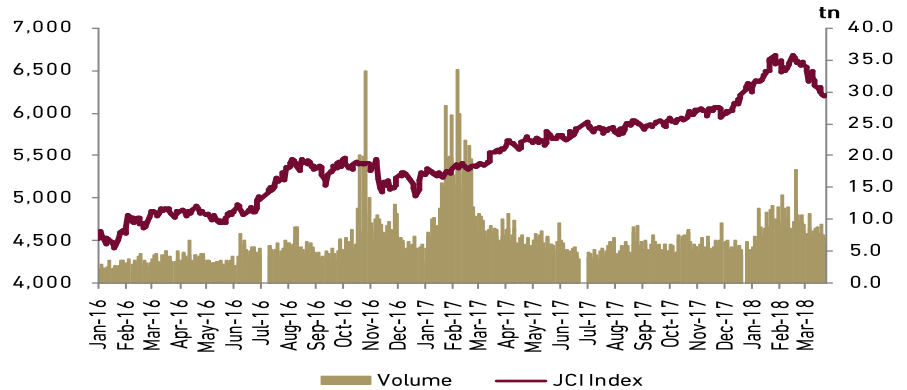


| GLOBAL   |        |         |       |
|----------|--------|---------|-------|
| Index    | Last   | Change  | % chg |
| Dow      | 23,858 | -344.89 | -1.43 |
| S&P 500  | 2,613  | -45.93  | -1.73 |
| Eido US  | 26.5   | -0.49   | -1.82 |
| H.S.I    | 30,791 | 242.06  | 0.79  |
| Nikkei   | 21,317 | 551.22  | 2.65  |
| STI      | 3,439  | 26.89   | 0.79  |
| KLCI     | 1,862  | 2.54    | 0.14  |
| Kospi    | 2,452  | 14.98   | 0.61  |
| SET Thai | 1,803  | 1.48    | 0.08  |

- Government to cut 25-30% of toll road fees for buses and logistics
- OJK to impose extra capital requirements on systemically important banks
- TCash broadens e-money, include all operators subs and QR Code scan
- Adaro and EMR win Rio Tinto's Kestrel bidding
- KIJA books Rp85 bn of net profit in 2017
- RALS results FY17: inline in consensus

| COMMODITIES              |         |        |       |
|--------------------------|---------|--------|-------|
| Index                    | Last    | Change | % chg |
| Brent Crude Oil (\$/bbl) | 70.1    | -0.01  | -0.01 |
| WTI Crude Oil (\$/bbl)   | 65.3    | -0.30  | -0.46 |
| CPO (MYR/ton)            | 2,400   | -5.00  | -0.21 |
| Gold (US\$/tr ounce)     | 1,345   | -8.35  | -0.62 |
| Nickel (US\$/ton)        | 12,948  | 44.50  | 0.34  |
| Tin (US\$/ton)           | 20,945  | 25.00  | 0.12  |
| Pulp (US\$/ton) weekly   | 1,092.4 | 0.00   | 0.00  |
| Coal (US\$/ton)          | 96.9    | 0.30   | 0.31  |

### JCI STATISTIC



| BEI STATISTICS    |         |
|-------------------|---------|
| JCI               | 6,209   |
| Change (1 day)    | 0.15%   |
| Change YTD        | -2.30%  |
| P/E Market (X)    | 15.8    |
| Volume (mn shr)   | 7,088.3 |
| Value (Rp bn)     | 5,945.2 |
| ↑ 195 ↓ 167 ↔ 208 |         |
| LQ45              | 854     |
| % Change (1 day)  | 0.28%   |

### DAILY TECHNICAL VIEW

**We expect JCI to trade between 6,150 (support) – 6,230 (resistance) level today**

**ASII: Sell on strength at Rp 7,350-Rp 7,450**

Comment: The trend is still negative

**BBCA: Sell on strength at Rp 23,500-Rp 23,700**

Comment: Failed to break resistance level

**GGRM: Sell on strength at Rp 71,000-Rp 72,500**

Comment: The trend is still negative

**UNVR: Sell on strength at Rp 50,500-Rp 51,500**

Comment: The trend turn into sideways

| INTEREST RATE          |         |          |
|------------------------|---------|----------|
|                        | Current | Previous |
| BI 7D Reverse Repo (%) | 4.25    | 4.25     |
| Fed fund rate (%)      | 1.75    | 1.50     |
| inflation mom (%)      | 0.17    | 0.62     |
| Inflation yoy (%)      | 3.18    | 3.25     |

### MARKET REVIEW & MARKET OUTLOOK

#### Regional

U.S stock market declined sharply with technology and financial shares driven the market lower. S&P 500 fell by 45.93 points or 1.73%, DJIA dipped by 344.89 points (1.43%) and Nasdaq plunged by 2.93%. In initial trading session, the market moved higher on optimism that US and China would avoid a full trade dispute; yet, it turned out the market's dragged down by tech sector and financials which dropped by 3.6% and 2.1%, respectively. Nvidia that stood as the biggest decliner in S&P 500 has mentioned that they had temporarily suspended testing self-driving cars on public roads after unfavorable tragedy occurred involving Uber. On commodity markets, Brent and WTI were down by 0.01% and 0.46% to USD70.1/bbl and USD65.3/bbl while coal price rose by 0.31% to USD96.9/ton

| EXCHANGE RATE |        |        |       |
|---------------|--------|--------|-------|
|               | Last   | Change | % chg |
| 1 USD = IDR   | 13,742 | 4.00   | 0.03  |
| 1 USD = SGD   | 1.31   | 0.00   | -0.08 |
| 1 USD = JPY   | 105.59 | 0.25   | 0.24  |
| 1 USD = AUD   | 1.30   | 0.00   | -0.10 |
| 1 USD = EUR   | 0.81   | 0.00   | -0.06 |

#### Domestic

JCI inched up by 9.18 points or 0.15% to close at Rp6,209 on Tuesday and recorded Rp854 bn net foreign sell. Misc. Industry (+0.79%), Consumer (+0.71%), Basic Industry (+0.50%), Agriculture (+0.48%), Mining (+0.13%) and Property (+0.09%) were the sector leader with HMSP (+1.47% to 4,140), BBCA (+0.75% to 23,450) and ASII (+1.04% to 7,300) become the leading movers. Rupiah currency weakened by 4 points to Rp13,742/USD. Our technical desk suggests for trading within the band of 6,150 – 6,230, with possibility to end at mix level.

#### GOVERNMENT TO CUT 25-30% OF TOLL ROAD FEES FOR BUSES AND LOGISTICS

According to Public Works and Housing Minister, Basuki Hadimuljono, government will cut approximately 25-30% of the toll road fees for buses and logistics. More specifically, in regard to Public Works Ministerial Rule No. 370/2007, the vehicles grouped under category III, IV and V which will receive lower toll rates consist of 4-axle, 5 axle and 6-axle truck.

**Comment:** to add more note from yesterday comment, vehicles under the category I and II will not pay lower toll tariff. In our view, if the adjustment of toll road tariff will only be implemented to relatively new segments and only for specific category, hence for JSMR the impact will not significant. Meanwhile, the investors of toll road will have higher concern, as the payback period will not in line with the previous expectation. We see the cash inflow timing of the new toll road segments will be changed, but the IRR is supposed to be the at agreed rate.

#### OJK TO IMPOSE EXTRA CAPITAL REQUIREMENTS ON SYSTEMICALLY IMPORTANT BANKS

OJK sets the fifth bucket on its regulation regarding systemically important banks (SIB) according to OJK regulation No. 2 /POJK.03/2018. OJK classified the country's systemically important banks into five categories (buckets) when deciding the size of the new capital surcharge. However, under OJK regulation No. 46 /POJK.03/2015, OJK only apply the SIB into four buckets (1-2.5% capital surcharge) for the first phase. While the new regulation requires SIB to create a tier-1 capital surcharge of between 1-3.5% of risk-weighted assets, depending on the size and perceived riskiness of the lender. Banks have until January 1 2019 to meet the additional requirement. Together with Bank Indonesia, the regulator will revise the classification in March and September every year based on the lenders' performance data. The methodology used to identify systemically important banks will be revised at least once every three years.

**Comment:** We believe the regulation will give positive impact as it will add more strength to the capital requirement. We also believe the regulation wouldn't slow down the lending expansion since we see a robust level of capital in banking industry.

#### TCASH BROADENS E-MONEY, INCLUDE ALL OPERATORS SUBS AND QR CODE SCAN

TCash e-money has a new "e-Know Your Customer" (e-KYC) feature allows use of video call for face-to-face verification from any mobile phone incl. Indosat, XL and Hutch3. This allows TCash customer base expand beyond Telkomsel with those companies holding e-money license (27 businesses with BI license). TCash from 20mn users currently, can reach 40mn by end 2018. TCash also features QR Code scanning allowing for cashless transactions. Only TCASH and BBNI are allowed by BI QR code scanning. The two features above among others allow for sharing funds (P2P), receiving, and withdrawing cash funds, make bill payments, purchase of online game vouchers. Going forward, TCASH will complete this service so it can be a one stop service for all types of bill payments and non-cash purchases on mobile phones. TCASH is also committed to use QR Code Scan in local merchants including paying for mass transportation.

**Comment:** Telkom (TLKM) makes a serious bid for positioning in e-money payment services. Growing digital services and fintech will enable Telkom to raise premium in its data services and improve monetization.

#### ADARO AND EMR WIN RIO TINTO'S KESTREL BIDDING

Adaro Energy (ADRO) and EMR Capital (EMR), a specialist mining private equity manager, announced that they have entered into a binding agreement to acquire Rio Tinto's 80% interest in the Kestrel coking coal mine ("Kestrel") for total cash consideration of USD2.25 bn. The Kestrel mine is located in the Bowen Basin, the world's premier metallurgical coal region. Kestrel produced 4.25 mn tons of

hard coking coal (on a 100% basis) in 2017 and had marketable reserves of 146 mn tons and resources of 241 mn tons as at 31 December 2017. EMR and Adaro will jointly manage and operate Kestrel, leveraging EMR's experience in acquiring and operating mining operations as well as Adaro's wealth of sector expertise as an experienced coal producer.

**Comment:** We see the acquisition of the Kestrel mine as positive as it is a significant strategic expansion of its portfolio of metallurgical coal as well as one of its largest investments outside of Indonesia. We currently have Buy rating on ADRO with TP of Rp3,050.

#### JABABEKA BOOKS RP85 BN OF NET PROFIT IN 2017

Industrial developer Jababeka (KIJA)'s net profit slides 81% YoY to Rp85 bn in FY17 on the back of higher non-operating expenses. Net profit margin reduced to 3% (vs. 15% in 2016) while operating margin down 5% to 20% in FY17. Gross profit came in at Rp1.14 tn (-9% YoY) on revenue of Rp3.0 tn (+2% YoY). On quarter to quarter basis, KIJA made Rp665 bn of revenues (-7%) while reported a net loss of Rp45 bn in 4Q17, after booked a net loss of Rp50 bn in previous quarter.

#### Exhibit : KIJA FY17 results

| Rp bn                   | FY17         | FY16         | YoY         | 4Q17        | 3Q17        | QoQ         |
|-------------------------|--------------|--------------|-------------|-------------|-------------|-------------|
| <b>Revenue</b>          | <b>2,995</b> | <b>2,931</b> | <b>2%</b>   | <b>665</b>  | <b>714</b>  | <b>-7%</b>  |
| Gross profit            | 1,137        | 1,243        | -9%         | 279         | 231         | 21%         |
| Gross margin (%)        | 38           | 42           | (393)       | 42          | 32          |             |
| <b>Operating profit</b> | <b>610</b>   | <b>742</b>   | <b>-18%</b> | <b>133</b>  | <b>108</b>  | <b>23%</b>  |
| Operating margin (%)    | 20           | 25           | (5)         | 20          | 15          |             |
| <b>Net profit</b>       | <b>85</b>    | <b>437</b>   | <b>-81%</b> | <b>(45)</b> | <b>(50)</b> | <b>-10%</b> |
| Net profit margin (%)   | 3            | 15           | (12)        | (7)         | (7)         |             |

Source : KIJA, Ciptadana

**Comment :** The FY17 revenues and net profit came in below than consensus expectation, accounting for 89% of consensus' FY17 revenues estimates while net profit only represented by 22%.

#### RAJS RESULTS FY17: INLINE IN CONSENSUS

| Rp (bn)                     | FY17         | FY16         | YoY          | 4Q17         | 3Q17        | QoQ             | FY17F Cons.  | Cons FY17/FY17F |
|-----------------------------|--------------|--------------|--------------|--------------|-------------|-----------------|--------------|-----------------|
| <b>Net revenue</b>          | <b>5,623</b> | <b>5,857</b> | <b>-4.0%</b> | <b>1,205</b> | <b>953</b>  | <b>26.4%</b>    | <b>5,846</b> | <b>96%</b>      |
| COGS                        | (3,410)      | (3,655)      | -6.7%        | (725)        | (565)       | 28.4%           |              |                 |
| <b>Gross profit</b>         | <b>2,212</b> | <b>2,202</b> | <b>0.4%</b>  | <b>480</b>   | <b>388</b>  | <b>23.5%</b>    | <b>1,829</b> | <b>121%</b>     |
| Gross profit margin (%)     | 39.3         | 37.6         |              | 39.8         | 40.7        |                 |              |                 |
| Operating expense           | (1,856)      | (1,845)      | 0.6%         | (475)        | (439)       | 8.2%            |              |                 |
| <b>Operating income</b>     | <b>356</b>   | <b>357</b>   | <b>-0.3%</b> | <b>5</b>     | <b>(50)</b> | <b>-110.1%</b>  | <b>384</b>   | <b>93%</b>      |
| Operating income margin (%) | 6.3          | 6.1          |              | 0.4          | -5.3        |                 |              |                 |
| Other gains (losses) - net  | 20           | 11           | 89.8%        | 19           | (3)         | -846.8%         |              |                 |
| <b>Profit before tax</b>    | <b>467</b>   | <b>465</b>   | <b>0.3%</b>  | <b>37</b>    | <b>(25)</b> | <b>-248.2%</b>  | <b>470</b>   | <b>99%</b>      |
| Income tax expense          | (60)         | (57)         | 6.1%         | 1            | (24)        | -106.1%         |              |                 |
| <b>Net profit</b>           | <b>407</b>   | <b>408</b>   | <b>-0.5%</b> | <b>39</b>    | <b>(1)</b>  | <b>-4057.4%</b> | <b>409</b>   | <b>99%</b>      |
| Net profit margin (%)       | 7.2          | 7.0          |              | 3.2          | -0.1        |                 |              |                 |

RALS 4Q17 net profit recorded at Rp39bn, achieving FY17 net profit to stand at Rp407bn, a decline of -0.5% YoY. FY17 revenue decline by 4.0% YoY to Rp5.6tn from Rp5.8tn accounted 96% of consensus. Further, gross profit slightly increased by 0.4%, meanwhile operating profit slightly decline by 0.3%. In terms of profitability, the company gross margin increased to 39.3% from 37.6% and net profit margin also slightly increased to 7.2% from 7.0%.

**Comment:** The stock is not under our coverage. However, we believe FY17 was a tough year for RALS considering the weak domestic consumption and the burden from the supermarket losses. We are convinced RALS declining revenue is due to supermarket closure. Noting, Supermarket contributes approximately 20.0% to revenue.

## TECHNICAL ANALYSIS

JCI : (6,209 +0.1%)

**Comment :** HMSP, BBCA and ASII consecutively became leading movers. Technically, JCI failed to fill resistance level of the gap 6,254. Support level at 6,160. Next support and resistance level at 6,085-6,350. 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**

**ASII : Retest the breakout**

The price failed to break minor resistance level of 7,450. Support level at 7,050. Next support and resistance level at 6,500-7,650. The price likely formed a reversal Head and Shoulder pattern. Sell on strength



**GGRM : Testing resistance level**

The price held above minor support level of 69,675. Resistance level at 73,000. Next support and resistance level at 63,000-76,300. The breakout of strong support level o 76,300 likely confirm, when the price relatively stable below its level (turn into strong resistance level). Sell on strength



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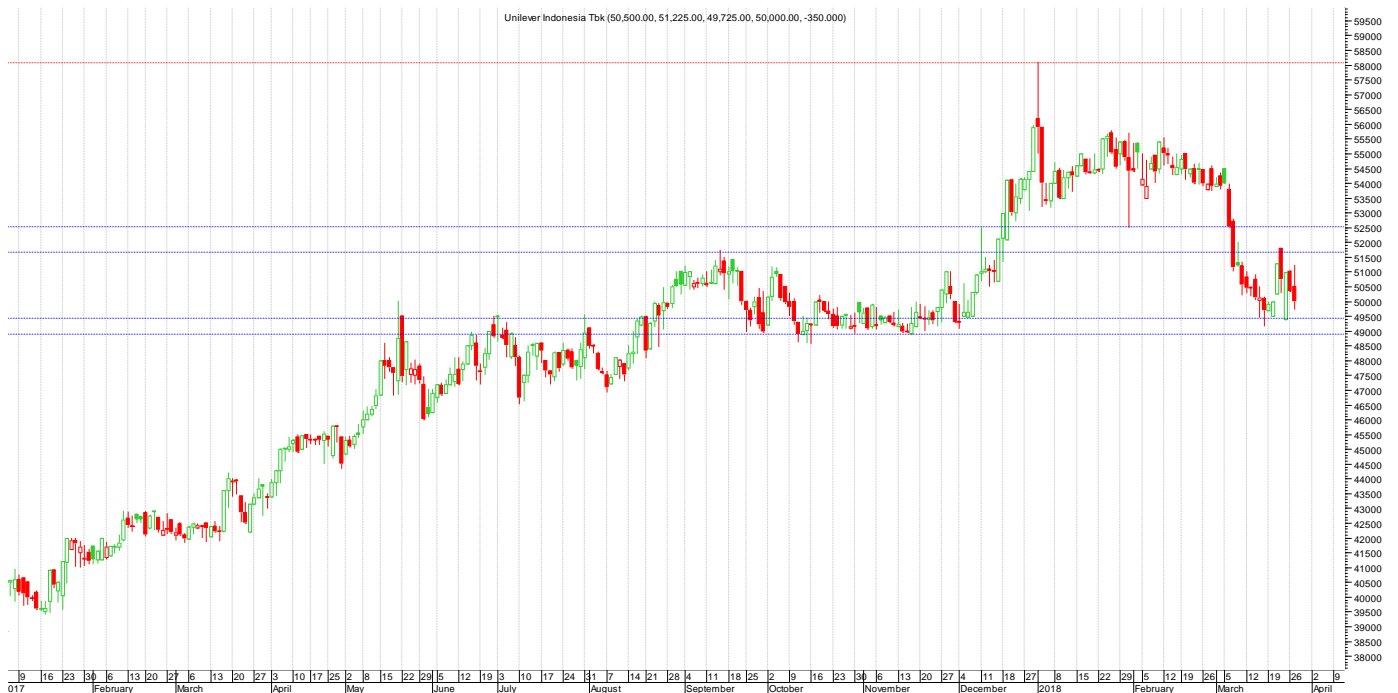
**BBCA : Testing resistance level**

The price failed to break minor resistance level of 23,800. Support level at 22,700. Next support and resistance level at 20,700-25,000. The price moved in uptrend in the last fourteen months. Sell on strength, sell if the price moves and stable below the level of 22,500.



**UNVR : Testing resistance level**

The price failed to break minor resistance level of 51,800. Support level at 49,150. Next support and resistance level at 46,000-56,000. The mid-term trend turn into sideways. Sell on strength



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,685 -13,780

| INDONESIA GOVERNMENT SECURITIES YIELD |           |
|---------------------------------------|-----------|
| Maturity (yrs)                        | Yield (%) |
| 1                                     | 5.28      |
| 3                                     | 6.20      |
| 5                                     | 6.05      |
| 10                                    | 6.86      |
| 15                                    | 7.05      |
| 30                                    | 7.38      |

| AVERAGE DEPOSIT RATE |      |      |      |      |      |
|----------------------|------|------|------|------|------|
|                      | 1M   | 3M   | 6M   | 1YR  | 2YRS |
| IDR                  | 5.54 | 5.67 | 5.66 | 5.61 | 5.30 |
| US\$                 | 0.82 | 0.83 | 0.83 | 0.81 |      |
| JIBOR (RP)           | 5.01 | 5.33 | 5.70 | 5.98 |      |

| BASE LENDING RATE |      |
|-------------------|------|
| BI RATE           | 4.25 |
| FED FUND RATE     | 1.75 |
| LPS INSURED RATE  |      |
| IDR               | 5.50 |
| US\$              | 1.00 |

| EXCHANGE RATE |        |        |
|---------------|--------|--------|
| EXCHANGE RATE |        | % chg. |
| 1 US\$ = IDR  | 13,718 | 0.15   |
| 1 US\$ = SGD  | 1.31   | 0.01   |
| 1 US\$ = JPY  | 105.57 | -0.15  |
| 1 US\$ = AUD  | 0.77   | -0.04  |
| 1 US\$ = EUR  | 1.25   | 0.06   |



**ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS**

29-Mar-2018

Bank Tabungan Pensiunan Nasional (BTPN)

**Annual General Meetings**

**Agenda:** Approval of the Annual Report and Ratification of the Company's Financial Statements for the fiscal year ending December 31, 2017, Stipulation of the Company's net profit for the fiscal year 31 December 2017, Approval of resignation of members of the Board of Directors of the Company, Appointment of Public Accountant, BTPN III BTPN Continuous Public Bond with Fixed Rate Phase II of 2017 With Total Principal Amount of Rp.1.500.000.000.000.- (One Trillion Five Hundred Billion Rupiah), Confirmation of Decision on Share Option Program to Employees and Management of the Company (MESOP Program), Confirmation of the decision regarding the Share Option Program to the Company's Employees (ESOP Program).  
Venue & Time : Ballroom 3 & 5, 2nd Floor, The Ritz Carlton Jl. DR. Ide Anak Agung Gde Agung Mega Kuningan Area, Jakarta, at 10.00 (Western Indonesia Time)

29-Mar-2018

Siloam Hospitals (SILO)

**Annual General Meetings**

**Agenda:** Approval and ratification of the Company's Annual Report for the financial year ending December 31, 2017, Determination of the use of the Company's net profit for the financial year of December 31, 2017, Appointment of Public Accountant Office, Responsibility for the use of funds resulting from the Rights Issue I and Limited Public Offering II  
Venue & Time : Balai Kartini, Mawar Conference Room 2nd floor, Jend. Gatot Subroto Kav. 37, Jakarta, at 15.00 (Western Indonesia Time)

02-Apr-2018

Dharma Satya Nusantara (DSNG)

**Annual and Extraordinary General Meetings**

**Agenda:** Approval of the Annual Report and Ratification of the Company's Financial Statements for the year ended 31 December 2017, Approval on the Use of the Company's Net Income for the financial year ended 31 December 2017  
Venue & Time : Financial Hall, Graha CIMB Niaga 2nd floor, Jl. General Sudirman Kav 58, Jakarta, at 10.00 (Western Indonesia Time)

02-Apr-2018

Waskita Beton Precast (WSBP)

**Annual General Meetings**

**Agenda:** The approval of the Company's Annual Report includes the approval of the Financial Statements, the Supervisory Report of the Board of Commissioners for the Fiscal Year ending 2017, the Determination of the Use of Net Income for Fiscal Year 2017, the Appointment of the Public Accounting Firm, the Report on the Use of Funds of an initial public offering  
Venue & Time : Multipurpose Room, Waskita Building, 11th floor Jl. MT Haryono Kav. No. 10 Cawang, Jakarta, at 10.00 (Western Indonesia Time)

04-Apr-2018

Vale Indonesia (INCO)

**Annual General Meetings**

**Agenda:** Report of the Board of Directors and Board of Commissioners, Approval and Approval of the Company's Financial Statements for the year ended December 31, 2017, Dividend considerations for the year ended December 31, 2017, Approval of proposed amendments to the Company's Articles of Association, Appointment of members of the Board of Directors, Board of Commissioners of the Company, Determination of public accountants  
Venue & Time : The Energy Building 2nd floor - Soehanna Hall SCBD Lot 11A, Jl. Jend. Sudirman Kav. 52-53 Jakarta, at 14.00 (Western Indonesia Time)

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