

| GLOBAL   |        |        |       |
|----------|--------|--------|-------|
| Index    | Last   | Change | % chg |
| Dow      | 24,727 | 116.36 | 0.47  |
| S&P 500  | 2,717  | 4.02   | 0.15  |
| Eido US  | 27.2   | -0.04  | -0.15 |
| H.S.I    | 31,550 | 36.17  | 0.11  |
| Nikkei   | 21,381 | -99.93 | -0.47 |
| STI      | 3,513  | 15.02  | 0.43  |
| KLCI     | 1,856  | 8.45   | 0.46  |
| Kospi    | 2,486  | 10.49  | 0.42  |
| SET Thai | 1,800  | 0.05   | 0.00  |

| COMMODITIES              |         |         |       |
|--------------------------|---------|---------|-------|
| Index                    | Last    | Change  | % chg |
| Brent Crude Oil (\$/bbl) | 67.4    | 1.37    | 2.07  |
| WTI Crude Oil (\$/bbl)   | 63.5    | 1.48    | 2.38  |
| CPO (MYR/ton)            | 2,450   | 17.00   | 0.70  |
| Gold (US\$/tr ounce)     | 1,311   | -5.55   | -0.42 |
| Nickel (US\$/ton)        | 13,408  | -21.00  | -0.16 |
| Tin (US\$/ton)           | 20,738  | -107.00 | -0.51 |
| Pulp (US\$/ton) weekly   | 1,091.5 | 0.00    | 0.00  |
| Coal (US\$/ton)          | 97.4    | 0.60    | 0.62  |

| BEI STATISTICS    |         |
|-------------------|---------|
| JCI               | 6,244   |
| Change (1 day)    | -0.73%  |
| Change YTD        | -1.76%  |
| P/E Market (X)    | 15.9    |
| Volume (mn shr)   | 7,666.4 |
| Value (Rp bn)     | 6,293.3 |
| ↑ 113 ↓ 243 ↔ 216 |         |
| LQ45              | 854     |
| % Change (1 day)  | 0.28%   |

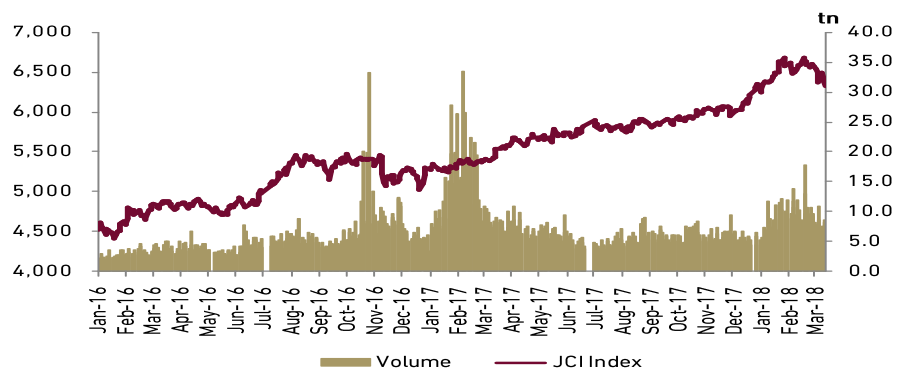
| INTEREST RATE          |         |          |
|------------------------|---------|----------|
|                        | Current | Previous |
| BI 7D Reverse Repo (%) | 4.25    | 4.25     |
| Fed fund rate (%)      | 1.50    | 1.50     |
| inflation mom (%)      | 0.17    | 0.62     |
| Inflation yoy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

| EXCHANGE RATE |        |        |       |
|---------------|--------|--------|-------|
|               | Last   | Change | % chg |
| 1 USD = IDR   | 13,748 | -17.00 | -0.12 |
| 1 USD = SGD   | 1.32   | 0.00   | -0.04 |
| 1 USD = JPY   | 106.48 | -0.05  | -0.05 |
| 1 USD = AUD   | 1.30   | 0.00   | -0.13 |
| 1 USD = EUR   | 0.82   | 0.00   | -0.08 |

| DUAL LISTING |       |       |       |        |            |
|--------------|-------|-------|-------|--------|------------|
| Stocks       | Close | Chg.  | % chg | In Rp. | Vol. (ADR) |
| TLKM         | 26.5  | -1.15 | -4.16 | 3,645  | 528,373    |
| ISAT         | 0.4   | 0.00  | 0.00  | 5,224  | 2,150      |
| BUMI Plc     | 36.8  | 0.00  | 0.00  | 7,522  | -          |

- Waskita may receive further sanctions
- SSMS net profit grows 33% yoy
- BBNI pays out 35% of 2017 net profit as dividend
- BDMN pays out 35% of 2017 net profit as dividend
- INDF 2017 results- In line with our expectation
- TOWR will propose dividend between ~Rp120/sh for FY17 earnings.
- TBIG reported FY17 results – Revenues beat
- TLKM AGMS to be held on 27th April

#### JCI STATISTIC



#### DAILY TECHNICAL VIEW

We expect JCI to trade between 6,210 (support) – 6,320 (resistance) level today

**BBRI: Buy on weakness at Rp3,720-Rp3,650**

Comment: Hold above support level

**BNGA: Buy on weakness at Rp1,200-Rp1,150**

Comment: Testing support level

**ASII: Buy on weakness at Rp7,200-Rp7,000**

Comment: Testing support level

**TINS: Buy on weakness at Rp990-Rp950**

Comment: Testing support level

#### MARKET REVIEW & MARKET OUTLOOK

##### Regional

U.S. stock market closed higher, on strong gains in the energy sector. DJIA gained by 0.47% with Boeing (+1.77%) and Nike (+1.66%) helping to spur the blue chip gauge. S&P500 inched up by 0.15%, boosted by energy sector that rose by 1.1%. Nasdaq also closed higher by 0.27%, and led the tech-heavy index has positive YTD return at +6.7%, after modest rebound. On commodity markets, Brent and WTI rose by 2.07% and 2.38% to USD67.4/bbl and USD63.5/bbl as tension in the Middle East and the possibility of further falls in Venezuelan output helped offset the impact of growing U.S. crude production.

##### Domestic

JCI dipped by 45.99 points or 0.73% to close at 6,244 on Tuesday and recorded Rp935 bn net foreign sell. Infrastructure (-2.35%), Basic Industry (-1.14%), Consumer (-0.95%), Property (-0.69%), Trade (-0.48%), Agriculture (-0.39%), and Finance (-0.32%) were the sector laggards with TLKM (-4.19% to 3,660), HMSP (-1.41% to 4,210), and BBNI (-3.65% to 9,250) become the lagging movers. Rupiah currency strengthened by 17 points to Rp13,748/USD. Our technical desk suggests for trading within the band of 6,210 – 6,320, with possibility to end mix.

#### WASKITA MAY RECEIVE FURTHER SANCTIONS

The government is looking into the possibility of slapping another sanction on Waskita Karya (WKST) following a recent fatal accident at the company's construction site in Jakarta. The last accident who killed one person added to the worrying safety track record of the company, which has been one of the spearheads of the government's infrastructure development program. In the last two years, Waskita Karya has been involved in eight accidents, including in the light rapid transit project in South Sumatra and the Pasuruan-Probolinggo toll road in East Java.

**Comment:** This recent development could give negative sentiment on WSKT share price. Meanwhile, The company's board of directors shakeup is slated to take place in April at the shareholder meeting.

#### SSMS NET PROFIT GROWS 33% YOY

Palm oil producer, Sawit Sumbermas Sarana (SSMS) recorded revenues of Rp3.24 tn or 19% YoY increase in FY17. The gross margin was relatively stable at 53% while operating margin rose by 4% to 37% delivering operating profit of Rp1.19 tn. Net profit amounted to Rp787 bn, a 33% YoY increase. On quarter to quarter basis, 4Q17 revenues came in at Rp860 bn, declined by 30% while net profit down by 63% to Rp159 bn.

##### Exhibit : SSMS FY17 results

| Rp bn                   | FY17         | FY16         | YoY        | 4Q17       | 3Q17         | QoQ         |
|-------------------------|--------------|--------------|------------|------------|--------------|-------------|
| <b>Revenue</b>          | <b>3,241</b> | <b>2,723</b> | <b>19%</b> | <b>860</b> | <b>1,231</b> | <b>-30%</b> |
| Gross profit            | 1,726        | 1,466        | 18%        | 435        | 780          | -44%        |
| Gross margin (%)        | 53           | 54           | 93         | 51         | 53           |             |
| <b>Operating profit</b> | <b>1,187</b> | <b>895</b>   | <b>33%</b> | <b>308</b> | <b>501</b>   | <b>-39%</b> |
| Operating margin (%)    | 37           | 33           | 4          | 36         | 23           |             |
| <b>Net profit</b>       | <b>787</b>   | <b>592</b>   | <b>33%</b> | <b>159</b> | <b>433</b>   | <b>-63%</b> |
| Net profit margin (%)   | 24           | 22           | 3          | 18         | 4            |             |

Source : SSMS, Ciptadana Estimates

**Comment:** SSMS's FY17 revenues came in line with consensus expectations at 102% while bottom line slightly exceeded expectations, accounting for 107% of consensus' full year 2017 net profit estimates. Based on Bloomberg consensus' TP Rp1,975/sh implying 2018F PE of 19x.

#### BBNI PAYS OUT 35% OF 2017 NET PROFIT AS DIVIDEND

BBNI decided to pay out a portion of its profit as cash dividend of 2017 book year totaling Rp4.8 tn based on its Annual General Meeting (AGM) of Shareholders, yesterday. Dividend payout ratio is recorded at 35% of last year's net profit of Rp13.6 tn. Out of the total dividend, 10% is special dividend. Meanwhile, the remaining profit of Rp8.8 tn has been set as retained earnings in order to strengthen the company's capital. In addition to approving the dividend payout, the AGM also formally approved the appointment of three new directors: Tambok Parulian Simanjuntak (Director of Retail Banking), Dadang Setiabudi (Director of Information Technology), and Endang Hidayatullah (Compliance Director). Tambok has been working in BNI as Head of Market Intelligence prior to her position as Finance Director of PT Krakatau Steel Tbk since 2016. Meanwhile, the other two new directors were previously served as Senior Executive Vice President Information and Technology and Vice President of Legal in BNI. The AGM also accepted the resignation of Mr Panji Irawan and Mr Imam Budi Sarjito as Director.

**Comments:** The dividend represented 2.8% dividend yield based on current market price. We have a Buy call for the stock with Rp11,300/share target price.

**BDMN PAYS OUT 35% OF 2017 NET PROFIT AS DIVIDEND**

BDMN decide to pay out a portion of its profit as cash dividend of 2017 book year totaling Rp1.3 tn based on its Annual General Meeting (AGM) of Shareholders, yesterday. Dividend payout ratio is recorded at 35% of last year's net profit reaching Rp3.7 tn (+38% YoY). The dividend per share is Rp134.44/share which implied 1.9% dividend yield based on current market price.

**INDF 2017- IN LINE WITH OUR EXPECTATION**

| (in Rp Bn)                | 2017        | 2016        | YoY        | 4Q17        | 3Q17        | QoQ        |
|---------------------------|-------------|-------------|------------|-------------|-------------|------------|
| Revenue                   | 70,187      | 66,660      | 5.3%       | 17,066      | 17,468      | -2.3%      |
| Gross Profit              | 19,869      | 19,338      | 2.7%       | 5,307       | 5,092       | 4.2%       |
| Gross Profit Margin       | 28%         | 29%         | -0.7%      | 31.1%       | 29.2%       | 1.9%       |
| Opex                      | -11,307     | -11,066     | 2.2%       | 2,415       | 2,853       | -15.3%     |
| Operating Profit          | 8,561       | 8,272       | 3.5%       | 1,761       | 2,240       | -21.4%     |
| Operating margin          | 12.2%       | 12.4%       | -0.2%      | 10.3%       | 12.8%       | -2.5%      |
| Finance Cost              | -1,486      | -1,574      | -5.6%      | 394.0       | 211         | 86.7%      |
| Others-net                | -645.20     | -886        | -27.2%     | -121        | 22          | -653.4%    |
| Pre-tax profit            | 7,659       | 7,385       | 3.7%       | 1,534       | 1,895       | -19.1%     |
| Pre-tax margin            | 10.9%       | 11.1%       | -0.2%      | 9.0%        | 10.8%       | -1.9%      |
| Net Profit                | 4,169       | 4,145       | 0.6%       | 891         | 1,007       | -11.5%     |
| Net Margin                | 5.9%        | 6.2%        | -0.3%      | 5.2%        | 5.8%        | -0.5%      |
| <b>Revenue breakdown:</b> | <b>2017</b> | <b>2016</b> | <b>YoY</b> | <b>4Q17</b> | <b>3Q17</b> | <b>QoQ</b> |
| CBP                       | 35,543      | 34,019      | 4.5%       | 8,570       | 8,829       | -2.9%      |
| Bogasari                  | 19,106      | 18,934      | 0.9%       | 5,013       | 4,886       | 2.6%       |
| Agribusiness              | 15,668      | 14,467      | 8.3%       | 3,529       | 3,721       | -5.1%      |
| Distribution              | 5,634       | 5,334       | 5.6%       | 1,415       | 1,447       | -2.2%      |

Indofood Sukses Makmur (INDF) reported revenue and net income growth by 5.3% and 0.6% YoY, to Rp70.1tn and Rp4.17 tn, respectively. The biggest revenue contributor, Consumer-Branded Products, recorded 4.5% sales growth, accounting for 50.3% of revenue, while comprising 64.3% of EBIT, which grew by 5.2% YoY. Bogasari accounted for 20.2% of sales and 14.8% of EBIT (-3.2%YoY), while Agribusiness contributed 19.5% to revenue and 18.6% to EBIT, supported by higher CPO production(+1%). Meanwhile, Distribution Division recorded 5.6% and 14.6% of sales and EBIT growth, contributing 8% and 2.3% to revenue and EBIT, respectively. As expected, 2017 results was flat as the weak purchasing power and unfavorable flour price were being the main reason for INDF financial performance. We will reinitiate our coverage for INDF and may update our TP with HOLD rating.

**TOWR WILL PROPOSE DIVIDEND BETWEEN ~RP120/SH FOR FY17 EARNINGS**

TOWR / Protelindo, announced plans to distribute FY17 dividend payment of Rp1.2 tn corresponding to cash dividend ~Rp120/sh or 3.5% dividend yield subject to approval at AGMS (to be held no later than May 2018). This includes already interim 2017 dividend of Rp300 bn paid in December 2017 or Rp30/sh. This constitutes 71% increase from FY16 from last year's paid dividend of Rp700 bn. Thus TOWR increases payout ratio from 23% in FY16 to potentially ~48% based on our FY17 earnings estimate.

**Comment:** Though we don't expect material increase in FY17 EPS, company generates substantial strong cashflow and we see very good revenue prospects from new tenancy orders coming from

EXCL. We've also seen stock price correcting significantly to Rp3410. We maintain our Buy call with TP of Rp4400.

| TBIG REPORTED FY17 RESULTS – REVENUES BEAT      |              |              |        |
|---|--------------|--------------|--------|
| Rp bn   | 12M17        | 12M16        | YoY    |
| <b>Total Revenues</b>                           | <b>4,023</b> | <b>3,711</b> | 8.4%   |
| <b>COGS</b>                                     | <b>-668</b>  | <b>-738</b>  | -9.5%  |
| <b>Gross Profit</b>                             | <b>3,355</b> | <b>2,973</b> | 12.9%  |
| <i>Gross Profit margin (%)</i>                  | <i>83.4%</i> | <i>80.1%</i> | 3.3    |
| Operating expenses                              | -343         | -316         | 8.7%   |
| <b>Income from Operations</b>                   | <b>3,012</b> | <b>2,658</b> | 13.3%  |
| <i>Operating Income margin (%)</i>              | <i>74.9%</i> | <i>71.6%</i> | 3.3    |
| Financial expense - interest                    | -1,816       | -1,692       | 7.3%   |
| Financial expense - Others                      | -148         | -99          | 49.4%  |
| Interest income                                 | 7            | 6            | 21.0%  |
| Increase of fair value of investment properties | 7            | -44          | n.a    |
| Tax arising from asset revaluation              | 0            | -80          | n.a    |
| Gain/loss in forex                              | 14           | 25           | -44.9% |
| Others  | -168         | 13           | n.a    |
| Total other income (expense)                    | -2,105       | -1,872       | 12.4%  |
| <b>Pre-tax profit</b>                           | <b>908</b>   | <b>786</b>   | 15.5%  |
| Tax   | 1,431        | -63          | n.a.   |
| Minority interest                               | -23          | -9           | 140.9% |
| <b>Net profit</b>                               | <b>2,316</b> | <b>714</b>   | 224.5% |
| <i>Net Profit margin (%)</i>                    | <i>57.6%</i> | <i>19.2%</i> | 38.3   |

TBIG has announced revenues of Rp4.02 tn FY17 results in line with consensus. Based on restated numbers for 2016, COGS have gone down (-9.5% YoY) resulting to Gross profit growth +12.9% YoY and leading to Income from operations of Rp3.01 tn (+13.3% YoY). Net non-operating items have gone up by +12.4% YoY (including interest expense +7.3% YoY) however that didn't prevent TBIG posting pretax profit of Rp908 bn (15.5% YoY) and Net profit of Rp2.32 tn (+224.5% YoY) due to high tax benefit of Rp1.4 derived from booking large deferred tax assets. As only revenues are comparable from previous fin. statements, we can only comment on QoQ basis, revenues of TBIG saw growth of 1.2% QoQ. TBIG has issued invitation to its shareholders for AGMS to hold on the 27th April 2018. TBIG management will propose share capital buyback allocating Rp1.2 tn to buyback 204mn shares or 4.5% of its share capital. This implies average share price buyback of Rp5880.

**Comment:** We cannot comment on financial performance overall due to restatements, but we see revenues beating our estimate and being in line with consensus. Seeing lower growth in interest expense and 2-digit growth in pretax income, we maintain confidence on TBIG, thus maintain BUY recommendation with TP of Rp6500/sh.

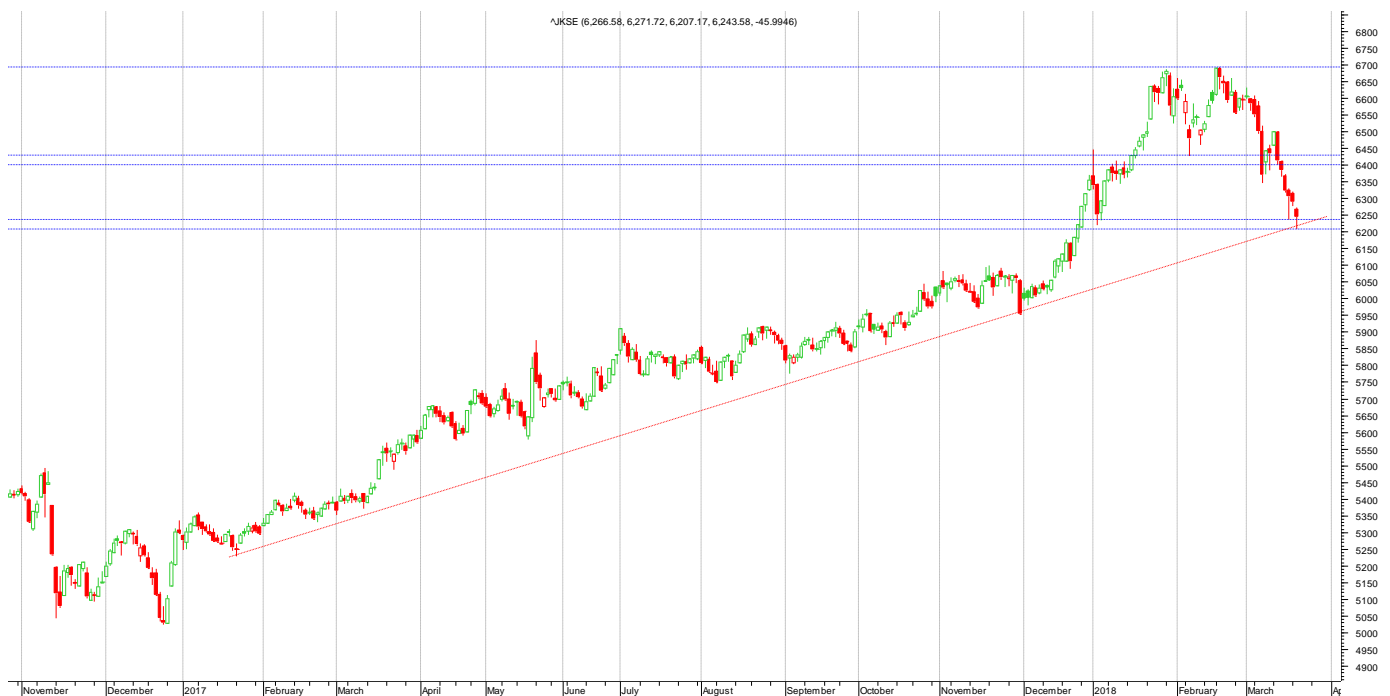
#### TLKM AGMS TO BE HELD ON 27TH APRIL

We expect during the annual general meeting, management and shareholders to decide among others on the dividend and payout ratio of this year. We remind payout for FY16 were 70%. If maintain same payout that would correspond to Rp156/sh dividend or +14.4% YoY.

## TECHNICAL ANALYSIS

**JCI : (6,243 -0.73%)**

**Comment :** TLKM, HMSP and BBNI consecutively became lagging movers. Technically, JCI closed above minor support level of the mid-term uptrend line. Resistance level at 6,400. Next support and resistance level at 6,100-6,500.. 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**

**BBRI : Testing resistance level**

The price held and closed above strong support level of 3,650. Resistance level at 3,820. Next support and resistance level at 3,500-3,900. The price moved in uptrend in the last thirteen months. Buy on weakness, cut if the price moves below the level of 3,650.



**BNGA : Testing support level**

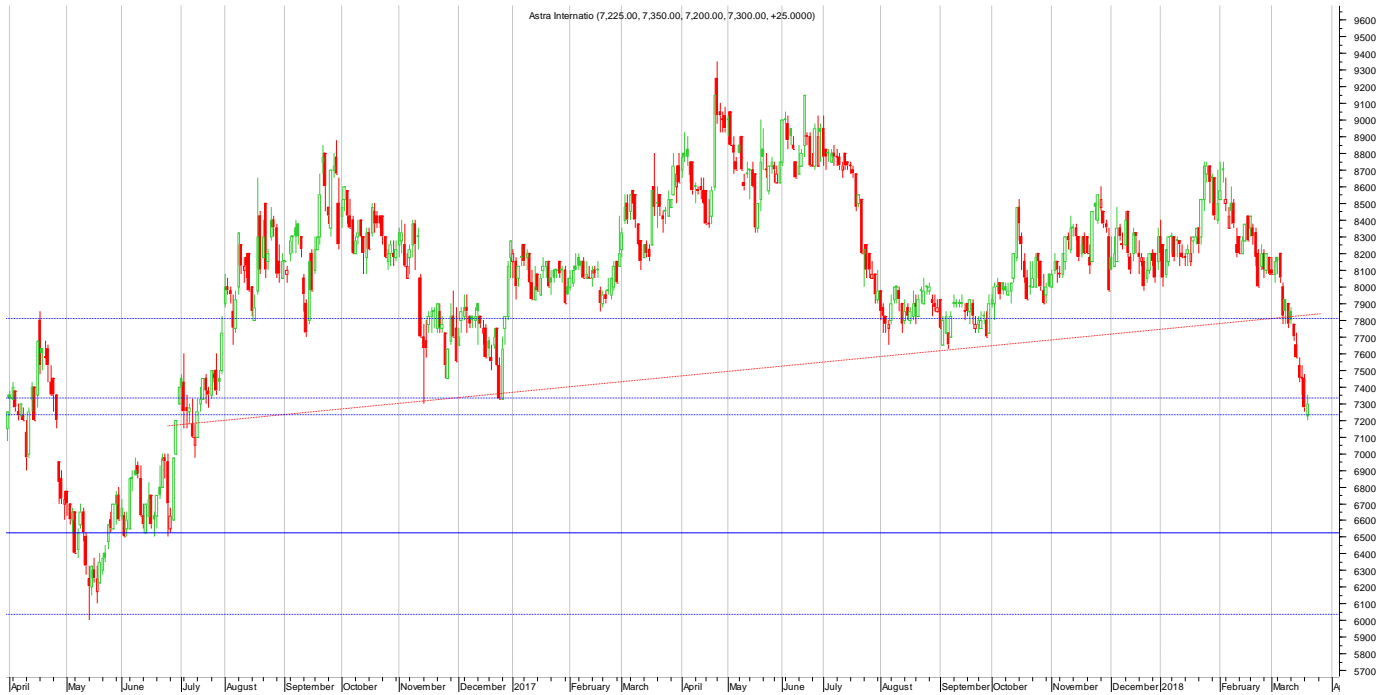
The price closed above minor support level of 1,200. Resistance level at 1,280. Next support and resistance level at 1,150-1,400. The mid-term trend is still sideways. Speculative buy/Buy on weakness.



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

**ASII : Testing support level**

After opening gap down, the price closed above the previous closing level. Resistance level at 7,600. Support level at 7,200. Next support and resistance level at 6,500-7,800. The price likely formed a reversal Head and shoulder pattern. ST : Speculative buy, MT : Sell on strength



**TINS : Testing support level**

The price closed below minor support level of 980. Resistance level at 1,060. Next support and resistance level at 940-1,140. The mid-term trend is still sideways. Buy on weakness



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: 13,695 -13,790

| INDONESIA GOVERNMENT SECURITIES YIELD |           |
|---------------------------------------|-----------|
| Maturity (yrs)                        | Yield (%) |
| 1                                     | 5.41      |
| 3                                     | 6.11      |
| 5                                     | 6.01      |
| 10                                    | 6.74      |
| 15                                    | 6.97      |
| 30                                    | 7.39      |

| AVERAGE DEPOSIT RATE |      |      |      |      |      |
|----------------------|------|------|------|------|------|
|                      | 1M   | 3M   | 6M   | 1YR  | 2YRS |
| IDR                  | 5.55 | 5.70 | 5.70 | 5.69 | 5.35 |
| US\$                 | 0.82 | 0.84 | 0.82 | 0.86 |      |
| 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  | 13,748 | 0.12   |
| 1 US\$ = SGD  | 1.32   | 0.04   |
| 1 US\$ = JPY  | 106.48 | 0.05   |
| 1 US\$ = AUD  | 0.77   | 0.13   |
| 1 US\$ = EUR  | 1.23   | 0.08   |



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.