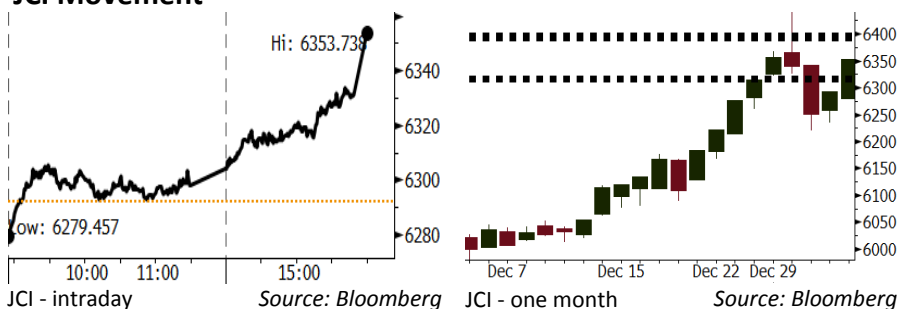


Morning Brief

Daily | Jan 08 2018

JCI Movement



IHSG (Jakarta Composite Index)

Jan 05	6,353.74
Chg	+61.42pts (+0.98%)
Volume (bn shares)	108.08
Value (IDR tn)	6.47

Adv 200 Dec 138 Unc 242 Untr 121

Foreign Transaction (IDR bn)	
Buy	2,499
Sell	2,138
Net Buy (Sell)	361

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	146.6	BUMI	75.6
BBCA	125.0	BBNI	55.2
ADRO	70.0	UNVR	27.7
UNTR	64.9	INDF	20.9
BBRI	51.0	BBTN	17.5

LQ-45 Index		Top Gainers & Losers	
Gainers	%	Losers	%
BUMI	6.5%	BMTR	-2.4%
PTBA	5.2%	BJBR	-1.7%
UNTR	4.2%	BBNI	-1.1%
ADRO	3.9%	SMGR	-0.9%
LPPF	3.8%	BSDE	-0.9%

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.14%	-0.04%
USD/IDR	13,416	-0.04%
KRW/IDR	12.64	0.04%

Global Indexes

Index	Last	Chg.	%
Dow Jones	25,295.87	220.74	0.88%
S&P 500	2,743.15	19.16	0.70%
Nasdaq	7,136.56	58.64	0.83%
FTSE 100	7,724.22	28.34	0.37%
CAC 40	5,470.75	57.06	1.05%
DAX	13,319.64	151.75	1.15%
Nikkei	23,714.53	208.20	0.89%
Hang Seng	30,814.64	78.16	0.25%
Shanghai	3,391.75	6.04	0.18%
KOSPI	2,497.52	31.06	1.26%
EIDO	28.98	0.34	1.19%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,319.6	(3.4)	-0.26%
Crude Oil (USD /bbl)	61.44	(0.57)	-0.92%
Coal Newcas(USD/ton)	103.70	(0.55)	-0.53%
Gas (USD /mmbtu)	2.80	(0.55)	-2.95%
Nickel LME (USD /MT)	12,525	(125.0)	-0.99%
CPO (MYR/Ton)	2,594	9.0	0.35%

Indonesian Market Recap

JCI continued to rally on Friday as it was backed by the significant rally in Rupiah and rally in global oil price. **Top Gainers : Mining (+3.01%), Consumer (+1.71%), Infrastructure (+1.36%)**

Today's Outlook: Disappointing U.S. Jobs

We estimate JCI to rally with the **support range of 6314-6319 and resistance range of 6391-6398** by today. The release of the U.S. job data of nonfarm payroll constitutes as a global sentiment. In December, the U.S. economy added only 148,000 jobs, lower than estimate job of 190,000. The loss of jobs position in retail sector contributes to the disappointing job data. From domestic, investors need to oversee Indonesia's forex reserve estimated to hit higher than USD130 billion.

Stocks Recommendation (details on the next page)

Trading Buy: WSKT, UNVR, LSIP

Global Market

United States

The U.S. markets rallied on Friday, 01/05. Investors ignored the lower-than-estimate job data.

Europe

Europe markets closed higher on Friday, 01/05 as investors awaited the release of Europe's inflation data and the U.S. job data.

Asia

Asia markets rallied last Friday amid the global economic optimism and the willingness of North Korea to negotiate.

Company News

- SSIA : Targets Marketing Sales of 15 Ha
- GIAA : Will Release Global Bond of USD750 Million
- TMPO : Targets Fund of IDR99 Billion through Right Issue
- EXCL : Allocates Expense of IDR7 Trillion in 2018

Domestic & Global News

- BI's Survey: Optimism of Strengthening Indonesia Consumer Index
- US Created only 148,000 Jobs in Dec

Indonesia Economic Data

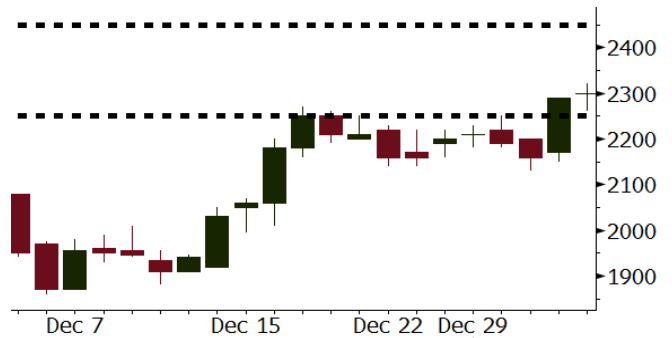
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.06%	4.25%
FX Reserve (USD bn)	125.97	126.55	Current Acc (USD bn)	(4.34)	129.40
Trd Balance (USD bn)	0.13	0.90	Govt Spending Yoy	3.46%	1.72
Exports Yoy	13.18%	18.39%	FDI (USD bn)	7.86	19.24%
Imports Yoy	19.62%	23.33%	Business Confidence	112.39	8.89%
Inflation Yoy	3.61%	3.30%	Cons. Confidence*	126.40	122.10

WSKT Last = 2300

Analysis SOE in construction sectors obtained a positive sentiment from the better-than-2017 state revenue; accordingly, it gave the certainty of 2018's infrastructure expense.

Range 2250 – 2450

Action Trading Buy. Cut Loss If Below 2250



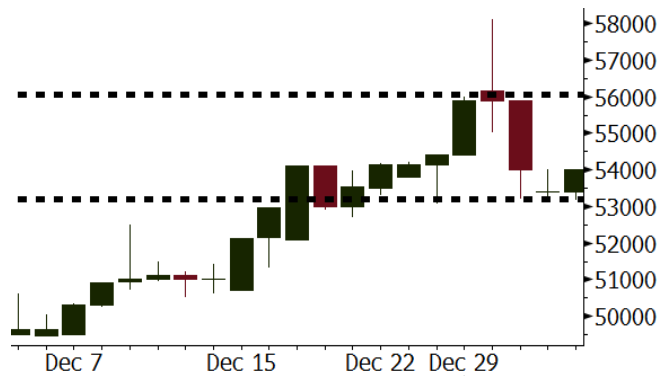
Source: Bloomberg

UNVR Last = 54000

Analysis Consumers' confidence index in buying durable goods hiked from 112.4 in November into 123.2 in December.

Range 53200 – 56050

Action Trading Buy. Cut Loss If Below 53200



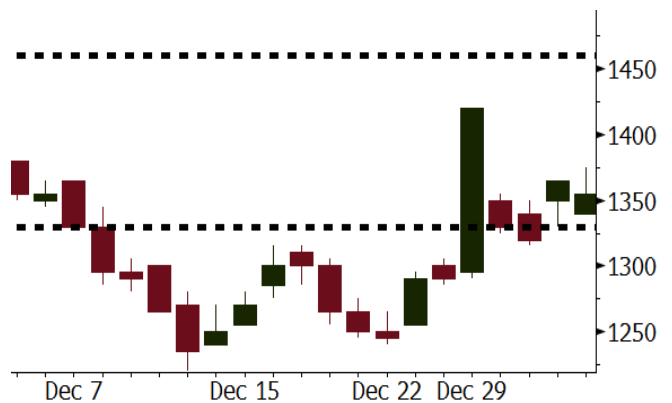
Source: Bloomberg

LSIP Last = 1355

Analysis Global CPO price rallied by 0.4% to MYR2,594 per ton as Malaysia decided to remove CPO's export duty.

Range 1330 - 1460

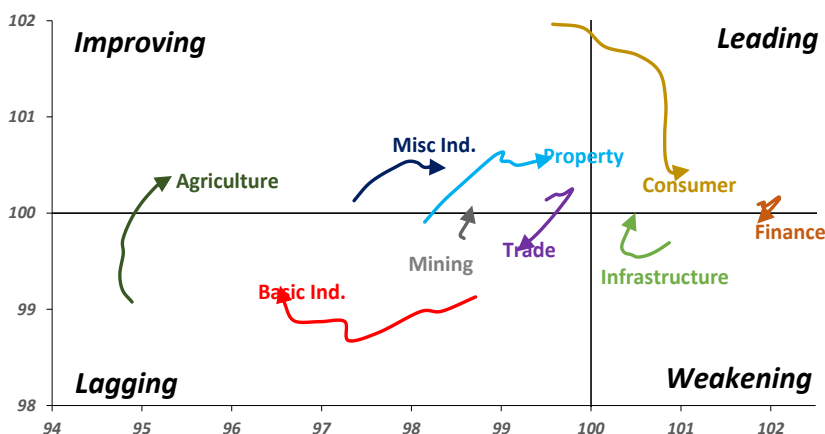
Action Trading buy. Cut Loss If Below 1330



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
JCI Index			(0.0)	18.8	7,079.0									
Finance					2,090.5									
BBCA	22,250	21,900	1.6	42.6	548.6	4.3	24.6	N/A	18.9	4.5	0.9	8.6	14.3	0.9
BBRI	3,590	3,640	(1.4)	48.3	442.8	2.8	15.8	N/A	18.6	9.6	2.4	9.7	4.0	1.3
BMRI	7,825	8,000	(2.2)	37.6	365.2	2.3	21.7	N/A	10.8	0.1	1.7	6.5	(32.1)	1.4
BBNI	9,300	9,900	(6.1)	66.1	173.4	1.8	12.5	N/A	15.3	(1.1)	2.3	15.2	25.3	1.2
BDMN	7,050	6,950	1.4	94.8	67.6	1.8	21.2	N/A	8.6	(1.5)	1.4	(7.9)	11.5	1.4
BBTN	3,440	3,570	(3.6)	88.5	36.4	1.8	12.1	N/A	15.5	(2.7)	1.4	14.6	41.1	0.9
BJBR	2,290	2,400	(4.6)	(21.3)	22.2	2.2	20.9	N/A	10.9	(2.3)	3.9	5.6	(16.2)	0.6
BJTM	705	710	(0.7)	15.6	10.6	1.4	8.7	N/A	16.5	(0.2)	6.2	2.5	16.2	1.3
Consumer					1,614.4									
HMSP	4,850	4,730	2.5	21.3	564.1	18.2	43.4	31.6	42.2	24	2.2	7.2	18.2	1.3
UNVR	54,000	55,900	(3.4)	33.0	412.0	64.1	60.0	41.5	107.6	89.4	1.6	9.8	9.4	1.2
GGRM	84,775	83,800	1.2	31.6	163.1	4.1	21.8	13.2	19.4	0.9	3.1	8.4	3.7	1.2
ICBP	9,275	8,900	4.2	8.8	108.2	5.7	28.4	18.2	21.4	13.0	1.7	8.6	20.0	1.4
KLBF	1,760	1,690	4.1	12.5	82.5	6.5	34.7	23.1	19.8	3.2	1.3	8.3	14.7	1.1
INDF	7,675	7,625	0.7	(4.4)	67.4	2.2	16.7	8.5	14.1	(6.2)	3.1	4.2	52.7	1.2
ROTI	1,245	1,275	(2.4)	(23.6)	7.7	4.5	36.3	20.0	12.6	(1.8)	1.1	16.0	3.5	0.9
Infrastructure					808.77									
TLKM	4,280	4,440	(3.6)	7.5	431.4	4.7	18.8	7.1	25.9	10.1	4.6	13.5	24.4	1.2
PGAS	1,790	1,750	2.3	(37.0)	43.4	1.0	19.4	9.2	5.1	(6.0)	4.2	(4.4)	(23.5)	1.1
JSMR	6,500	6,400	1.6	49.4	47.2	3.2	18.7	12.7	19.1	(5.1)	1.2	69.2	28.7	1.0
EXCL	3,010	2,960	1.7	13.6	32.2	1.5	71.5	5.9	2.1	(8.6)	N/A	(6.7)	N/A	1.0
TBIG	6,725	6,425	4.7	31.9	30.5	17.8	27.5	15.5	76.3	(2.4)	2.2	8.5	(6.3)	0.7
Trade					748.4									
UNTR	35,425	35,400	0.1	63.2	132.1	3.0	17.6	8.8	18.2	1.5	1.9	(7.7)	29.8	1.1
LPPF	11,500	10,000	15.0	(27.2)	33.6	17.2	17.5	12.3	112.1	66.3	4.2	9.9	13.3	1.3
SCMA	2,500	2,480	0.8	(15.0)	36.6	8.6	25.4	17.5	35.3	18.0	2.3	6.8	(1.5)	0.9
AKRA	6,200	6,350	(2.4)	5.1	24.8	3.4	26.3	21.0	17.8	(5.6)	2.4	(23.0)	(3.0)	1.1
MNCN	1,360	1,285	5.8	(23.2)	19.4	2.0	16.5	8.1	11.7	(2.3)	3.1	4.4	17.4	1.2
ACES	1,250	1,155	8.2	57.2	21.4	6.5	28.0	20.1	24.8	8.4	1.3	4.1	20.8	0.9
BMTR	600	590	1.7	(10.4)	8.5	0.9	N/A	5.7	(0.5)	(3.7)	0.8	(1.1)	194.0	0.9
Property					417.0									
BSDE	1,695	1,700	(0.3)	(8.1)	32.6	1.4	11.1	11.1	13.8	(6.0)	0.3	5.0	(17.0)	1.2
LPKR	490	488	0.4	(37.2)	11.3	0.6	12.8	12.3	4.7	(7.9)	0.4	18.6	64.8	0.9
PWON	710	685	3.6	17.4	34.2	3.5	19.2	12.9	19.6	1.8	0.6	4.7	32.4	1.1
WSKT	2,300	2,210	4.1	(10.9)	31.2	2.4	7.1	12.1	28.9	(2.8)	1.6	68.1	63.5	0.9
SMRA	970	945	2.6	(28.4)	14.0	2.2	37.4	12.8	6.1	(3.4)	0.5	(4.0)	(63.6)	1.3
CTRA	1,130	1,185	(4.6)	(13.4)	21.0	1.6	21.0	14.5	8.7	(4.7)	0.4	(10.3)	(33.6)	0.9
PTPP	2,680	2,640	1.5	(28.9)	16.6	1.6	13.1	7.8	18.9	(2.9)	1.8	15.8	13.5	0.9
WIKA	1,580	1,550	1.9	(34.2)	14.2	1.2	9.7	7.4	15.8	(2.3)	2.1	15.0	68.3	0.7
ADHI	1,895	1,885	0.5	(11.0)	6.7	1.2	16.7	9.8	7.5	(3.6)	1.4	17.8	(56.6)	0.9
ASRI	358	356	0.6	(5.8)	7.0	0.9	7.3	7.1	12.5	(0.2)	0.4	(2.4)	(14.7)	1.0
APLN	234	210	11.4	5.4	4.8	0.5	6.1	5.5	9.7	1.9	0.9	0.6	(21.3)	0.8
Misc Ind.					408.1									
ASII	8,300	8,300	-	1.5	336.0	2.8	18.6	14.5	16.1	(6.1)	2.0	(1.7)	4.8	1.3
SRIL	370	380	(2.6)	59.5	7.6	1.4	8.2	6.6	18.1	3.5	0.8	9.3	6.7	0.7
Basic Ind.					533.0									
INTP	23,225	21,950	5.8	46.1	85.5	3.5	40.2	27.3	8.6	(10.0)	4.0	(13.7)	(11.2)	1.4
SMGR	10,900	9,900	10.1	16.0	64.7	2.3	21.2	14.9	10.9	(5.2)	2.8	(3.0)	0.0	1.1
CPIN	3,600	3,000	20.0	11.8	59.0	3.9	35.1	13.6	11.2	(1.5)	1.6	27.9	29.1	1.1
WTON	520	500	4.0	(38.1)	4.5	1.8	13.8	8.4	13.5	1.3	1.9	31.3	56.7	0.7
Mining					357.0									
ADRO	1,990	1,860	7.0	17.4	63.7	1.4	9.5	4.4	15.3	5.3	3.0	(6.0)	119.3	1.1
INCO	3,170	2,890	9.7	8.2	31.5	1.3	N/A	19.2	(0.6)	(12.4)	N/A	(26.0)	N/A	1.3
PTBA	2,610	2,460	6.1	6.3	30.1	2.2	7.5	5.1	32.2	12.3	2.2	2.4	1.2	1.1
ANTM	655	625	4.8	(24.3)	15.7	0.9	N/A	14.5	(1.7)	(6.9)	N/A	(13.5)	N/A	0.8
ITMG	21,075	20,700	1.8	27.0	23.8	1.8	7.5	3.0	25.1	16.1	11.6	(14.0)	100.0	0.6
Agriculture					101.8									
AALI	12,950	13,150	(1.5)	(20.9)	24.9	1.4	11.0	6.4	13.4	6.2	4.0	8.1	203.2	0.6
SSMS	1,445	1,500	(3.7)	5.9	13.8	3.5	14.7	10.3	27.0	3.2	1.3	14.8	9.2	0.7
LSIP	1,355	1,420	(4.6)	(18.6)	9.2	1.1	9.6	5.0	12.5	(0.1)	2.6	(8.2)	(4.4)	0.8

Source: Bloomberg

SSIA : Targets Marketing Sales of 15 Ha

SSIA targets 2018's land sales in Suryacipta, East Karawang, West Java to hit 15 hectares. It stated that there are still landbank of 140 hectares ready to be sold. Now, it still undergoes land acquisition for new industrial estate located in Subang, West Java. (Bisnis Indonesia)

GIAA : Will Release Global Bond of USD750 Million

GIAA will issue the global bond of USD750 million for refinancing and keeps looking from strategic investors for its subsidiary, GMFI. Besides, GMFI will perform private placement by selling 10 shares as the continuity of IPO. (Kontan)

TMPO : Targets Fund of IDR99 Billion through Right Issue

TMPO will issue 333.33 million of new shares with par value of IDR300 per share. It will use the fund for developing its business amounting to IDR17 billion. Meanwhile, the fund of IDR52.79 billion is allocated for the working capital to be distributed to TMPO and loaned to its subsidiaries. Additionally, IDR3 billion will be used to settle its obligation to PT Bank Mayapada International Tbk. (Bisnis Indonesia)

EXCL : Allocates Expense of IDR7 Trillion in 2018

One of EXCL's priority targets is to strengthen its networking by adding the number of base transceiver station (BTS) across Indonesia. It stated that 60% of its BTS will be constructed outside Java. In 2018, it estimates the allocation of capex to hit IDR7 trillion. The number is similar to 2017's capex. (Kontan)

Domestic & Global News

BI's Survey: Optimism of Strengthening Indonesia Consumer Index

BI's consumer survey indicates the continuity of improvement of consumers' optimism in December 2017. The improvement is reflected in the Consumer Confidence Index (CCI) of December 2017 of 126.4 higher than CCI of November 2017 posting 122.1. The improvement in CCI was buttressed by the betterment in consumer perception over the current economic condition and consumers' expectation toward the rosier economic outlook. (Kompas)

US Created only 148,000 Jobs in Dec

The U.S. economy added a disappointing 148,000 jobs in December while the unemployment rate held at 4.1 percent, according to a closely watched Labor Department report Friday. Economists surveyed by Reuters had been expecting nonfarm payrolls to grow by 190,000. The total was well below the November pace of 252,000. An unexpected loss of 20,000 retail positions during the holiday season held back the headline number. (CNBC)

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 08 - Jan	GER	14:00	Factory Orders MoM	Dec	--		0.50%
	EU	17:00	Consumer Confidence	Dec F	--		0.5
	CHN	01/18	Foreign Direct Investment YoY CNY	Dec	--		90.70%
Tuesday 09 - Jan	GER	14:00	Industrial Production SA MoM	Nov	--		-1.40%
	EU	17:00	Unemployment Rate	Nov	--		8.80%
Wed. 10 - Jan	CHN	08:30	PPI YoY	Dec		4.80%	5.80%
	CHN	08:30	CPI YoY	Dec		1.90%	1.70%
	UK	16:30	Industrial Production MoM	Nov		0.40%	0.00%
	UK	16:30	Industrial Production YoY	Nov		1.80%	3.60%
	UK	16:30	Manufacturing Production MoM	Nov		0.30%	0.10%
	UK	16:30	Trade Balance	Nov		-£1500	-£1405
	USA	19:00	MBA Mortgage Applications	5-Jan		--	0.70%
	USA	20:30	Import Price Index MoM	Dec		0.40%	0.70%
	USA	22:00	Wholesale Inventories MoM	Nov F		--	0.70%
	CHN	01/15	Money Supply M2 YoY	Dec		9.20%	9.10%
Thursday 11 - Jan	USA	20:30	PPI Final Demand MoM	Dec		0.20%	0.40%
	USA	20:30	Initial Jobless Claims	6-Jan		--	250k
Friday 12 - Jan	USA	02:00	Monthly Budget Statement	Dec		-\$49.0b	-\$138.5b
	JPN	06:50	BoP Current Account Balance	Nov		¥1836.1b	¥2176.4b
	JPN	06:50	Trade Balance BoP Basis	Nov		¥314.1b	¥430.2b
	JPN	06:50	Japan Buying Foreign Bonds	5-Jan		--	¥434.2b
	USA	20:30	CPI MoM	Dec		0.20%	0.40%
	CHN	Tentative	Trade Balance	Dec		\$37.44b	\$40.21b
	CHN	Tentative	Imports YoY	Dec		14.80%	17.70%
	CHN	Tentative	Exports YoY	Dec		10.00%	12.30%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Prev.
Monday	Tentative	Foreign Reserves	Dec		--	\$125.97b
08 - Jan	Tentative	Net Foreign Assets IDR	Dec		--	1666.5t

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Right Delisting	BSWD
08 - Jan	Right Offering	TMPO, CASA
Tuesday	Extraordinary Shareholders Meeting	MBAP
09 - Jan		
Wednesday	Extraordinary Shareholders Meeting	BYAN, EMTK, MDRN, BBKP, ENRG
10 - Jan		
Thursday	Right Listing	IKAI
11 - Jan		
Friday	Right Listing	CASA, TMPO
12 - Jan		

Source: Bloomberg

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