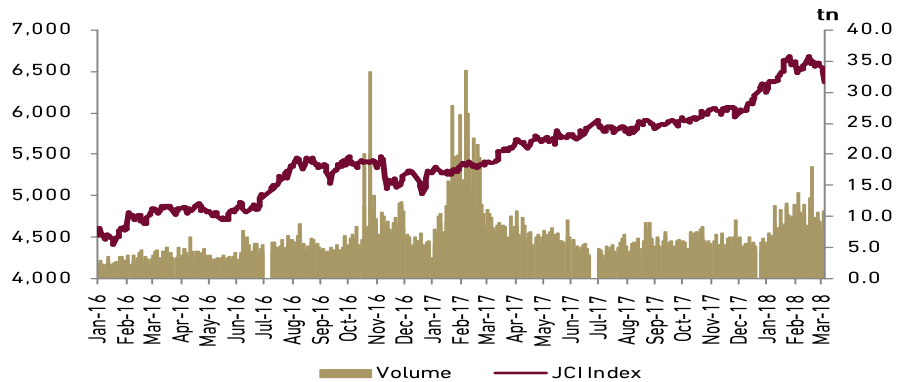


GLOBAL			
Index	Last	Change	% chg
Dow	25,179	-157.13	-0.62
S&P 500	2,783	-3.55	-0.13
Eido US	28.6	0.11	0.39
H.S.I	31,594	598.12	1.93
Nikkei	21,824	354.83	1.65
STI	3,540	54.62	1.57
KLCI	1,861	17.30	0.94
Kospi	2,484	24.67	1.00
SET Thai	1,800	24.95	1.41

- Better realization is seen on state budget
- ADHI beats on operating profit , misses on earnings
- UNTR Komatsu sales jump 50% YoY , OB removal up 21% YoY
- Kimia Farma to push for acquisitions in 2018

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	65.0	-0.54	-0.82
WTI Crude Oil (\$/bbl)	61.4	-0.68	-1.10
CPO (MYR/ton)	2,390	-8.00	-0.33
Gold (US\$/tr ounce)	1,323	-0.25	-0.02
Nickel (US\$/ton)	13,623	-191.50	-1.39
Tin (US\$/ton)	21,430	-47.00	-0.22
Pulp (US\$/ton) weekly	1,080.1	0.00	0.00
Coal (US\$/ton)	98.0	-1.40	-1.41

JCI STATISTIC



BEI STATISTICS	
JCI	6,501
Change (1 day)	1.05%
Change YTD	2.28%
P/E Market (X)	16.6
Volume (mn shr)	7,617.8
Value (Rp bn)	6,982.8
↑ 242 ↓ 118 ↔ 212	
LQ45	854
% Change (1 day)	0.28%

DAILY TECHNICAL VIEW

We expect JCI to trade between 6,450 (support) – 6,520 (resistance) level today

BMRI: Sell on strength at Rp 8,350-Rp 8,500

Comment: Restest the breakout

ASII: Sell on strength at Rp 7,875-Rp 7,975

Comment: Moved below strong support level

HMSP: Buy on weakness at Rp 4,250-Rp 4,100

Comment: Testing support level

BUMI: Buy on weakness at Rp 292-Rp 280

Comment: Testing support level

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

MARKET REVIEW & MARKET OUTLOOK

Regional

U.S. shares mixed at close of trade; DJIA down 0.62% to close at 25,178, S&P 500 down 0.1% to 2,787, while Nasdaq added 0.36% to 7,588. Industrial companies such as Boeing Co and Caterpillar decline by at least 2%, weighing down the DJIA and offset the gain from technology sector. Investors eyed the U.S. inflation and retail sales data scheduled on Tuesday and Wednesday, respectively. On commodity markets, oil prices declined yesterday after a significant gains in the previous day, with WTI down by -1.1% to USD61.36/bbl and Brent -0.82% to USD64.95/bbl. Other commodities also closed at lower level, with coal down by -1.41% to close at USD98/ton, and nickel decline by -1.39% to price USD13,622.5/ton.

Domestic

JCI closed by +1.05% higher at 6,501 (67.36 points) with foreign investors net selling transactions of Rp111 bn. The index movers were banking stocks, namely BMRI (+2.78% to 8,325), BBRI (+1.90% to 3,760), BBCA (+1.39% to 23,625). Eight of nine sector move upwards yesterday with Mining (+2.43%), Finance (+1.43%), Basic Industry (+1.30%), and Infrastructure (+1.29%) as the leading sectors, while Agriculture (-0.28%) as the only decliners. Rupiah strengthened by 32 points to 13,765/USD. Our technical desk suggests JCI to trade within the 6,450 – 6,520 region with possibility to close lower.

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,765	-32.00	-0.23
1 USD = SGD	1.31	0.00	-0.06
1 USD = JPY	106.34	-0.08	-0.08
1 USD = AUD	1.27	0.00	-0.13
1 USD = EUR	0.81	0.00	-0.06

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	30.2	0.00	0.00	4,152	181,971
ISAT	0.4	0.00	0.00	5,231	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

BETTER REALIZATION IS SEEN ON STATE BUDGET

According to finance ministry, realization of both state revenue and expenditure in 2018 is getting better. Government revenue realization reached Rp200.1 tn or 10.56% of target, 13.6% higher than Feb 2017. Tax revenue (together with custom and excise) still maintain its double digit growth at 13.5% YoY to Rp 160.7 tn while non tax revenue was up 34.0% in February to Rp 39.2 tn as the current oil price far exceed state budget 2018 assumption (ICP at USD 48/barrel). On the expenditure side, the realization was also getting better with 10.4% YoY growth. Central government expenditure increased significantly at 24.1% YoY to Rp 127.6 tn, especially from ministries spending growth which reached Rp 25.7% YoY. State deficit as of February 2018 was at Rp 48.9 tn or 0.33% of GDP, better than February 2017 realization at 0.4% of GDP.

Comments: We see that government focus on social spending which make its realization growth at 170.8% YoY (Rp 13.9 tn) helped better realization of government expenditure as capital expenditure realization should be boosted at the 4th quarter. Better social spending should help to push government consumption higher in 1Q18 GDP.

Revenue/Expenditure Post	APBN 2018 (Rp tn)	Realization Feb 2018	Realization (%)	Growth YoY (%)
Government Revenue	1,894.70	200.10	10.56	13.6
Tax income	1,618.10	160.70	9.93	13.5
Income without tax	275.4	39.2	14.23	34.0
Government expenditure	2,220.70	249.10	11.22	10.4
Central government expenditure	1,454.50	127.60	8.77	24.1
Transfer to Regions and Village funds	766.2	121.5	15.86	-0.98
Budget Surplus/Defisit	-325.90	-48.90	15.00	-11.9
% GDP	-2.19	-0.33	15.07	

ADHI BEATS ON OPERATING PROFIT , MISSES ON EARNINGS

Adhi Karya reported FY17 net profit of Rp515 bn, a 64% YoY jump, which in line with consensus estimate but 10% lower than our forecast. FY17 revenue came at Rp15.2 tn, in-line with our forecast, while ADHI saw profit from joint operation more than tripling and strong margin rise across the board. FY17 operating profit grew by 134% YoY and came 43% higher than our FY17F. However, below operating line ADHI's profitability was dented by higher interest expenses (72% YoY) and other expenses (-306% YoY) which we believe came from allowance impairment of receivable. On quarterly basis, 4Q17 net profit soared more than four times to Rp310 bn on 82% QoQ increase in revenue and stronger margin which led to operating profit rising by 180% QoQ to Rp942 bn.

Comment: We still like ADHI as generally strong FY17 results and the recent LRT payment from KAI amounting to Rp3.4 tn as positive and improve investor sentiment. We have Buy rating on ADHI with TP of Rp2,720.

ADHI FY17 results

Rp bn	FY17	FY16	YoY	4Q17	3Q17	QoQ	FY17F	FY17A/F
Revenue	15,156.2	11,063.9	37%	6,441.3	3,530.4	82%	14,682.5	103%
Gross profit	2,057.8	1,115.1	85%	1,045.6	413.8	153%	1,628.3	126%
Gross margin (%)	13.6%	10.1%	3.5%	16.2%	11.7%	4.5%	10.2%	
Profit of joint operation	230.9	69.4	233%	111.8	51.8	116%		
Operating profit	1,707.7	728.6	134%	942.7	336.2	180%	1,198.1	143%
Operating margin	11.3%	6.6%	4.7%	14.6%	9.5%	5.1%	7.3%	
Total other inc (exp)	-750.4	-116.0	547%	-446.6	-160.1	179%		
Net profit	515.4	313.5	64%	310.3	73.8	321%	571.8	90%
Net margin	3.4%	2.8%	0.6%	4.8%	1.6%	3.2%	3.9%	

UNTR KOMATSU SALES JUMP 50% YOY , OB REMOVAL UP 21% YOY

United Tractors reported sales of 405 units Komatsu heavy equipment in Jan-18, up 50% YoY and 26% MoM and already accounted for 9.6% of our FY18F of 4,205 units. Pamapersada (UNTR's mining contracting units) produced 66 mn bcm of overburden (OB) removal in 1M18, which soared by 21% YoY despite down 9% MoM. Coal extraction at Pamapersada rose 5% YoY but down by 17% MoM to 66.6 mn bcm in 1M18. From its own coal mine, UNTR reported 737 k tons of coal production which went up 63% MoM.

Comment: Strong January operating data should be positive for UNTR. We maintain our Buy rating on UNTR with TP of Rp45,000.

KIMIA FARMA TO PUSH FOR ACQUISITIONS IN 2018

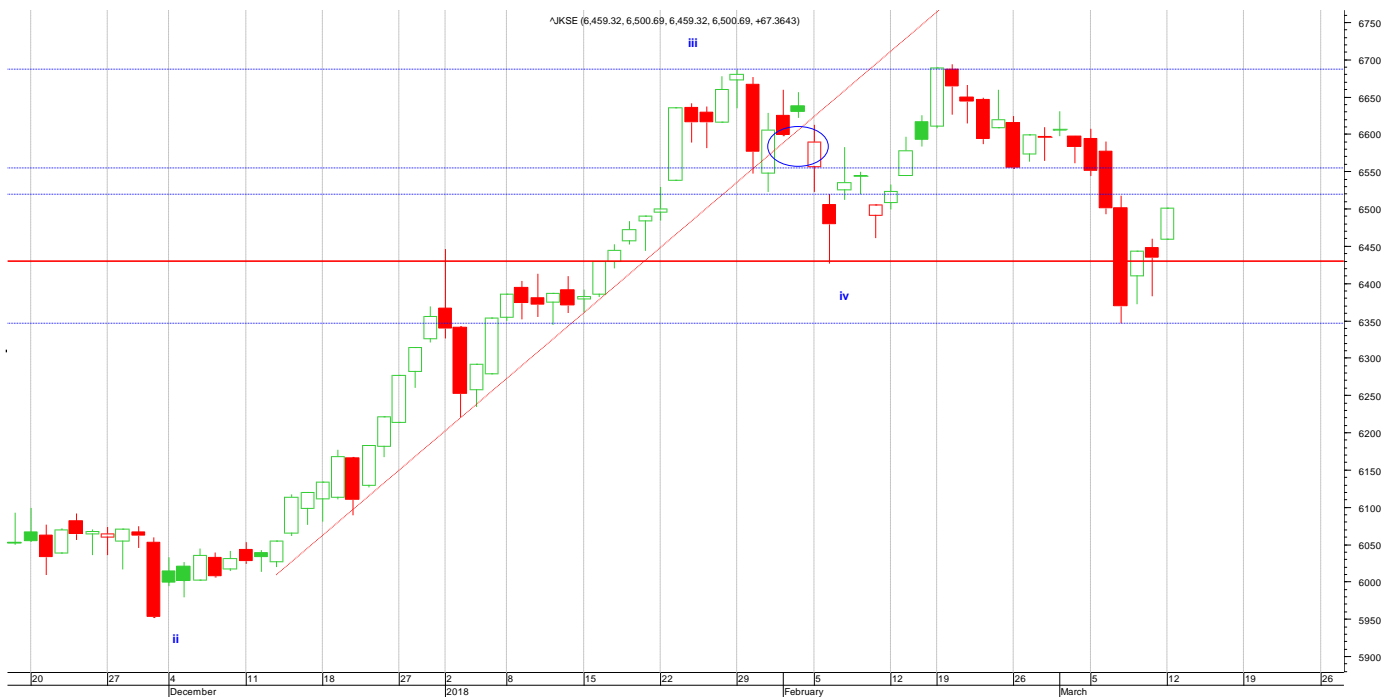
Kimia Farma (KAEF) re-iterated Rp3.5 tn in capex target FY18 in organic and inorganic expansions. Rp 2.3 tn will be used in acquisition of a pharmaceutical factory, a cosmetics factory and a 3rd one with yet no details disbursed. KAEF will also complete the raw material factory drugs in Cikarang and factories a new drug in Banjaran, Java. 70% of its capex from external funds, while the remainder comes from internal cash. On Monday, the company issued the second tranche of medium term notes (MTN) worth Rp600 bn with coupon rate of 7.75% 3-year tenure. The first tranche Rp400 bn was received in September while DER ratio still 0.8x. KAEF aims 10% revenue growth to Rp6.74tn from 5.4% YoY growth achieved in FY17. Earlier this month, KAEF acquired a 60% of Saudi Dawaa Medical Limited Company for \$10.13 mn in a move to set up a presence in the African market.

Comment: We do not cover KAEF. Pharma companies aiming growth via production of raw materials locally to cater BPJS-JKN catalogue and potentially improve cost structure.

TECHNICAL ANALYSIS

JCI : (6,500.68 +1.05%)

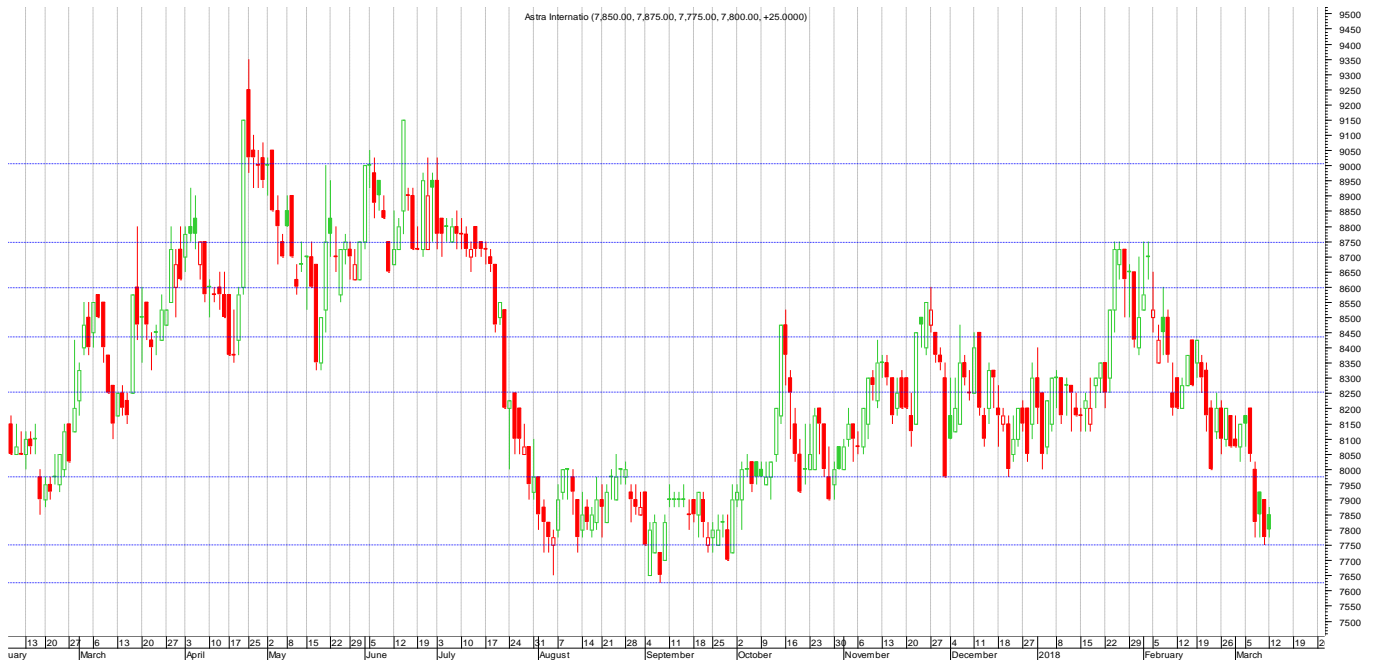
Comment : BMRI, BBRI and UNVR consecutively became lagging movers. Technically, JCI closed below minor resistance level of 6,520-6560. Support level at 6,346. Next support and resistance level at 6,220-6,620. The possibility of the index to form a reversal double top pattern has not been confirmed since 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

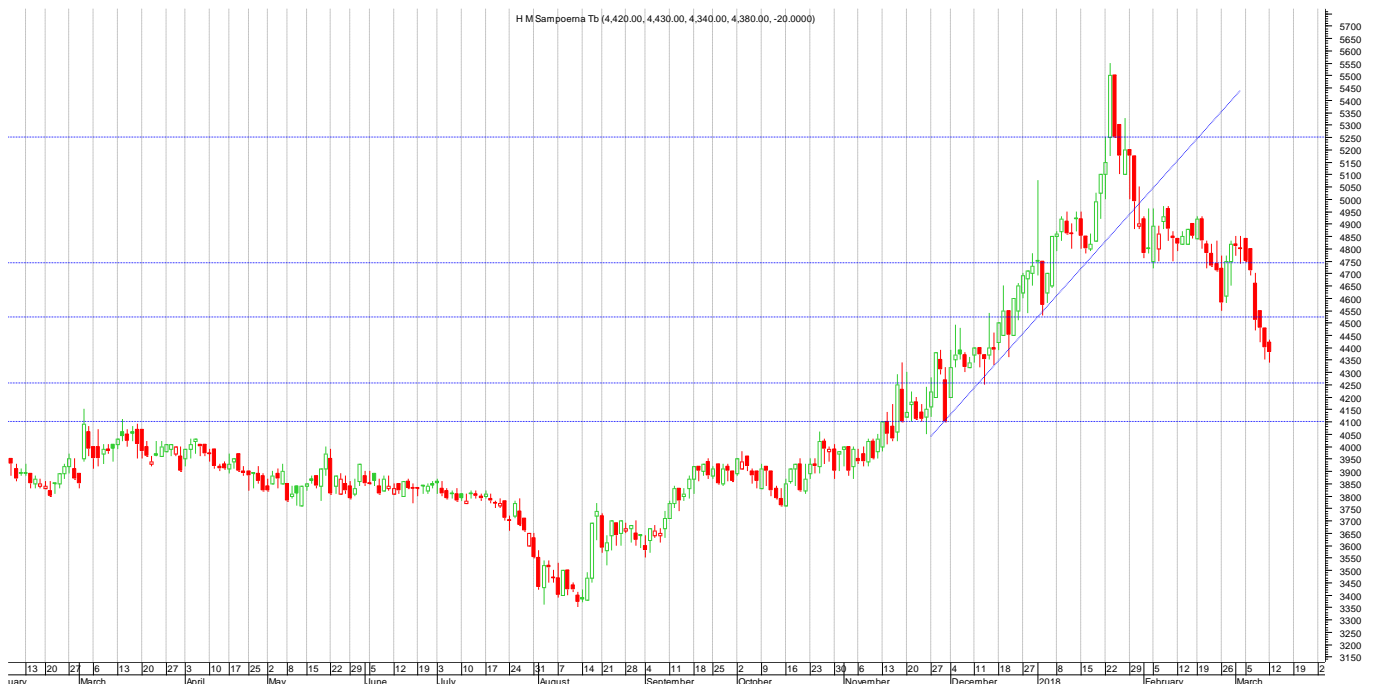
ASII : Testing support level

The price closed above minor support level of 7,750. Resistance level at 7,975. Next support and resistance level at 7,625-8,250. Level of 7,975 was a strong support level before it was breached and potentially turn into strong resistance level. The mid-term trend is still sideways. Sell on strength, Sell if the price moves and stable below the level of 7,600



HMSP : Testing support level

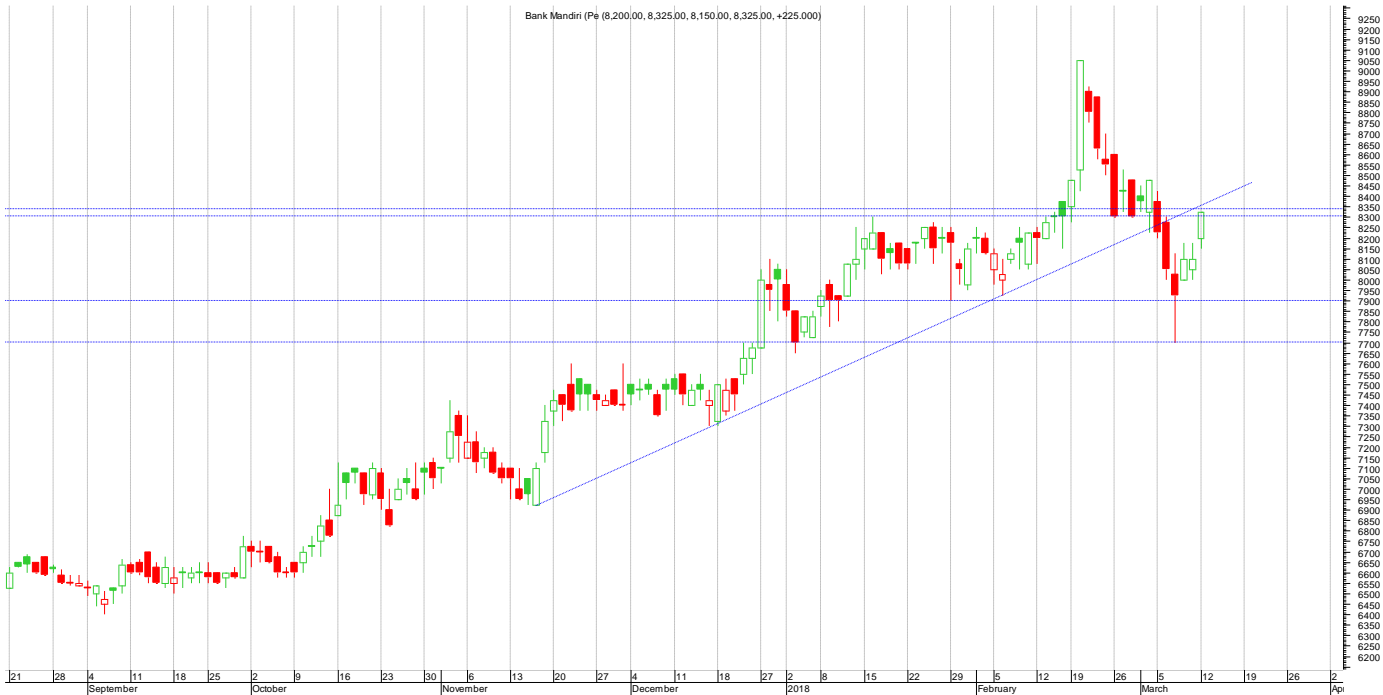
The price closed above minor support level of 4,250. Resistance level at 4,525. Next support and resistance level at 4,100-4,750. The price moved in downtrend in the last two months. Buy on weakness at support level



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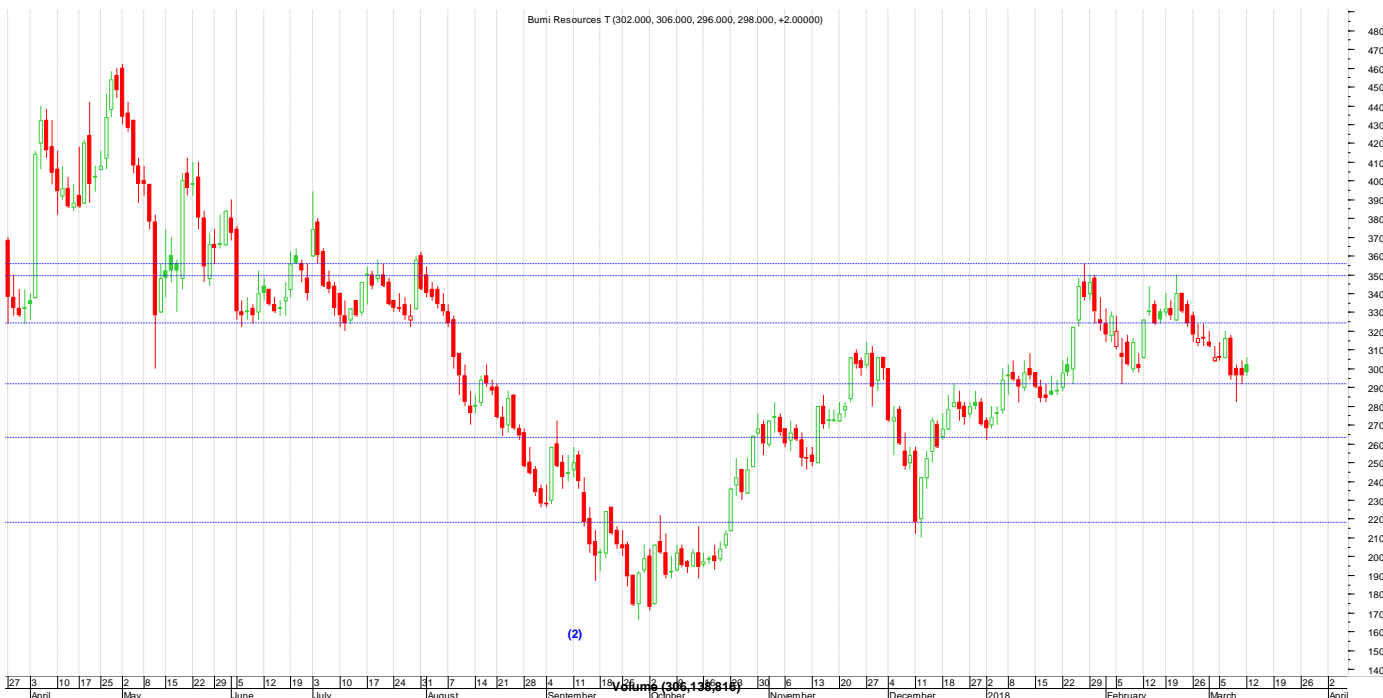
BMRI : Testing resistance level

The price closed around resistance level. Support level at 7,900. Next support and resistance level at 7,700-8,700. The price is retesting the breakout of the previous uptrend line. If the breakout confirm, the trend will turn into sideways. Sell on strength



BUMI : Testing support level

The price held above minor support level of 282. Resistance level at 314. Next support and resistance level at 262-350. The trend is still positive. Speculative buy/Buy on weakness



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,710 -13,810

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.53
3	6.25
5	6.26
10	6.81
15	7.14
30	7.40

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.55	5.71	5.70	5.66	5.35
US\$	0.84	0.83	0.84	0.79	
JIBOR (RP)	4.97	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	13,761	0.03
1 US\$ = SGD	1.31	0.06
1 US\$ = JPY	106.34	0.08
1 US\$ = AUD	0.79	0.13
1 US\$ = EUR	1.23	0.06

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)

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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.

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