

GLOBAL

Index	Last	Change	% chg
Dow	25,336	440.53	1.77
S&P 500	2,787	47.60	1.74
Eido US	28.5	0.17	0.60
H.S.I	30,996	341.69	1.11
Nikkei	21,469	101.13	0.47
STI	3,486	5.13	0.15
KLCI	1,844	4.30	0.23
Kospi	2,459	26.37	1.08
SET Thai	1,775	-3.53	-0.20

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	65.5	1.88	2.96
WTI Crude Oil (\$/bbl)	62.0	1.92	3.19
CPO (MYR/ton)	2,398	-27.00	-1.11
Gold (US\$/tr ounce)	1,323	1.33	0.10
Nickel (US\$/ton)	13,814	600.50	4.54
Tin (US\$/ton)	21,477	-152.00	-0.70
Pulp (US\$/ton) weekly	1,080.1	0.00	0.00
Coal (US\$/ton)	99.4	-0.55	-0.55

BEI STATISTICS

JCI	6,433
Change (1 day)	-0.15%
Change YTD	1.22%
P/E Market (X)	1.5
Volume (mn shr)	7,360.9
Value (Rp bn)	5,878.2
↑ 173 ↓ 193 ↔ 206	
LQ45	854
% Change (1 day)	0.28%

INTEREST RATE

	Current	Previous
BI 7D Reverse Repo (%)	4.25	4.25
Fed fund rate (%)	1.50	1.50
inflation mom (%)	0.17	0.62
Inflation yoy (%)	3.18	3.25

EXCHANGE RATE

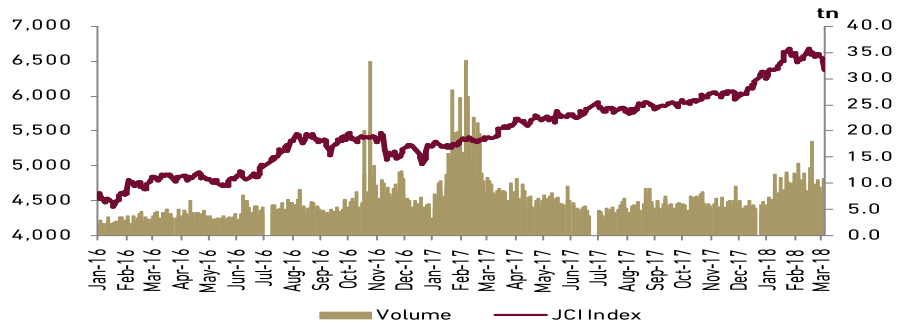
	Last	Change	% chg
1 USD = IDR	13,797	-19.00	-0.14
1 USD = SGD	1.32	0.00	-0.01
1 USD = JPY	106.91	0.09	0.08
1 USD = AUD	1.27	0.00	-0.22
1 USD = EUR	0.81	0.00	-0.01

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	30.2	0.09	0.30	4,161	242,632
ISAT	0.4	0.00	0.00	5,243	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Indonesia targets corn export on production surplus
- PT PP earnings grow 43% in FY17, in-line with expectations
- PGAS posts weak FY17 results as expected
- Bukit Asam FY17 earnings more than double to Rp4.48 tn, above expectations
- PPRO books Rp445 bn of net income in FY17

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,410 (support) – 6,520 (resistance) level today

**BBNI: Speculative buy at Rp 9,400-Rp 9,200**

Comment: Hold above support level

**BBRI: Speculative buy at Rp 3,690-Rp 3,650**

Comment: Testing support level

**BNGA: Speculative buy at Rp 1,320-Rp 1,300**

Comment: Hold above support level

**PGAS: Buy on Weakness at Rp 2,360-Rp 2,290**

Comment: Testing support level

MARKET REVIEW & MARKET OUTLOOK

Regional

DJIA rose 441 points (+1.77%) to close at 25,335.74 and S&P 500 gained (+1.74%) to end at 2,787 and above its 50-day MAV, with financials as the best-performing sector. U.S. non-farm payrolls increased by 313,000 last month in February, vs. Reuters poll of 200,000 additions. Wages grew less than expected, rising 2.6% downplaying inflation concerns. US President signed two declarations to implement tariffs of 25% on steel and 10% on aluminum imports to take effect in 15 days with Canada and Mexico exempted however. This morning Australia's stocks opened higher and futures on equity indexes in Japan and Hong Kong indicated gains ~1%. Significant gains for oil, Brent rising +2.96% to USD65.5/bbl, WTI +3.19% to USD62/bbl. In other commodities nickel jumped by 4.54% to price USD13,814/ton.

Domestic

JCI closed at 6,433 losing 9.7 points (-0.15%) with foreign investors net selling transactions of Rp938 bn. The index movers were BBRI (-2.12% to 3,690), HMSP (-1.79% to 4,400), UNVR (-1.27% to 50,550). 5 out of 9 JCI sectors closed with negative sign with leading laggards Misc. Industry (-0.90%) with leading decliner ASII (-0.96%) followed by Consumer sector (-0.61%) as HMSP, UNVR & GGRM were the top declining stocks. The Finance sector resulted with losses (-0.39%) with BBRI leading the decline. The sectors of Mining (-0.17%), Trade (-0.07%) closed also with losses. TLKM was the most active stock (+0.24% to 4,150) expected to report earnings this week. Rupiah strengthened by 19 points to 13,797/USD. Our technical desk suggests JCI to trade within the 6410 – 6520 region with possibility to close higher.

#### INDONESIA TARGETS CORN EXPORT ON PRODUCTION SURPLUS

Ministry of agriculture has claimed that Indonesian corn supply has exceed the domestic demand, while lead the export plan. Minister of Agriculture, Andi Amran Sulaiman, stated that the target corn export this year is approximately 300,000 tons while 57,000 of the total have been exported to Philippines. Moreover, according to chief of Indonesian Feedmills Association, the plan of government to export corn will not give pressure to poultry players, as the corn that will be exported will come from the area which relatively far from the feed mills. In addition, corn harvest is expected to come in April, and it will be the time where the poultry players accumulate their inventory.

**Comment:** We believe with the surplus of corn production in Indonesia, the price of corn will be less volatile. Since corn cost accounts big portion of the poultry company COGS, we project with the more stable price of corn; and their margins will be improved going forward.

#### PT PP EARNINGS GROW 43% IN FY17, IN-LINE WITH EXPECTATIONS

PT PP (PTPP) reported FY17 net income of Rp1.45 tn, up 43% YoY, which came in-line with both our and expectation, forming 101% -103% FY17F. Strong net profit growth was driven by 31% YoY higher in revenue to Rp21.5 tn (100% of our FY17F) and margin rise across the board. Operating profit of Rp2.89 tn (+36% YoY) also came in-line with our expectation. On quarterly basis, PTPP reported 4Q17 net profit of Rp434 tn (+11%) YoY. 4Q17 revenue of Rp7.7 tn and operating profit of Rp1.19 tn grew by 37% and 59%QoQ, however PTPP's profitability was partially dented by higher interest expenses and tax in 4Q17.

**Comment:** Following in-line FY17 earnings, we maintain our earnings forecast and TP price of Rp3,700 for PTPP with a Buy rating.

#### PT PP FY17 results

Rp bn	FY17	FY16	YoY	4Q17	3Q17	QoQ	FY17	FY17A/17
Revenue	21,502.3	16,458.9	31%	7,740.7	5,635.3	37%	21,461	100%
Gross profit	3,251.5	2,455.5	32%	1,257.0	812.3	55%	3,159	103%
Gross margin (%)	15.1%	14.9%	0.2%	16.2%	14.4%	1.8%		
Operating profit	2,886.5	2,123.3	36%	1,186.0	747.6	59%	2,798	103%
Operating margin	13.4%	12.9%	0.5%	15.3%	13.3%	2.1%	13.0%	
Net profit	1,453.7	1,020.0	43%	463.7	417.4	11%	1,406	103%
Net margin	6.8%	6.2%	0.5%	6.0%	7.4%	-1.4%	6.6%	

#### PGAS POSTS WEAK FY17 RESULTS AS EXPECTED

Perusahaan Gas Negara (PGAS) reported a 53% YoY decline in net profit to USD143 mn in FY17, in-line with our expectations at 97% of our FY17F. Revenue was relatively flattish at USD2,970 mn while margins contracted across the board due to : increase in upstream cost (operating, depreciation and depletion), yet decrease in distribution includes LNG. This resulted operating profit to decline by 17.3% YoY to USD358 mn. Below the operating line, higher interest expenses and tax hurt PGAS profitability.

**Comment:** We still view that PGAS fundamental as not interesting yet. The management recently guided that distribution volume in 2018 is expected at 775 MMScfd, relatively flat from the unaudited 2017's distribution volume. On the other hand, they are expecting lower transmission volume set at 665 MMScfd, mainly due to decreasing reserves from Kepodang Block (Muriah PSC) transported through transmission pipeline owned by KJG. We currently maintain our Hold rating on PGAS with TP of Rp2,480.

**PGAS FY17 results**

USD mn	FY17	FY16	YoY	4Q17	3Q17	QoQ	2017F	2017A/F
Revenue	2,970	2,935	1.2%	805	753	6.8%	2,944	101%
Gross Profit	797	887	-10.1%	237	181	31.2%	779	102%
Gross Margin (%)	26.8	30.2	-3.4	29.5	24.0	5.5		
Operating Profit	358	433	-17.3%	88	91	-3.2%	353	101%
Operating margin (%)	12.0	14.7	-2.7	10.9	12.0	-1.1		
Net profit	143	304	-53.0%	45	48	-5.0%	148	97%
Net profit margin (%)	4.8	10.4	-5.55	5.6	6.3	-0.70		

**BUKIT ASAM FY17 EARNINGS MORE THAN DOUBLE TO RP4.48 TN, ABOVE EXPECTATIONS**

Bukit Asam (PTBA) reported FY17 earnings of Rp4.48 tn, up 123% YoY, and came above our and consensus estimates at Rp3.6-3.7 tn. This came on the back of 38% YoY higher in revenue to Rp19.5 tn, driven by increased ASP as well as cost efficiency measures that helped margin to expand across the board. As a results, operating profit was up 133% YoY to Rp5.9 tn, which also beat our forecast by 23%. On quarterly basis, 4Q17 net income jumped more than two-fold to Rp1.9 tn on 47% increase in revenue and 78% jump in operating profit.

**Comment:** Despite solid FY17 results, we are reviewing our earnings forecast for PTBA following the introduction domestic local coal price for coal-fired power plant which we believe will hit PTBA's earnings.

**PTBA FY17 results**

Rp bn	FY17	FY16	YoY	4Q17	3Q17	QoQ	2017F	2017A/F
<b>Financial performance</b>								
Revenue	19,471	14,059	38%	6,249	4,255	47%	19,325	100.8%
Gross profit	8,507	4,401	93%	3,460	1,702	103%	6,887	123.5%
Gross margin (%)	43.7	31.3	12.4	55.4	40.0	15.4		
Operating income	5,899	2,531	133%	2,193	1,229	78%	4,812	122.6%
Operating margin (%)	30.3	18.0	12.29	35.1	28.9	6.2		
Net Income	4,476	2,006	123%	1,851	902	105%	3,666	122.1%
Net margin (%)	23.0	14.3	8.7	29.6	21.2	8.4		

**PPRO BOOKS RP445 BN OF NET INCOME IN FY17**

PP Properti (PPRO)'s net income rose by 21% YoY within 2017 supported by 11% higher operating profit of Rp564 bn. Gross profit came in at Rp650 bn or 11% increase from the 2016 on the back of Rp2.71 tn revenue. Margins slightly reduced with operating and net profit came in at 21% and 16%, respectively, a 3% and 1% decrease from last year's. On quarter to quarter basis, the company's revenue grew by 7% to Rp1.40 tn in 4Q17 and delivered 16% increase in earnings to Rp239 bn.

**PPRO FY17 results**

Rp bn	FY17	FY16	YoY	4Q17	3Q17	QoQ
Revenue	2,709	2,150	26%	1,403	1,306	7%
Gross profit	650	586	11%	331	319	4%
Gross margin (%)	24	27	42	24	24	
Operating profit	564	508	11%	296	268	10%
Operating margin (%)	21	24	(3)	21	21	
Net profit	445	366	21%	239	206	16%
Net profit margin (%)	16	17	(1)	17	16	

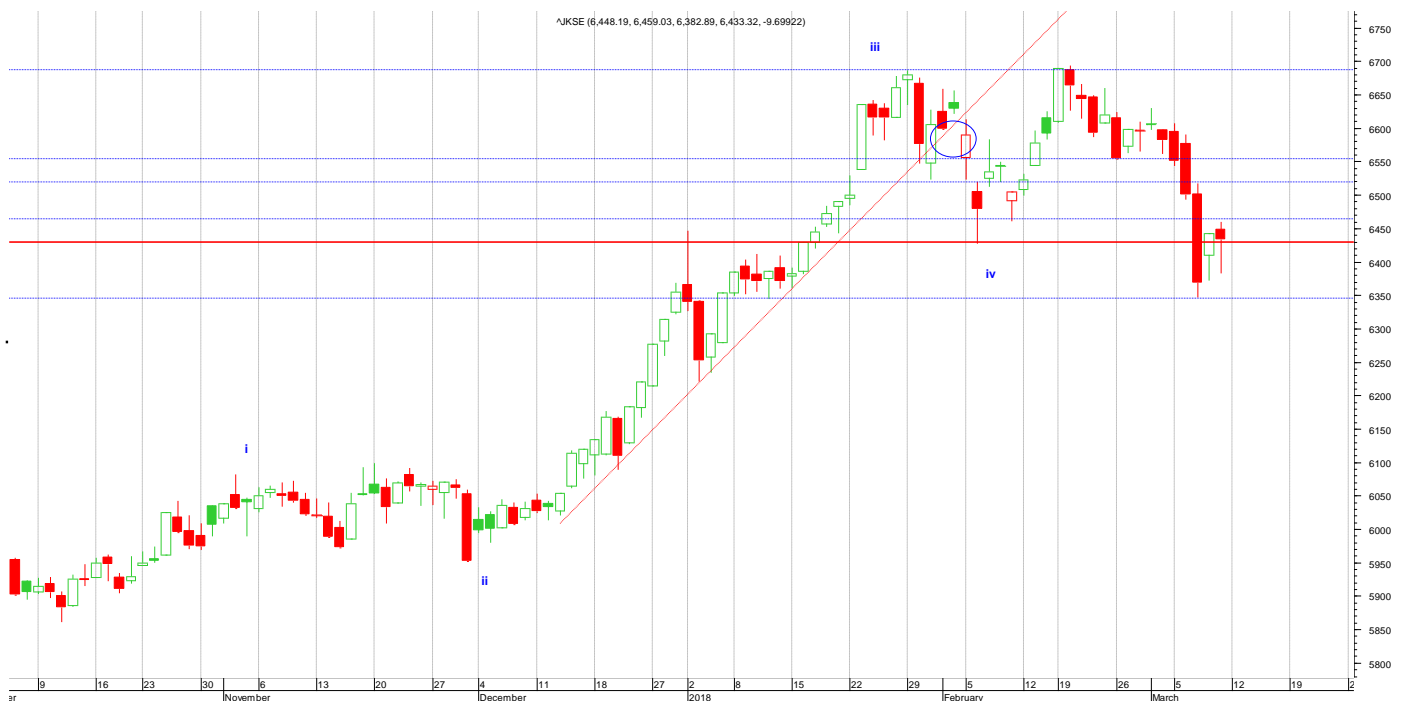
Source : PPRO, Ciptadana

**Comment:** PPRO's FY17 revenue came in above expectation while net profit were in line, represented 118% and 102% of consensus' FY17 revenue and net profit estimates.

## TECHNICAL ANALYSIS

JCI : (6,433 -0.15%)

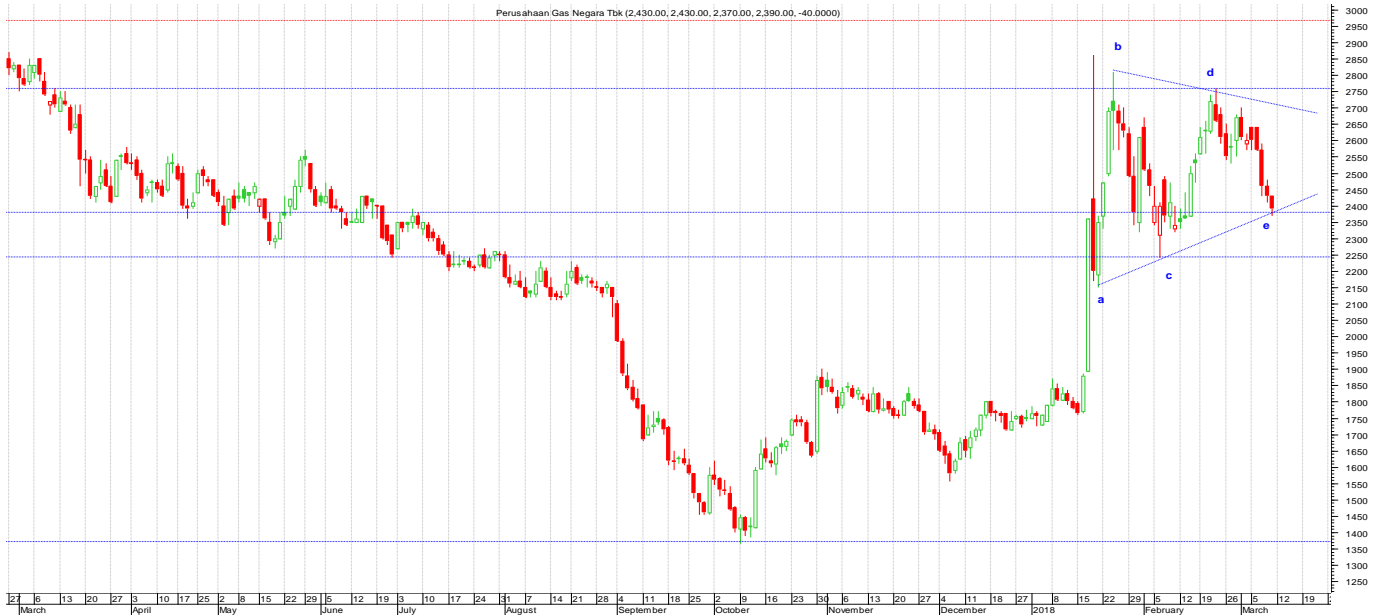
**Comment :** BBRI, HMSP and UNVR consecutively became lagging movers. Technically, JCI closed below minor resistance level of 6,460. Support level at 6,346. Next support and resistance level at 6,220-6,550. The possibility of the index to form a reversal double top pattern has not been confirmed since the index moves back above the level of 6,426. 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 sub wave (iii). The highest level of 6,686 could be the peaks of wave (iii). Based on this assumption, the index is now in the process to form corrective wave abc to find the bottom of sub wave (iv) before forming sub wave (v). This wave counting is automatically false if the index moves below the level of 6,426 which indicate that the peak of wave (v) is already founded and JCI begins to form the mid-term corrective wave.



**STOCK OF THE DAY**

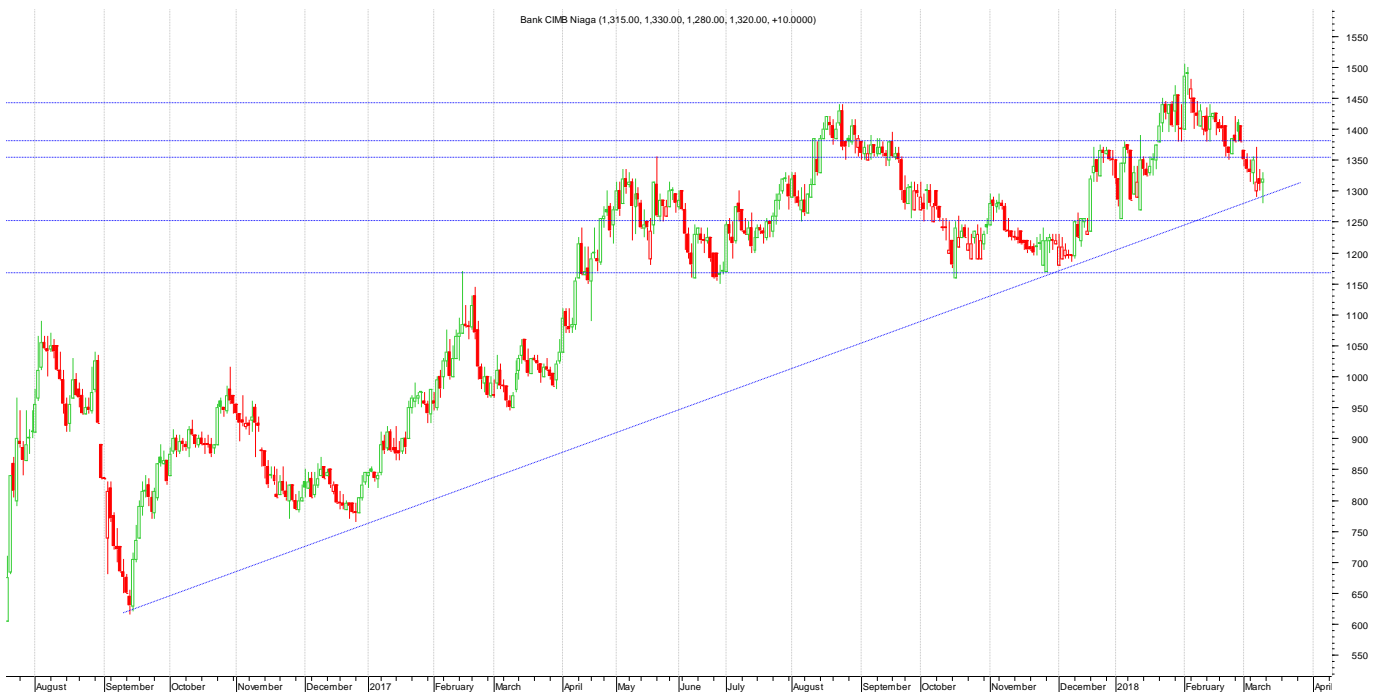
**PGAS : Testing support level**

The price closed above support level of the short-term uptrend line. Resistance level at 2,650. Next support and resistance level at 2,250-2,860. The price likely will form a continuation triangle pattern. Buy on weakness, cut if the price moves and stable below the level of 2,250.



**BNGA : Testing support level**

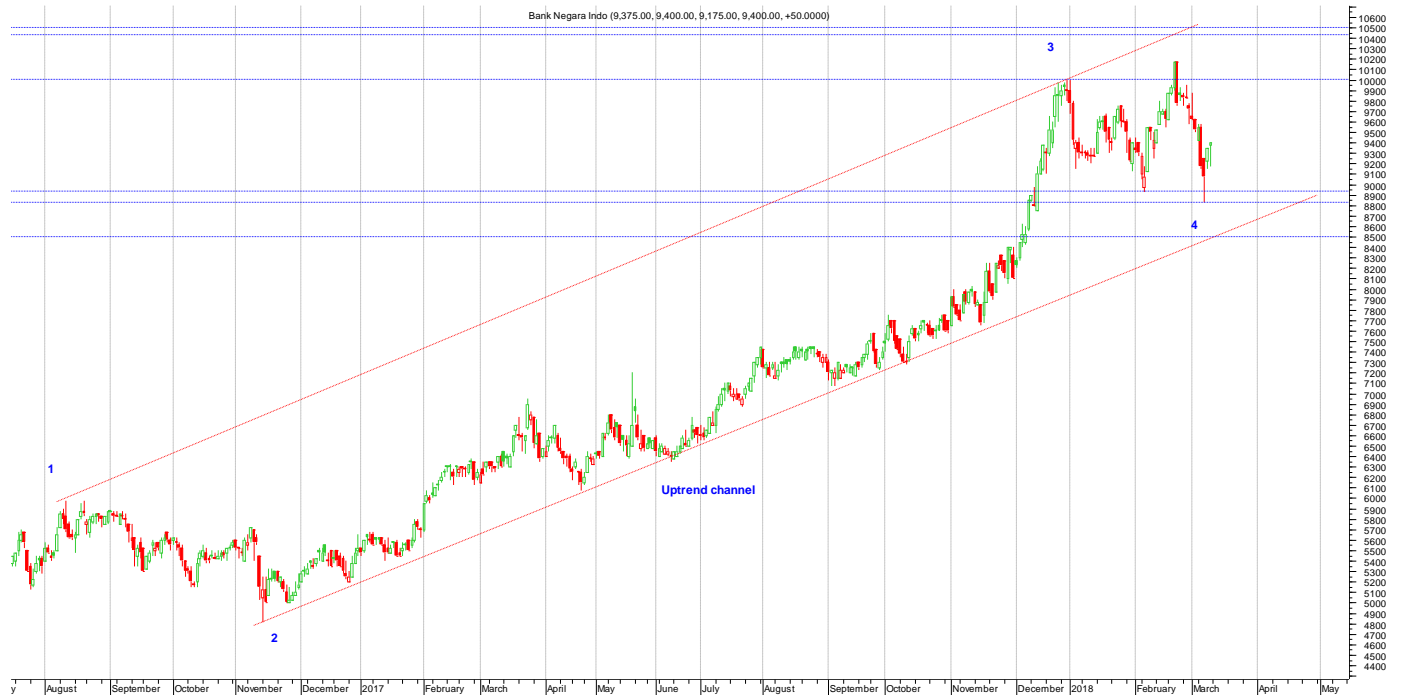
The price closed above support level of the mid-term uptrend line. Resistance level at 1,380. Next support and resistance level at 1,160-1,450. Speculative buy/Buy on weakness, cut if the price moves and stable below the level of 1,150



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

**BBNI : Testing support level**

The price held and closed above minor support level of 8,825. Resistance level at 10,000. Next support and resistance level at 8,000-10,800. The price moves in uptrend channel in the last thirteen months. Speculative buy



**BBRI : Testing support level**

The price closed above minor support level of 3,630. Resistance level at 3,820. Next support and resistance level at 3,500-3,900. The price moves in sideways in the last two months. Speculative buy, cut if the price moves below the level of 3,630.



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: 13,740 -13,835

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.52
3	6.27
5	6.32
10	6.83
15	7.16
30	7.40

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.56	5.69	5.69	5.65	5.37
US\$	0.80	0.80	0.83	0.80	
JIBOR (RP)	4.96	5.32	5.68	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	13,797	0.14
1 US\$ = SGD	1.32	0.01
1 US\$ = JPY	106.91	-0.08
1 US\$ = AUD	0.79	0.22
1 US\$ = EUR	1.23	0.01



ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

19-Mar-2018

Wijaya Karya Beton (WTON)

**Annual General Meetings**

**Agenda:** The approval of the Company's Annual Report 2017 includes the Company's Report of Activities, Supervisory Report of the Board of Commissioners and the Ratification of the Company's Financial Statements as of December 31, 2017, the Determination of the Use of Net Income including the distribution of dividend for Fiscal Year 2017, Report on the Use of Funds from Initial Public Offering ) Of the Company, Appointment of Public Accounting Firm  
Venue & Time : Main Hall Gedung Bursa Efek Indonesia Jl. Jend Sudirman Kav 52-53, Jakarta, at 14.00 (Western Indonesia Time)

20-Mar-2018

Bank Danamon (BDMN)

**Annual and Extraordinary General Meetings**

**Agenda:** Approval of the Company's annual report for the fiscal year ending December 31, 2017, Approval of the Company's financial statements for the fiscal year ending December 31, 2017, Stipulation of the Company's profitability, appointment of a Public Accountant, Changes in the composition of the Board of Directors, members of the Board of Commissioners, The Sharia Supervisory Board of the Company.  
Approval of the Company's Acquisition Plan by The Bank of Tokyo-Mitsubishi UFJ, Ltd., Amendment to the Company's Articles of Association, Approval of the Bank's Action Plan (Recovery Plan)  
Venue & Time : Bank Danamon Tower, Auditorium, Floor 23, Jl. HR. Rasuna Said, Block C No. 10, Rubber Setiabudi, Jakarta, at 09.30 (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](mailto:research@ciptadana.com)  
[www.ciptadana.com](http://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.