

GLOBAL

Index	Last	Change	% chg
Dow	23,848	-9.29	-0.04
S&P 500	2,605	-7.62	-0.29
Eido US	26.5	0.00	0.00
H.S.I	30,023	-768.30	-2.50
Nikkei	21,031	-286.01	-1.34
STI	3,383	-56.57	-1.64
KLCI	1,858	-4.58	-0.25
Kospi	2,419	-32.77	-1.34
SET Thai	1,785	-17.59	-0.98

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	70.1	-0.01	-0.01
WTI Crude Oil (\$/bbl)	64.4	-0.87	-1.33
CPO (MYR/ton)	2,397	-3.00	-0.12
Gold (US\$/tr ounce)	1,325	-20.03	-1.49
Nickel (US\$/ton)	13,081	133.00	1.03
Tin (US\$/ton)	20,965	20.00	0.10
Pulp (US\$/ton) weekly	1,092.4	0.00	0.00
Coal (US\$/ton)	96.7	-0.25	-0.26

BEI STATISTICS

JCI	6,141
Change (1 day)	-1.10%
Change YTD	-3.38%
P/E Market (X)	15.8
Volume (mn shr)	6,144.6
Value (Rp bn)	5,002.7
↑ 126 ↓ 252 ↔ 194	
LQ45	854
% Change (1 day)	0.28%

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

EXCHANGE RATE

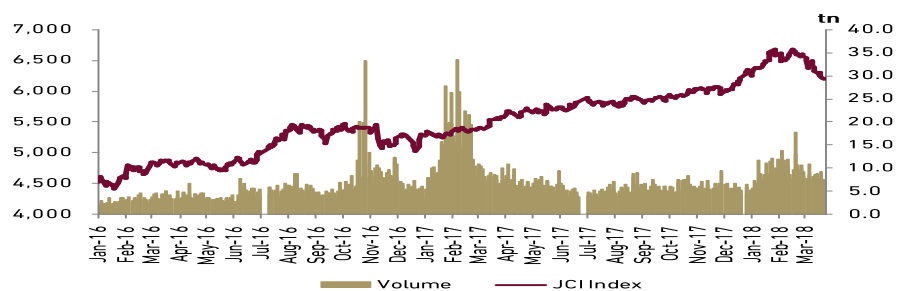
	Last	Change	% chg
1 USD = IDR	13,764	22.00	0.16
1 USD = SGD	1.31	0.00	0.06
1 USD = JPY	106.81	-0.04	-0.04
1 USD = AUD	1.31	0.00	0.03
1 USD = EUR	0.81	0.00	-0.02

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	26.2	0.11	0.42	3,612	314,759
ISAT	0.4	0.00	0.00	5,230	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- GGRM-2017 results: In line with our and consensus 's forecast
- ACES FY17 result
- SMRA books 16% yoy net profit growth in fy17
- SSIA net profit reached rp1.18 tn in 2017
- ISAT, missing FY17 by wide margin
- Kalbe, yet to find traction missing bottom line.
- BBRI reported Rp4.5 tn net income (+9% yoy) in 2m18; in-line
- BMRI reported RP3.6 tn net income (+45% yoy) in 2m18; in-line
- BBNI reported Rp1.7 tn net income (+4% yoy) in 2m18; in-line
- CPIN FY17 Result: Net income increase by 13% YoY

JCI STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 6,085 (support) – 6,200 (resistance) level today

BMRI: Speculative buy at Rp 7,750-Rp 7,700

Comment: Testing support level

BBNI: Speculative buy at Rp 8,650-Rp 8,550

Comment: Testing support level

INDF: Sell on strength at Rp 7,200-Rp 7,400

Comment: Testing resistance level

UNTR: Buy on weakness at Rp 31,150-Rp 30,750

Comment: Testing support level

MARKET REVIEW & MARKET OUTLOOK

Regional

US Stocks closed lower after technology stocks fell. DJIA closed 9.29 points lower 23,848.42 after trading in a wide range. S&P 500 fell 0.3% to 2,605 as technology stocks slipped by 0.9%.The tech-heavy index fell 0.8% as Amazon, Netflix and Apple closed lower by 4.4%, 4.9% and 1.1%, respectively.As a result, NASDAQ slipped by 0.85% at 6949.23.

Investors also switched to safer assets like bonds, pushing the 10 year Treasury yield below 2.8% on Wednesday, the yield hit its lowest level in 7 weeks. Meanwhile, investors around the world have been cautious over the global trade issues, worrying about the possibility of the economic implications if a trade war occurred between China and the U.S.In the economic news, the U.S. economy grew by 2.9% in the 4th quarter last year.

Commodity: Brent Crude Oil down by 0.01% to USD70.1/bbl and WTI Crude oil down by 1.33% to USD64.4/ bbl. CPO slipped by 0.12% to MYR2,397/ton. Coal down by 0.26% to USD 96.7 /ton, Nickel inched up by 1.03% to USD 13,081/ton.

Domestic

JCI index down by 68.5 points or -1.1% to 6,141 on Wednesday trading and recorded Rp697 bn net foreign sell. The laggard sectors were Misc. Industry (-2.10%), Finance (-1.39%), Mining (-1.33%). Mainly driven by HMSP (-3.14% to 4,010), BBNI (-5.98% to 8,650), BMRI (-2.50% to 7,800) as the key movers. Rupiah weakened by 22 points to 13,764/USD. Our technical desk suggests for trading within the band of 6,085 – 6,200, with possibility to end at lower level.

GGRM 2017 RESULTS: IN LINE WITH OUR AND CONSENSUS 'S FORECAST

(in Rp Bn)	2017	2016	YoY	4Q17	3Q17	QoQ
Revenue	83,306	76,274	9.2%	21,783	21,278	2.4%
Gross Profit	18,222	16,617	9.7%	5,103	4,692	8.8%
Gross Profit Margin	21.9%	21.8%	0.1%	23.4%	22.0%	1.4%
Opex	-7,103	-6,644	6.9%	1,838	1,415	29.9%
Operating Profit	11,119	9,972	11.5%	3,265	3,277	-0.3%
Operating margin	13.3%	13.1%	0.3%	15.0%	15.4%	-0.4%
Finance Cost	-801	-1,191	-32.8%	222	216	2.6%
Others-net	119	147.77	-19.7%	352	313	12.6%
Pre-tax profit	10,437	8,931	16.9%	3,162	3,061	3.3%
Pre-tax margin	12.5%	11.7%	0.8%	14.5%	14.4%	0.1%
Net Profit	7,754	6,677	16.1%	2,334	2,295	1.7%
Net Margin	9.3%	8.8%	0.6%	10.7%	10.8%	-0.1%
	2017	2016	YoY	4Q17	3Q17	QoQ
Revenue breakdown:						
Machine made clove cigarettes	74,853	68,497	9.3%	19,606	19,152	2.4%
Hand rolled clove cigarettes	7,276	6,582	10.5%	1,906	1,796	6.1%
Klobot(corn silk) cigarettes	36	38	-4.8%	8	9	-10.8%
Paperboard	990	902	9.8%	228	281	-18.9%
Others	151	255	-40.9%	35	39	-9.9%

Gudang Garam booked earnings growth of 9.2%YoY to Rp 83.3tn YoY. This number was in line with our forecast and consensus analysis, met both our and consensus expectations by 100% and 99.8% respectively. Gross profit and operating profit was improve significantly at Rp 18.2 tn(+9.7%) and Rp 11.1 tn(+11.5%).As expected, machine-made cigarettes still benefit from strong demand, with a 9.3% increase in sales, contributing 90% to GGRM revenue. Hand-made clove cigarettes performed even better with double digit growth to Rp 7.2 tn of sales(+10.5%YoY) , contributing 8.7% to GGRM revenue.Finance cost also improved as GGRM could reduce it by 32.8% to Rp 801 bn in 2017. Overall in 2017, GGRM recorded better performance and net profit inched up significantly by 16% to Rp 7.75tn from Rp 6.6 tn in the previous year. We maintain our BUY rating with a 2018F target price at Rp 96,800/ share.

ACES FY17 RESULT IN LINE WITH EXPECTATION

Rp (bn)	FY17	FY16	YoY	4Q17	3Q17	QoQ	FY17F	FY17F/FY17	FY17F Cons.	Cons FY17/FY17F
Net revenue	5,939	4,936	20.3%	1,716	1,463	17.3%	5,629.09	105.5%	5,717	104%
COGS	(3,104)	(2,584)	20.1%	(914)	(752)	21.6%	(2,913)			
Gross profit	2,835	2,352	20.5%	801	711	12.7%	2,715.94	104.4%	2,734	104%
Gross profit margin (%)	47.7	47.6	0.2%	46.7	48.6	-3.9%	48.25			
Operating expense	(1,965)	(1,622)	21.2%	(528)	(489)	8.0%	(1,794)			
Operating income	869	730	19.1%	273	222	22.9%	921.53	94.3%	903	96%
Operating income margin (%)	14.6	14.8	-1.0%	15.9	15.2	4.8%	16.37			
Other gains (losses) - net	96	148	-35.2%	39	24	61.4%	70.36			
Profit before tax	960	863	11.2%	309	246	25.6%	974.39	98.5%	977	98%
Income tax expense	(179)	(157)	14.2%	(55)	(46)	20.4%	(178.17)			
Net profit	781	706	10.6%	254	200	26.8%	796.22	98.0%	786	99%
Net profit margin (%)	13.1	14.3	-8.1%	14.8	13.7	8.1%	14.14			

ACES 4Q17 net profit recorded at Rp254bn, achieving FY17 net profit to stand at Rp781bn, a improving by 10.6% YoY, accounted 98.0% and 99.0% of our and consensus estimates. FY17 revenue increased by 20.3% YoY to Rp5.9tn from Rp4.9tn in the previous year, this is accounted 105.5% and 104.0% of consensus estimates. Further, gross profit and operating profit increased by 20.5% YoY and 19.1% YoY standing at Rp2.8tn and Rp869.0bn respectively. In terms of profitability, the company gross margin slightly increased to 47.7% from 47.6%, meanwhile net profit margin decreased to 13.1% from 14.3%.

Comment: ACES result were in line with ours and consensus estimates. We maintain our BUY recommendation for ACES at our target price Rp1,500/share

SUMMARECON BOOKS 16% YOY NET PROFIT GROWTH IN FY17

Summarecon Agung (SMRA) scored Rp362 bn (+16% YoY) of net profit in FY17 on the back of stable NPM. Operating profit slide 5% to Rp1.34 tn while gross profit came in Rp2.57 tn (-1% YoY). The FY17 revenue recognition up by 4% YoY to Rp5.64 tn. On QoQ basis, the 4Q17 revenues increased by 26% to Rp1.65 tn while net profit at Rp243 bn, a turnaround from Rp544 bn of net loss made in 3Q17.

Rp bn	FY17	FY16	YoY	4Q17	3Q17	QoQ	F17F	FY/17F
Revenues	5,641	5,398	4%	1,647	1,309	26%	5,135	110%
Cost of revenue	(3,074)	(2,800)	10%	(803)	(741)	8%		
Gross profit	2,567	2,598	-1%	844	568	48%	2,177	118%
Gross margin (%)	46	48	(3)	51	43	8	42	
G&A expenses	(890)	(841)	6%	(228)	(662)	-66%		
Marketing expenses	(339)	(349)	-3%	(111)	(228)	-51%		
Other income (exp)	2	1	126%	(1)	2	-129%		
Operating expenses	(1,226)	(1,188)	3%	(340)	(887)	-62%		
Operating profit	1,341	1,410	-5%	504	(321)	-257%	1,046	128%
Operating margin (%)	24	26	(2)	31	(25)	55	20	
Forex gain (loss)	-	-	n.a	0	-	n.a		
Interest income	91	101	-10%	22	23	-4%		
Interest expense	(632)	(634)	0%	(160)	(147)	9%		
Total other inc (exp)	(542)	(532)	2%	(137)	(121)	13%		
Pre-tax profit	799	878	-9%	366	(442)	-183%		
Tax	(267)	(272)	-2%	(73)	(59)	23%		
PBMI	532	605	-12%	294	(501)	-159%		
MI	(170)	(293)	-42%	(51)	(43)	19%		
Net profit	362	312	16%	243	(544)	-145%	184	197%
Net margin (%)	6	6	1	15	(42)	56	4	

Comment: The FY17 revenues came in 10% above our expectation while in line with consensus at 102% and net profit exceeded ours and consensus each by 97% and 28%, respectively. We maintain BUY on SMRA with TP Rp1,400 based on 65% discount to our RNAV/sh.

SSIA NET PROFIT REACHED RP1.18 TN IN 2017

Surya Semesta Internusa (SSIA) FY17 net profit jumped 1,786% YoY to Rp1.18 tn on the back of 360% YoY higher operating profit supported by transaction for Cipali toll road with Astratel Nusantara in 2017, while revenues slide 14% YoY to Rp3.27 tn. On QoQ basis, 4Q17 revenues climbed 15% to Rp918 bn while bottom line came in at a net loss of Rp51 bn, after booked Rp62 bn of net profit in 3Q17.

Rp bn	FY17	FY16	YoY	4Q17	3Q17	QoQ	F17F	FY/17F
Revenues	3,274	3,797	-14%	918	800	15%	4,141	79%
Cost of revenue	(2,410)	(2,728)	-12%	(707)	(562)	26%		
Gross profit	864	1,069	-19%	211	238	-11%	984	88%
Gross margin (%)	26	28	- 2	23	30	- 7	24	
G&A expenses	(578)	(588)	-2%	(147)	(144)	2%		
Marketing expenses	(51)	(48)	6%	(10)	(16)	-35%		
Other income (exp)	1,794	8	21563%	11	13	-14%		
Operating expenses	1,165	(628)	-285%	(146)	(147)	0%		
Operating profit	2,029	441	360%	65	91	-29%	475	427%
Operating margin (%)	62	12	50	7	11	- 4	11	
Forex gain (loss)	-	-	n.a	0	0	n.a		
Interest income	-	-	n.a.	0	0	#DIV/0!		
Interest expense	(243)	(181)	34%	(56)	(61)	-9%		
Other income (exp)	(3)	(64)	-95%	26	(0)	-8623%		
Total other inc (exp)	(246)	(244)	1%	(30)	(61)	-51%		
Pre-tax profit	1,782	197	806%	35	30	17%		
Tax	(541)	(96)	465%	(71)	(31)	131%		
PBMI	1,241	101	1131%	(36)	(1)	5005%		
MI	(63)	(38)	64%	(15)	63	n.a.		
Net profit	1,178	62	1786%	(51)	62	n.a.	1,586	74%
Net margin (%)	36	2	34	(6)	8	- 13	38	

Comment: The FY17 revenues came below our and consensus' expectation, accounting for 79% and 92% respectively, while net profit came in below ours at 74% and in line with consensus' at 104%. Currently we have BUY recommendation with TP Rp750 based on 65% discount to our RNAV/sh.

ISAT, MISSING FY17 BY WIDE MARGIN

FY revenues of Indosat missed our forecast by wide margin, indication of the tough competition which is currently on-going in data. Revenues came higher only by +2.5% YoY to Rp29.9 tn with EBITDA slightly lower than FY16 to Rp12.8 tn and lower margin (-140bpsYoY) at 42.6%. On the positive side, ISAT net interest expense is coming down on yearly basis and helping to deliver higher pretax profit by 8.1% YoY Rp1.94 tn. Due to higher tax, net profit was only higher by 2.8% YoY to Rp1.13 tn. 4th quarter revenues were flat a sign of competition intensity. EBIT (-16%QoQ) and EBITDA (-8.5%QoQ) were affected by higher cost of services (+10%QoQ) partly compensated by lower personnel cost and marketing expenses. With no much tailwind from other items net profit was down more than half -52% QoQ.

Comment: On the hindsight, ISAT delivered significant tasks in the recent months that could prove valuable in the longer term ie. sim card reregistration being able to re-register most of its subs, and having re-farmed its spectrum very quickly before deadline. We also think ISAT is very cheap in terms of EV/EBITDA trading currently at 3.1x. Maintain Buy call with TP:Rp7850.

Rp bn	FY17	FY16	Δ YoY	4Q17	3Q17	Δ QoQ	2017F	Realized
Operating revenue	29,926	29,185	2.5%	7,461	7,453	0.1%	34,495	87%
Cost of services	-12,645	-11,919	6.1%	-3,374	-3,068	10.0%		
Depreciation & amortization	-8,853	-8,973	-1.3%	-2,202	-2,218	-0.7%		
Personnel	-2,022	-2,115	-4.4%	-292	-568	-48.6%		
Marketing	-1,283	-1,238	3.6%	-342	-348	-1.6%		
G&A	-1,214	-1,049	15.7%	-496	-238	108.9%		
Other	123	49	148.6%	104	9	1101.8%		
Total operating expense	-25,894	-25,244	2.6%	-6,602	-6,431	2.7%		
Operating Profit	4,032	3,941	2.3%	859	1,023	-16.0%		
EBITDA	12,763	12,864	-0.8%	2,957	3,232	-8.5%	15,153	84%
<i>EBITDA margin (%)</i>	42.6	44.1	-1.4	39.6	43.4	-3.7	43.9	
							14,729.96	
Net interest income (expenses)	-2,057	-2,145	-4.1%	-519	-496	4.7%	42.7%	
Forex gain (loss)	3	274	-98.8%	-10	-30	-67.9%		
Other income (expenses)	-39	-274	-85.9%	-2	2	-234.2%		
Total other income (expenses)	-2,092	-2,145	-2.5%	-531	-524	1.4%		
Pre-tax profit / (loss)	1,940	1,795	8.1%	328	499	-34.3%		
Tax	-638	-520	22.9%	-153	-140	9.6%		
Minority interest	-166	-171	-2.6%	-28	-53	-46.7%		
Net profit / (loss)	1,136	1,105	2.8%	146	306	-52.2%	2,592	44%
<i>Net margin (%)</i>	3.8	3.8	0.0	2.0	4.1	-2.1	7.5	

KALBE, YET TO FIND TRACTION MISSING BOTTOM LINE

Rp (bn)	FY17	FY16	YoY	4Q17	3Q17	QoQ	FY17F	12M/FY17F
Revenue	20,182	19,374	4.2%	5,092	5,024	1.4%	21,118	96%
COGS	(10,370)	(9,886)	4.9%	(2,644)	(2,585)	2.3%		
Gross profit	9,812	9,488	3.4%	2,448	2,439	0.4%	10,391	94%
<i>Gross profit margin (%)</i>	48.6	49.0	-0.4	48.1	48.6	-0.5		
Selling expenses	(5,217)	(5,193)	0.5%	(1,214)	(1,325)	-8.4%		
G&A expenses	(1,141)	(1,047)	9.1%	(308)	(284)	8.5%		
Research & development	(240)	(192)	25.1%	(67)	(66)	1.2%		
Operating expense	(6,599)	(6,431)	2.6%	(1,588)	(1,675)	-5.2%		
Operating income	3,214	3,057	5.1%	860	764	12.6%	3,412	94%
<i>Operating income margin (%)</i>	15.9	15.8	0.1	16.9	15.2	1.7		
Interest income, net	135	132	2.0%	31	30	4.6%		
Interest expenses & charges	(36)	(28)	29.3%	(10)	(11)	-9.8%		
Net earning (loss) in assoc.	(16)	(4)	296.8%	(5)	(4)	40.9%		
Other operating income	42	46	-8.4%	9	2	293.8%		
Other operating expenses	(97)	(112)	-13.1%	(29)	(19)	48.4%		
Other gains (losses) - net	27	35	-20.5%	(3)	(2)	n.m.		
Profit before tax	3,241	3,091	4.9%	856	762	12.4%	3,447	94%
Income tax expense	(788)	(740)	6.4%	(215)	(188)	14.9%		
Profit before MI	2,453	2,351	4.4%	641	574	11.6%		
Minority interest	(50)	(51)	-2.9%	(17)	(11)	47.9%		
Net profit	2,404	2,300	4.5%	624	563	10.8%	2,560	94%
<i>Net profit margin (%)</i>	11.9	11.9	0.0	12.3	11.2	1.0		

As announced in February Kalbe missed its revenue target of 10%YoY growth, delivering only revenue growth of 4.2% YoY however fairly in line with ours. Kalbe missed our expectations for operating income delivering Rp3.2 tn higher by 5.1% YoY. Other items were fairly stable thus leading to Net profit of Rp2.4 tn (+4.5%YoY). On quarterly basis, revenues were disappointing only up by 1.4% QoQ, to Rp5.09 tn. The improvements in OPEX (-5.2%QoQ) allowed KLBF to deliver OP growth of

+12.6%QoQ posting Rp860 bn effectively at better margin 16.9% (+170bpsQoQ). This positive result is reflected at the bottom line (+10.8%QoQ) delivering net profit Rp624 bn with margin improvement of 100bpsQoQ.

Comment: Share price of KLBF had significant decline facing the risk of forex in its imported materials as Rupiah faces decline. KLBF is mitigating the risks having inventories and cash for this current quarter at least. It is also prudent to make selective choices in manufacturing goods focusing more on biosimilars and more differentiated products. We upgrade to Buy as there is upside room to our TP: Rp1660.

BBRI REPORTED RP4.5 TN NET INCOME (+9% YOY) IN 2M18; IN-LINE

BBRI reported Rp4.5 tn net income (unaudited, bank only) in 2M18, up by 9% YoY and calculated for 14% of our 2018F estimates. Feb-18 net income was recorded at Rp2.2 tn (-5% MoM). While non-interest income flat, non-interest income posted 40% YoY growth to Rp3.4 tn. The non-interest income was mainly came from non-core items such as gain from investment in shares with equity method and gain from marketable securities, which amounted Rp0.9 tn. Excluding this non-core items, we expect non-interest income to grow by 7% YoY and net income to decrease by -11% YoY, weaker than our estimates. Provision expense increase by 20% YoY to Rp4.2 tn. Loan growth was solid at 12% YoY.

Comment: The result was mainly in-line with our expectation. We have a Buy call on BBRI with Rp4,100/share target price.

BBRI (Bank only, unaudited)

Results summary (Rp bn)	2M17	2M18	YoY	2M18/ 2018F	Dec-17	Jan-18	Feb-18	MoM
Interest income	15,683	16,418	5%	15%	8,775	8,380	8,038	-4%
Interest expense	3,990	4,703	18%	15%	2,575	2,536	2,167	-15%
Net interest income	11,693	11,715	0%	15%	6,200	5,845	5,870	0%
Non-interest income	2,422	3,418	41%	16%	1,882	1,632	1,785	9%
Opex	5,262	5,272	0%	12%	3,710	2,838	2,434	-14%
PPoP	8,854	9,860	11%	17%	4,372	4,639	5,222	13%
Provision expense	3,503	4,202	20%	25%	(210)	1,834	2,368	29%
Operating profit	5,350	5,659	6%	14%	4,581	2,804	2,854	2%
Income tax	1,235	1,173	-5%	13%	1,417	505	668	32%
Net income	4,127	4,488	9%	14%	3,164	2,299	2,186	-5%
Total deposits	693,613	766,788	11%		803,327	776,822	766,788	-1%
- Demand	117,570	134,988	15%		144,432	136,172	134,988	-1%
- Saving	285,034	332,192	17%		342,759	335,569	332,192	-1%
- Time	291,010	299,608	3%		316,135	305,080	299,608	-2%
Gross loans	639,931	714,814	12%		708,011	700,623	714,814	2%
Loan loss reserves	(24,626)	(32,225)	31%		(29,062)	(30,355)	(32,225)	6%
Key ratios (%)								
Asset yield	12.2	11.0			12.1	11.4	10.9	
Cost of funds	3.4	3.6			4.0	3.9	3.4	
NIM	9.1	7.9			8.5	7.9	8.0	
CASA to total deposits	58.0	60.9			60.6	60.7	60.9	
Cost-to-income	37.3	34.8			45.9	38.0	31.8	
Credit cost (%of avg. loan)	3.3	3.5			(0.4)	3.1	4.0	
Tax rate	23.0	20.7			30.9	18.0	23.4	
LDR	92.3	93.2			88.1	90.2	93.2	

BMRI REPORTED RP3.6 TN NET INCOME (+45% YOY) IN 2M18; IN-LINE

BMRI reported Rp3.6 tn net profit (unaudited, bank only) in 2M18, up by 45% YoY and calculated for 14% of our 2018F estimates. Feb-18 net profit was recorded at Rp2.1 tn (+48% MoM). In the balance sheet, loan growth came slower than estimates at only 4.3% YoY as of Feb-18 (vs. 12% YoY in the same period last year).

Comment: BMRI was on track to decrease its cost of credit at 2.0% in 2M18 (vs. 2.8% in 2M17). We have a Buy call on BMRI with Rp9,200/share target price.

BMRI (Bank only, unaudited)

Results summary (Rp bn)	2M17	2M18	YoY	2M18/ 2018F	Dec-17	Jan-18	Feb-18	MoM
Interest income	10,933	10,465	-4%	12%	5,817	5,530	4,935	-11%
Interest expense	3,722	3,142	-16%	11%	1,850	1,676	1,467	-12%
Net interest income	7,211	7,323	2%	13%	3,967	3,854	3,468	-10%
Other operating income	3,030	3,651	21%	13%	1,849	1,964	1,688	-14%
Opex	3,916	4,048	3%	11%	2,757	2,010	2,038	1%
PPoP	6,325	6,926	10%	14%	3,059	3,809	3,118	-18%
Provision expense	3,236	2,446	-24%	16%	1,415	1,995	451	-77%
Operating profit	3,089	4,480	45%	14%	1,644	1,814	2,666	47%
Income tax & other non op	622	904	45%	13%	345	372	532	43%
Net income	2,467	3,576	45%	14%	1,300	1,442	2,134	48%

Total deposits	648,491	684,605	6%		729,778	682,030	684,605	0%
- Demand	171,406	188,785	10%		195,248	182,313	188,785	4%
- Saving	254,894	279,465	10%		303,669	282,627	279,465	-1%
- Time	222,191	216,355	-3%		230,861	217,089	216,355	0%
Total liabilities	747,276	777,271	4%		818,706	774,836	777,271	0%
Gross loans	568,063	592,526	4%		644,257	602,408	592,526	-2%
Loan loss reserves	(31,689)	(30,996)	-2%		(31,755)	(30,176)	(30,996)	3%
Total assets	894,368	939,411	5%		978,328	935,592	939,411	0%
Shareholders equity	147,091	162,139	10%		159,621	160,756	162,139	1%

Key ratios (%)

Asset yield	9.5	8.5			9.5	9.0	8.2	
Cost of funds	3.3	2.7			3.1	2.8	2.6	
NIM	6.3	5.9			6.5	6.2	5.8	
CASA to total deposits	65.7	68.4			68.4	68.2	68.4	
Cost-to-income	38.2	36.9			47.4	34.5	39.5	
Credit cost (%of IEA)	2.8	2.0			2.3	3.2	0.8	
Tax rate	20.1	20.2			21.0	20.5	20.0	
LDR	87.6	86.6			88.3	88.3	86.6	
ROA	1.6	2.2			1.6	1.8	2.7	
ROE	10.2	13.3			9.8	10.8	15.9	

BBNI REPORTED RP1.7 TN NET INCOME (+4% YOY) IN 2M18; IN-LINE

BBNI reported Rp1.7 tn net profit (unaudited, bank only) in 2M18, up by 4% YoY and calculated for 11% of our 2018F estimates. Feb-18 net profit was recorded at Rp0.8 tn (-10% MoM). Net interest income posted a solid growth of 15% YoY to Rp5.3 tn, but provision expense came higher than estimates at Rp2.0 tn (+68% YoY), forming 29% of our 2018F estimates.

Comment: Overall result is in-line at 11% of our 2018F estimates (vs. historical 2M17 at 12% of FY 2017). Loan growth still slow at 8% YoY and -1% MoM, but we believe the loan growth will pick up more in 2H18 driven by more infrastructure loan disbursement. We have a Buy call on BBNI with Rp11,300/share target price.

BBNI (Bank only, unaudited)

Results summary (Rp bn)	2M17	2M18	YoY	2M18/ FY18E	Dec-17	Jan-18	Feb-18	MoM
Interest income	6,903	7,875	14%	15%	4,470	4,060	3,814	-6%
Interest expense	2,306	2,572	12%	14%	1,580	1,378	1,194	-13%
Net interest income	4,598	5,303	15%	15%	2,890	2,683	2,620	-2%
Non interest income	1,390	1,683	21%	12%	1,041	1,172	511	-56%
Opex	2,609	2,867	10%	13%	2,076	1,489	1,379	-7%
PPoP	3,379	4,118	22%	15%	1,854	2,366	1,752	-26%
Provision expense	1,223	2,057	68%	29%	676	1,047	1,009	-4%
Operating profit	2,156	2,062	-4%	10%	1,179	1,319	743	-44%
Income tax	409	436	7%	11%	170	224	212	-5%
Net income	1,668	1,735	4%	11%	1,046	911	823	-10%

Total deposits	408,017	468,025	15%		487,462	459,318	468,025	2%
- Demand	109,980	137,366	25%		140,518	133,513	137,366	3%
- Saving	139,783	157,699	13%		169,908	159,998	157,699	-1%
- Time	158,254	172,960	9%		177,036	165,807	172,960	4%
Total liabilities	477,676	550,826	15%		567,641	540,854	550,826	2%
Gross loans	371,159	401,758	8%		417,151	405,008	401,758	-1%
Loan loss reserves	(17,113)	(14,699)	-14%		(13,935)	(14,721)	(14,699)	0%
Other earning assets	103,431	150,544	46%		135,384	131,793	150,544	14%
Other assets	105,898	108,048	2%		123,057	116,824	108,048	-8%
Total assets	563,375	645,651	15%		661,658	638,904	645,651	1%
Shareholders equity	85,699	94,825	11%		94,017	98,050	94,825	-3%

Key ratios (%)

NIM	6.1	5.9			6.5	6.1	5.9	
CASA to total deposits	61.2	63.0			63.7	63.9	63.0	
Cost-to-income	43.6	41.0			52.8	38.6	44.0	
Credit cost (%of IEA)	1.6	2.3			1.5	2.4	2.3	
Tax rate	19.7	20.1			14.4	17.0	28.6	
LDR	91.0	85.8			85.6	88.2	85.8	
ROA	1.8	1.6			2.0	1.7	1.5	
ROE	11.8	11.0			9.4	11.4	10.2	

CPIN FY17 RESULT: NET INCOME INCREASE BY 13% YOY

CPIN	FY17	FY16	YoY	4Q17	3Q17	QoQ	FY17	Ach.
Revenue	49,367.4	38,256.9	29%	11,888.0	12,542.6	-5%	48,508	102%
COGS	(43,116.1)	(31,743.2)	36%	(10,175.2)	(11,249.8)	-10%		
Gross profit	6,251.3	6,513.6	-4%	1,712.8	1,292.8	32%	5,972	105%
Gross margin (%)	12.7%	17.0%	-	14.4%	10.3%	4.1%		
Selling expenses	(1,175.1)	(822.0)	43%	(333.8)	(294.7)	13%		
GA expenses	(1,391.1)	(1,233.0)	13%	(472.5)	(307.6)	54%		
Operating income	3,685.2	4,458.7	-17%	906.4	690.5	31%	3,377	109%
Operating margin (%)	7.5%	11.7%	-	7.6%	5.5%	2.1%		
Interest income	49.3	44.9	10%	9.4	11.4	-17%		
Interest expense	(496.1)	(647.2)	-23%	(91.4)	(138.6)	-34%		
Gain (loss) on forex	(13.8)	168.8	N/A	(13.0)	(33.6)	-61%		
Others – net	31.1	(41.6)	N/A	15.4	7.9	96%		
Profit before tax	3,255.7	3,983.7	-18%	826.9	537.6	54%		
Tax expense	(758.9)	(1,731.8)	-56%	(264.5)	(126.2)	109%		
Net income	2,497.8	2,217.9	13%	563.1	410.9	37%	2,579	97%
Net margin (%)	5.1%	5.8%	-	4.7%	3.3%	1.5%		

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CPIN FY17 net profit came in at Rp2.49 tn, increased by 13% YoY. This is mainly supported by the one-off in tax side. FY17 revenue stood at Rp49.37 tn (29% YoY), exceeding 2% of our estimates. Yet, gross profit declined by 4% YoY, as COGS soared to Rp43.1 tn (36% YoY). Operating profit also decreased by 17% YoY to Rp3.68 tn. As a result, gross margin and operating margin both narrowed to 12.7% (vs. 17% in FY16) and 7.5% (vs. 11.7% in FY16), respectively.

TECHNICAL ANALYSIS

JCI : (6,141 -1.1%)

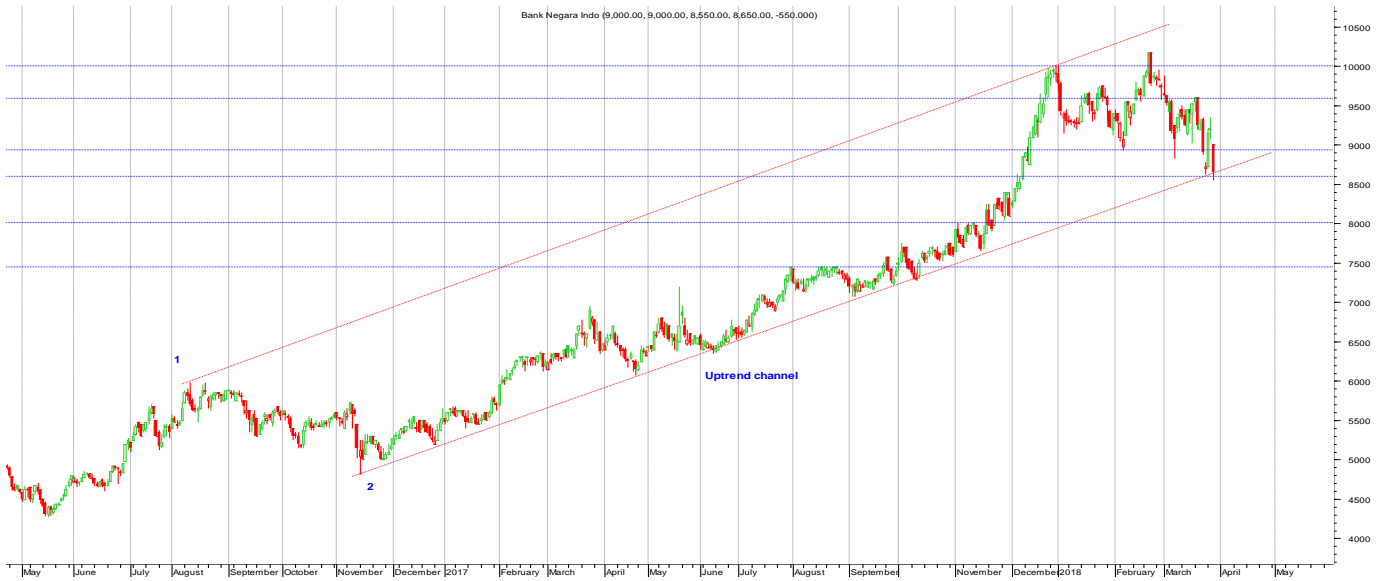
Comment : HMSP, BBNI and BMRI consecutively became lagging movers. Technically, JCI closed above support level of 6,085. Resistance level at 6,275. Next support and resistance level at 5,800-6,350. Based on Elliot wave approach, one of alternate wave countings is the index now is doing wave (v) which 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

BBNI : Testing support level

The price closed above minor support level of 8,625. Level 8,625 is also support level of the mid-term uptrend channel. The penetration of this support level will cause the trend turn into negative. Resistance level at 9,350. Next support and resistance level at 8,000-10,000. Speculative buy, cut if the price moves and stable below the level of 8,550.



BMRI : Testing support level

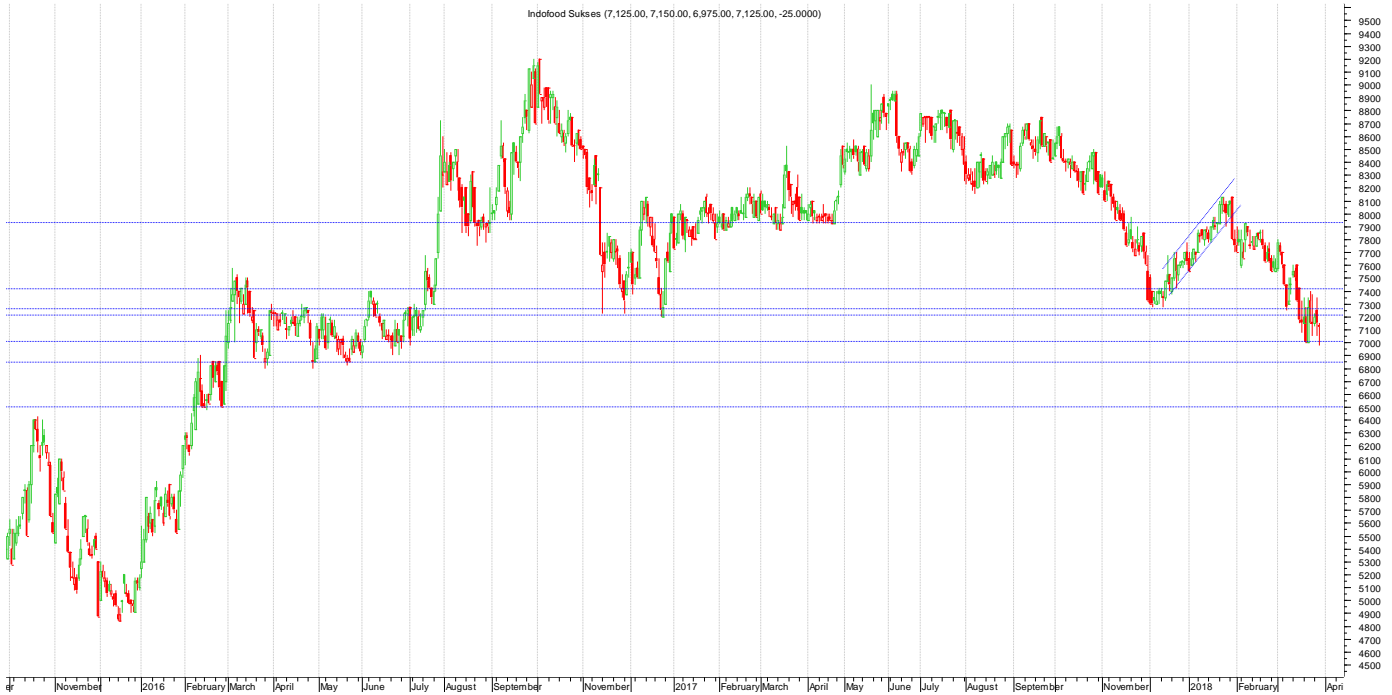
The price closed above strong support level of 7,700. Level of 7,700 is also support level of the mid-term uptrend channel. The penetration of this support level will cause the trend turn into negative. Resistance level at 8,325. Next support and resistance level at 7,000-9,000. Speculative buy, cut if the price moves and stable below the level of 7,700



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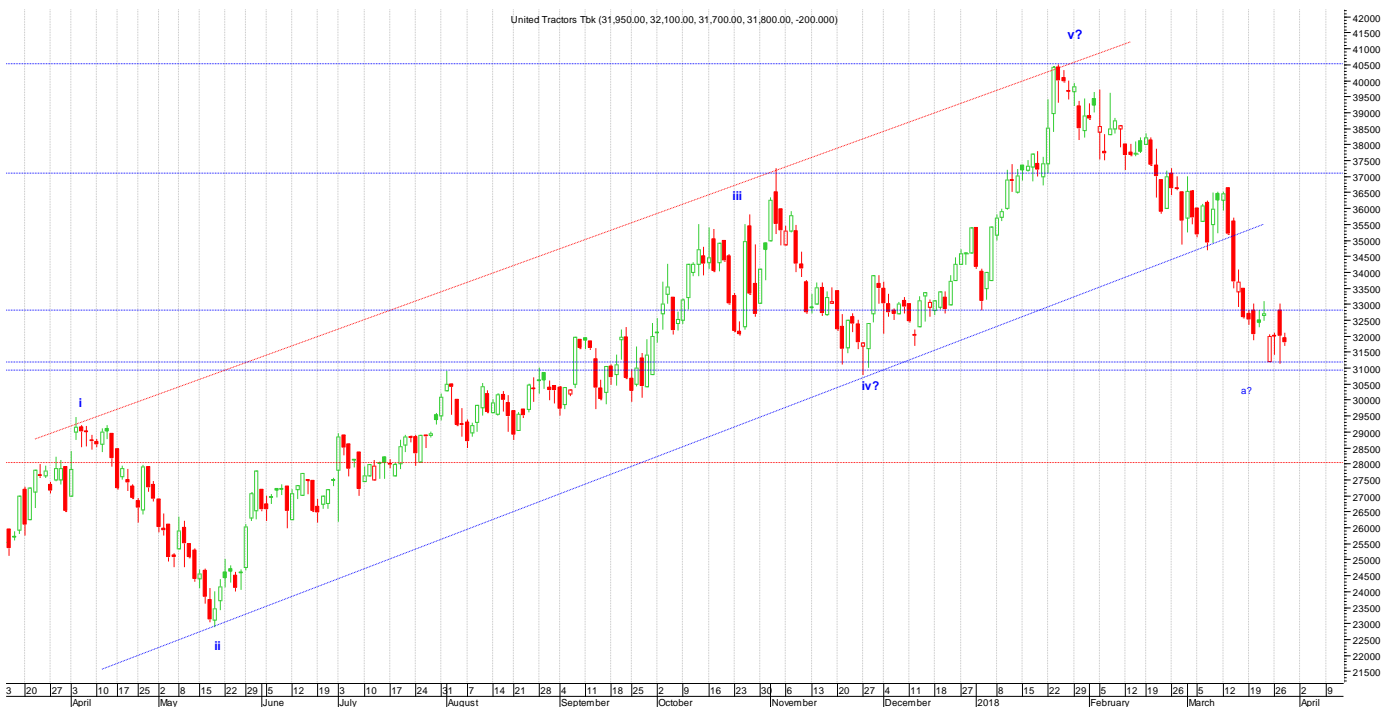
INDF : Testing support level

The price held above support level of 7,000. Resistance level at 7,400. Next support and resistance level at 6,500-7,900. The mid-term trend is still sideways. Sell on strength, sell if the price moves and stable below the level of 7,000.



UNTR : Testing support level

The price closed above minor support level of 31,200. Resistance level at 33,000. Next support and resistance level at 28,000-35,000. The mid-term trend turn into sideways. Buy on weakness, cut if the price moves and stable below the level of 31,000



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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	6.13
5	5.97
10	6.76
15	6.94
30	7.38

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.56	5.68	5.71	5.59	5.30
US\$	0.82	0.83	0.80	0.85	
JIBOR (RP)	5.04	5.34	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	13,764	-0.16
1 US\$ = SGD	1.31	-0.06
1 US\$ = JPY	106.81	0.04
1 US\$ = AUD	0.77	-0.03
1 US\$ = EUR	1.23	0.02

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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