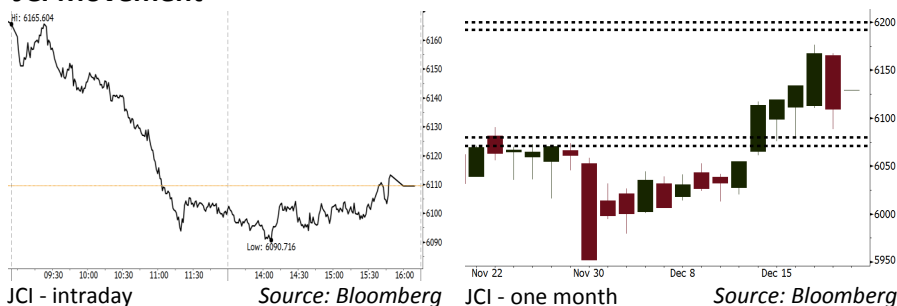


# Morning Brief

Daily | Dec 21 2017

## JCI Movement



## IHSG (Jakarta Composite Index)

Dec 20	6,109.48
Chg	-58.18pts (-0.94%)
Volume (bn shares)	94.38
Value (IDR tn)	8.74

Adv 113 Dec 225 Unc 240 Untr 128

## Foreign Transaction (IDR bn)

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

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	463.6	BBCA	78.29
SILO	44.12	BBNI	44.89
BBRI	27.32	UNVR	39.12
BBTN	20.85	UNTR	37.84
ASII	20.77	JSMR	32.23

## LQ-45 Index Top Gainers & Losers

Gainers	%	Losers	%
INTP	2.7%	JSMR	-1.2%
BMRI	2.0%	KLBF	-0.9%
MYRX	1.8%	LPKR	-0.8%
BBRI	1.5%	PTPP	-0.8%
LPPF	1.4%	BRPT	-0.5%

## 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 lower yesterday as the implied USD-IDR volatility for one month hiked from 0.4% into 3.86. **Top Losers : Agri (-2.12%), Misc (-2.04%), Basic (-1.74 %).**

## Today's Outlook: Indonesia's Rating Hike by Fitch

We estimate JCI to rally with the support range 6071-6080 and resistance range of 6192-6200 by today. The positive sentiment from Fitch Hong Kong upgrading Indonesia's rating from BBB- into BBB with a stable outlook.

## Stocks Recommendation (details on the next page)

Trading Buy: NIKL, PTRO, TINS

## Global Market

### United States

The U.S. markets closed slightly higher after the U.S. congress approved the tax reformation.

### Europe

European markets closed lower after the U.S. senate approved the U.S. tax reformation.

### Asia

Asia markets moved in limited range while awaiting the policy decision from Bank of Japan.

## Company News

- UNTR: Targets Hike of 10% in Sales
- INTA: Allocates Capex of IDR80 Billion
- DSFI: Sales Target Reaches 93% in November
- DILD: Allocates IDR2 Trillion for Capex

## Domestic & Global News

- Indonesia's Rating Hike by Fitch
- US Stocks Close Little Changed as Congress Passes Tax Bill

## Indonesia Economic Data

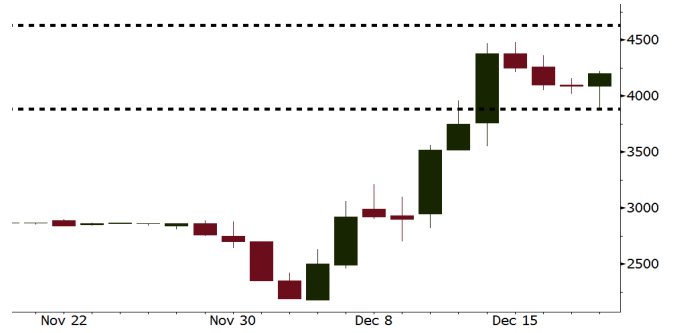
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.06%	4.25%
FX Reserve (USD bn)	125.97	126.55	Current Acc (USD bn)	(4.34)	129.40
Trd Balance (USD bn)	0.13	0.90	Govt Spending Yoy	3.46%	1.72
Exports Yoy	13.18%	18.39%	FDI (USD bn)	7.86	19.24%
Imports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

**NIKL** Last = 4200

**Analysis** Global nickel price hiked 2.42% into USD12,040/MT with the total hike of 8.61% within a this week.

**Range** 3885 - 4630

**Action** Trading Buy. Cut Loss If Below 3885



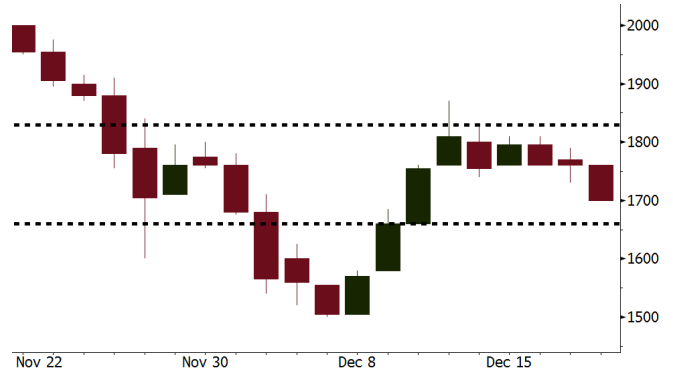
Source: Bloomberg

**PTRO** Last = 1700

**Analysis** Global oil price continued its rally of 0.92% into USD58.09/barrel.

**Range** 1660 – 1830

**Action** Trading Buy. Cut Loss If Below 1660



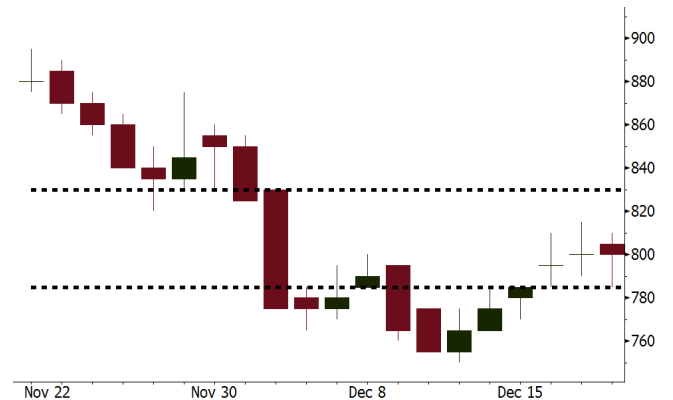
Source: Bloomberg

**TINS** Last = 800

**Analysis** Global tin price hiked by 0.77% into USD19,475/MT and continues its rally within this week with total appreciation of 3.64%.

**Range** 785 - 830

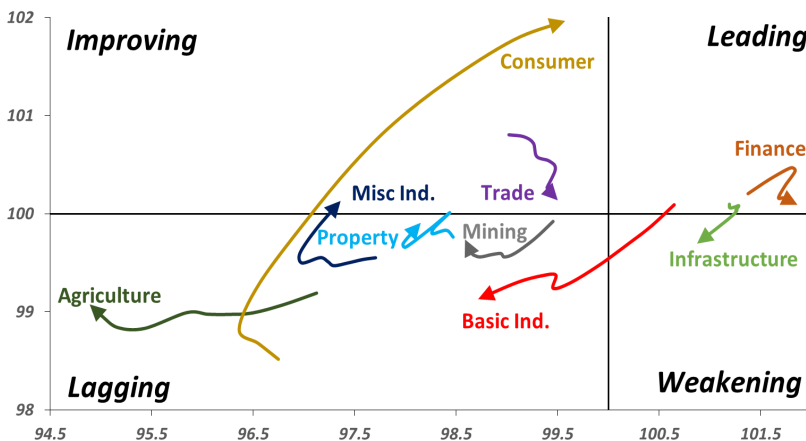
**Action** Trading buy. Cut Loss If Below 785



Source: Bloomberg

## Sector Rotation

### Relative Rotation Graph - Last 10 Days



Source: Bloomberg

# 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
<b>JCI Index</b>			15.3	19.5	6,780.1									
<b>Finance</b>					2,006.6									
BBCA	20,925	15,500	35.0	42.6	515.9	4.1	23.1	N/A	18.9	6.3	1.0	8.6	14.4	0.9
BBRI	3,400	2,335	45.6	54.5	419.4	2.6	15.0	N/A	18.6	11.9	2.5	9.7	4.0	1.3
BMRI	7,450	5,788	28.7	38.6	347.7	2.2	20.6	N/A	10.8	2.3	1.8	6.5	(32.1)	1.4
BBNI	9,525	5,525	72.4	78.0	177.6	1.9	12.8	N/A	15.3	0.6	2.2	15.2	25.3	1.2
BDMN	6,050	3,710	63.1	82.8	58.0	1.5	18.2	N/A	8.6	0.6	1.6	(7.9)	11.5	1.3
BBTN	3,470	1,740	99.4	110.3	36.7	1.8	12.2	N/A	15.5	(1.9)	1.4	14.6	41.1	0.8
BJBR	2,230	3,390	(34.2)	(25.4)	21.6	2.2	20.4	N/A	10.9	(1.7)	4.0	5.6	(16.2)	0.6
BJTM	690	570	21.1	7.0	10.3	1.4	8.6	N/A	16.5	1.9	6.3	2.5	16.2	1.3
<b>Consumer</b>					1,537.6									
HMSP	4,450	3,830	16.2	19.0	517.6	16.7	39.9	28.9	42.2	26	2.4	7.2	18.2	1.2
UNVR	53,000	38,800	36.6	37.7	404.4	63.0	58.9	40.8	107.6	92.0	1.6	9.8	9.4	1.2
GGRM	79,075	63,900	23.7	27.5	152.1	3.8	20.3	12.4	19.4	3.4	3.3	8.4	3.7	1.2
ICBP	8,925	8,575	4.1	12.6	104.1	5.5	27.3	17.4	21.4	16.0	1.7	8.6	20.0	1.5
KLBF	1,675	1,515	10.6	15.1	78.5	6.2	33.0	22.0	19.8	5.4	1.3	8.3	14.7	1.1
INDF	7,550	7,925	(4.7)	2.4	66.3	2.2	16.4	8.4	14.1	(2.5)	3.1	4.2	47.8	1.1
ROTI	1,260	1,600	(21.3)	(16.6)	7.8	4.5	36.7	20.2	12.6	(0.6)	1.1	16.0	3.5	0.9
<b>Infrastructure</b>					775.27									
TLKM	4,160	3,962	5.0	10.5	419.3	4.5	18.3	6.9	25.9	12.3	4.7	13.5	24.4	1.1
PGAS	1,755	2,700	(35.0)	(32.0)	42.5	1.0	18.8	9.0	5.1	(5.1)	4.3	(4.4)	(23.5)	1.1
JSMR	6,200	4,320	43.5	44.9	45.0	3.0	17.9	12.3	19.1	(4.1)	1.3	69.2	28.7	1.0
EXCL	2,840	2,310	22.9	27.9	30.4	1.4	67.5	5.7	2.1	(7.4)	N/A	(6.7)	N/A	1.0
TBIG	6,150	4,980	23.5	21.8	27.9	16.3	25.1	14.7	76.3	(1.8)	2.4	8.5	(6.3)	0.7
<b>Trade</b>					728.4									
UNTR	32,825	21,250	54.5	62.9	122.4	2.8	16.3	8.1	18.2	3.5	2.1	(7.7)	29.8	1.2
LPPF	10,600	15,125	(29.9)	(26.9)	30.9	15.9	16.1	11.3	112.1	68.9	4.6	9.9	13.3	1.5
SCMA	2,450	2,800	(12.5)	(2.8)	35.8	8.4	24.9	17.1	35.3	19.7	2.4	6.8	(1.5)	0.8
AKRA	6,050	6,000	0.8	6.1	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)	(24.2)	17.9	1.9	15.2	7.5	11.7	(0.5)	3.3	4.4	17.4	1.3
ACES	1,145	835	37.1	41.4	19.6	5.9	25.6	18.4	24.8	9.9	1.4	4.1	20.8	1.0
BMTR	580	615	(5.7)	(3.3)	8.2	0.9	N/A	5.6	(0.5)	(3.2)	0.9	(1.1)	194.0	1.0
<b>Property</b>					403.4									
BSDE	1,660	1,755	(5.4)	(2.9)	31.9	1.4	10.9	10.9	13.8	(4.1)	0.3	5.0	(17.0)	1.2
LPKR	482	720	(33.1)	(32.6)	11.1	0.6	12.6	12.2	4.7	(7.2)	0.4	18.6	64.8	0.9
PWON	635	565	12.4	15.5	30.6	3.1	17.2	11.7	19.6	3.6	0.7	4.7	32.4	1.1
WSKT	2,210	2,550	(13.3)	(6.4)	30.0	2.3	6.8	11.9	28.9	(2.3)	1.7	68.1	63.5	0.9
SMRA	860	1,325	(35.1)	(31.2)	12.4	2.0	33.2	11.8	6.1	(1.9)	0.6	(4.0)	(63.6)	1.3
CTRA	1,165	1,335	(12.7)	(10.4)	21.6	1.7	21.7	14.8	8.7	(3.7)	0.4	(10.3)	(33.6)	0.9
PTPP	2,590	3,810	(32.0)	(30.7)	16.1	1.5	12.7	7.6	18.9	(2.0)	1.9	15.8	13.5	1.0
WIKA	1,580	2,360	(33.1)	(34.2)	14.2	1.2	9.7	7.4	15.8	(1.8)	2.1	15.0	68.3	0.7
ADHI	1,900	2,080	(8.7)	(8.2)	6.8	1.2	16.8	9.8	7.5	(3.0)	1.4	17.8	(56.6)	0.8
ASRI	358	352	1.7	1.7	7.0	0.9	7.3	7.1	12.5	0.3	0.4	(2.4)	(14.7)	1.0
APLN	200	210	(4.8)	(8.3)	4.1	0.5	5.2	5.2	9.7	2.1	1.0	0.6	(21.3)	0.9
<b>Misc Ind.</b>					396.3									
ASII	8,000	8,275	(3.3)	3.9	323.9	2.7	17.9	14.1	16.1	(4.1)	2.1	(1.7)	4.8	1.3
SRIL	368	230	60.0	65.8	7.5	1.4	8.1	6.5	18.1	3.7	0.8	9.3	6.7	0.7
<b>Basic Ind.</b>					498.5									
INTP	19,400	15,400	26.0	26.0	71.4	3.0	33.5	22.4	8.6	(6.0)	4.8	(13.7)	(11.2)	1.4
SMGR	9,550	9,175	4.1	4.7	56.6	2.0	18.6	13.3	10.9	(3.6)	3.2	(3.0)	0.0	1.1
CPIN	3,110	3,090	0.6	2.6	51.0	3.4	30.3	11.8	11.2	0.4	1.8	27.9	29.1	1.1
WTON	498	825	(39.6)	(41.1)	4.3	1.7	13.2	8.2	13.5	2.2	2.0	31.3	56.7	0.6
<b>Mining</b>					333.9									
ADRO	1,800	1,695	6.2	7.8	57.6	1.2	8.5	3.9	15.3	6.7	2.4	(6.0)	119.3	1.2
INCO	2,850	2,820	1.1	1.1	28.3	1.2	N/A	16.9	(0.6)	(10.8)	N/A	(26.0)	N/A	1.3
PTBA	2,460	2,500	(1.6)	1.0	28.3	2.0	7.1	4.7	32.2	14.2	2.3	2.4	1.2	1.1
ANTM	630	895	(29.6)	(28.8)	15.1	0.8	N/A	14.1	(1.7)	(6.4)	N/A	(13.5)	N/A	0.8
ITMG	20,000	16,875	18.5	19.8	22.6	1.6	7.0	2.7	25.1	16.8	12.2	(14.0)	100.0	0.6
<b>Agriculture</b>					100.1									
AAI	13,050	16,775	(22.2)	(22.3)	25.1	1.4	11.1	6.4	13.4	6.9	4.0	8.1	203.2	0.6
SSMS	1,455	1,400	3.9	10.2	13.9	3.6	14.9	10.3	27.0	3.7	1.3	14.8	9.2	0.8
LSIP	1,265	1,740	(27.3)	(27.5)	8.6	1.1	9.0	4.6	12.5	1.4	2.8	(8.2)	(4.4)	0.8

Source: Bloomberg

### **UNTR: Targets Hike of 10% in Sales**

UNTR is optimistic that the sales of heavy machinery, “Komatsu”, in 2017 reaches 3,500 units. In 2018, the sales of heavy machinery is targeted to hike 10% into 3,800 units. In the business of mining contractor, the coal production volume and the number of land relocation is estimated to hike by 10% y-y. In 2018, it allocates the capital expenditure of IDR7 trillion stemming from internal cash. (Kontan)

### **DSFI: Sales Target Reaches 93% in November**

DSFI secures sales of 7,559 ton with the total amount of IDR597.11 billion until November 2017. In 2017, it estimates to book sales of 8,240 ton or amounting to IDR653.78 billion. This number is bigger than the prior sales target amounting to IDR640.25 billion. (Kontan)

### **INTA: Allocates Capex of IDR80 Billion**

INTA allocates capex of IDR75 billion until IDR80 billion in 2018. The capex will be used to build new warehouse in Balikpapan and increase production. The biggest funds will be used to support heavy machinery business. Its capex derives from the internal fund. In 2018, INTA targets the hike of 20% into IDR2.16 trillion in revenue. (Kontan)

### **DILD: Allocates IDR2 Trillion for Capex**

DILD projects the 2018’s capex to amount IDR2 trillion. The capex will be used for the development of marketed projects. It will continue the development of 5 projects. The funds resource derives from the internal cash and construction loan to be withdrawn according to the project progress. (Bisnis Indonesia)

## Domestic & Global News

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### **Indonesia's Rating Hike by Fitch**

Fitch ratings has increased Indonesia’s rating from BBB- into BBB. The given outlook is stable. The major factor of this hike is the success of Indonesia proving its resilience toward global volatility and its capability to improve internal conditions within recent years. Besides, the macro-economy policy is also assessed to give solid stability.

### **US Stocks Close Little Changed as Congress Passes Tax Bill**

Investors have been eagerly waiting for lawmakers to move forward with the bill, sending the major stock indexes to record highs this year. There is positive momentum in the economy and the market, but US market had a big run-up recently, so now it just trading water.

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	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%
<b>Tuesday</b>	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
<b>Wednesday</b>	JPN	11:30	All Industry Activity Index MoM	Oct	0.30%	0.30%	-0.50%
20 - Dec	USA	19:00	MBA Mortgage Applications	15-Dec	-4.90%	--	-2.30%
<b>Thursday</b>	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
<b>Friday</b>	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
<b>Monday</b>	Right Listing Date	IMJS
18 - Dec	Annual Shareholder Meeting	FIRE
	IPO Listing Date	PT Asuransi Jiwa Syariah Jasa Mitra Abadi Tbk
<b>Tuesday</b>	IPO Listing Date	CAMP
19 - Dec	Annual Shareholder Meeting	LPIN
	Cum Dividend Date	JASS
<b>Wednesday</b>	Annual & Extraordinary Shareholder Meeting	MFTN
20 - Dec	Right Listing Date	DAYA, YULE
	Extraordinary Shareholder Meeting	ENRG, HEXA, HRTA
<b>Thursday</b>	Right Delisting Date	CMPP, MEDC
21- Dec	Annual & Extraordinary Shareholder Meeting	ASMI
	Extraordinary Shareholder Meeting	CMPP
<b>Friday</b>	Right Delisting Date	TRAM
22 - Dec	Right Listing Date	MABA
	Annual Shareholder Meeting	CANI

Source: Bloomberg

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