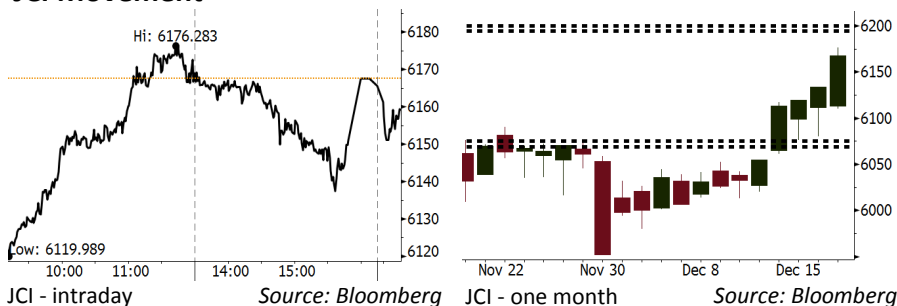


Morning Brief

Daily | Dec 20 2017

JCI Movement



IHSG (Jakarta Composite Index)

Dec 19	6,156.70
Chg	+14.54 pts (+0.24%)
Volume (bn shares)	99.19
Value (IDR tn)	6.83

Adv 130 Dec 211 Unc 236 Untr 136

Foreign Transaction (IDR bn)

Buy	3,010
Sell	2,854
Net Buy (Sell)	156

Top Buy	NB Val.	Top Sell	NS Val.
BBTN	18.1	ASII	104.2
KLBF	16.6	BUMI	72.2
INDF	15.2	BBRI	69.4
GGRM	14.2	UNTR	50.6
TPIA	12.3	BBNI	42.3

LQ-45 Index Top Gainers & Losers

Gainers	%	Losers	%
WSKT	5.8%	MYRX	-5.8%
BUMI	3.9%	LPKR	-3.7%
GGRM	3.1%	AKRA	-3.2%
SRIL	2.7%	MNCN	-3.1%
HMSP	2.5%	SMRA	-2.8%

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.4950%	0.00%
USD/IDR	13,581.00	0.08%
KRW/IDR	12.50	0.32%

Global Indexes

Index	Last	Chg.	%
Dow Jones	24,754.75	(37.45)	-0.15%
S&P 500	2,681.47	(8.69)	-0.32%
Nasdaq	6,963.85	(30.91)	-0.44%
FTSE 100	7,544.09	7.08	0.09%
CAC 40	5,382.91	(37.67)	-0.69%
DAX	13,215.79	(96.51)	-0.72%
Nikkei	22,868.00	(33.77)	-0.15%
Hang Seng	29,253.66	203.25	0.70%
Shanghai	3,296.54	28.62	0.88%
KOSPI	2,478.53	(3.35)	-0.13%
EIDO	27.31	(0.05)	-0.18%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,261.7	(0.6)	-0.04%
Crude Oil (USD /bbl)	57.56	0.34	0.59%
Coal Newcas(USD/ton)	101.90	0.00	0.00%
Gas (USD /mmbtu)	2.69	(0.05)	-1.93%
Nickel LME (USD /MT)	11,755	(75.0)	-0.63%
CPO (MYR/Ton)	2,521	(7.0)	-0.28%

Indonesian Market Recap

JCI closed higher as investors are optimistic toward the process of the U.S. tax reformation. Top Gainers : **Mining (+1.97%), Consumer (+1.22%), Trade (+0.86%).**

Today's Outlook: 2018 Tax Policy Discussion

We estimate JCI to move lower with the support range of 6075-6095 and resistance range of 6195-6200 by today. The positive sentiment comes from the press conference and visit to Chile and Argentina to be conducted by Enggartiasto Lukita, the Minister of Trade. Besides, the Tax Policy Directorate, Robert Pakpahan and Chief of Trade Chamber, Rosan Roeslani will discuss about the tax policy for 2018 in Jakarta. It will anticipate the impact of shift in the U.S. tax policy to Indonesia.

Stocks Recommendation (details on the next page)

Trading Buy: ADRO, ADHI, PTRO

Global Market

United States

The U.S. markets closed lower due to the decline in Apple's shares pressing the technology sector. The U.S. parliament voting approved the tax bill cutting.

Europe

European markets closed lower even though the optimism of the U.S. tax cut persisted.

Asia

Asia markets moved in constrained range as investors conducted wait-and-see act relating to the U.S. tax reformation.

Company News

CAMP: Targets Growth of 10% in Revenues

INAF: Spends IDR250 Billion to Build Infusion Factory

INKP: Issues MTN Amounting to IDR450 Billion

BBTN: Targets Growth of 20%-23% in 2018

Domestic & Global News

Bank Indonesia Sells \$240M of 6-Month USD Bills at Avg. 1.931%

Stocks Snap 2-Day Winning Streak

Indonesia Economic Data

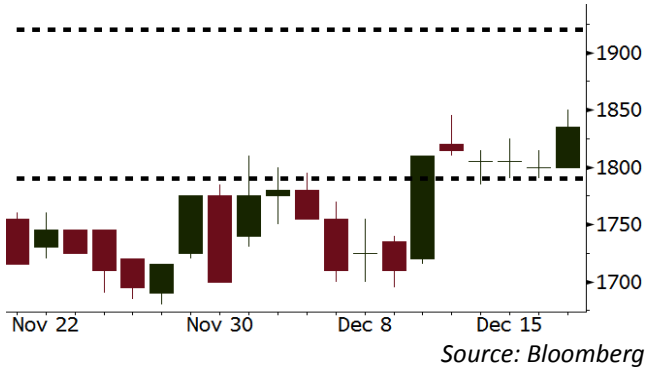
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.06%	4.25%
FX Reserve (USD bn)	125.97	126.55	Current Acc (USD bn)	(4.34)	129.40
Trd Balance (USD bn)	0.13	0.90	Govt Spending Yoy	3.46%	1.72
Exports Yoy	13.18%	18.39%	FDI (USD bn)	7.86	19.24%
Imports Yoy	19.62%	23.33%	Business Confidence	112.39	8.89%
Inflation Yoy	3.30%	3.58%	Cons. Confidence*	122.10	120.70

ADRO Last = 1835

Analysis Global coal price settled at USD101.90 per ton as it was backed by the upbeat demand for coal from China.

Range 1790 – 1920

Action Trading Buy. Cut Loss If Below 1790

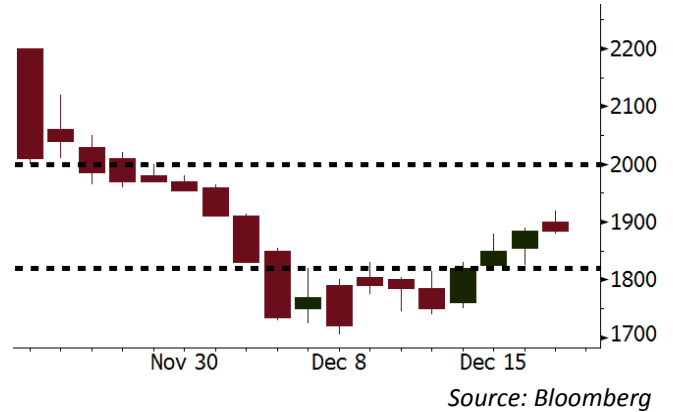


ADHI Last = 1885

Analysis ADHI and PT KAI signed addendum and Agreement of LTR Acceleration Completion in Jakarta and its greater areas.

Range 1820 – 2000

Action Trading Buy. Cut Loss If Below 1820

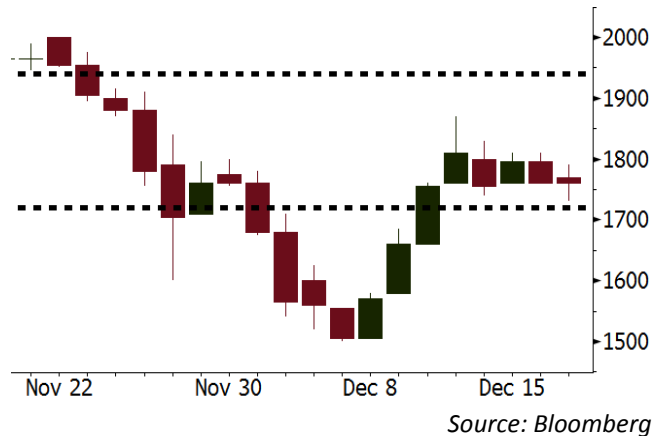


PTRO Last = 1760

Analysis Global oil price still continued to rally at USD57,7 per barrel or nudged up 0,21% due to the pipe damage in Atlantic Ocean.

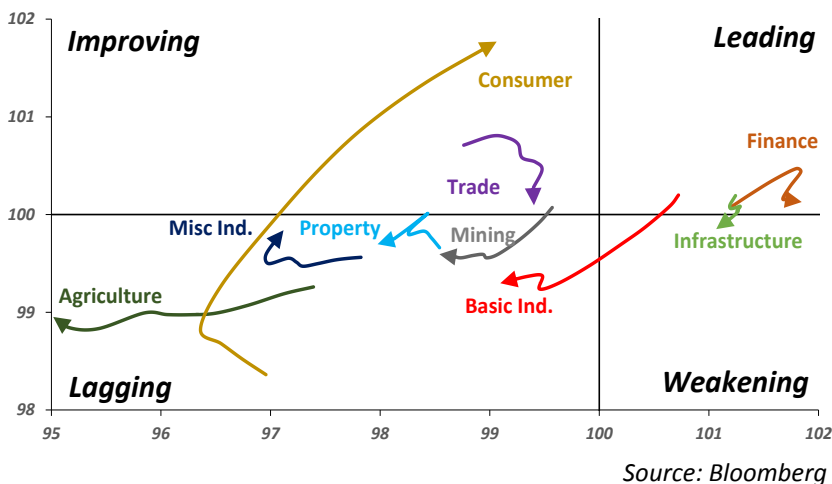
Range 1720 - 1940

Action Trading buy. Cut Loss If Below 1720



Sector Rotation

Relative Rotation Graph - Last 10 Days



Relative Valuation

	Last Price	End of Last Year Price	YTD Change (%)	1 Year Change (%)	Market Cap (IDR tn)	Price / BVPS	Price / EPS (TTM)	EV/ EBITDA (TTM)	Return on Equity (%)	EVA Spread (%)	Dividend Yield TTM (%)	Sales Growth Yoy (%)	EPS Growth Yoy (%)	Adjusted Beta
JCI Index			16.4	19.4	6,845.5									
Finance					2,018.8									
BBCA	21,100	15,500	36.1	42.8	520.2	4.1	23.3	N/A	18.9	6.3	1.0	8.6	14.4	0.9
BBRI	3,440	2,335	47.3	53.2	424.3	2.7	15.1	N/A	18.6	11.9	2.5	9.7	4.0	1.3
BMRI	7,475	5,788	29.2	38.4	348.8	2.2	20.7	N/A	10.8	2.3	1.8	6.5	(32.1)	1.4
BBNI	9,525	5,525	72.4	76.4	177.6	1.9	12.8	N/A	15.3	0.6	2.2	15.2	25.3	1.2
BDMN	5,750	3,710	55.0	70.1	55.1	1.4	17.3	N/A	8.6	0.5	1.7	(7.9)	11.5	1.3
BBTN	3,480	1,740	100.0	110.3	36.9	1.8	12.3	N/A	15.5	(2.0)	1.4	14.6	41.1	0.8
BJBR	2,220	3,390	(34.5)	(26.2)	21.5	2.2	20.3	N/A	10.9	(1.8)	4.0	5.6	(16.2)	0.6
BJTM	700	570	22.8	17.6	10.5	1.4	8.7	N/A	16.5	1.9	6.2	2.5	16.2	1.3
Consumer					1,558.3									
HMSP	4,550	3,830	18.8	15.8	529.2	17.1	40.8	29.6	42.2	26	2.4	7.2	18.2	1.2
UNVR	54,100	38,800	39.4	36.4	412.8	64.3	60.1	41.6	107.6	92.0	1.6	9.8	9.4	1.2
GGRM	81,000	63,900	26.8	28.6	155.9	3.9	20.8	12.7	19.4	3.4	3.2	8.4	3.7	1.2
ICBP	8,875	8,575	3.5	8.6	103.5	5.5	27.1	17.3	21.4	16.0	1.7	8.6	20.0	1.5
KLBF	1,685	1,515	11.2	15.0	79.0	6.2	33.2	22.1	19.8	5.4	1.3	8.3	14.7	1.1
INDF	7,650	7,925	(3.5)	0.3	67.2	2.2	16.6	8.5	14.1	(2.6)	3.1	4.2	47.8	1.1
ROTI	1,265	1,600	(20.9)	(16.2)	7.8	4.5	36.9	20.3	12.6	(0.6)	1.1	16.0	3.5	0.9
Infrastructure					781.14									
TLKM	4,190	3,962	5.7	12.8	422.4	4.6	18.4	7.0	25.9	12.3	4.7	13.5	24.4	1.1
PGAS	1,765	2,700	(34.6)	(33.1)	42.8	1.0	18.8	9.0	5.1	(5.1)	4.3	(4.4)	(23.5)	1.1
JSMR	6,225	4,320	44.1	43.8	45.2	3.1	17.9	12.3	19.1	(4.1)	1.3	69.2	28.7	1.0
EXCL	2,950	2,310	27.7	25.5	31.5	1.5	70.1	5.8	2.1	(7.4)	N/A	(6.7)	N/A	1.0
TBIG	6,225	4,980	25.0	20.3	28.2	16.5	25.4	14.8	76.3	(1.8)	2.4	8.5	(6.3)	0.7
Trade					730.4									
UNTR	33,400	21,250	57.2	61.4	124.6	2.8	16.6	8.3	18.2	3.5	2.0	(7.7)	29.8	1.2
LPPF	10,975	15,125	(27.4)	(24.2)	32.0	16.5	16.7	11.7	112.1	68.9	4.4	9.9	13.3	1.5
SCMA	2,470	2,800	(11.8)	(2.0)	36.1	8.5	25.1	17.2	35.3	19.7	2.3	6.8	(1.5)	0.8
AKRA	6,050	6,000	0.8	4.8	24.2	3.3	25.7	20.6	17.8	(3.9)	2.5	(23.0)	(3.0)	1.1
MNCN	1,255	1,755	(28.5)	(29.3)	17.9	1.9	15.2	7.5	11.7	(0.5)	3.3	4.4	17.4	1.3
ACES	1,165	835	39.5	44.7	20.0	6.0	26.1	18.7	24.8	9.9	1.4	4.1	20.8	1.0
BMTR	610	615	(0.8)	1.7	8.7	0.9	N/A	5.7	(0.5)	(3.2)	0.8	(1.1)	194.0	1.0
Property					407.5									
BSDE	1,720	1,755	(2.0)	(1.4)	33.1	1.5	11.3	11.2	13.8	(4.1)	0.3	5.0	(17.0)	1.2
LPKR	500	720	(30.6)	(30.6)	11.5	0.6	13.1	12.4	4.7	(7.2)	0.4	18.6	64.8	0.9
PWON	650	565	15.0	18.2	31.3	3.2	17.6	11.9	19.6	3.6	0.7	4.7	32.4	1.1
WSKT	2,250	2,550	(11.8)	(7.4)	30.5	2.4	6.9	12.0	28.9	(2.4)	1.7	68.1	63.5	0.9
SMRA	845	1,325	(36.2)	(37.4)	12.2	1.9	32.6	11.7	6.1	(1.9)	0.6	(4.0)	(63.6)	1.3
CTRA	1,185	1,335	(11.2)	(10.9)	22.0	1.7	22.0	15.0	8.7	(3.7)	0.4	(10.3)	(33.6)	0.9
PTPP	2,650	3,810	(30.4)	(28.0)	16.4	1.6	13.0	7.8	18.9	(2.0)	1.9	15.8	13.5	1.0
WIKA	1,605	2,360	(32.0)	(33.4)	14.4	1.2	9.9	7.5	15.8	(1.8)	2.1	15.0	68.3	0.7
ADHI	1,885	2,080	(9.4)	(7.1)	6.7	1.2	16.6	9.7	7.5	(3.0)	1.4	17.8	(56.6)	0.8
ASRI	368	352	4.5	3.4	7.2	0.9	7.5	7.2	12.5	0.3	0.4	(2.4)	(14.7)	1.0
APLN	206	210	(1.9)	(4.6)	4.2	0.5	5.4	5.3	9.7	2.0	1.0	0.6	(21.3)	0.9
Misc Ind.					404.5									
ASII	8,175	8,275	(1.2)	8.3	331.0	2.8	18.3	14.3	16.1	(4.1)	2.1	(1.7)	4.8	1.3
SRIL	384	230	67.0	71.4	7.9	1.4	8.4	6.7	18.1	3.7	0.8	9.3	6.7	0.7
Basic Ind.					507.3									
INTP	20,025	15,400	30.0	29.0	73.7	3.1	34.6	23.2	8.6	(6.0)	4.6	(13.7)	(11.2)	1.4
SMGR	9,850	9,175	7.4	10.4	58.4	2.0	19.1	13.6	10.9	(3.5)	3.1	(3.0)	0.0	1.1
CPIN	3,270	3,090	5.8	3.2	53.6	3.5	31.8	12.4	11.2	0.4	1.7	27.9	29.1	1.1
WTON	505	825	(38.8)	(40.9)	4.4	1.7	13.4	8.2	13.5	2.2	1.9	31.3	56.7	0.6
Mining					335.3									
ADRO	1,835	1,695	8.3	7.9	58.7	1.3	8.7	4.0	15.3	6.7	2.3	(6.0)	119.3	1.2
INCO	2,920	2,820	3.5	1.4	29.0	1.2	N/A	17.3	(0.6)	(10.8)	N/A	(26.0)	N/A	1.3
PTBA	2,460	2,500	(1.6)	1.7	28.3	2.0	7.1	4.7	32.2	14.2	2.3	2.4	1.2	1.1
ANTM	645	895	(27.9)	(25.4)	15.5	0.9	N/A	14.4	(1.7)	(6.4)	N/A	(13.5)	N/A	0.8
ITMG	20,500	16,875	21.5	23.7	23.2	1.7	7.2	2.8	25.1	16.8	11.9	(14.0)	100.0	0.6
Agriculture					102.2									
AALI	13,475	16,775	(19.7)	(19.8)	25.9	1.5	11.4	6.6	13.4	6.9	3.8	8.1	203.2	0.6
SSMS	1,475	1,400	5.4	10.5	14.0	3.6	15.1	10.4	27.0	3.7	1.3	14.8	9.2	0.8
LSIP	1,300	1,740	(25.3)	(26.1)	8.9	1.1	9.2	4.8	12.5	1.4	2.7	(8.2)	(4.4)	0.8

Source: Bloomberg

CAMP: Targets Growth of 10% in Revenues

CAMP targets the hike of 10% or equal to IDR 960 billion in 2018. It plans to launch new product and expand outside Java. Now, its sales contribution in Java reaches 70%. (Kontan)

INAF: Spends IDR250 Billion to Build Infusion Factory

In 2018, INAF will build infusion product factory located in Makassar. The expansion is the joint venture continuation among INAF, Sugwun Pharmacopia Co Ltd, and PT Baruna Energi Lestari. The factory will produce 40 million infusion bottles per year or equal to the sales amounting to IDR300 billion. (Kontan)

INKP: Issues MTN Amounting to IDR450 Billion

INKP issues medium term notes (MTN) II amounting to IDR450 billion. The MTN has 2-year tenor and coupon of 10.25% per year. Its issuance is conducted to increase working capital, capital expense, and debt refinancing. (Bisnis Indonesia)

BBTN: Targets Growth of 20%-23% in 2018

BBTN targets the growth of 20%-23% in 2018' business. The target is higher than the growth projection of 10%-12% in banking industry. It targets credit to grow 20% in which mortgage loan for subsidy or non-subsidy are still bolster for the credit growth. (Kontan)

Domestic & Global News

Bank Indonesia Sells \$240M of 6-Month USD Bills at Avg. 1.931%

Central bank receives \$265m bids at FX bills auction on Tuesday, short of \$300m target

Stocks Snap 2-Day Winning Streak

House members voted to pass the tax bill on Tuesday. The Senate is also expected to pass the measure. The bill would cut the federal corporate tax rate to 21 percent from 35 percent. Investors were also taking a pause after bidding stocks up in anticipation of the tax overhaul. The slashing of the corporate tax rate will bump up the bottom line for most of the members of the S&P 500 whose constituents pay on average 27.4% of their income to the government.

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	JPN	06:50	Trade Balance	Nov	-¥113.4b	-¥40.0b	¥285.4b
18- Dec	EU	17:00	CPI YoY	Nov F	1.50%	--	1.50%
Tuesday	GER	16:00	IFO Business Climate	Dec	117.2	--	117.5
19- Dec	GER	16:00	IFO Expectations	Dec	109.5	--	111
	GER	16:00	IFO Business Climate	Dec	125.4	--	124.4
Wednesday	JPN	11:30	All Industry Activity Index MoM	Oct		0.30%	-0.50%
20 - Dec	USA	19:00	MBA Mortgage Applications	15-Dec		--	-2.30%
Thursday	USA	20:30	GDP Annualized QoQ	3Q T		3.30%	3.30%
21- Dec	USA	20:30	Initial Jobless Claims	16-Dec		--	225k
	USA	20:30	GDP Price Index	3Q T		2.10%	2.10%
	EU	22:00	Consumer Confidence	Dec A		--	0.1
Friday	UK	16:30	Current Account Balance	3Q		-21.3b	-23.2b
22 - Dec	UK	16:30	GDP YoY	3Q F		1.50%	1.50%
	USA	20:30	Durable Goods Orders	Nov P		1.80%	-0.80%
	USA	22:00	New Home Sales	Nov		651k	685k
	USA	22:00	U. of Mich. Sentiment	Dec F		97.2	96.8

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Right Listing Date	IMJS
18 - Dec	Annual Shareholder Meeting	FIRE
	IPO Listing Date	PT Asuransi Jiwa Syariah Jasa Mitra Abadi Tbk
Tuesday	IPO Listing Date	CAMP
19 - Dec	Annual Shareholder Meeting	LPIN
	Cum Dividend Date	JASS
Wednesday	Annual & Extraordinary Shareholder Meeting	MFTN
20 - Dec	Right Listing Date	DAYA, YULE
	Extraordinary Shareholder Meeting	ENRG, HEXA, HRTA
Thursday	Right Delisting Date	CMPP, MEDC
21- Dec	Annual & Extraordinary Shareholder Meeting	ASMI
	Extraordinary Shareholder Meeting	CMPP
Friday	Right Delisting Date	TRAM
22 - Dec	Right Listing Date	MABA
	Annual Shareholder Meeting	CANI

Source: Bloomberg

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