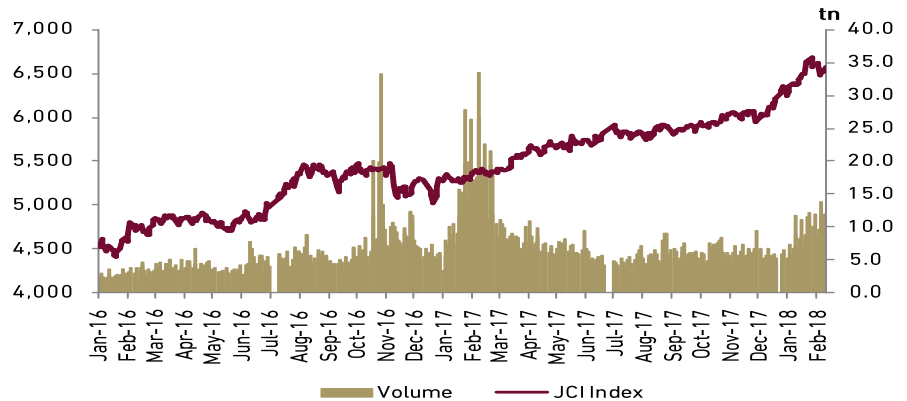


GLOBAL			
Index	Last	Change	% chg
Dow	24,640	39.18	0.16
S&P 500	2,663	6.94	0.26
Eido US	29.4	0.52	1.80
H.S.I	29,840	379.90	1.29
Nikkei	21,245	-137.94	-0.65
STI	3,415	30.09	0.89
KLCI	1,833	2.85	0.16
Kospi	2,395	9.81	0.41
SET Thai	1,800	13.58	0.76

- BI to start board of governor meeting today
- CPO fund targeted to reach Rp11 tn
- PTPP bags new contract of Rp2.3 tn
- GMFI obtains joint operation contract of USD2.4 bn
- BBTN FY17 result; Rp3.0 tn net profit in 2017, up 15.6%
- Indosat finishes early new spectrum reorganization
- XL Axiata Rp7 tn capex breakdown – continues BTS rollout

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	62.6	-0.20	-0.32
WTI Crude Oil (\$/bbl)	59.2	-0.10	-0.17
CPO (MYR/ton)	2,510	-40.00	-1.57
Gold (US\$/tr ounce)	1,330	6.87	0.52
Nickel (US\$/ton)	13,408	348.00	2.66
Tin (US\$/ton)	21,588	398.00	1.88
Pulp (US\$/ton) weekly	1,067.7	0.00	0.00
Coal (US\$/ton)	102.7	1.00	0.98

JCI STATISTIC



BEI STATISTICS	
JCI	6,578
Change (1 day)	0.84%
Change YTD	3.50%
P/E Market (X)	16.9
Volume (mn shr)	10,288.2
Value (Rp bn)	6,918.5
↑ 218 ↓ 145 ↔ 208	
LQ45	854
% Change (1 day)	0.28%

DAILY TECHNICAL VIEW

We expect JCI to trade between 6,540 (support) – 6,620 (resistance) level today

BBRI: Sell on strength at Rp 3,920-Rp 4,020

Comment: Testing resistance level

INDF: Sell on strength at Rp 7,800-Rp 7,900

Comment: Testing resistance level

TLKM: Sell on strength at Rp 4,070-Rp 4,170

Comment: Testing resistance level

UNTR: Sell on strength at Rp 38,500-Rp 39,500

Comment: Testing resistance level

INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	4.25	4.25
Fed fund rate (%)	1.50	1.25
inflation mom (%)	0.62	0.71
Inflation yoy (%)	3.25	3.61

MARKET REVIEW & MARKET OUTLOOK

Regional

U.S stock market posted gains as the major averages continued to recover after the correction last week. Dow inched up by 0.16% to 24,640, whereas Goldman Sachs (+0.9%) and 3M (+0.9%) became the biggest contributor of gains. S&P 500 also closed higher to 2,663 (+0.26%), with financial sectors stood as the best performing sector or amplified by 2.6%. Similarly, Nasdaq composite went upward by 0.5% to 7,013.51, with Nvidia and Amazon stocks strengthened by 2%. Moreover, in commodity market, WTI and Brent crude oil weakened by 0.17% and 0.32% to USD59.2/bbl and USD62.6/bbl; as API released higher than expected crude oil and gasoline data. In addition, nickel price appreciated by 2.66% to USD13,408/ton.

Domestic

JCI inched up by 54.72 points or 0.84% to close at Rp6,578 on Tuesday and recorded Rp221 bn net foreign sell. Mining (+1.71%), Infrastructure (+1.39%), Finance (+1.14%), Basic Industry (+0.92%), Misc Industry (+0.88%), Trade (+0.43%) and Consumer (+0.28%) were the sector leader with BBRI (+2.11% to 3,880), TLKM (+2.02% to 4,040), BBCA (+1.28% to 23,800) become the leading movers. Rupiah currency weakened by 12 points to Rp13,651/USD. Our technical desk suggests for trading within the band of 6,540 – 6,620, with possibility to end at mix to lower level.

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,651	12.00	0.09
1 USD = SGD	1.32	0.00	-0.08
1 USD = JPY	107.82	0.00	0.00
1 USD = AUD	1.27	0.00	-0.09
1 USD = EUR	0.81	0.00	-0.02

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	29.8	0.52	1.78	4,064	303,564
ISAT	0.4	0.00	0.00	5,187	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

BI TO START BOARD OF GOVERNOR MEETING TODAY

Bank Indonesia will have its two days board of governor meeting starting today and is expected to give the result by tomorrow. On global side, volatility gets higher showed by VIX index to 35 from its average around 10 to 16 in 2017 and US government bonds yield has been rapidly increased to 2.83% (Feb 13) from its position at 2.41% in YE 2017. Better performance of US economic increased expectation that The Fed will raise FFR more than 3 times. As the effect of global volatility, Rupiah was trending down to around Rp 13,600/USD but we still see this condition as normal as Rupiah do not exceed Rp 13,700/USD. On domestic side, inflation eased to 3.25% YoY and we still expect YoY inflation to be below 3.5% at least until 2Q18. We expect Indonesia trade balance to be back on thin surplus in January at USD 461 mn, as we expect export will grow 9.8% YoY and import to grow 19.1% YoY. BPS will announce trade balance data by tomorrow. On quarterly data, Indonesia posted better performance on GDP as it grew 5.19% YoY in 4Q17 and BoP remained in surplus territory. We expect BI will hold policy rate at 4.25%.

CPO FUND TARGETED TO REACH RP11 TN

The Indonesia Oil Palm Estate Fund (BPD P Sawit) projected the proceeds from export levy of CPO and its derivatives will reach Rp11 tn as of end of 2018. The fund will be allocated for several programs, such as replanting of 185k ha of local farmers' estate, fund for government's subsidy for the use of biodiesel estimated at 3.5 mn kiloliter, and budget for the development of human resources and research.

Comment: We expect this year the volume growth of CPO derivative products will outpace the crude exports. The amount of fund collected and the volume of exports are not linear as the increase in export of derivative products will result to smaller levy. In 2017 the CPO fund amounted to Rp14.8 tn, collected from 31.0 mn tons of palm oil and palm oil kernel exports.

PTPP BAGS NEW CONTRACT OF RP2.3 TN

PT PP (PTPP) obtained new contract of Rp2.3 tn in January, while the company booked FY17 new contract of Rp41 tn (+26% YoY). Combined with carry over contract of Rp58.1 tn, the company had a total orderbook of Rp60.4 tn in January. As for 2018, PTPP expects new contract of Rp49 tn (+20% YoY) with the company eyeing new contract from toll road, dam, port and EPC contract. This will bring total orderbook to Rp100 tn this year.

Comment: 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.

GMFI OBTAINS JOINT OPERATION CONTRACT OF USD2.4 BN

GMFI has obtained USD2.4 bn contract, whereas USD1.7 bn of all came in from affiliated and some strategic partnership. Moreover, another USD700 mn is awarded this year. The Company has secured partnership agreement with several Companies from Australia and Middle-East. Moreover, at the moment the plan of GMFI to develop MRO facilities in Batam is underway. This year, the Company sets USD127 mn capex and will be channeled for expansion including acquisition and capacity improvement.

BBTN FY17 RESULT; RP3.0 TN NET PROFIT IN 2017, UP 15.6% YoY

BBTN reported Rp3.0 tn net profit in 2017, up by 15.6% YoY, in-line with our estimates and the consensus. Loan growth was 21% YoY on the back of strong subsidized loan (32% YoY). In the funding side, deposit could balance the pace of loan by scoring a 21% YoY growth in 2017. CAR comfortably sit at 18.9% as of Dec-17, only slightly decline from 20.3% as of Dec-16 and still far above the minimum requirement. NPL improved to 2.66% as of 2017 (vs. 2.84% in 2016) mainly due to higher subsidised mortgage contribution and better asset quality in commercial loan. NIM was lower by a mere 20 bps to 5.1% in 2017.

Comment: We have a Buy call on the stock with Rp3,600/share target price based on 2018F PBV multiple of 1.6x. We think our valuation is conservative considering BBTN share is used to trade as high as 1.8x forward PBV when its ROE was 16%. We are currently reviewing our estimates post the result with the possibility to upgrade our valuation considering the solid fundamental outlook going forward.

(in Rp bn)	FY17	FY16	YoY	4Q17	3Q17	QoQ	2017F	FY17/17F
Net interest income	9,444	8,164	15.7%	2,975	2,307	29.0%	9,491	100%
Non-interest operating income	1,611	1,283	25.6%	410	418	-1.8%	1,457	111%
Non-interest operating expense	(6,279)	(5,387)	16.6%	(1,794)	(1,551)	15.7%	(6,077)	103%
PPOP	4,776	4,060	17.6%	1,592	1,174	35.5%	4,871	98%
Provision expense	(884)	(708)	24.9%	(287)	(228)	26.0%	(848)	104%
Operating profit	3,892	3,352	16.1%	1,305	946	37.8%	4,023	97%
Net income	3,027	2,619	15.6%	1,022	734	39.2%	3,168	96%
Ratios (%)								
Asset yield	9.4	9.8	-0.4	11.3	9.5	1.8		
Cost of fund	5.1	5.3	-0.2	6.0	5.1	0.8		
NIM	4.4	4.7	-0.2	5.4	4.5	0.9		
CASA	49.5	50.4	-0.9	49.5	48.7	0.9		
LDR	103.1	102.8	0.3	103.1	109.9	-6.8		
Cost to income	56.8	57.0	-0.2	53.0	56.9	-3.9		
Tax rate	21.6	21.4	0.3	20.4	22.1	-1.7		
NPL gross	2.7	2.8	-0.2	2.7	3.1	-0.4		
Credit cost	0.5	0.5	0.0	0.6	0.5	0.1		
Loan loss coverage	44.9	45.3	-0.4	44.9	40.0	4.9		
CAR	18.9	20.3	-1.5	18.9	17.0	1.9		
ROA	1.3	1.4	-0.1	1.7	1.3	0.4		
ROE	14.8	15.9	-1.0	19.3	14.5	4.8		
Deposit	192,960	159,988	20.6%	192,960	167,870	14.9%		
Demand	54,660	45,846	19.2%	54,660	44,509	22.8%		
Savings	40,950	34,826	17.6%	40,950	37,168	10.2%		
Time	97,350	79,315	22.7%	97,350	86,193	12.9%		
Loan	198,991	164,446	21.0%	198,991	184,502	7.9%		
NPL	5,288	4,676	13.1%	5,288	5,672	-6.8%		
Loan loss reserves	-2,373	-2,116	12.1%	-2,373	-2,270	4.6%		
Shareholders equity	21,653	19,131	13.2%	21,653	20,590	5.2%		

INDOSAT FINISHES EARLY NEW SPECTRUM REORGANIZATION

Indosat says it has successfully reset its frequency holdings at 2100MHz ahead of the timetable set down by the government MOCIT. It has rearranged and realigned the last clusters – Jakarta-1 and Central Java-3 – beating the 1 March 2018 deadline. Indosat reported in 9M17 results 97mn

subscribers. it has so far 75.8mn subs having re-registered their SIM cards. Via its parent company Qatar Ooredoo, Indosat also reported 13.2 mn net adds for 4Q17. This uptick can be explained as subscribers are rushing to register their SIM cards.

Comment: Indosat is seen to be most aggressive with its data packages that include unlimited streaming and social media. Adding more spectrum in its arsenal should add to its network performance. We maintain Buy Recommendation with TP of Rp7,850 while being one of the cheapest telcos in ASEAN trading with EV/EBITDA-18 of 3.3x

XL AXIATA RP7 TN CAPEX BREAKDOWN – CONTINUES BTS ROLLOUT

XL Axiata Tbk reiterates its capex plan of Rp7 tn for FY18. It plans to add another 10,000-12,000 BTS, of which 2,500-3,000 BTS units will be 4.5G technology. Construction of 4.5G BTS covers the big cities starting from Jabodetabek, Java West, Central Java, East Java, and Bali. Last year alone, it added 16,300 3G/4G BTS alone. In addition it targets to deploy fiber optic this year about 2,000 kilometers (km) - 3,000 km. XL has now 45,000 kilometers fiber optic infra. Thus 90% of the Rp7 tn will be invested in the network backbone for 4G technology. The remaining to address the needs for Triple play that will include payTV.

Comment: Getting more and more confident with XL Axiata data capex strategy. Maintain Buy Recommendation with TP: Rp3800

TECHNICAL ANALYSIS

JCI : (6,578 +0.84%)

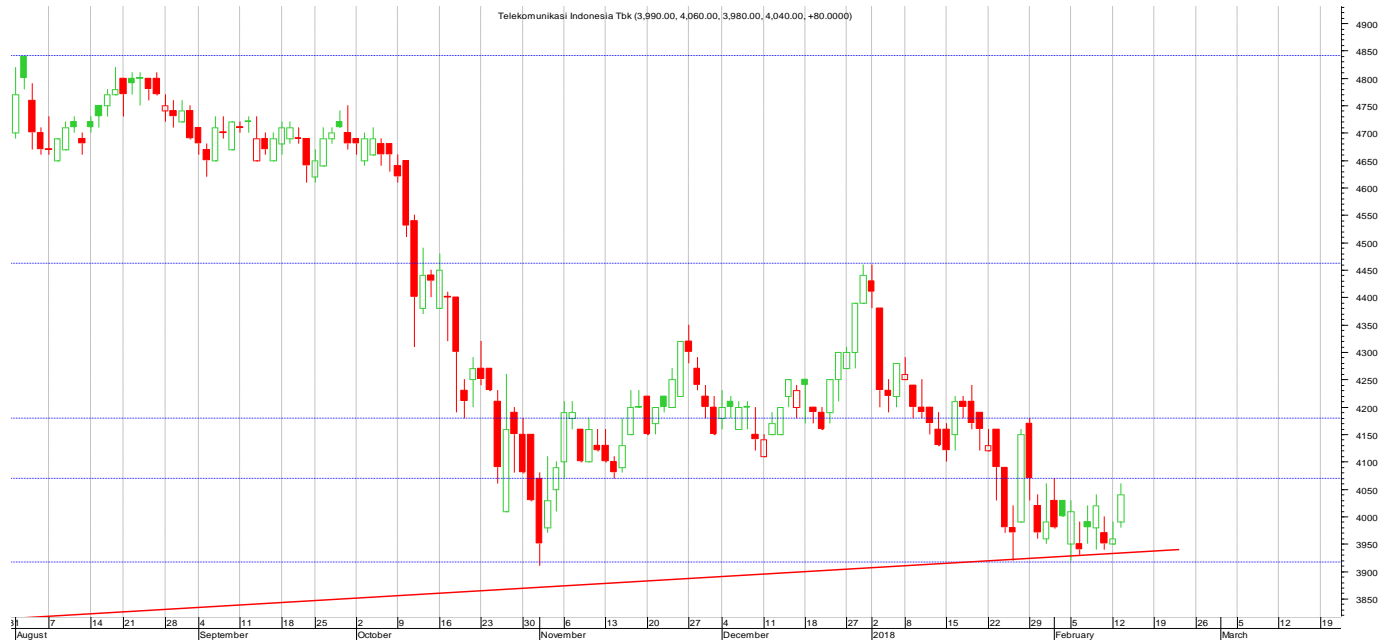
Comment : BBRI, BBCA and TLKM consecutively became leading movers. Technically, JCI moved below support level of the short-term uptrendline 6,600, so the short-term trend turn into sideways. Support level at 6,426. The penetration of this support level will cause the short-term trend turn into negative. Resistance level at 6,582. Next support and resistance level at 6,350-6,650. 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. Level of 6,687 could be the peaks of wave (v) and now the index is doing corrective wave minute abc. This wave counting automatically false if the index moves above the level of 6,687.



STOCK OF THE DAY

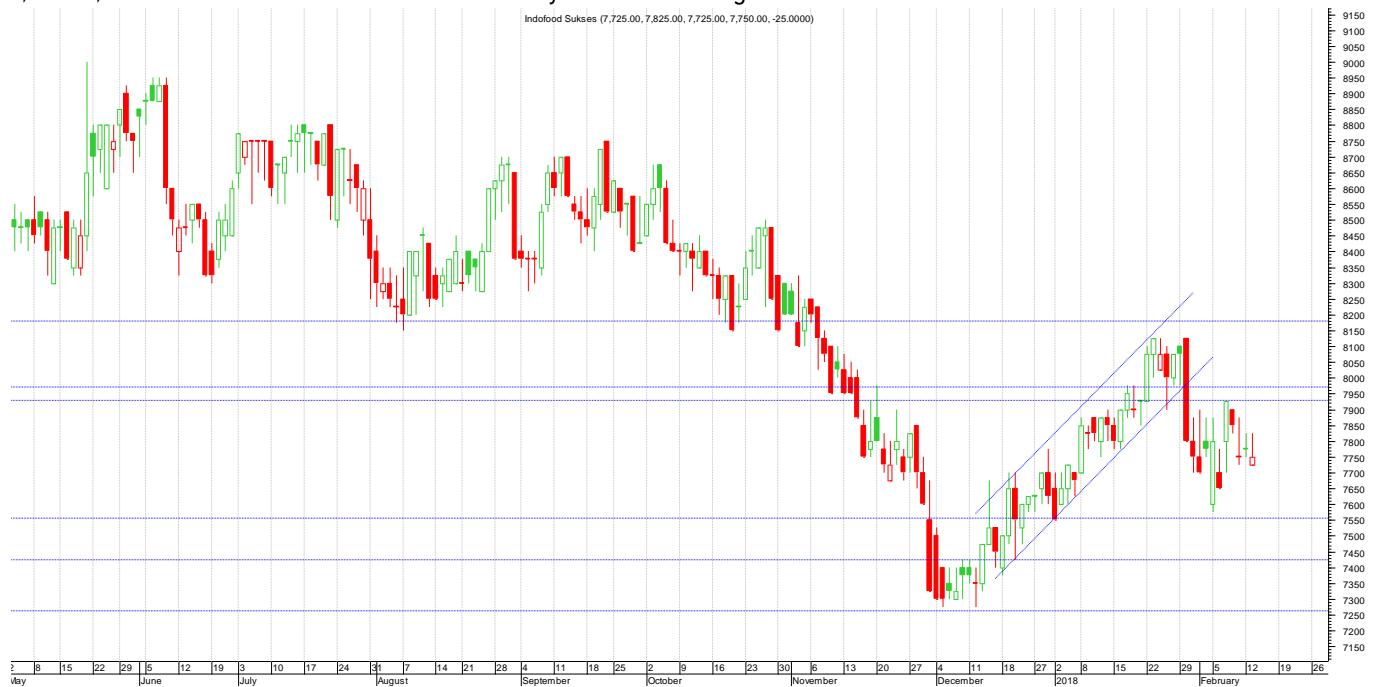
TLKM : Testing resistance level

The price closed below minor resistance level of 4,070. Support level at 3,900. Next support and resistance level at 3,600-4,200. The mid-term trend is still sideways. The penetration of support level of 3,900 will cause the trend turn into negative. Sell on strength, sell if the price moves below the level of 3,900



INDF : Testing resistance level

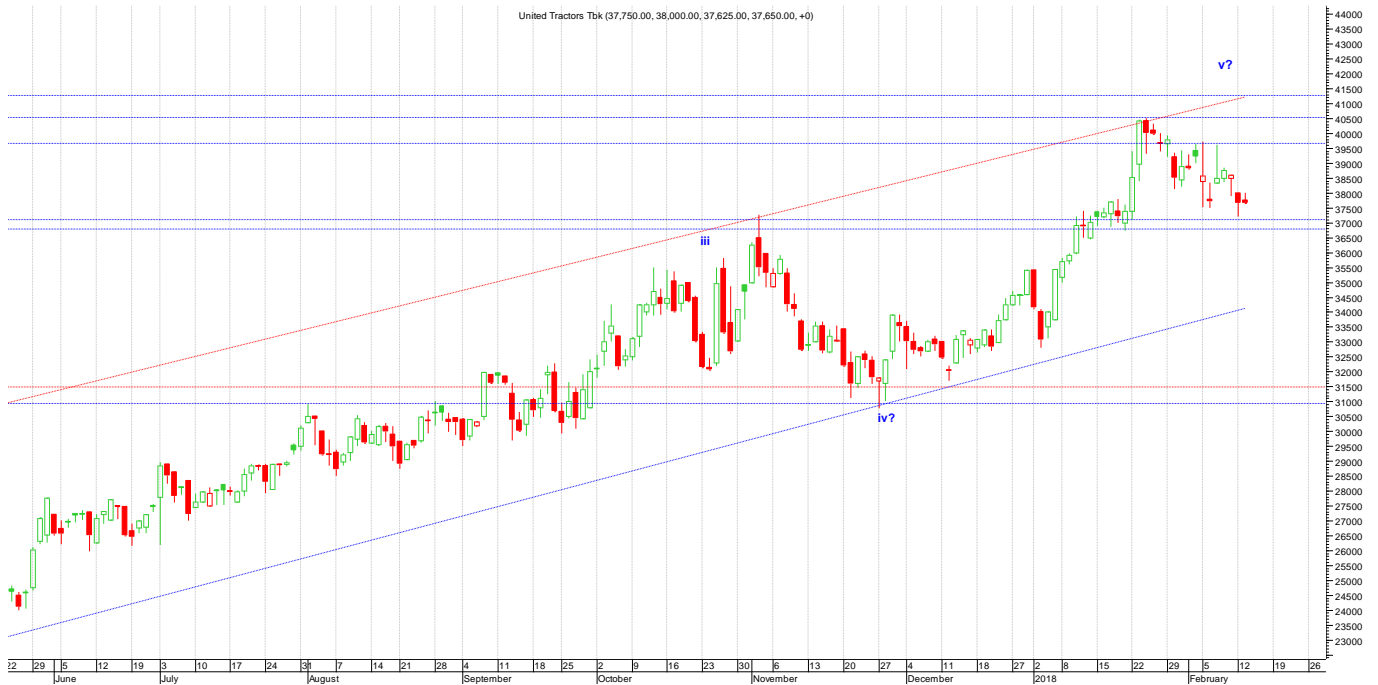
The price closed below minor resistance level of 7,925. Support level at 7,575. Next support and resistance level at 7,250-8,125. The mid-term trend is still sideways. Sell on strength



Please see analyst certification and other important disclosures at the back of this report

UNTR : Testing support level

The price closed above minor support level of 37,200. Resistance level at 39,600. Next support and resistance level at 35,000-42,000. The price moved in uptrend channel in the last eight months. If there is no extension, the price is doing wave minute 5 which is the last wave of the cycle. Sell on strength



BBRI: Testing resistance level

The price closed below major resistance level of 3,920. Support level at 3,630. Next support and resistance level at 3,460-4,020. The price moved in uptrend channel in the last thirteen months. Sell on strength



Please see analyst certification and other important disclosures at the back of this report

CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,590 -13,690

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.10
3	5.74
5	5.81
10	6.41
15	6.86
30	7.11

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.57	5.71	5.70	5.72	5.41
US\$	0.74	0.81	0.78	0.85	
JIBOR (RP)	4.93	5.30	5.67	5.97	

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	13,651	-0.09
1 US\$ = SGD	1.32	0.08
1 US\$ = JPY	107.82	0.00
1 US\$ = AUD	0.79	0.09
1 US\$ = EUR	1.24	0.02

ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

19-Feb-2018	Nusantara Infrastructure (META)
	Extraordinary General Meetings Agenda: Approval of the Company's plan to execute additional capital by issuing Pre-emptive Rights (HMETD), amendment to the Company's Articles of Association in connection with the increase of issued and paid up capital of the Company, Approval of changes in the composition of the Board of Commissioners, Approval of the amendment of the Company's Articles of Association provisions concerning interim dividends in the Company's Articles of Association Venue & Time : Glass House, 8th Floor, The Ritz-Carlton Jakarta, Pacific Place, Sudirman Central Business District (SCBD), Jakarta, at 14.00 (Western Indonesia Time)
20-Feb-2018	Surya Citra Media (SCMA)
	Extraordinary General Meetings Agenda: Approval of Capital Addition without Pre-emptive Rights in the amount of 1,462,160,123 shares or 10% of the issued and paid-up capital of the Company ("PMTMETD") Venue & Time : SCTV Studio 8th Floor, SCTV Tower Senayan City, Jl Asia Afrika Lot 19 Jakarta, at 10.00 (Western Indonesia Time)
20-Feb-2018	Bank Pembangunan Daerah Jawa Timur (BJTM)
	Extraordinary General Meetings Agenda: Approval of the Annual Report of the Company Regarding the Conditions and Conditions of the Company during the Book of 2017 Includes the Report of the Implementation of Supervisory Tasks of the Board of Commissioners during the 2017 Book & Ratification of the Company's Financial Statements Book 2017, Determination of the Company's Net Income for the Fiscal Year 2017 Includes Bonus for Employees and Tantiem for Directors And Board of Commissioners, Appointment of Public Accounting Firm, Providing Authority to the Board of Commissioners to Adjust Company's Capital Adjustment to Article 4 of the Articles of Association in connection with the Implementation of the Management and Employee Stock Options Plan (MESOP), Changes to the Composition of the Company's Managers, Report on the Implementation of Spin Off Unit Syariah Enterprises Venue & Time : Bromo Room 5th Floor Jatim Bank Central Office Building Jl. Basuki Rachmad 98-104 Surabaya, at 08.00 (Western Indonesia Time)
23-Feb-2018	Blue Bird (BIRD)
	Extraordinary General Meetings Agenda: Changes in the composition of the Company's Board of Directors Venue & Time : Indonesia Stock Exchange Building, Tower 2, 1st Floor, Seminar Room, Jalan Jendral Sudirman Kav. 52-53, Jakarta, at 09.00 (Western Indonesia Time)

Plaza ASIA Office Park Unit 2
Jl. Jend. Sudirman Kav. 59
Jakarta 12190, Indonesia

T +62 21 2557 4800
F +62 21 2557 4900
E research@ciptadana.com
www.ciptadana.com

Analyst Certification

Each contributor to this report hereby certifies that all the views expressed accurately reflect his or her personal views about the companies, securities and all pertinent variables. It is also certified that the views and recommendations contained in this report are not and will not be influenced by any part or all of his or her compensation.

Disclaimer

This report does not constitute an offer to buy or sell any security/instrument, invitation to offer or recommendation to enter into any transaction. Nor are we acting in any other capacity as a fiduciary to you. By accepting this report, subject to applicable law or regulation. When making an investment decision, you should determine, without reliance upon us or our affiliates, the economic risks and merits (and independently determine that you are able to assume these risks) as well as the legal, tax and accounting characterizations and consequences of any such transaction. In this regard, by accepting this presentation, you acknowledge that (a) we are not in the business of providing (and you are not relying on us for) legal, tax or accounting advice, (b) there may be legal, tax or accounting risks associated with any transaction, (c) you should receive (and rely on) separate and qualified legal, tax and accounting advice and (d) you should apprise senior management in your organization as to such legal, tax and accounting advice (and any risks associated with any transaction and our disclaimer as to these matters).

The information contained in this report is based on material we believe to be reliable; however, we do not represent that it is accurate, current, complete, or error free. Assumptions, estimates and opinions contained in this report constitute our judgement as of the date of the document and are subject to change without notice. Any projections are based on a number of assumptions as to market conditions and there can be no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results. CIPTADANA SPECIFICALLY DISCLAIMS ALL LIABILITY FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL OR OTHER LOSSES OR DAMAGES INCLUDING LOSS OF PROFITS INCURRED BY YOU OR ANY THIRD PARTY THAT MAY ARISE FROM ANY RELIANCE ON THIS REPORT OR FOR THE RELIABILITY, ACCURACY, COMPLETENESS OR TIMELINESS THEREOF.