

GLOBAL

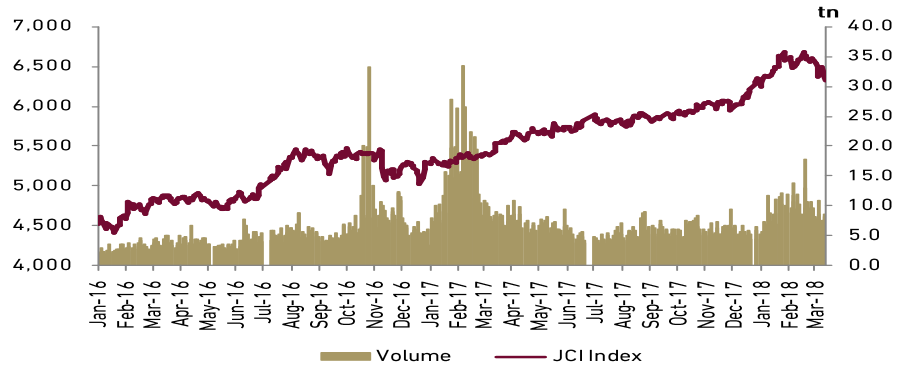
Index	Last	Change	% chg
Dow	24,611	-335.60	-1.35
S&P 500	2,713	-39.09	-1.42
Eido US	27.2	-0.17	-0.62
H.S.I	31,514	11.79	0.04
Nikkei	21,481	-195.61	-0.90
STI	3,498	-13.85	-0.39
KLCI	1,848	1.55	0.08
Kospi	2,475	-18.94	-0.76
SET Thai	1,800	-11.97	-0.66

- BPS to announce February inflation data tomorrow
- Upbeat message from new Fed chairman
- WTON expects net income to grow by 24% this year
- ASRI FY17 net profit grows 171% YoY
- Indocement puts effort to maintain revenue
- ICBP 2017 result: In line but below consensus

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	66.1	-0.16	-0.24
WTI Crude Oil (\$/bbl)	62.1	-0.28	-0.45
CPO (MYR/ton)	2,433	-5.00	-0.21
Gold (US\$/tr ounce)	1,317	2.50	0.19
Nickel (US\$/ton)	13,429	-140.00	-1.03
Tin (US\$/ton)	20,845	-234.25	-1.11
Pulp (US\$/ton) weekly	1,090.8	0.00	0.00
Coal (US\$/ton)	96.8	-0.40	-0.41

JCI STATISTIC



BEI STATISTICS

JCI	6,290
Change (1 day)	-0.24%
Change YTD	-1.04%
P/E Market (X)	16.0
Volume (mn shr)	7,766.3
Value (Rp bn)	5,688.4
↑ 152 ↓ 195 ↔ 225	
LQ45	854
% Change (1 day)	0.28%

DAILY TECHNICAL VIEW

We expect JCI to trade between 6,230 (support) – 6,330 (resistance) level today

BMRI: Sell on strength at Rp 8,150-Rp 8,300

Comment: Testing resistance level

TLKM: Sell on strength at Rp 3,850-Rp 3,920

Comment: Moved below strong support level

UNTR: Buy on weakness at Rp 31,500-Rp 31,000

Comment: Testing support level

ANTM: Buy on weakness at Rp 800-Rp 780

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

DJIA fell as much as 335 points to closed at 24,602 (-1.35%) and S&P500 was down 39 points to 2,712 (-1.42%) on Monday. Nasdaq fell deeper by 137 points (-1.84%) as tech sell-off intensifies. Facebook (-6.8%) was the worst performing in S&P500, after a report said that a political analytics firm was able to collect millions facebook data without people's consent. DJIA entered negative territory for the year (-0.44% Ytd) and settled below last week's low, further undermined by speculation that the The Fed will pull the trigger this week on first FOMC meeting this Wednesday. Oil prices were moving slightly lower yesterday with Brent closed at USD66.1/bbl (-0.24%) and WTI at USD62.1/bbl (-0.45%). Nickel price closed lower at USD13,429/ton (-1.03%). CPO a little changed to MYR2,433/ton (-0.21%), while coal also moved a little lower to USD96.75/ton (-0.41%).

Domestic

JCI closed 15 points lower at 6,290 (-0.24%) with foreigners net selling transactions of Rp1.1 tn. Eight of nine sectors posted losses with leading laggard being the Misc Industry (-2.11%), Basic Industry (-0.60%), and Consumer (-0.57%). The only sector move in the positive territory was Finance (+0.39%) mainly driven by BMRI (+1.89% to 8,075). HMSP (-2.06%), ASII (-2.35%), INKP (-2.90%) consecutively became lagging movers. Rupiah weakened by 14 points to 13,765/USD. Our technical desk suggests JCI will trade with 6,230-6,330 region with possibility to close at lower level.

EXCHANGE RATE

	Last	Change	% chg
1 USD = IDR	13,765	14.00	0.10
1 USD = SGD	1.32	0.00	-0.09
1 USD = JPY	106.05	-0.05	-0.05
1 USD = AUD	1.30	0.00	0.17
1 USD = EUR	0.81	0.00	-0.05

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.7	-0.48	-1.71	3,807	444,129
ISAT	0.4	0.00	0.00	5,231	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

BPS TO ANNOUNCE FEBRUARY INFLATION DATA TOMMOROW

BPS is scheduled to release inflation data of February tomorrow morning. The latest prediction by Bank Indonesia was at 3.25% YoY (0.24% MoM) and current Bloomberg consensus is at 3.27% YoY. According to our assessment, food inflation still continued its uptrend even though at slower pace than previous month. Rice and garlic still had a significant increase in February due to supply problem while chicken price start to stabilize. Inflation may face additional pressure from housing, fuel and electricity sector due to fuel price increase in late February. However, the inflation pace of this sector should be lower from previous year due to electricity price hike in 1H17. Transportation sector may have a lower deflation than previous years as it had a surprising deflation in January. We see February inflation will be around 0.18% MoM or 3.19% YoY.

UPBEAT MESSAGE FROM NEW FED CHAIRMAN

There were some interesting points of Powell Message to House Financial Services Committee yesterday. Although Powell many times repeated that his words are his personal view only, he gave some confidence of US economic in medium term. His confidence has picked up since December after tax reform bill finished. Powell saw that wage is continuing to go up but it will need higher productivity to ensure sustainable wage growth. The new Fed chairman also believed that US inflation is moving towards the 2% target in this year. While Powell nodded to the growth-enhancing benefits of fiscal policy reform, he was less welcoming of longer-term strain on the nation's budget.

Comments: We see Powell message to House is the signal for FOMC members to reassess their monetary policy path view in near future. In our latest monetary and bonds report, we have shifted our view from 3 times FFR hike to 4 times FFR hike. However, we still need to see further FOMC policy projection next month which we believe will end global volatility in beginning 2018.

WTON EXPECTS NET INCOME TO GROW BY 24% THIS YEAR

Wijaya Karya Beton (WIKABETON) is targeting to book new contracts worth Rp7.56 tn this year, up by 4.7 % from Rp7.2 tn in FY17. As at end of February, the company recorded Rp 1.12 tn in accumulative new contracts so far this year. The soonest a contract would be signed is in April, with a total value of Rp400 bn for the construction of the Kijing Port project in Pontianak, West Kalimantan. WTON management expects the company to grow its revenue by at least 29% YoY to Rp 6.94 tn and 23.5% YoY in net profit to Rp416 bn.

Comment : WTON's FY18 earning guidance of Rp416 bn is in-line with our forecast of Rp418 bn while revenue guidance is higher than ours of Rp6.3 tn. We currently have Buy rating on WTON with TP of Rp730. The counter is trading at 2018F PER of 10.9x.

INDOCEMENT PUTS EFFORT TO MAINTAIN REVENUE

Indocement (INTP) is currently developing their second brand namely Rajawali in regards to maintain their top line amid fierce competition in cement sector. According Corporate Secretary of INTP, Antonius Marcos, the company created "Rajawali" brand in order to widen the products choice' which definitely have quality and more affordable price for the customers. At the moment, Rajawali sales volume only accounted 2% over the total of INTP, yet if the demand is prospective, the company undoubtedly will throw higher volume to the market. Furthermore, this year INTP will officially operate new terminal plant with capacity of 500,000 tons/year in Palembang to capture higher market share. Note that, market share of the company in Sumatra is around 14-15%.

Comment: In our view, sales volume of Rajawali remains insignificant. However, we see the company has been displaying strong effort to manage their revenue and market share. All in all, we

still have SELL recommendation on INTP with TP of 19,100. We will review our TP after the FY17 result is released (22nd March 2018).

ALAM SUTERA FY17 NET PROFIT GROWS 171% YOY

Property developer Alam Sutera Realty (ASRI) booked net profit of Rp1.38 tn or grew by 171% YoY within 2017. The stellar net profit supported by 78% decrease in other expenses. Meanwhile, cost of revenue and operating expenses each increased by only 23% and 6%, respectively compared to previous year. The FY17 revenues came in 44% YoY higher to Rp3.92 tn. On quarter to quarter basis, net profit declined by 35% to Rp264 bn in 4Q17, while revenue down by 50% to Rp747 bn.

(Rp bn)	FY17	FY16	YoY	4Q17	3Q17	QoQ	F17F	FY/17F
Revenues	3,917	2,716	44%	747	1,485	-50%	2,995	131%
Cost of revenue	(1,541)	(1,251)	23%	(207)	(776)	-73%		
Gross profit	2,376	1,465	62%	541	709	-24%	2,097	113%
<i>Gross margin (%)</i>	61	54	7	72	48	25	70	
G&A expenses	(297)	(290)	2%	(78)	(75)	5%		
Marketing expenses	(94)	(78)	19%	(28)	(26)	8%		
Operating expenses	(390)	(368)	6%	(106)	(101)	6%		
Operating profit	1,986	1,096	81%	434	608	-29%	1,771	112%
<i>Operating margin (%)</i>	51	40	10	58	41	17	59	
Forex gain (loss)	(32)	157	n.a.	(18)	(47)	-62%		
Interest income	43	53	-20%	12	10	14%		
Interest expense	(314)	(226)	39%	(76)	(79)	-3%		
Other income (exp)	(107)	(490)	-78%	(47)	(18)	162%		
Total other inc (exp)	(410)	(505)	-19%	(130)	(134)	-3%		
Pre-tax profit	1,576	591	166%	305	474	-36%		
Tax	(190)	(81)	135%	(40)	(66)	-39%		
PBMI	1,385	510	171%	264	408	-35%		
MI	(5)	(1)	256%	(1)	(2)	-52%		
Net profit	1,380	509	171%	264	406	-35%	1,335	103%
<i>Net margin (%)</i>	35	19	16	35	27	8	45	

Comment: The FY17 revenues came in above our expectation and in line with consensus', accounting for 131% and 105%, respectively of our and consensus' FY revenues estimations. Meanwhile, net profit came in line with ours at 103% and exceeded consensus at 121%. We maintain BUY with TP Rp480/sh based on 65% discount to our RNAV.

ICBP 2017 RESULT: IN LINE BUT BELOW CONSENSUS

(in Rp Bn)	2017	2016	YoY	4Q17	3Q17	QoQ
Revenue	35,607	34,466	3.3%	8,176	8,970	-8.8%
Gross Profit	11,059	10,859	1.8%	2,427	2,826	-14.1%
Gross Profit Margin	31.1%	31.5%	-0.4%	29.7%	31.5%	-1.8%
Opex	-5,681	-5,832	-2.6%	-1,208	-1,528	-20.9%
Operating Profit	5,378	4,863	10.6%	1,219	1,380	-11.7%
Operating margin	15.1%	14.1%	1.0%	14.9%	15.4%	-0.5%
Finance Cost	-154	-179	-14.0%	36.9	43	-14.2%
Others-net	-16.26	233.00	-107.0%	33.18	59.51	-44.2%
Pre-tax profit	5,207	4,989	4.4%	964	1,400	-31.1%
Pre-tax margin	14.6%	14.5%	0.1%	11.8%	15.6%	-3.8%
Net Profit	3,797	3,600	5.5%	756	948	-20.2%
Net Margin	10.7%	10.4%	0.2%	9.3%	10.6%	-1.3%

Indofood Consumer Branded Products (ICBP) FY2017 revenue by 3.3% to Rp35.6 tn while COGS rose around 4%, resulting to gross profit increase of only by 1.8% YoY. FY17 revenue of Rp 35.6 tn formed 96% and 91% of our and consensus' estimates. Operating expense improved by 2.6%, hence operating profit increased by 10.6%. Finance cost lowered by 14% to Rp 154 bn; however, net losses of associates and joint venture burden increased significantly, resulting net profit flat at Rp 3.79 tn(+5.5%) from Rp 3.6tn. Further details will be updated after analyst meeting.

TECHNICAL ANALYSIS

JCI : (6,290 -0.24%)

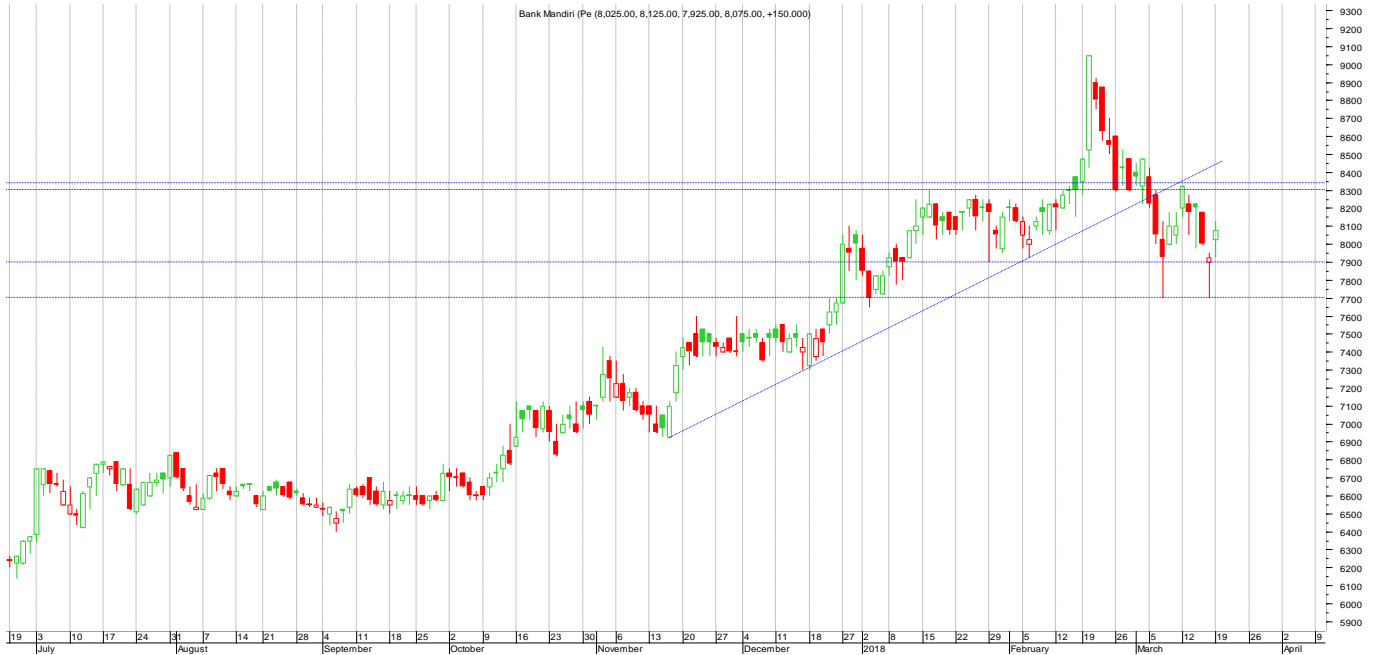
Comment : HMSP, ASII and INKP consecutively became lagging movers. Technically, JCI closed below minor support level of 6,346. If the breakout confirm, the short-term and mid-term trend turn into negative and the index will form a reversal double top pattern with theoretical target around the level of 6,175. Resistance level at 6,400. Next support and resistance level at 6,220-6,620.. 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). Because the index moved below the level of 6,346, the peaks of wave (v) likely already founded and now JCI is doing corrective wave abc.



STOCK OF THE DAY

BMRI : Testing resistance level

The price held and closed above strong support level of 7,700. Resistance level at 8,325. Level of 7,700 is also support level of the neckline of the reversal Head and Shoulder pattern. The penetration of this support level will cause the mid-term trend turn into negative. Next support and resistance level at 6,900-9,050. Sell on strength



TLKM : Testing support level

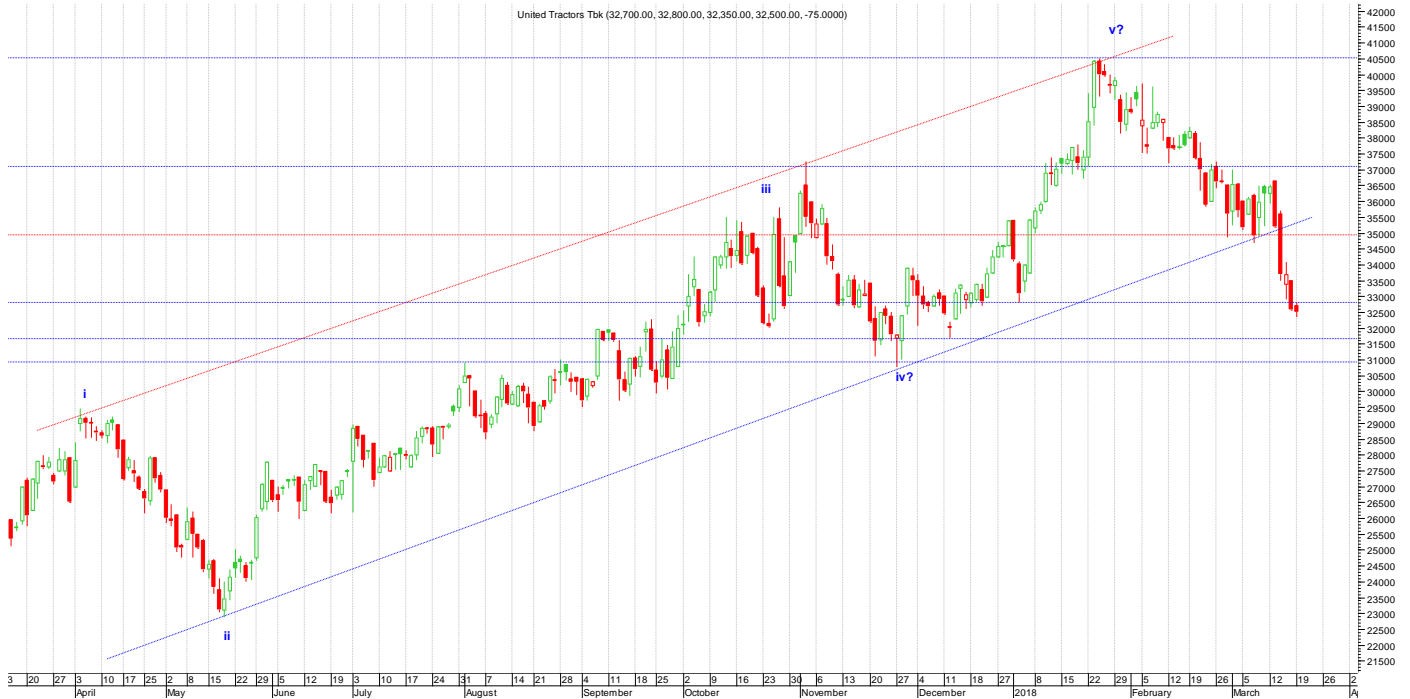
The price moved and closed below strong support level of 3,920. If the breakout confirm, level of 3,920 will turn into strong resistance level. Historically, support level at 3,650. Next support and resistance level at 3,500-4,130. Sell on strength.



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UNTR : Testing support level

The price closed above minor support level of 31,700. Resistance level at 35,000. Next support and resistance level at 31,000-36,000. The mid-term trend turn into sideways when the price moved below support level of the uptrend line 35,000. Buy on weakness



ANTM : Testing support level

The price closed below minor support level of 835. Resistance level at 850. Next support and resistance level at 790-9000. 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: 13,715 -13,810

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.41
3	6.12
5	6.06
10	6.73
15	6.98
30	7.37

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.53	5.71	5.70	5.69	5.36
US\$	0.84	0.80	0.80	0.78	
JIBOR (RP)	4.97	5.31	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	13,765	-0.10
1 US\$ = SGD	1.32	0.09
1 US\$ = JPY	106.05	0.05
1 US\$ = AUD	0.77	-0.17
1 US\$ = EUR	1.23	0.05

ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

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

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