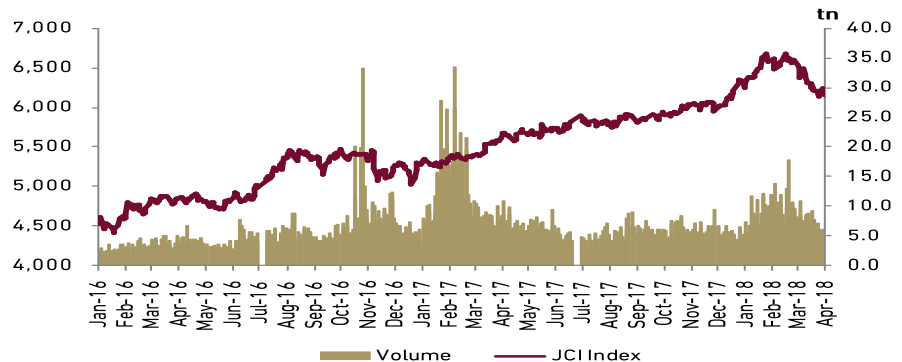


GLOBAL			
Index	Last	Change	% chg
Dow	23,979	46.34	0.19
S&P 500	2,613	8.69	0.33
Eido US	26.9	0.37	1.39
H.S.I	30,230	384.64	1.29
Nikkei	21,678	110.74	0.51
STI	3,438	-12.33	-0.36
KLCI	1,847	-2.56	-0.14
Kospi	2,444	14.50	0.60
SET Thai	1,751	11.35	0.65

- Indonesia to regulate non-subsidized fuel prices
- Government designs state expenditure to grow 7.6% in 2019
- Domestic motorcycle sales up 4% YoY in 1Q18
- Retail Sector: Feb'18 retail sales improved by 1.5%
- SMGR – still in the shadow of oversupply
- TOWR to conduct stock split; details to be revealed
- BBCA plans to enter as one of switching member of Himbara network

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	68.7	1.54	2.29
WTI Crude Oil (\$/bbl)	63.4	1.36	2.19
CPO (MYR/ton)	2,436	-43.00	-1.73
Gold (US\$/tr ounce)	1,336	2.70	0.20
Nickel (US\$/ton)	13,390	170.00	1.29
Tin (US\$/ton)	21,220	130.00	0.62
Pulp (US\$/ton) weekly	1,097.1	0.00	0.00
Coal (US\$/ton)	94.2	0.30	0.32

### JCI STATISTIC



BEI STATISTICS	
JCI	6,246
Change (1 day)	1.15%
Change YTD	-1.72%
P/E Market (X)	15.8
Volume (mn shr)	6,361.7
Value (Rp bn)	4,741.0
↑ 206 ↓ 164 ↔ 203	
LQ45	854
% Change (1 day)	0.28%

### DAILY TECHNICAL VIEW

We expect JCI to trade between 6,180 (support) – 6,275 (resistance) level today

**UNTR: Sell on strength at Rp 35,000-Rp 36,000**

Comment: Testing resistance level

**UNVR: Sell on strength at Rp 52,500-Rp 53,500**

Comment: Testing resistance level

**INTP: Sell on strength at Rp 19,000-Rp 19,500**

Comment: Testing resistance level

**INDF: Sell on strength at Rp 7,225-Rp 7,300**

Comment: Testing resistance level

INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	4.25	4.25
Fed fund rate (%)	1.75	1.50
inflation mom (%)	0.20	0.17
Inflation yoy (%)	3.40	3.18

### MARKET REVIEW & MARKET OUTLOOK

#### Regional

DJIA rose 46.3 pts (+0.19%) to 23,979 and S&P500 rose 8.7 points (+0.33%) to 2,613, with technology as the best-performing sector. Stocks rallied in the earlier trading after US slightly softened its tone against China. Larry Kudlow, Trump economic advisor, was saying about opportunity for trump to form international coalition that could settled the trade issues. However the early gain was almost erased after the report that FBI raided the office of Trump's personal lawyer, Michael Cohen. In commodity markets, oil prices rebound with Brent rose 2.29% to USD66.7/bbl and WTI rose 2.19% to USD63.4/bbl. Coal slightly increased by 0.32% to USD94.2/ton while Nickel price rose by 1.29% to USD13,390/ton. CPO fell by -1.73% to close at MYR2,436.

#### Domestic

JCI closed higher at 6,246 (+1.15% or 71.08 points) despite foreign investors net selling transactions of Rp111 bn. All of JCI sectors closed at higher with Misc. Industry (+2.49%), Agriculture (+2.38%), Infrastructure (+1.90%) as the key leading sectors. Consecutively TLKM (+3.29 to 3,770), ASII (+2.99% to 7,750), UNVR (+2.22% to 51,900) became the leading stocks on Monday trading. Rupiah strengthened by 17 points to 13,761/USD with dollar index heading for its lowest close for a fortnight. Our technical desk suggests that JCI will trade within the 6,180-6,275 region, with possibility for closing at higher level.

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,761	-17.00	-0.12
1 USD = SGD	1.31	0.00	-0.03
1 USD = JPY	106.77	0.00	0.00
1 USD = AUD	1.30	0.00	-0.08
1 USD = EUR	0.81	0.00	-0.02

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.0	0.44	1.66	3,711	1,634,240
ISAT	0.4	0.00	0.00	5,229	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

#### INDONESIA TO REGULATE NON-SUBSIDIZED FUEL PRICE

Indonesia plans to regulate prices of non-subsidized vehicle fuels as part of efforts to control inflation and boost people's purchasing power, Deputy Energy Minister Arcandra Tahar said. The new regulation will allow government to reject fuel retailers' proposal to increase their prices. Indonesia's fuel retailers include Shell, Total, AKR Corporindo and state-owned energy company Pertamina. A second regulation would soon be issued to improve distribution of "Premium" (RON 88) gasoline after shortages emerged in some areas, Arcandra said.

**Comments:** We see this as the aggressive move of government to maintain inflation this year as Pertamina had increased perta-series prices for several times in 1Q18. We maintain our view of 3.5% inflation this year.

#### GOVERNMENT DESIGNS STATE EXPENDITURE TO GROW 7.6% IN 2019

Finance minister, Sri Mulyani Indrawati, stated that government target central government expenditure to grow 7.3% and regional transfer at 8.3%, making overall expenditure to grow at 7.6% in 2019. Government will start to give more focus to human capital development, poverty alleviation, education, vocation, health and social matters. Infrastructure expenditure will still have a positive growth even though with lower pace compared to previous year. For revenue side, government targets 7.6% - 13% growth in 2019 and it will try to make budget deficit to be below 2.0% of GDP with assumption Rp 16,000 tn GDP in 2019.

**Comments:** President Joko Widodo has stated his intention to shift focus to education after the major infrastructure projects are done. However, less expenditure growth means Indonesia cannot rely GDP growth from fiscal policy too much next year.

#### DOMESTIC MOTORCYCLE SALES UP 4% YOY IN 1Q18

According to data from Indonesia motorcycle industry association (AISI), domestic motorcycle sales volume reached 1.458 mn units in 1Q18, which rose by 4% as compared to 1.402 mn units in 1Q17. The rebound in sales volume was mainly driven by stronger purchasing power on higher commodity prices especially in Sumatera and Kalimantan islands. Meanwhile, sales volume in March was 535.4 k units which jumped 23.1% from 478.2 k units in February. Honda was still in the lead with sales volume of 1.07 mn units (73.3%), followed by Yamaha of 341.5 k units (23.4%) and Kawasaki of 31.9 k units (2.2%).

**Comment:** National motorcycle sales in 1Q18 were still in-line with our FY18 target of 5.8 mn units. However, we see Honda's market share (sold by ASII) contracting from 76.5% in 1Q17 to 73.3% in 1Q18 which may cause negative sentiment to share price.

#### RETAIL SECTOR: FEB'18 RETAIL SALES IMPROVED BY 1.5%

Based on data from Bank Indonesia, retail sales has increased 1.5%YoY, improving from -1.8% YoY growth in the previous months. The increase in sales is mainly from clothing sales that grew by 10.2%. Retail sales are expected to continue improving in Mar'18 with an expected growth of 1.7% still driven by clothing sales that is forecasted to grow by 11.5%.

**Comment:** We believe this is a positive catalyst for the retail sector considering it has shown a gradual improvement.

#### SMGR – STILL IN THE SHADOW OF OVERSUPPLY

SMGR will remain witnessing tough situation, as oversupply in domestic cement industry is expected to continue up to 2023. According to corporate secretary of SMGR, the assumption is based on 6% yearly growth and 100 mn tons installed capacity. Besides, the company has postponed their plan to acquire Madina Cement Industries Ltd, a Bangladesh based cement company, however flooding capacity has stood as the barrier of the expansion.

**Comment:** In our view, the sentiment of cement industry is still unfavorable up to this moment. However, we still prefer SMGR over the other cement players, as the company will benefit the most during finalization of infrastructure development (2018-2019). Plant location coupled with the SOE status, definitely lead SMGR to maintain their market share, amid more accelerate growth on bulk cement. Currently we have a HOLD call on SMGR with TP of Rp11,200

#### TOWR WILL CONDUCT STOCK SPLIT; DETAILS TO BE REVEALED

Sarana Menara Nusantara (TOWR) is conducting stock split. Details will be revealed and expected to be on the TOWR's annual general meeting on 9th May to request approval. Based on comments of TOWR Vice president director, revenues are expected to grow between 5-9% this year while maintaining margin at 80%. Company aims to maintain 2018 EBITDA margin of at least 80% (FY17 was 86.2% margin). XL Axiata will become the biggest client for TOWR this year. As of FY17, Hutch which is the leading client, revenues were Rp1.9 tn or 36% revenue contribution, and XL Axiata were Rp1.3 tn or 25% revenue contribution.

**Comment:** TOWR is doing all the right things for the investor by a) improving revenue prospect acquiring 100% KIN Komet with tower portfolio in lucrative Bali b) propose increase in dividend payout to Rp1.2 tn or cash dividend ~Rp120/sh or 3.5% dividend yield c) increased direct equity holding to TOWR by investment vehicle wholly owned by Djarum Group from 32.7% to 50% by January '18 d) and now proposing stock split. We will review new assumption about XL Axiata becoming biggest client. Currently we maintain buy recommendation with TP of Rp4,400/sh.

#### BBCA PLANS TO ENTER AS ONE OF SWITCHING MEMBER OF HIMBARA NETWORK

Bank Central Asia (BBCA) plans to join as one of the switching member of Himbara under PT Jalin Pembayaran Nusantara (JPN). The current member of Himbara is the four SOE banks (BBRI, BMRI, BBNI, and BBTN) but there are 7 prospective banks to enter the membership along with BI plan for interconnection. The other banks besides BBCA are 4 of the SOE's subsidiaries and 2 regional-development banks (BPD). It is estimated that by the end of the year, six out of the seven banks will join the Himbara network.

## TECHNICAL ANALYSIS

JCI : (6,246 +1.15%)

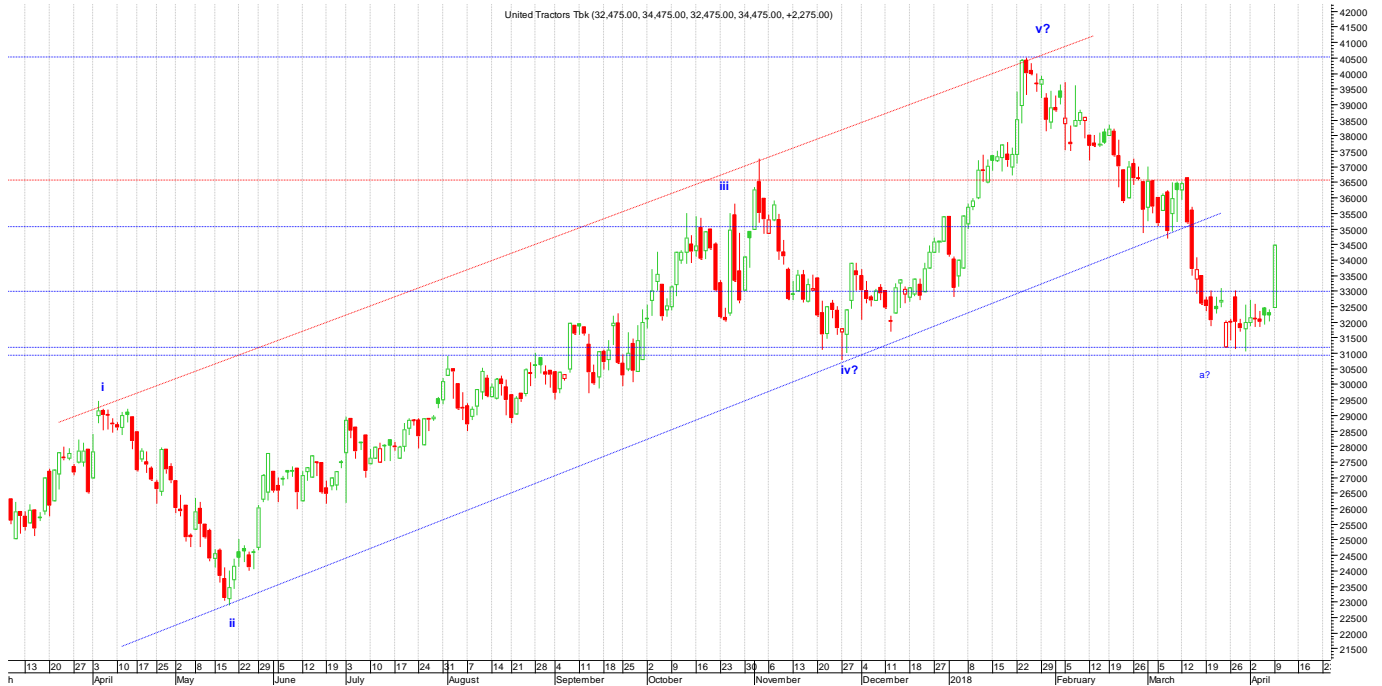
**Comment :** TLKM, ASII and UNVR consecutively became leading movers. Technically, JCI closed below minor resistance level at 6,275. Support level at 6,135. Next support and resistance level at 6,085-6,350. The index likely will form a triangle pattern. Based on Elliot wave approach, one of alternate 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**

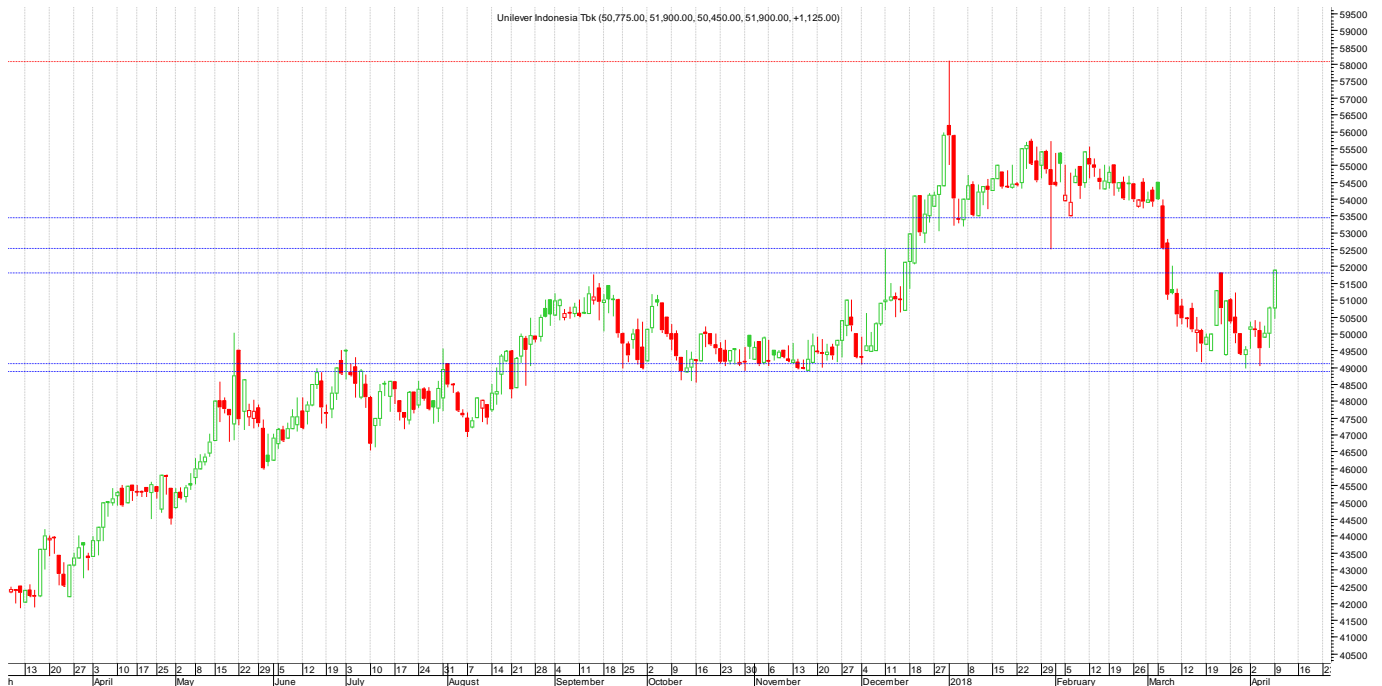
**UNTR : Testing resistance level**

The price below resistance level of 35,000. Support level at 33,000. Next support and resistance level at 31,000-36,500. The mid-term trend turn into sideways. The price is retesting the breakout of previous mid-term uptrend line. Sell on strength



**UNVR : Testing resistance level**

The price closed at resistance level. Support level at 49,000. Next support and resistance level at 46,000-52,500. The mid-term trend turn into sideways. Sell on strength, sell if the price moves below the level of 48,950.



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**INTP : Testing resistance level**

The price closed below minor resistance level of 19,350. Support level at 17,150. Next support and resistance level at 16,500-20,000. The mid-term is still sideways. ST : Sell on strength



**INDF : Testing resistance level**

The price closed below minor resistance level of 7,300. Level of 7,300 is also resistance level of the short-term downtrend line. Support level at 6,975. The penetration of this support level will cause the short-term trend turn into negative. Next support and resistance level at 6,500-7,600. Sell on strength, sell if the price moves and stable below the level of 6,950.



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,720 -13,810

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.28
3	6.07
5	5.99
10	6.63
15	6.87
30	7.37

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.56	5.69	5.71	5.63	5.22
US\$	0.87	0.86	0.88	0.83	
JIBOR (RP)	5.03	5.36	5.72	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	13,759	0.01
1 US\$ = SGD	1.31	0.03
1 US\$ = JPY	106.77	0.00
1 US\$ = AUD	0.77	0.08
1 US\$ = EUR	1.23	0.02

ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

10-Apr-2018

Astra Agro Lestari (AALI)

**Annual General Meetings**

**Agenda:** Approval of the Annual Report, including the supervisory report of the Board of Commissioners of the Company and the ratification of the Company's Financial Statements for the fiscal year 2017, Determination of the use of the Company's net profit for the Fiscal Year 2017, Appointment of the public accounting firm, Actual use of funds from limited public offering

Venue & Time : Hotel Indonesia Kempinski Jakarta. Bali Room, Lobby Level, Ganesha Wing. Jalan M. H. Thamrin No. 1, Menteng, Jakarta, at 10.00 (Western Indonesia Time)

10-Apr-2018

Jasa Marga (JSMR)

**Annual General Meetings**

**Agenda:** Approval of the Annual Report of the Company Concerning the Circumstances and the Runway of the Company During Fiscal Year 2017, including the Report of the Implementation of Supervisory Tasks of the Board of Commissioners During Fiscal Year 2017 and Ratification of Financial Statements of the Fiscal Year 2017, Annual Report of Partnership and Community Development Program 2017, Company of Book Year 2017, Appointment of Public Accountant Office, Report of Board of Directors Regarding Actual Use of Funds of Public Offering, Inauguration of Regulation of Minister of SOE No. PER-03 / MBU / 08/2017 and its amendment no. PER-04 / MBU / 09/2017 on Guidelines for Cooperation of State-Owned Enterprises, Amendments to the Company's Articles of Association, Changes in the Composition of the Management of the Company

Venue & Time : Auditorium Binakarna, 2nd Floor Hotel Bidakara Grand Pancoran, Jl. General Gatot Subroto Kav. 71 - 73, Pancoran, Jakarta, at 10.00 (Western Indonesia Time)

11-Apr-2018

Barito Pacific (BRPT)

**Extraordinary General Meetings**

**Agenda:** Approval of the Company's plan to increase the Company's capital by granting preemptive rights ("Rights") to the Company's shareholders through a limited public offering mechanism with Rights, approval of the amendment of the Company's Articles of Association in connection with the exercise of Rights, approval of the Company's plan to take over a 66.67% stake in Star Energy Group Holdings Pte. Ltd. which is a Material Transaction as referred to in Regulation No.IX.E.2 concerning Material Transaction & Amendment of Principal Business, Approval on the change of the Company's Board of Directors

Venue & Time : Wisma Barito Pacific, Tower B, M Floor, Jl. Let. Jend. S. Parman Kav. 62-63, Slipi, Jakarta, at 14.00 (Western Indonesia Time)

11-Apr-2018

Bukit Asam (PTBA)

**Annual General Meetings**

**Agenda:** Approval of the Company's Annual Report on the Circumstances and Performance of the Company during the Fiscal Year 2017, including the Report of the Implementation of Supervisory Tasks of the Board of Commissioners During Fiscal Year 2017 and Ratification of the Company's Financial Statements of the Fiscal Year 2017, Approval of the use of the Company's net income including dividend payments, Appointment of public accountant office, the Company's articles of association, approval of changes in the management of the company

Venue & Time : Ballroom Hotel Borobudur, Jakarta, at 10.00 (Western Indonesia Time)



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