

GLOBAL

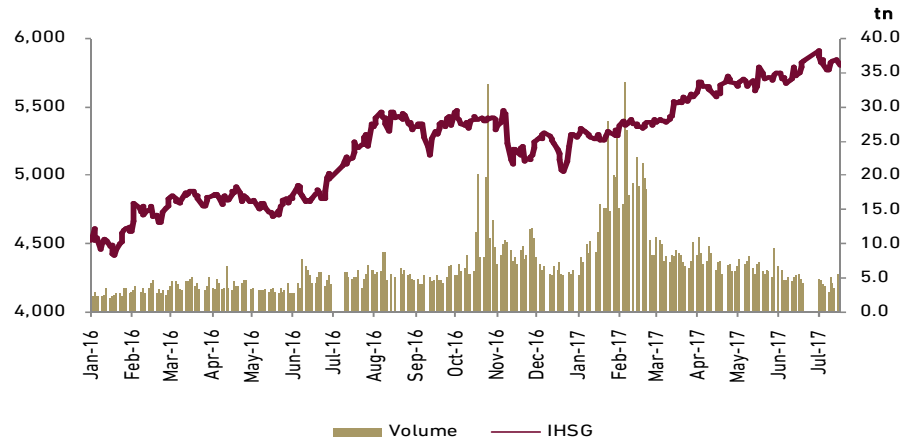
Index	Last	Change	% chg
Dow	21,612	-28.97	-0.13
S&P 500	2,473	-0.38	-0.02
Eido US	27.1	0.02	0.07
H.S.I	26,740	68.05	0.26
Nikkei	20,145	123.73	0.62
STI	3,293	-31.94	-0.96
KLCI	1,756	-1.64	-0.09
Kospi	2,442	11.90	0.49
SET Thai	1,575	-0.57	-0.04

- BI maintains the benchmark rate at 4.75%
- Telkom partners up with Tokopedia to help e-payments for Indihome
- KAI seeks Rp18 tn loan to pay LRT project
- INCO's production increases as maintenance activities complete
- GIAA's subsidiary plans USD300 mn IPO in 3Q17

COMMODITIES

Index	Last	Change	% chg
Brent Crude Oil (\$/bbl)	49.4	0.09	0.18
WTI Crude Oil (\$/bbl)	46.9	-0.20	-0.42
CPO (MYR/ton)	2,621	41.00	1.59
Gold (US\$/tr ounce)	1,244	3.27	0.26
Nickel (US\$/ton)	9,445	-156.50	-1.63
Tin (US\$/ton)	20,225	-30.00	-0.15
Pulp (US\$/ton) weekly	890.3	0.00	0.00
Coal (US\$/ton)	86.7	0.85	0.99

IHSG STATISTIC



BEI STATISTICS

JCI	5,825
% Change (1 day)	0.32%
% Change YTD	9.98%
P/E Market (X)	16.7
Volume (mn shr)	4,516.6
Value (Rp bn)	4,375.3
↑ 176 ↓ 146 ↔ 236	
LQ45	854
% Change (1 day)	0.28%

DAILY TECHNICAL VIEW

We expect JCI to trade between 5,760 (support) – 5,850 (resistance) level today

BMRI: Sell on strength at Rp 13,600-Rp 14,000

Comment: Testing resistance level

BBNI: Sell on strength at Rp 7,100-Rp 7,300

Comment: Testing resistance level

INCO: Sell on strength at Rp 2,200-Rp 2,300

Comment: Testing resistance level

WIKA: Buy on weakness at Rp 2,000-Rp 1,900

Comment: Testing support level

INTEREST RATE

	Current	Previous
BI 7D Reverse Repo (%)	4.75	4.75
Fed fund rate (%)	1.25	1.00
Inflation mom (%)	0.69	0.39
Inflation yoy (%)	4.37	4.33

MARKET REVIEW & MARKET OUTLOOK

Regional

Dow Jones posting a fractional loss to 21,611 while oil slipped back to slightly under USD47/bbl while gold held steady near USD1,250/t.oz. Demand for labor in U.S. is very strong with last week's initial jobless claims fell a sharp 15,000 to 233,000 which is 13,000 below consensus. The decrease will likely to build expectations for solid payroll gains in July and downward pull in unemployment rate. The Philadelphia Fed Business Outlook Survey looks solid with general conditions index at 19.5 in July however down from 27.6 in June which indicates growth in business possibly pointing to slowing. On commodity markets, WTI crude oil price declined by 0.42% to USD46.9/bbl while coal price slightly strengthen to USD86.7/ton.

Domestic

JCI closed at 5,825 rose by 18 points (+0.32%) where UNVR (+1.63% to 48,275), BMRI (+1.31% to 13,500), and ASII (+0.88% to 8,550) consecutively became the leading movers. Trading value was Rp4.3 tn and foreign investors sold Rp749 bn of stocks on a net basis. On Thursday, BI announced the 7-day repo rate unchanged at 4.75%. Rupiah gained 12 points to 13,333/USD. From our technical desk, JCI is expected to close at lower territory with technical range of 5,760-5,850.

EXCHANGE RATE

	Last	Change	% chg
1 USD = IDR	13,333	12.00	0.09
1 USD = SGD	1.37	0.00	0.04
1 USD = JPY	112.02	0.11	0.10
1 USD = AUD	1.26	0.00	0.24
1 USD = EUR	0.86	0.00	0.09

DUAL LISTING

Stocks	Close	Chg.	% chg	In Rp.	Vol. (ADR)
TLKM	34.7	-0.01	-0.03	4,623	197,466
ISAT	0.5	0.00	0.00	6,800	2,150
BUMI Plc	36.8	0.00	0.00	7,522	-

HEADLINES BRIEF

BI MAINTAINS THE BENCHMARK RATE AT 4.75%

Central bank maintains its BI 7-day reverse repo rate (BI 7DRRR) at 4.75% after conducting the board of governor meeting in Wednesday and Thursday. BI sees that global economic is getting better as expected. China and Europe economic are expected to be better as consumption and export increase. However, uncertainty still come from US economic which is expected to be under expectation, together with impact of Fed's balance sheet shrinking and next FFR rate and also uncertainty of US fiscal policy. On domestic side, economic recovery still continues even though is not as strong as expected. BI predicts that 2Q17 economic growth will be around 5.1% YoY and maintain its view on full year 2017 economic growth at 5.0 – 5.4%. Furthermore, BI sees that June's inflation is still manageable, Rupiah is still in stable condition and trade balance is in good condition as it maintained its surplus.

TELKOM PARTNERS UP WITH TOKOPEDIA TO HELP E-PAYMENTS FOR INDIHOME

Telkom, announced partnership joining forces with startup Tokopedia, Indonesia's popular e-commerce provider in order to add payment channel for its subscribers according to foreign media. Tokopedia, which is branching out from online retailing to handling bill payments, is expected to give customers a new way to pay their monthly subscription fees to Indihome. Tokopedia, boasts 10 million app downloads, is expected to become a more popular flexible alternative as opposed to conventional means of paying, such as booths, bank transfers and credit cards. Telkom targets its subscriber target of 3 million by the end of FY17, up from 2 mn in 2Q17 as publicized recently, and has managed to increase the indihome ARPU Rp 326k, Rp 341k in 1Q16 and 4Q16 to Rp 357k in 1Q17. Telkom is exploring similar partnerships with other e-commerce players, such as Bukalapak, to establish additional payment channels.

Comment: Telkom has so far partnered with a number of video streaming services to enrich Indihome's content, and in April was announced that are in works to partner with Netflix and we expect soon to hear for more details if this will come to fruition. TLKM is trying to improve the overall experience around Indihome by improving the online payment methods thus targeting those who own smartphones, more technology savvy and willingness to pay is higher in mid-high segments. We are bullish on the stock, and soon will depict upside in a new valuation.

KAI SEEKS RP18 TN LOAN TO LOAN TO PAY LRT PROJECT

PT Kereta Api Indonesia (KAI) expects to sign loan agreement in November of Rp18 tn, therefore the company can pay LRT project contractor Adhi Karya (ADHI) in December. As we mentioned yesterday, KAI would have bigger borrowing capacity after the company received additional capital injection (PMN) , enlarging its equity. The House of Representatives' budget committee yesterday approved the government's plan to allocate Rp2 tn from the revised 2017 state budget to KAI and also approved KAI's plan to reallocate the Rp2 tn PMN it received in 2015 that was originally intended to finance construction of the transSumatra railway, aimed to support the LRT project.

Comment: This should provide more clarity on payment from KAI (LRT project owner) to ADHI, boosting positive sentiment to ADHI shares. We maintain our Buy rating on ADHI with TP of Rp2,585.

INCO'S PRODUCTION INCREASES AS MAINTENANCE ACTIVITIES COMPLETE

Vale Indonesia (INCO) saw its 2Q17 nickel in matte production increased by 16.7% QoQ to 20,107 Mt, leading to 3% YoY increase of production to 37,331 Mt in 1H17, as its planned maintenance activities completed. Given this, the company maintains its 2017 full year target nickel in matte production of 80,000 Mt.

Comment: The average benchmark price (LME) was USD9,760.88/ton in 1H17, higher than USD8,662.2/ton in 1H16. Thus, we expect INCO's revenue of USD284.2 mn in 1H17 up by 16.0% YoY. On quarterly basis, we expect INCO's revenue of USD144.7 mn in 2Q17 up by 4.8% QoQ.

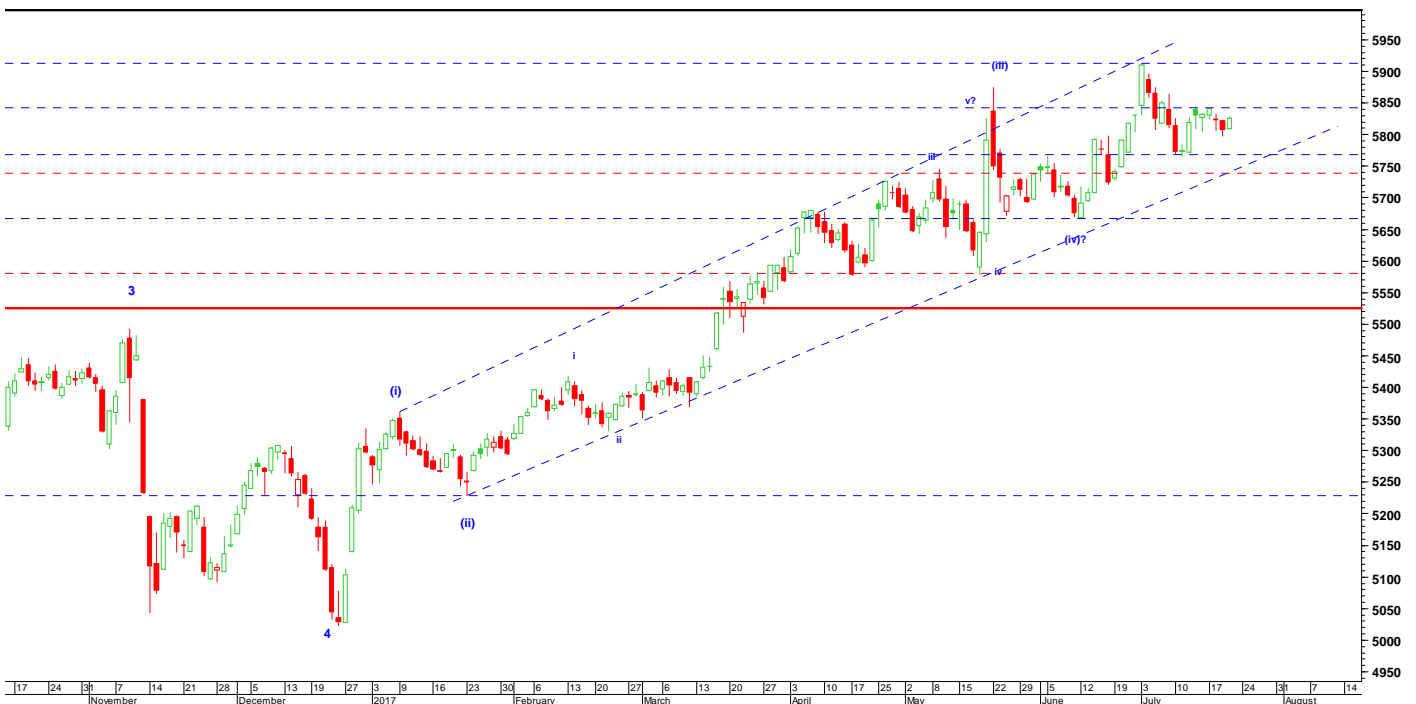
GIAA'S SUBSIDIARY PLANS USD300 MN IPO IN 3Q17

Garuda Indonesia's subsidiary (GMF Aero Asia) is seeking to raise up to USD300 mn from the IPO. GMF plans to sell 30% of its shares in the IPO and will use its first quarter financial report for it. GMF will use the IPO proceeds for business expansion, including updating the technology on its maintenance, repair and overhaul (MRO) facility. GMF Aero is also seeking a strategic partnership with international investors to expand its business. Additionally, the bulk of GMF Aero Asia's business is providing maintenance for Garuda Indonesia's fleet. It also offers engineering and maintenance services for other airlines, both local and international. Furthermore, GMF Aero Asia appointed BNI Sekuritas, Bahana Sekuritas, Danareksa Sekuritas and Mandiri Sekuritas as underwriters for the upcoming IPO projected to take place in September or October.

TECHNICAL ANALYSIS

JCI : (5,825 +0.3%)

Comment : : UNVR, BMRI and ASII consecutively became leading movers. Technically, JCI closed below minor resistance level of 5,843. Support level at 5,804. Next support and resistance level at 5,765-5,910. Level of 5,700-5,714 is support level of the short-term uptrend line. The penetration of this support level will cause the trend turn into negative. Based on Elliot wave approach, we still believe that JCI is currently forming wave up minor (B). One of alternate wave countings is the index will form an expanded flat pattern (3-3-5 pattern). In this scenario, wave (B) breaks the major resistance level and continue going up before reversing and moves back to below the level of 5,525. The bottom of wave down minor (A) at the level of 4,033 occurred on September 29, 2015. The highest level of 4,696 on October 26, 2015 noted as the peak of sub wave A of minor (B) and the lowest level of 4,330 which occurred on December 14, 2015 as the bottom of sub wave B of wave minor (B) and currently the index is forming wave C of (B). The highest level of 4,920 which occurred on April 25, 2016 as the peak of wave 1 wave C of wave minor (B) then the lowest level of 4,690 which occurred on May 20, 2016 as the bottom of wave 2 wave C of (B). The highest level of 5,491 which occurred on November 9, 2016 as the peak of wave 3 of sub wave C of wave (B) and the lowest level of 5,022 which occurred on December 23, 2015, which was considered as the bottom of wave down 4 of sub wave C of (B), and the highest level of 5,360 which occurred on January 9, 2017 as the peak of sub wave up (i) of wave 5 of wave C of (B). The lowest level of 5,228 which occurred on January 23, 2017 as the bottom of sub wave (ii) of wave 5 of wave C of (B). The highest level of 5,680 could be the peak of sub wave iii of wave (iii) of (5). The lowest level of 5,577 noted as the bottom of sub wave iv of wave (iii) of (5). The highest level of 5,745 noted as the peaks of sub wave v of wave (iii) of 5. The lowest level of 5,577 could be the bottom of wave (iv) of 5 and now the index is in the process to form wave up minute (v) of 5 which is the last wave of the cycle.



STOCK OF THE DAY

BMRI : Testing resistance level

The price closed below minor resistance level at 13,575. Support level at 13,200. Next support and resistance level at 12,850-14,000. Sell on strength



BBNI : Testing support level

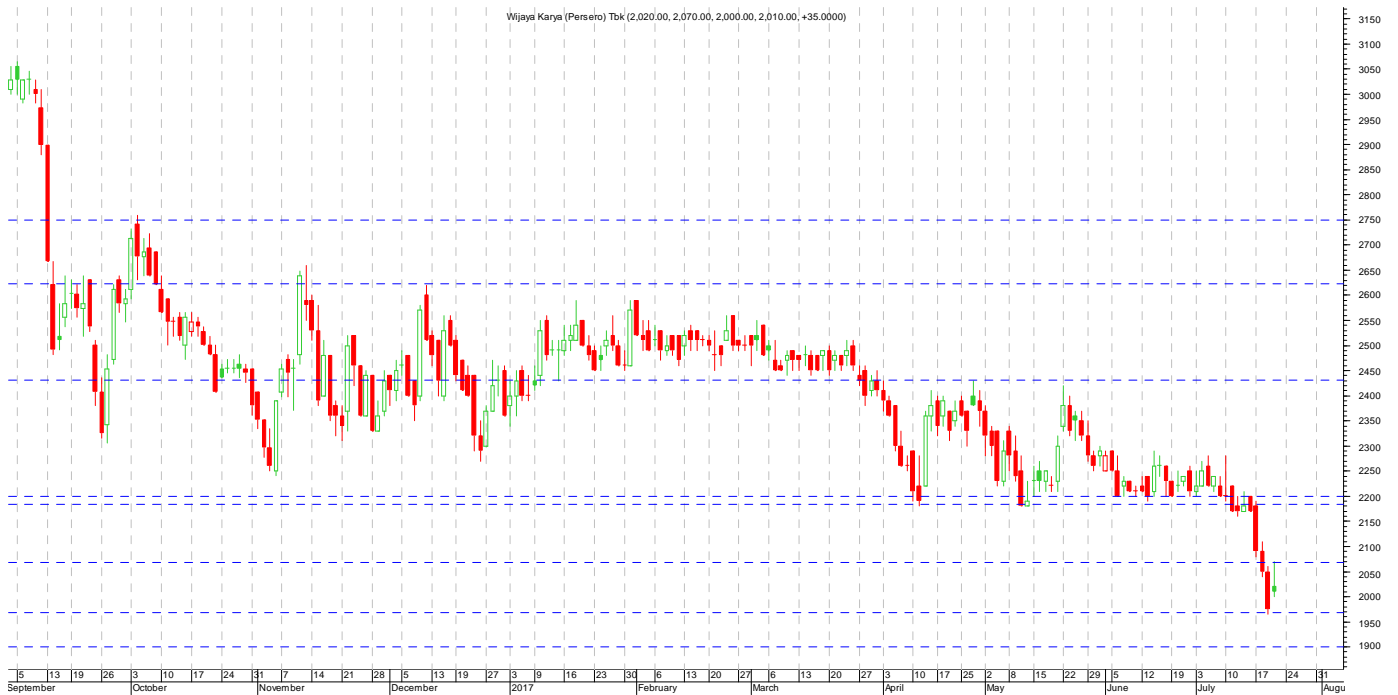
The price closed above minor support level of 6,900. Resistance level at 7,100. Next support and resistance level at 6,500-7,400. If there is no extension, the price is doing wave minute 5 which is the last wave of the cycle. Sell on strength.



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WIKA : Testing support level

After opening gap up, the price closed slightly below the opening level. Candlestick chart likely formed a reversal harami pattern. This pattern still need futher confirmation. Support level at 1,965. Resistance level at 2,150. Next support and resistance level at 1,900-2,300. Speculative buy/Buy on weakness.



INCO: Testing resistance level

The price closed below minor resistance level of 2,300. Support level at 2,050. Next support and resistance level at 1,850-2,450. The mid-term trend is still sideways. Sell on strength



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CIPTADANA FIXED INCOME DAILY

CURRENCY TRADING RANGE OF TODAY

USD/Rp: 13,283 -13,383

INDONESIA GOVERNMENT SECURITIES YIELD	
Maturity (yrs)	Yield (%)
1	6.00
3	6.74
5	6.80
10	6.94
15	7.38
30	7.95

AVERAGE DEPOSIT RATE					
	1M	3M	6M	1YR	2YRS
IDR	6.04	6.22	6.21	6.10	5.72
US\$	0.80	0.76	0.75	0.78	
JIBOR (RP)	6.03	6.90	7.09	7.25	

BASE LENDING RATE	
BI RATE	4.75
FED FUND RATE	1.25
LPS INSURED RATE	
IDR	5.50
US\$	1.00

EXCHANGE RATE		
EXCHANGE RATE		% chg.
1 US\$ = IDR	13,333	-0.09
1 US\$ = SGD	1.37	-0.04
1 US\$ = JPY	112.02	-0.10
1 US\$ = AUD	0.79	-0.24
1 US\$ = EUR	1.16	-0.09

ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS

21 -Jul-17	<p>Kertas Basuki Rahmat Indonesia (KBRI)</p> <p>Annual General Meetings Agenda : Approval and Approval of the Company's Annual Report for the financial year ending on 31 December 2016, Appointment of public accountant. Venue & Time: Hotel Aston Priority Simatupang, Simatupang 5 meeting room 25th floor, Jl. Lt. Gen. TB Simatupang Kav.9, Kebagusan, Jakarta, at 09.00 (Western Indonesia Time)</p>
25 -Jul-17	<p>Tempo Intimedia (TMPO)</p> <p>Extraordinary General Meetings Agenda : Additional capital by granting preemptive rights (HMETD) and amending Article 4 of the Company's articles of association Venue & Time: Tempo Building, Jl. Palmerah Barat no. 8 Jakarta, at 10.00 (Western Indonesia Time)</p>
25 -Jul-17	<p>Yanaprima Hastapersada (YPAS)</p> <p>Extraordinary General Meetings Agenda : Changes in the Composition of Members of the Board of Commissioners and Board of Directors of the Company Venue & Time: Head of office PT Yanaprima Hastapersada Tbk, Graha Irama Building, 15th Floor Jl. HR. Rasuna Said Block X-1, Kav. 1-2, Jakarta, at 10.00 (Western Indonesia Time)</p>
26 -Jul-17	<p>Terregra Asia Energy (TGRA)</p> <p>Annual General Meetings Agenda : Approval of the Annual Report and Ratification of the Company's Consolidated Financial Statements, Approval of the Board of Commissioners Supervision, Approval of the use of the Company's Net Profit ending on December 31, 2016 Report for the fiscal year ending on 31 December 2016, Determination of Public Accounting Firm, Determination of Remuneration of Board of Directors and Board of Commissioners of the Company Venue & Time: Lippo Castle Tower # 901. St. Moritz. Jl.Puri Indah Raya Blvd U1-3 CBD, Jakarta, at 10.00 (Western Indonesia Time)</p>
31 -Jul-17	<p>Bumi Teknokultura Unggul (BTEK)</p> <p>Extraordinary General Meetings Agenda : Approval of stock split of the Company with the nominal value of Rp. 100, - (one hundred Rupiah) per share into new nominal value of Rp. 12.5 (twelve point five Rupiah) per share with a stock split ratio ratio of 1: 8, The amendment of the articles of association with respect to stock split. Venue & Time Seminar Room I Gallery Bursa Efek Indonesia Indonesia Stock Exchange Building Tower 2, Jl. Jend. Sudirman Kav. 52-53, Jakarta, at 09.00 (Western Indonesia Time)</p>
31 -Jul-17	<p>Bakrieland Development (ELTY)</p> <p>Annual General Meetings Agenda :Approval of the Board of Directors' accountability report on the course of the Company for the financial year ended on 31 December 2016, Approval and endorsement of Company's Balance Sheet and Profit / Loss for the year ended 31 December 2016, Approval of appointment of Public Accounting Firm, Venue & Time: The Bridge Function Room - Aston Rasuna Jakarta Taman Rasuna Apartment Complex, Jl HR Rasuna Said - Jakarta, at 10.00 (Western Indonesia Time)</p>

PlazaASIAOffice Park Unit 2
Jl. Jend. Sudirman Kav. 59
Jakarta 12190, Indonesia

T +62 21 2557 4800
F +62 21 2557 4900
E research@ciptadana.com
www.ciptadana.com

Analyst Certification

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