

GLOBAL

Index	Last	Change	% chg
Dow	21,006	2.74	0.01
S&P 500	2,383	1.20	0.05
Eido US	24.7	0.19	0.78
H.S.I	23,553	-175.35	-0.74
Nikkei	19,469	-95.63	-0.49
STI	3,122	-14.14	-0.45
KLCI	1,708	-7.29	-0.42
Kospi	2,079	-23.90	-1.14
SET Thai	1,566	-3.74	-0.24

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	55.8	-0.10	-0.18
WTI Crude Oil (\$/bbl)	53.3	0.72	1.37
CPO (MYR/ton)	3,000	21.00	0.70
Gold (US\$/tr ounce)	1,235	0.31	0.03
Nickel (US\$/ton)	10,936	210.75	1.96
Tin (US\$/ton)	19,471	151.00	0.78
Pulp (US\$/ton weekly)	817.4	0.00	0.00
Coal (US\$/ton)	81.0	-1.25	-1.52

BEI STATISTICS

JCI	5,391
% Change (1 day)	-0.32%
% Change YTD	1.78%
P/E Market (X)	15.6
Volume (mn shr)	11,027.1
Value (Rp bn)	5,501.3
↑ 115 ↓ 175 ↔ 249	
LQ45	854
% Change (1 day)	0.28%

INTEREST RATE

	Current	Previous
BI 7D Reverse Repo (%)	4.75	4.75
Fed fund rate (%)	0.75	0.75
Inflation mom (%)	0.23	0.97
Inflation yoy (%)	3.83	3.49

EXCHANGE RATE

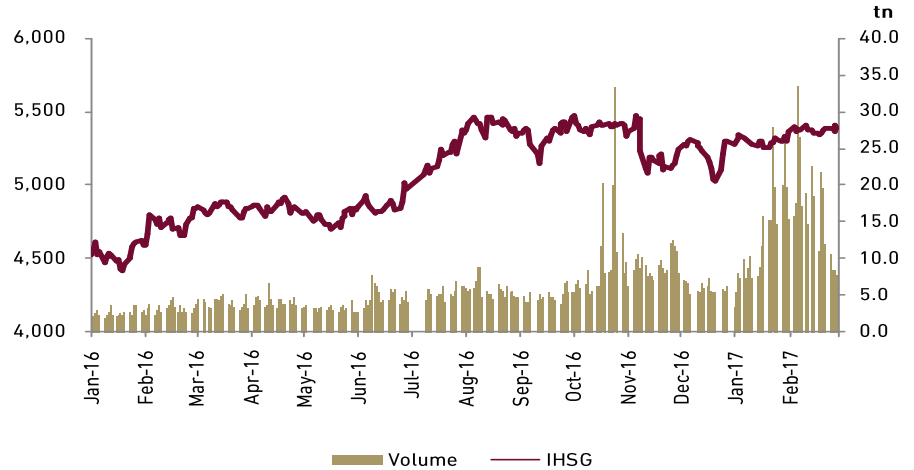
	Last	Change	% chg
1 USD = IDR	13,383	26.00	0.19
1 USD = SGD	1.41	0.00	-0.01
1 USD = JPY	113.81	-0.23	-0.20
1 USD = AUD	1.32	0.00	0.24
1 USD = EUR	0.94	0.00	0.11

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	28.9	0.69	2.44	3,873	746,932
ISAT	0.5	0.00	0.00	6,558	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

- BI forecasts first-quarter growth at 5%
- Govt hopes to sign Patimban deal by mid-year
- BJBR targets 30% YoY loan growth in 2017
- MNCN targets 8.6% revenue growth in 2017

IHSG STATISTIC



DAILY TECHNICAL VIEW

We expect JCI to trade between 5,370 (support) – 5,420 (resistance) level today

LPPF: Speculative buy at Rp 13,100-Rp 12,800

Comment: Testing resistance level

GGRM: Speculative buy at Rp 64,200-Rp 64,000

Comment: Hold above support level

JPFA: Speculative buy at Rp 1,705-Rp 1,675

Comment: Testing resistance level

BBTN: Buy on weakness at Rp 2,100-Rp 1,980

Comment: Hold above support level

MARKET REVIEW & MARKET OUTLOOK

Regional

U.S. indices were relatively flat and only slightly up on Friday last week where S&P 500 barely increased by 0.05% to 2,383 and Dow was up slightly by 0.01% to 21,005. In a Friday speech, Janet Yellen confirmed the view that Fed rate may rise at the next Fed meeting on 14-15 March 2017. According to Fed fund futures rate, there is an implied probability of a March rate hike by 80%. On the commodity market, Brent oil was down by 0.2% to USD55.8/barrel while WTI was up by 1.4% to USD53.3/barrel.

Domestic

JCI was down by 0.3% to 5,391 where HMSP, ASII and GGRM consecutively became the lagging movers. Trading value was Rp5.5 tn and foreign investors bought Rp44 bn of stocks on a net basis. Some news today are : MNCN targets 8.6% revenue growth in 2017, BI forecasts 1Q16 growth at 5%, government hopes to sign Patimban deal by mid-year, and BJBR 30% growth target of micro loans. From our technical desk, JCI will be traded at 5,370-5,420 range with the possibility of closing at higher territory today.

HEADLINES BRIEF

BI FORECASTS FIRST-QUARTER GROWTH AT 5%

Bank Indonesia (BI) estimates that 1Q17 national economic growth will stay within the lower limit of the targeted range of 5-5.4% for all of this year. The 1Q17 national economy will still be much affected by loose contribution of the government's spending in 4Q16 due to budget cut. Government spending is an important component which influences the growth of the country's gross domestic product. The government slashed budget spending last year to keep a budget deficit under control. However, only budget spending on less productive activities were slashed. BI had originally predicted the economy would grow 5.05% YoY in 1Q17. Since until late February 2017 the realized fiscal spending had not pushed economic activities as a whole, the central bank had revised downward its economic growth forecast from the targeted 5.05% in the first half of this year. However, the central bank still maintains its economic growth forecast for all of this year at the targeted range of 5-5.4%.

Comment: We still maintain our GDP growth forecast of 5.2% this year as we expect acceleration in economic growth toward the end of year on government spending seasonality. We see the government has made many efforts to boost growth, especially by focusing on building infrastructure. We also witness that Indonesia's exports grew 27.71% YoY to USD13.38 bn in January, the fastest pace of export value growth since September 2011, which could help lift economic growth this year.

GOVT HOPES TO SIGN PATIMBAN DEAL BY MID-YEAR

The government expects to sign a loan agreement on the Patimban deep-sea port project with its Japanese counterpart by the middle of this year As preparations advance. Such a move will allow the development of the new infrastructure to commence in January next year. The environmental impact analysis (Amdal), one of the toughest parts of the preparatory phase, was issued at the end of February on schedule according Transportation Ministry director general for sea transportation while the port's master plan was already launched. The completion of other preparations is expected to follow, such as the appointment of location and detailed engineering design (DED), in April and June respectively. The Patimban port project is also slated to spur development of other projects to support the facility's future operations. Among potential projects are a 38-kilometer toll road that will connect Subang and Patimban.

Comment: We notice that Surya Semesta Internusa (SSIA) has been conducting the feasibility study to build the toll road connecting Subang and Patimban. The company believes that Patimban needs to be connected to the trans-Java toll road. Our latest recommendation on SSIA is a Buy with TP of Rp775.

BJBR TARGETS 30% YOY LOANS GROWTH IN 2017

Bank Jabar (BJBR) expects to grow micro loans by 30% YoY in 2017 where it will use linkage program to BPR in order to disburse the micro loans. Most of the micro loans will be directed to non-trade (productive) sector as working capital and investment loans. BJBR also provides a program called Kredit Mikro Utama where it targets several clusters of micro businesses, BJBR is gradually leaving the Warung BJB scheme due to higher NPL on micro products that the bank experienced in previous years.

Comment :We maintain our SELL recommendation for BJBR with TP of Rp1,900/share as the bank is still struggling to improve BJB sharia non-performing financing that reached 17% at the end of 2016.

MNCN TARGETS 8.6% REVENUE GROWTH IN 2017

MNCN's 8.6% YoY target for revenue growth in 2017 is close to last year's 8.4% YoY growth recorded in the unaudited financial summary which was recently published in the investor release. The company's CEO, David Fernando Audy, is confident that continuous recovery of Indonesia's economy and MNCN's TV rating improvement will support this year's growth. On a side note, the IPO of MNCN's sister company, MNC Pictures, which was previously due to commence this year, will be delayed.

Comment: Looking at the company's TV rating in the past few weeks, we are quite optimistic that MNCN can achieve its target growth rate. We maintain our Buy rating for MNCN with a TP of Rp2,280/share.

CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,330 – 13,430

HIGHLIGHTS

- FR 61 had the biggest transaction value of Rp 1.4 tn for government bond on the latest trading day, closed at 99.00.
- Medium term notes II Japfa Comfeed Indonesia phase II Year 2016 series A had the biggest transaction value of Rp 385 bn for corporate bond on the latest trading day, closed at 100.25.

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.66
3	7.16
5	7.26
10	7.50
15	7.84
30	8.41

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.12	6.26	6.24	6.16	5.70
US\$	0.69	0.69	0.69	0.73	
JIBOR (RP)	5.84	6.85	7.14	7.32	

BASE LENDING RATE	
BI RATE	4.75
FED FUND RATE	0.75
LPS INSURED RATE	
IDR	5.50
US\$	1.00

EXCHANGE RATE		
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1 US\$ = AUD	0.76	-0.24
1 US\$ = EUR	1.06	-0.11

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