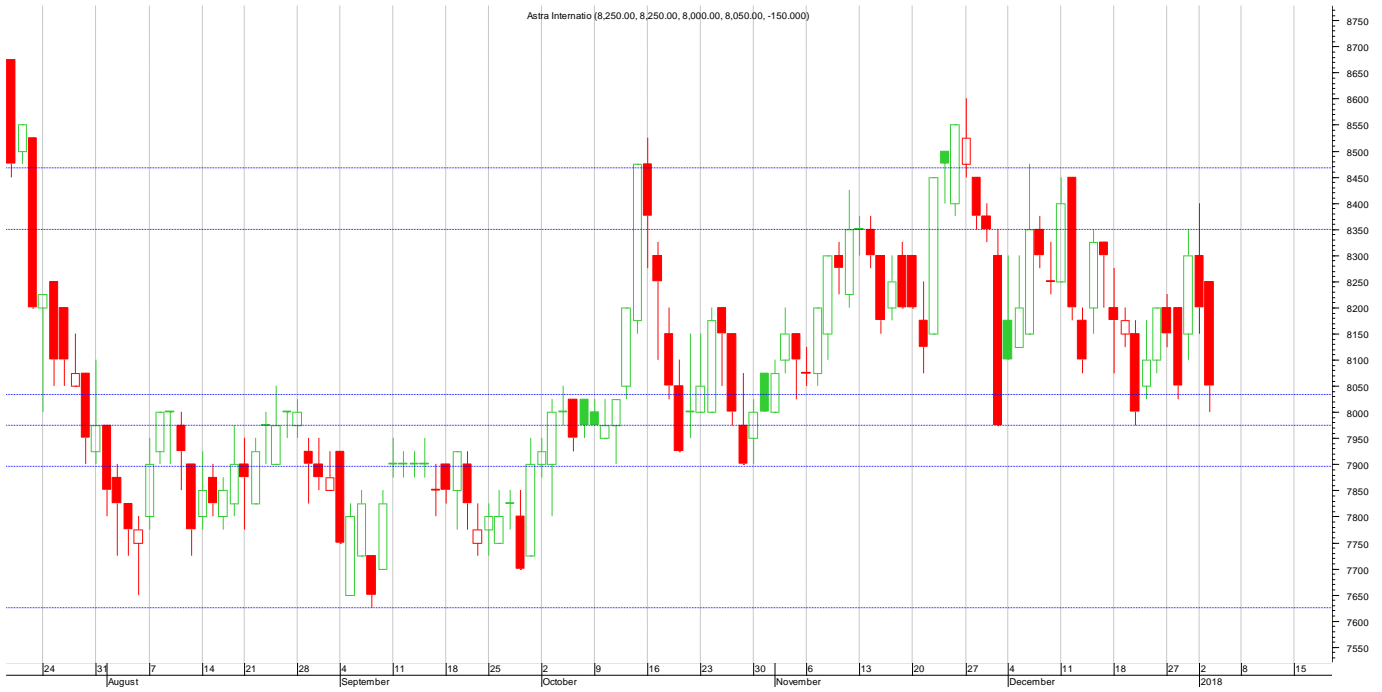
The price closed above minor support level of 4,540. Resistance level at 4,820. Next support and resistance level at 4,350-5,100. The price moved in uptrend in the last five months. Buy on weakness.



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ASII : Testing support level

The price closed above strong support level of 7,975. Resistance level at 8,250. Next support and resistance level at 7,625-8,625. The mid-term trend is still sideways. Speculative buy/ Buy on weakness, cut if the price moves below the level of 7,950.



BBTN: Testing resistance level

The price closed below major resistance level of 3,620. Support level at 3,520. Next support and resistance level at 3,340-3,700. The price moved in uptrend in the last one year. Sell on strength, sell if the price moves below the level of 3,520.



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,425-13,525

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.11
3	5.75
5	5.86
10	6.25
15	6.88
30	7.15

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.55	5.81	5.73	5.74	5.47
US\$	0.76	0.79	0.76	0.79	
JIBOR (RP)	5.03	5.31	5.69	5.98	

BASE LENDING RATE	
BI RATE	4.25
FED FUND RATE	1.50
LPS INSURED RATE	
IDR	5.50
US\$	1.00

EXCHANGE RATE		
EXCHANGE RATE		% chg.
1 US\$ = IDR	13,475	0.29
1 US\$ = SGD	1.33	-0.05
1 US\$ = JPY	112.68	-0.15
1 US\$ = AUD	0.78	-0.13
1 US\$ = EUR	1.20	-0.08

ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

10-Jan-2018	Modern International (MDRN) Extraordinary General Meetings Agenda: Approval of sale of assets of the Company with a value exceeding 50% of the Company's net worth, approval of the change of corporate management Venue & Time : Jl. Sultan Iskandar Muda - Jakarta, at 09.00 (Western Indonesia Time)
10-Jan-2018	Bank Bukopin (BBKP) Extraordinary General Meetings Agenda: Approval for Changes of the Company's Board of Directors Venue & Time : Auditorium Bukopin Bank Building 3rd floor, Jalan MT Haryono Kav. 50-51, Jakarta, at 09.30 (Western Indonesia Time)
10-Jan-2018	Bayan Resources (BYAN) Extraordinary General Meetings Agenda: Changes in the composition of the Company's Board of Directors, Changes in the composition of the members of the Board of Commissioners of the Company, Amendment to the Company's Articles of Association Venue & Time : Mercantile Athletic Club WTC Building. Jl. Jend Sudirman Kav. 31 Jakarta, at 14.00 (Western Indonesia Time)
15-Jan-2018	Link Net (LINK) Extraordinary General Meetings Agenda: Approval for the amendment of the Company's Articles of Association, Approval of the Company's plan to repurchase the Company's shares in accordance with prevailing laws and regulations Venue & Time : Monas Room 2, Hotel Aryaduta Tugu Tani, Jl. Prapatan 44-48, Jakarta at 10.00 (Western Indonesia Time)

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Analyst Certification

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