

GLOBAL			
Index	Last	Change	% chg
Dow	24,483	293.60	1.21
S&P 500	2,664	21.80	0.83
Eido US	27.7	-0.28	-1.00
H.S.I	30,831	-66.43	-0.21
Nikkei	21,660	-26.82	-0.12
STI	3,469	-11.15	-0.32
KLCI	1,874	3.73	0.20
Kospi	2,443	-1.51	-0.06
SET Thai	1,767	3.95	0.22

COMMODITIES			
Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	72.0	-0.04	-0.06
WTI Crude Oil (\$/bbl)	67.1	0.25	0.37
CPO (MYR/ton)	2,392	-7.00	-0.29
Gold (US\$/tr ounce)	1,335	-18.58	-1.37
Nickel (US\$/ton)	13,671	-149.50	-1.08
Tin (US\$/ton)	20,980	-72.00	-0.34
Pulp (US\$/ton) weekly	1,124.7	0.00	0.00
Coal (US\$/ton)	93.7	0.00	0.00

BEI STATISTICS	
JCI	6,311
Change (1 day)	-0.79%
Change YTD	-0.71%
P/E Market (X)	15.8
Volume (mn shr)	6,514.4
Value (Rp bn)	4,980.4
↑ 143 ↓ 219 ↔ 213	
LQ45	854
% Change (1 day)	0.28%

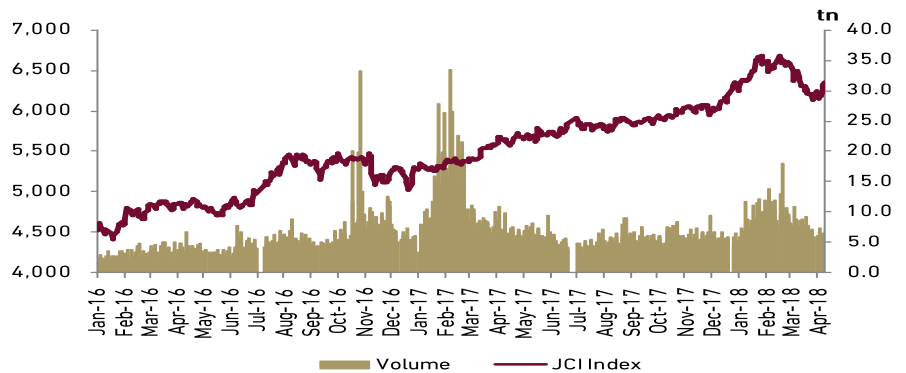
INTEREST RATE		
	Current	Previous
BI 7D Reverse Repo (%)	4.25	4.25
Fed fund rate (%)	1.75	1.50
inflation mom (%)	0.20	0.17
Inflation yoy (%)	3.40	3.18

EXCHANGE RATE			
	Last	Change	% chg
1 USD = IDR	13,759	8.00	0.06
1 USD = SGD	1.31	0.00	-0.14
1 USD = JPY	107.32	-0.01	-0.01
1 USD = AUD	1.29	0.00	-0.14
1 USD = EUR	0.81	0.00	-0.03

DUAL LISTING					
Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	27.0	-0.87	-3.12	3,719	379,996
ISAT	0.4	0.00	0.00	5,228	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- Moody's upgrades Indonesia rating to Baa2, outlook stable
- BI: Business activity improves in 1Q18
- Domestic car sales up MoM but down YoY to 101,674 units in March
- Cement sales volume grew moderately in 1Q18
- Antam pays Rp47.77 bn in dividend
- RALS: Posted Rp1.5tn sales in 1Q18
- Martina Berto sets moderate revenue growth this year
- Link Net distributes Rp170.4 dividend, Capex up & partnership with Big3 telco

#### JCI STATISTIC



#### DAILY TECHNICAL VIEW

We expect JCI to trade between 6,290 (support) – 6,365 (resistance) level today

**ASII: Sell on strength at Rp 7,775-Rp 7,900**

Comment: Failed to break resistance level

**UNTR: Sell on strength at Rp 35,500-Rp 36,500**

Comment: Testing resistance level

**BMRI: Speculative buy at Rp 8,025-Rp 7,900**

Comment: Hold above support level

**BNGA: Speculative buy at Rp 1,205-Rp 1,180**

Comment: Hold above support level

#### MARKET REVIEW & MARKET OUTLOOK

##### Regional

A strong rebound in US market yesterday as Dow Jones jumped 1.2% to 24,483 triggered by President Trump which appeared to push back a possible military strike against Syria. US economic news is led by slightly elevated level of jobless claims, though decreased 9,000 last week but still trending higher at least relative to March which is not a positive signal for April employment report. On US inflation, import price proved modest 0.0% MoM or 3.6% YoY in line with the consumer and producer reports earlier in the week. On commodity market, WTI crude oil price strengthened by 0.37% to USD67.1/bbl while nickel price was down by 1.08% to USD13,671/ton.

##### Domestic

JCI closed lower at 6,311 by 50 points or 0.79% on Thursday trading and recorded Rp752 bn of net foreign sell. The laggard sectors were Consumer (-0.88%), Infrastructure (-1.61%), and Finance (-0.51%) which mainly driven by TLKM (-3.10% to 3,750), HMSP (-2.17% to 4,060), and ASII (-2.83% to 7,725) as the key movers. Rupiah weakened by 8 points to 13,759/USD. Our technical desk suggests for trading within the band of 6,290 – 6,365, with possibility to end at higher level.

#### MOODY'S UPGRADES INDONESIA RATING TO BAA2, OUTLOOK STABLE

Indonesia's long-term issuer and senior unsecured ratings is upgraded to Baa2 from Baa3 by Moodys and the outlook is also changed to stable. Moodys praised credible and effective policy framework which is conducive to macroeconomic stability. Moodys also see Indonesia fiscal discipline as a positive which make it predict that its debt to GDP ratio will hover around 30% of GDP, lower than investment grade media at 39% Of GDP. Besides, Moodys also assess Bank Indonesia performance which showed significant improvement as it able to meet inflation target for 3 consecutive years. Bank Indonesia willingness to use macro-prudential tools also suggests a lower risk of large and persistent rise in inflation like in the past.

**Comments:** The upgrade is in line with our estimation. We see that 10-yr yield may move toward 6.38% in 1H18 and 6.58% in YE 2018 with Rupiah around Rp13,620/USD .

#### BI: BUSINESS ACTIVITY IMPROVES IN 1Q18

According to central bank survey, business activity experienced an uptrend with net weighted balance at 8.23% in 1Q18. Net weighted balance is the difference between amount respondents who experience improvement in 1Q18 and respondents who experience downtrend in the same time. Both agriculture and manufacture sector experienced improvement with net weighted balance at 2.40% and 2.17% respectively. Improvement manufacture is also seen from PMI – SKDU at 50.14. Utilization of production capacity reached 76.27% in 1Q18, higher than 4Q17 at 75.05% but still lower than 1Q17 at 76.92%. From financial segment, liquidity to business activity remained good with better access to credit facility. However, improvement in business activity is not followed by better absorption of labor which experienced downtrend to -0.88% net weighted balance. Central bank predict business activity will improve in 2Q18 with better net weighted balance at 17.99% and better PMI at 53.56.

#### DOMESTIC CAR SALES UP MOM BUT DOWN YOY TO 101,674 UNITS IN MARCH

According to Gaikindo's data, car shipment from automakers and assemblies to dealers in March amounted to 101,674 units, up 7.8% from February's 94,261 units. However, wholesales figure fell slightly lowered by 0.65%% from March 2017's 102,335 units. March 2018's wholesales reached 101,674 units while the retail sales number was 106,049 units. Gaikindo estimate domestic car sales to grow by 5% this year.

**Comment:** We see domestic car sales growing by 4% to 1.12 mn units this year while we maintain our Hold rating on ASII with TP of Rp8,800.

#### CEMENT SALES VOLUME GREW MODERATELY IN 1Q18

Throughout 1Q18, companies' cement sales grew moderately due to price adjustment during the period. SMGR 1Q18 domestic sales volume stood at 6.18 mn tons, or increased slightly by 1.2% YoY. Yet, SMGR hit higher exports by 5.8% YoY in 1Q18. According to corporate secretary of SMGR, the company has anticipated low growth on cement demand by adjusting up the price, following the higher energy prices. Meanwhile, INTP recorded 9% YoY growth on sales volume in 1Q18, largely due to infrastructure projects demand. Moreover, according to Corporate Secretary of INTP, the market condition in April will be less favorable, and government needs to take care the domestic players from foreign players that potentially tap the Indonesian cement market.

**Comment:** though the sales volume growth seems moderate, national cement sales volume rose by 6.6% YoY, beating the 1Q17 growth at only 0.92%. We believe this can be an indication that the expected FY18F sales volume this year will end higher compare to FY17. Moreover, we view the

Incumbent such as SMGR and INTIP now have a power to adjust the price in order to pass on the rising energy price.

#### ANTAM PAYS RP47.77 BN IN DIVIDEND

Antam (ANTM) will set aside 35% of its 2017 earnings as dividend, translating to Rp47.8 bn total dividend or Rp1.99/share. The remaining Rp88bn net profit will be used to strengthen capital and business operation. In 2018, the company is committed to grow faster by accelerating work in its expansion projects and improve the quality of its mineral resources. Currently the company is building a new ferronickel factory in Halmahera Timur (P3FH), now 38% completed. P3FH would increase the company's production capacity for ferronickel to 40,500 tons - 43,500 tons of nickel equivalent. The company also is busy with plan to build a Smelter Grade Alumina Refinery (SGAR) in cooperation with PT Inalum as a form of synergy with the mining holding company.

**Comment:** The dividend payment only translates to 0.23% dividend yield.

#### RALS: POSTED RP1.5TN SALES IN 1Q18

In 1Q18, RALS posted Rp1.5tn sales on the back of 0.3% SSSG. This exceed the company's forecast of Rp1.49tn. During the quarter, the company sales were pretty good driven by stock supply availability and good selection product. The company stated, in Mar'18 the sales catalyst was holiday that falls on weekend including Nyepi Day and Death of Isa Al Masih.

**Comment:** The stock is not under our coverage. However, we believe this is a positive catalyst for the company. Further, noting that Lebaran seasonality near and would be a positive catalyst for the company.

#### MARTINA BERTO SETS MODERATE REVENUE GROWTH THIS YEAR

Martina Berso (MBTO) believe the consumer purchasing power is still weak this year. MBTO aware of the declining consumer confidence index last first quarter, expects Indonesia cosmetic industry will only grow about 7% to 9% until the end of 2018. Hence, Company sets 7.5% net profit growth in 2018 instead of aggressive growth that company set on last year. MBTO allocate Rp 59 bn for capex mainly for maintenance and innovation, but company claimed have no plan to increase the production capacity.

**Comment:** Even though Indonesia consumer confidence index stay above 120 on the optimistic level. However it slightly declined gradually throughout the first quarter. From 126.1 in January to 121.6 last March. We still believe consumer purchasing power will recover this year, especially on this 2nd quarter, as the Ramadhan period coming soon.

#### LINK NET DISTRIBUTES RP170.4 DIVIDEND, CAPEX UP & PARTNERSHIP WITH BIG3 TELCO

Link Net (LINK) AGMS approved dividend payment of Rp353.6 bn or Rp119.64/sh. This is on top of interim dividend Rp150 bn or Rp50.75/sh. distributed last December. Thus the FY17 dividend payout ratio will be 50% of Net Profit which equates to Rp503.6 billion. With total dividend FY17 at Rp170.4 dividend yield is 3.1% based on today's share price. The dividend payment of Rp119.64/sh will be payable on the 15th of May.

Additionally, Link Net also increased annual capex target to Rp 1.2 tn following the acquisition of Java Intercity Fiber Backbone cable in FY17. The new cable puts into radar additional 43 cities and thus more opportunities for build new homes passes (targets 180 new homepass in FY18 to add on already 2mn built homepass). The newly appointed CEO by AGMS said also LINK is planning to

acquire or build submarine cables in Java-Bali region to tap enterprise customers in the hospitality/tourism sector. The new CEO Marlo Budiman commented that he is in talks with one of the Big3 Indonesian Telcos to partner for a triple play package.

**Comment:** LINK is in net cash position managing with no debt to distribute 50% of its earnings Rp504 bn, increasing CAPEX target 1.2 tn for FY18. Momentum is strong for LINK to post another positive FY18 ie. 13-14% YoY revenue growth with tight cost control and no interest cost. Working with either EXCL or ISAT can be seen as big positive as it can strengthen their offering and tap into their partner's subscriber base. Maintain Buy recommendation wit TP of Rp6300, with a view to increase TP target.

## TECHNICAL ANALYSIS

JCI : (6,311 -0.79%)

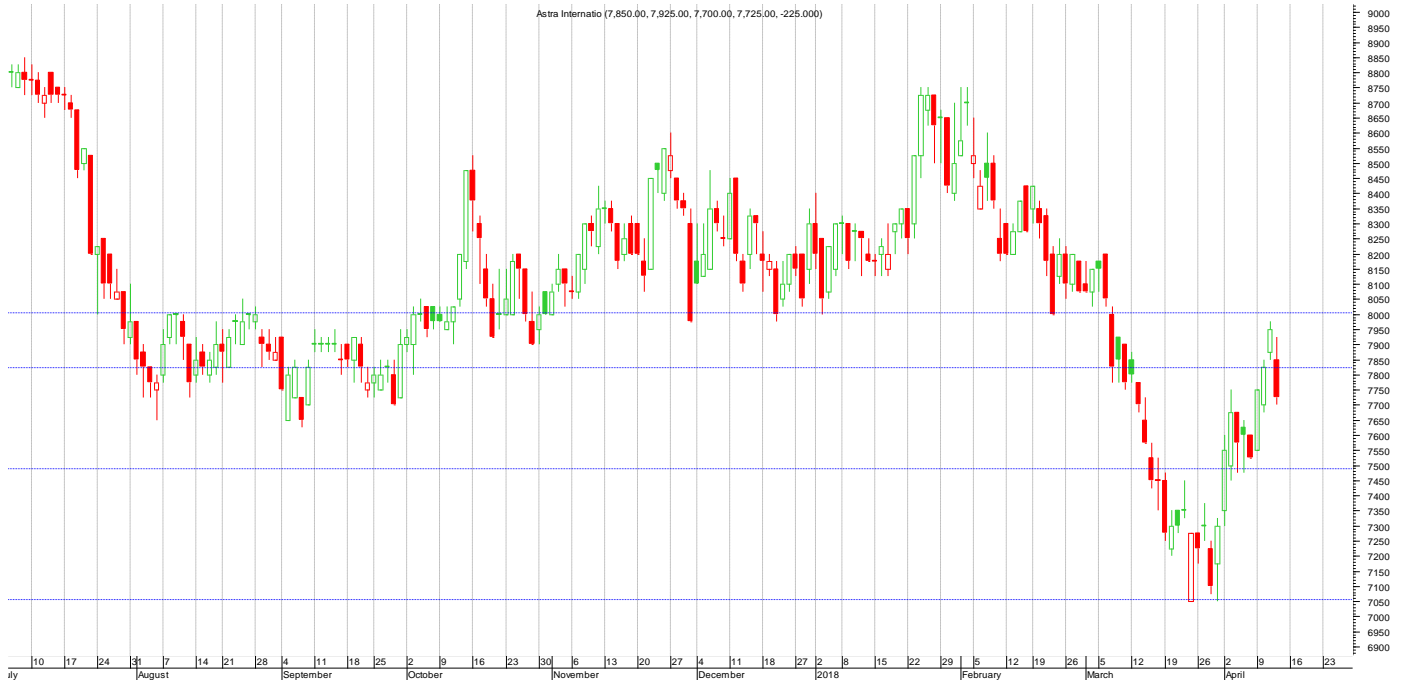
**Comment :** TLKM, HMSP and ASII consecutively became lagging movers. Technically, JCI closed below minor support level of 6,325. Resistance level at 6,380. Next support and resistance level at 6,250-6,430. Based on Elliot wave approach, one of alternate wave countings is the index now is doing wave (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 : Testing resistance level**

After opening gap down, the price closed below previous closing level. Candlestick chart likely formed a reversal pattern. This pattern still need further confirmation. Support level at 7,675. Resistance level at 8,000. Next support and resistance level at 7,475-8,250. The mid-term trend is still sideways. Sell on strength



**UNTR : Testing resistance level**

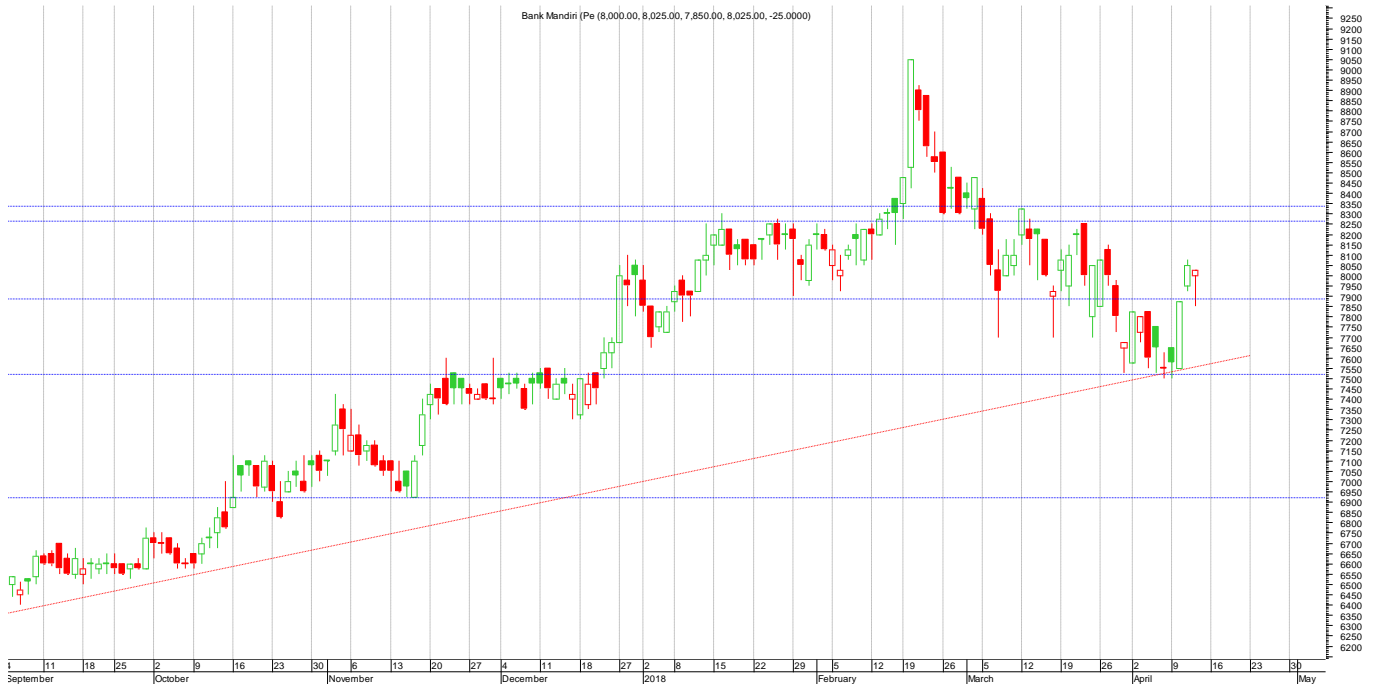
The price failed to break resistance level of 36,100. Support level at 34,900. Next support and resistance level at 33,600-36,600. The mid-term trend turn into sideways. Sell on strength



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

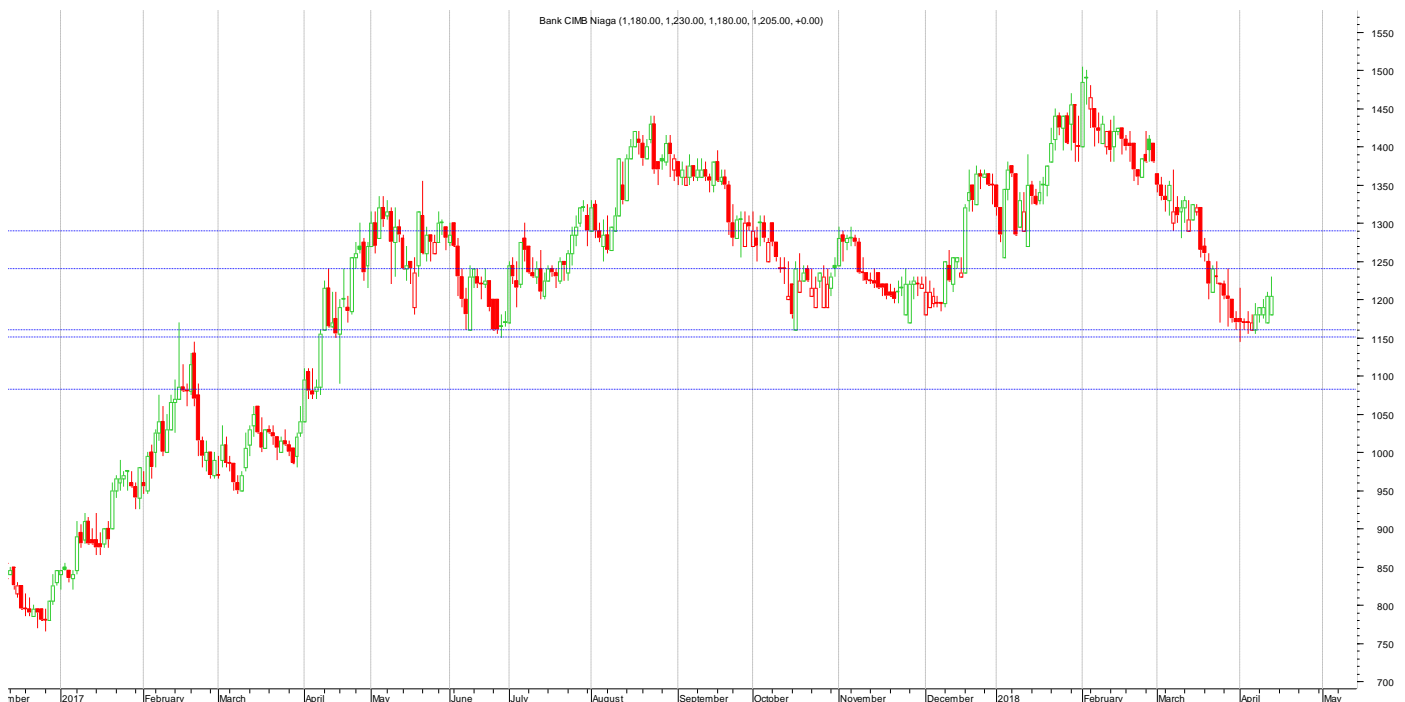
**BMRI : Testing resistance level**

The price held above support level the gap 7,875. Resistance level at 8,250. Next support and resistance level at 7,500-8,525. The mid-term trend is still positive. Speculative buy, cut if the price moves below the level of 7,850.



**BNGA : Testing resistance level**

The price held above strong support level of 1,145. Resistance level at 1,250. Next support and resistance level at 1,050-1,350. The price moved in sideways in the last one year. Speculative buy, cut if the price moves below the level of 1,145.



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## CIPTADANA FIXED INCOME DAILY

### CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,700 -13,805

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	5.33
3	6.08
5	6.01
10	6.59
15	6.86
30	7.36

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	5.51	5.70	5.67	5.64	5.23
US\$	0.84	0.87	0.89	0.83	
JIBOR (RP)	5.04	5.37	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	13,778	-0.14
1 US\$ = SGD	1.31	0.14
1 US\$ = JPY	107.32	0.01
1 US\$ = AUD	0.78	0.14
1 US\$ = EUR	1.23	0.03



ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

13-Apr-2018

Adhi Karya (ADHI)

**Annual General Meetings**

**Agenda:** Approval of the Annual Report of the Company for the financial year ending on 31 December 2017 and Ratification of the Annual Calculation ending December 31, 2017, and granting exemption and full discharge (acquit et de charge) to all members of the Board of Directors and Board of Commissioners of the Company, the use of the Company's Profit and Loss from book year ended on 31 December 2017, Appointment of Public Accountant Office, Stipulation of Enactment of Regulation of Minister of SOE No. PER-04 / MBU / 09/2017 on Amendment to Regulation of Minister of SOE No. PER-03 / MBU / 08/2017 regarding the Cooperation Guidelines and its amendments, Ratification of Report on the Realization of the Use of State Equity Fund (PMN) for Fiscal Year 2017, Report on the Realization of the Use of Limited Public Offering I and Realization of the Use of Bonds I, Spin Off Department of TOD and Hotel, Addition of Authorized Capital of the Company, Approval of Amendment of Company's Articles of Association, Approval of Change of Board of Directors of the Company

Venue & Time : PT Adhi Karya Tbk, Jalan Raya Pasar Minggu Km. 18 Jakarta, at 14.00 (Western Indonesia Time)

16-Apr-2018

United Tractors (UNTR)

**Annual General Meetings**

**Agenda:** Approval of the Annual Report of the Company for the financial year ending on 31 December 2017 and Ratification of the Annual Calculation ending December 31, 2017, and granting exemption and full discharge (acquit et de charge) to all members of the Board of Directors and Board of Commissioners of the Company, the use of the Company's Profit and Loss from book year ended on 31 December 2017, Appointment of Public Accountant Office.

Venue & Time : Grand Ballroom of PT United Tractors Tbk, Jalan Raya Bekasi Km 22, Cakung, East Jakarta, at 14.00 (Western Indonesia Time)

17-Apr-2018

PP Property (PPRO)

**Annual General Meetings**

**Agenda:** Approval of the Annual Report of the Company for the financial year ending on 31 December 2017 and Ratification of the Annual Calculation ending December 31, 2017, and granting exemption and full discharge (acquit et de charge) to all members of the Board of Directors and Board of Commissioners of the Company, the use of the Company's Profit and Loss from book year ended on 31 December 2017, Appointment of Public Accountant Office, Realization of the Use of Funds from Capital Addition with Pre-emptive Rights (PMHMETD) Year 2017.

Venue & Time : Auditorium Wisma Subiyanto 1st Floor, Jl. TB Simatupang No. 57, Pasar Rebo, East Jakarta, at 10.00 (Western Indonesia Time)

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**Analyst Certification**

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