

GLOBAL			
Index	Last	Change	% chg
Dow	26,393	140.67	0.54
S&P 500	2,839	1.71	0.06
Eido US	30.3	-0.04	-0.13
H.S.I	32,654	-304.24	-0.92
Nikkei	23,669	-271.29	-1.13
STI	3,573	-36.62	-1.01
KLCI	1,846	8.82	0.48
Kospi	2,562	24.23	0.95
SET Thai	1,819	-19.67	-1.07

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	70.5	0.57	0.81
WTI Crude Oil (\$/bbl)	65.5	-0.10	-0.15
CPO (MYR/ton)	2,490	-22.00	-0.88
Gold (US\$/tr ounce)	1,348	-10.46	-0.77
Nickel (US\$/ton)	13,663	123.00	0.91
Tin (US\$/ton)	21,640	340.00	1.60
Pulp (US\$/ton) weekly	1,033.4	0.00	0.00
Coal (US\$/ton)	106.5	-0.45	-0.42

BEI STATISTICS	
JCI	6,615
Change (1 day)	0.00%
Change YTD	4.09%
P/E Market (X)	16.9
Volume (mn shr)	12,196.8
Value (Rp bn)	9,488.1
↑ 172 ↓ 184 ↔ 215	
LQ45	854
% Change (1 day)	0.28%

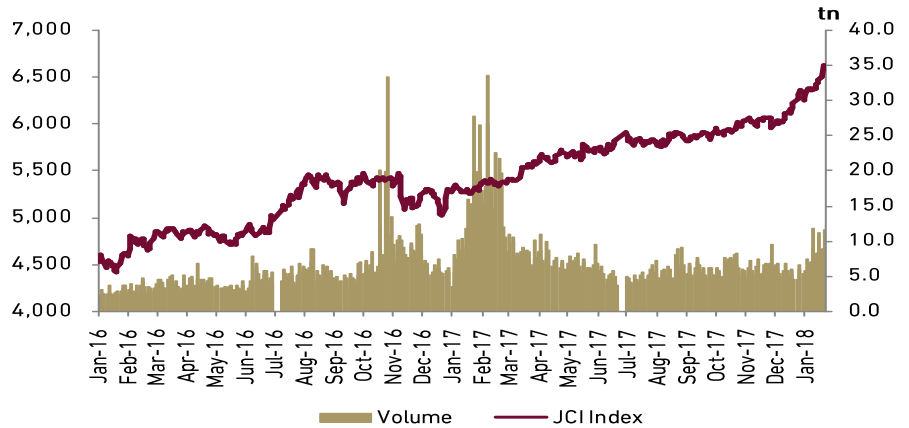
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	4.25	4.50
Fed fund rate (%)	1.50	1.25
inflation mom (%)	0.71	0.20
Inflation yoy (%)	3.61	3.30

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,289	-25.00	-0.19
1 USD = SGD	1.31	0.00	-0.04
1 USD = JPY	109.67	0.26	0.24
1 USD = AUD	1.24	0.00	-0.10
1 USD = EUR	0.81	0.00	-0.06

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	29.8	-0.42	-1.39	3,961	1,902,442
ISAT	0.3	0.00	0.00	4,385	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- PGAS shareholders approve stake transfer to Pertamina
- December 2017 Passengers Carried of GIAA Improves 1.11% YoY
- Matahari Department Store targets to open 6-8 stores
- STP (Solusi Tunas Pratama) to add 500 new towers from new demand

### JCI STATISTIC



### DAILY TECHNICAL VIEW

We expect JCI to trade between 6,550 (support) – 6,650 (resistance) level today

**BBCA: Sell on strength at Rp 22,750-Rp 23,300**

Comment: Testing resistance level

**INTP: Sell on strength at Rp 21,500-Rp 22,000**

Comment: Moved below support level

**TINS: Buy on weakness at Rp 1,020-Rp 1,000**

Comment: Closed above resistance level

**TLKM: Buy on weakness at Rp 3,950-Rp 3,900**

Comment: Testing support level

### MARKET REVIEW & MARKET OUTLOOK

#### Regional

Stock markets were mixed though the Dow Jones, boosted by gains for Boeing and 3M, did a post solid 0.5% gain to a new record at 26,392 on Thursday. U.S. new home sales did slow in December to 625,000 units (Nov : 689,000 units) but levels remain very solid and point to strength for residential component of today's 4Q17 GDP report. Jobless claims were also released and did back up but here too levels are very favorable, specifically in this case for the January employment report which will be next week's economic highlight. On commodity market, WTI crude oil price was down by 0.15% to USD65.5/barrel while nickel price rose by 0.91% to USD13,663/ton.

#### Domestic

The JCI was relatively flat at 6,615 down 0.16 points or - 0.0% on Thursday trading and recorded a Rp29 bn net foreign buy. The laggard sector sectors were Consumer (-1.03%), Finance (-0.54%), and Infrastructure (-0.42%), mainly driven by HMSP (-1.43% to 5,175), BBRI (-1.57% to 3,770), and BMRI (-1.21% to 8,150) as the key movers. Rupiah strengthened by 25 points to 13,289/USD. Our technical desk suggests for trading within the band of 6,550 – 6,650, with possibility to end at lower level.

#### PGAS SHAREHOLDERS APPROVE STAKE TRANSFER TO PERTAMINA

Perusahaan Gas Negara (PGAS) has already obtained approval from its shareholders during an extraordinary general shareholders meeting on Thursday regarding the government's plan to transfer its shares in the company to Pertamina. The government plans to transfer its 57% stake in PGAS to Pertamina in March. Shareholders' approval would only be valid for 60 days, the deadline set for the government to issue the long-awaited government regulation (PP) that will serve as the legal basis for the transformation of Pertamina into an oil and gas holding company. Under the restructuring plan, PGAS will be consolidated with Pertamina's gas subsidiary PT Pertamina Gas (Pertagas), however, it has yet to decide whether through a merger or acquisition.

**Comment:** We see the stake transfer as positive as it will be stepping stone to set the country's oil & gas holding company. However, we are reviewing our earnings forecasts and TP for PGAS pending to more detailed data on PGAS and Pertagas consolidation.

#### DECEMBER 2017 PASSENGERS CARRIED OF GIAA IMPROVES 1.11% YOY

In December'17, Garuda group carried 3.33 mn passengers, increased slightly by 1.11% YoY, and bringing the YTD 2017 to 36.24 mn (+3.54% YoY). This is mainly attributable to citilink which brought 12.27 mn passengers throughout the year or 10.79% YoY. Meanwhile, for GIAA FSC, FY17 domestic passengers dropped modestly by 1.62% YoY, underpinned by Mount Agung eruption, otherwise international passengers still improved by 8.07% YoY. Moreover, SLF of Garuda group inched up by 0.82 points, as RPK and ASK rose by 6.75% YoY and 5.58% YoY, respectively. Furthermore, sweet result came up in December as Garuda Group's yield was up by 1.72% YoY, however FY17 yield still declined by 3.17%, buoyed by its FSC. In addition, GIAA has 202 fleets as per December'17 which comprise of 36 wide body, 108 narrow body and 58 remaining belongs to citilink.

**Comment:** In our view, 2017 was a bad year for GIAA as the Company's witnessed tough situation starting from big amount of extraordinary expenses, payment to breach loan, faced fines over the cartel and eruption of Mount Agung in Bali which dragged down the number of passengers flown to that area. However, we see 2018 condition will be more resilient, on the back of no more one-off expense this year couple with focus of Company to continue its effort for efficiency. We maintain our TP of Rp370 on GIAA.

#### MATAHARI DEPARTMENT STORE TARGETS TO OPEN 6-8 STORES

Matahari Department Store (LPPF) plans to open 6-8 stores this year. The company allocates an average of Rp40.0bn-Rp50.0bn capital expenditure per outlets. On the back of outlets expansion, the company projected 6.0%-10.0% sales growth in FY18F.

**Comment:** We believe the expansion target is on track to achieve 6.0%-10.0% sales growth.

#### STP (SOLUSI TUNAS PRATAMA) TO ADD 500 NEW TOWERS FROM NEW DEMAND

PT Solusi Tunas Pratama Tbk is expected to add 500 new towers for BTS this year. If the target is fulfilled, they will bring its total tower portfolio to ~7,400 towers. The total capex for these towers should be minimum Rp500 bn (given average cost to build tower of Rp1 bn). However Tunas Solusi Pratama has not yet indicated yet its capex target 2018, waiting to gauge more demand. As per its Director, the new towers are based on new contracts coming mostly from Telkomsel.

**Comment:** STP has been engaged in merger talks, to be acquired by peer tower companies, however this corporate action seems to have faded in recent months. The company has considerable liabilities of Rp8.7 tn. We do not cover STP, but in search for new contracts with telcos may put downward pressure for tenancy leases in the market.

## TECHNICAL ANALYSIS

JCI : (6,615 -0.0%)

**Comment :** HMSP, BBRI and BMRI consecutively became lagging movers. Technically, JCI closed around resistance level. Support level at 6,470. Resistance level at 6,650. Next support and resistance level at 6,220-6,700. 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). We revised the wave counting for the peaks of wave (iii). The highest level of 6,098 which occurred on November 21, 2017 seems the peak of wave (iii). The lowest level of 5,952 which is the lowest level on November 30, 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 6,445-6,550 which the projection of the uptrend channel. This wave counting automatically false if the index moves below the level of 6,080



**STOCK OF THE DAY**

**BBCA : Testing resistance level**

The price closed below major resistance level of 22,2750. Support level at 22,150. Next support and resistance level at 21,700-23,300. The price moved in uptrend channel in the last thirteen months. If there is no extension, the price is doing wave minute 5 which is the last wave of the cycle. Sell on strength



**TINS : Testing resistance level**

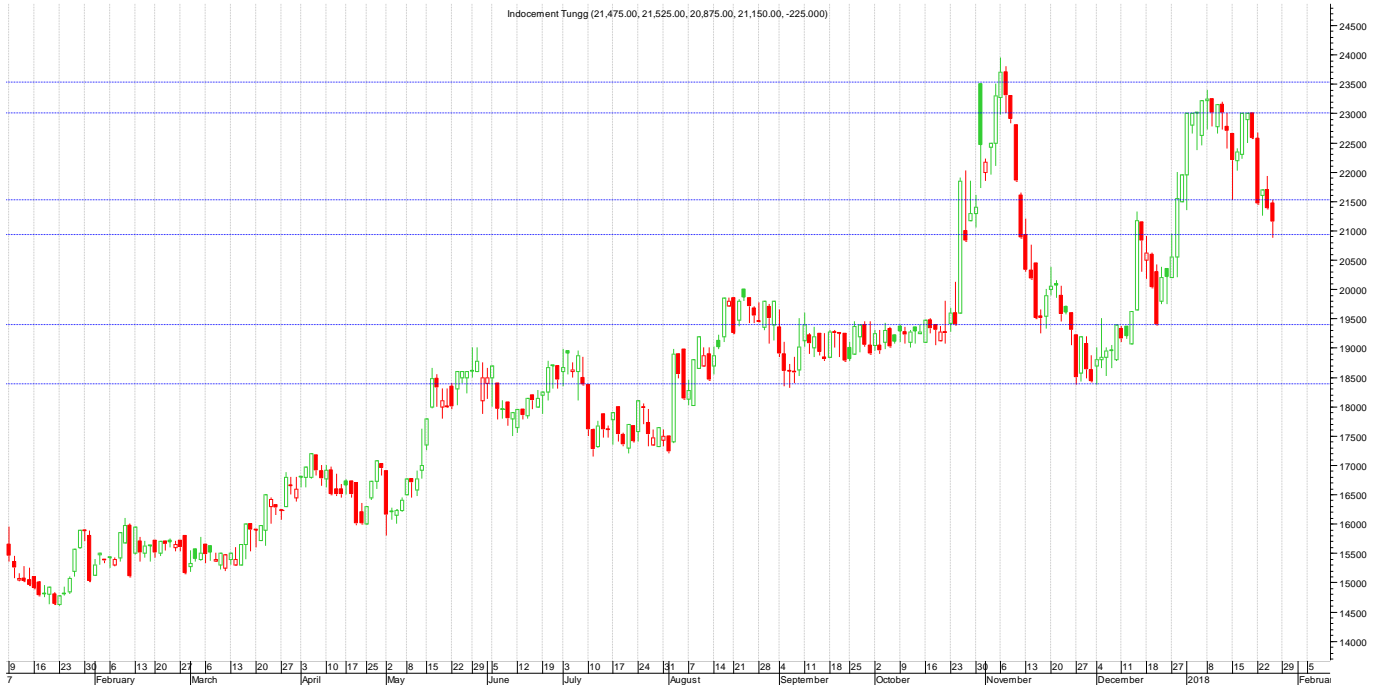
The price moved and closed above minor resistance level of 1,020. If the breakout confirm, level of 1,000-1,020 will turn into support level and the short-term trend turn into positive. Resistance level at 1,100. Next support and resistance level at 930-1,150. Speculative buy/Buy on weakness



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**INTP : Testing resistance level**

The price closed slightly moved and closed below minor support level of 21,525. If the breakout confirm, level of 21,525 will turn into resistance level. Support level at 20,500. Next support and resistance level at 19,500-23,000. The mid-term trend is still sideways. Sell on strength



**TLKM: Testing support level**

The price held and closed above minor support level of 3,910. Resistance level at 4,100. Next support and resistance level at 3,800-4,250. The mid-term trend is still sideways. Buy on weakness



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,240 -13,350

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	4.82
3	5.54
5	5.67
10	6.18
15	6.65
30	7.08

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.61	5.80	5.72	5.73	5.39
US\$	0.77	0.80	0.78	0.81	
JIBOR (RP)	4.94	5.32	5.68	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	13,289	0.19
1 US\$ = SGD	1.31	0.04
1 US\$ = JPY	109.67	-0.24
1 US\$ = AUD	0.80	0.10
1 US\$ = EUR	1.24	0.06

**ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS**

26-Jan-2018	<b>Kertas Basuki Rachmat Indonesia (KBRI)</b> Extraordinary General Meetings Agenda: Approval and Approval of the Company's Annual Report for the fiscal year ending December 31, 2016, Independent Public Accountant Approval, Addition of members of the Board of Directors of the Company Venue & Time : TMII Tourist Village Hotel, Jodipati Meeting Room, Jl. Raya Taman Mini No. 1 (TMII Recreation Area), Jakarta, at 08.30 (Western Indonesia Time)
31-Jan-2018	<b>Industri Jamu &amp; Farmasi Sido Muncul (SIDO)</b> Extraordinary General Meetings Agenda: Approval of Amendment of the Management of the Company, Plan of Changing the Use of Funds of the Company's Public Offering Venue & Time : TMII Tourist Village Hotel, Jodipati Meeting Room, Jl. Raya Taman Mini No. 1, Jakarta, at 10.00 (Western Indonesia Time)

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