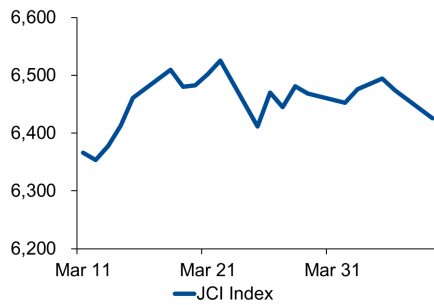


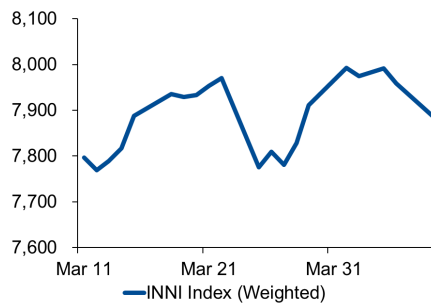
Morning Brief

Daily | Apr 9, 2019

JCI Movement



INNI Movement



JCI Index

April 8	6,425.73
Chg.	-48.28pts (-0.75%)
Volume (bn shares)	143.65
Value (IDR tn)	8.34
Adv 147 Dec 260 Unc 240 Untr 111	

INNI Index

Last	7,885.81
Chg.	-72.54pts (-0.91%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
PTBA	1.8%	MAPI	-5.1%
BBRI	0.7%	LSIP	-4.5%
PWON	0.7%	PTPP	-3.2%
KLBF	0.7%	WIKA	-3.2%
ADRO	0.4%	WSKT	-3.0%

Foreign Transaction

	(IDR bn)
Buy	2,955
Sell	2,113
Net Buy (Sell)	842

Top Buy	NB Val.	Top Sell	NS Val.
BTPS	115.4	BBTN	20.9
BMRI	64.5	PTBA	11.3
BBRI	55.5	UNTR	8.9
SMGR	50.2	PNLF	8.4
TLKM	41.9	BNLI	7.7

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.64%	0.06%
USDIDR	14,167	0.24%
KRWIDR	12.37	-0.40%

Global Indexes

Index	Last	Chg.	%
Dow Jones	26,341.02	(83.97)	-0.32%
S&P 500	2,895.77	3.03	0.10%
FTSE 100	7,451.89	5.02	0.07%
DAX	11,963.40	(46.35)	-0.39%
Nikkei	21,761.65	(45.85)	-0.21%
Hang Seng	30,077.15	140.83	0.47%
Shanghai	3,244.81	(1.76)	-0.05%
KOSPI	2,210.60	0.99	0.04%
EIDO	26.24	(0.15)	-0.57%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,297.5	5.7	0.44%
Crude Oil (USD /bbl)	64.40	1.32	2.09%
Coal Newcas(USD/ton)	83.75	2.75	3.40%
Nickel LME (USD /MT)	13,182	111.0	0.85%
Tin LME (USD /MT)	20,825	(175.0)	-0.83%
CPO (MYR/Ton)	2,200	(24.0)	-1.08%

Market Recap

JCI was at lower close as the consumer and infrastructure sector held it back. **Top Losers JCI: Infrastructure (-2.1%), Agriculture (-1.3%), Consumer (-1.2%)**

Aligning with JCI, INNI Index was modest on Sunday. Investors' profit taking, i.e. rebalancing stocks to such lower-risk assets as bonds and corporate bonds suppressed INNI Index. Furthermore, the construction stocks such as PTPP, WIKA, and WSKT were sluggish at 3.2%, 3.2%, and 3.0%, respectively.

Daily Foreign & Domestic Sector Movement

Yesterday's foreign net buy totaled IDR842 billion as foreign investors ploughed IDR281 billion into the banking sector. March's forex reserves of USD124.5 billion raise global investors' confidence in Indonesia's solid fundamental.

Domestic investors' spent IDR4 billion on the mining sector as the expectancy of peace trade raised coal prices.

Today's Outlook: Take A Close Look at Commodities Stocks

Dow Jones nudged down at 0.32% this morning as the profit taking prevailed. Today, INNI Index is likely to rebound as forex reserves were at USD126 billion: the highest level within the last 11 months. We also estimate mining and oil stocks to rally along with the rally of 2.1%, 1.9%, and 1.1% in crude, coal, and nickel.

Company News

- BMRI : Assets Increase by 10.3%
- MAPI : Targets MRT Projects and Rest Areas
- KRAS : Restructures Its Debt to Convertible Bonds

Domestic & Global News

- March's Forex Reserves Surged to USD124.5 Billion
- Oil Prices Jump Amid Libyan Conflict

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	6.00%	6.00%	Real GDP	5.18%	5.17%
FX Reserve (USD bn)	124.54	123.30	Current Acc (USD bn)	(9.15)	(8.85)
Trd Balance (USD bn)	0.33	(1.16)	Govt. Spending Yoy	4.56%	6.28%
Exports Yoy	-11.33%	-4.70%	FDI (USD bn)	3.62	5.95
Imports Yoy	-13.98%	-1.83%	Business Confidence	108.05	112.82
Inflation Yoy	2.48%	2.57%	Cons. Confidence*	124.50	125.50

BMRI : Assets Increase by 10.3%

BMRI's assets increased by 10.3% y-y to IDR1,036.28 trillion until February 2019. The increase was stimulated by the growth of 17.0% y-y in credit and the surge of 30.2% y-y in corporate credit. Furthermore, its micro and consumer segments grew by 24.6% y-y and 10.5% y-y, respectively. (Kontan)

MAPI : Targets MRT Projects and Rest Areas

MAPB, the subsidiary of MAPI, is targeting the possible business expansion to MRT projects and new rest areas. Like 2018's targets, its 2019's target is to launch 60 new stores. Another to launch new stores, MAPB will also present new products and cooperates with Go-pay promotion program. (Kontan)

KRAS : Restructures Its Debt to Convertible Bonds

KRAS will restructure its debt into convertible bonds with a long-term tenor as it is incapable of settling its debt. Four state-owned banks have approved the restructuring. To settle its debt, KRAS plans to sell a number of its assets. (CNBC Indonesia)

Domestic & Global News

March's Forex Reserves Surged to USD124.5 Billion

March's forex reserves inclined to USD124.5 billion, or edging up by USD1.2 billion from February's USD123.3 billion. The increment in forex reserves was attributable to oil & gas revenues and other forex incomes, Executive Director of Bank Indonesia's Communication Department Onny Widjanarko stated. March's figure was equal to 7 or 6.8 imports financing, the settlement of the government's foreign debt. It also topped the international standard of 5-month exports. (Kontan)

Oil Prices Jump Amid Libyan Conflict

Oil prices scaled new 2019 highs on Monday, with the international benchmark Brent crude futures contract adding 1.1% to settle at \$71.10 per barrel. U.S. crude futures also rose 2.1% to settle at \$64.40 per barrel. In the morning of Asian trading hours on Tuesday, crude prices continued to advance as Brent rose 0.1% to \$71.17 per barrel and U.S. crude futures gained 0.23% to \$64.55. The moves in oil prices came amid a recent resurgence in conflict in Libya, a key oil producer in the Organization of the Petroleum Exporting Countries. (CNBC)

	Last Price	End of Last Year Price	Target Price*	Rating	Upside Potential (%)	1 Year Change (%)	Market Cap (IDR tn)	Price / EPS (TTM)	Price / BVPS	Return on Equity (%)	Dividend Yield TTM (%)	Sales Growth Yoy (%)	EPS Growth Yoy (%)	Adjusted Beta
Finance						14.8	2,406.9							
BBCA	27,575	26,000	32,000	Buy	16.0	21.1	679.9	26.3x	4.5x	18.3	0.9	8.7	11.0	0.9
BBRI	4,290	3,660	4,650	Hold	8.4	21.5	529.2	16.2x	2.9x	18.5	2.5	10.4	11.7	1.5
BMRI	7,575	7,375	8,000	Hold	5.6	-	353.5	14.1x	2.0x	14.4	2.6	7.4	21.2	1.4
Consumer						(3.4)	1,439.2							
GGRM	78,675	83,625	110,000	Buy	39.8	6.0	151.4	19.4x	3.4x	17.8	3.3	14.9	0.5	1.1
UNVR	48,200	45,400	59,000	Buy	22.4	(7.1)	367.8	40.4x	48.5x	142.9	1.9	1.5	30.1	1.0
ICBP	9,000	10,450	11,800	Buy	31.1	8.8	105.0	22.9x	4.9x	22.2	2.4	7.9	20.2	0.8
INDF	6,500	7,450	8,700	Buy	33.8	(9.4)	57.1	13.7x	1.7x	12.8	4.6	4.6	0.2	1.2
KAEF	3,590	2,600	4,100	Hold	14.2	64.7	19.9	47.9x	6.2x	14.6	0.5	21.7	27.3	1.2
KLBF	1,530	1,520	1,870	Buy	22.2	0.7	71.7	29.2x	4.9x	17.6	1.6	4.4	2.2	1.2
Infrastructure						4.6	789.82							
TLKM	3,980	3,750	4,350	Hold	9.3	6.5	394.3	21.4x	4.4x	20.4	4.2	2.3	(20.6)	0.8
JSMR	6,000	4,280	6,000	Hold	-	31.9	43.5	19.8x	2.6x	13.8	1.0	5.4	0.1	0.9
Trade						(12.5)	717.1							
UNTR	25,900	27,350	35,000	Buy	35.1	(24.9)	96.6	8.7x	1.8x	22.4	3.8	31.1	50.3	0.9
SILO	3,950	3,590	4,350	Hold	10.1	(51.8)	6.4	397.0x	1.0x	0.3	N/A	2.0	(85.4)	1.0
MIKA	1,975	1,575	2,300	Buy	16.5	(6.8)	28.7	47.0x	7.0x	15.8	N/A	8.7	(10.6)	0.8
LPPF	3,830	5,600	5,500	Buy	43.6	(65.8)	11.2	10.2x	6.0x	53.0	11.9	2.2	(42.4)	1.1
RALS	1,765	1,420	2,050	Buy	16.1	30.7	12.5	20.2x	3.1x	16.0	2.3	2.1	44.4	0.8
MAPI	940	805	1,300	Buy	38.3	19.0	15.6	23.2x	2.9x	15.5	0.4	16.0	117.8	0.8
Property						(7.0)	418.1							
PWON	735	620	725	Hold	(1.4)	14.8	35.4	13.9x	2.8x	22.2	0.8	23.2	35.8	1.3
CTRA	1,090	1,010	1,080	Hold	(0.9)	(8.8)	20.2	17.1x	1.4x	8.5	0.9	19.1	32.8	1.7
PTPP	2,130	1,805	2,450	Buy	15.0	(22.5)	13.2	8.8x	1.0x	12.4	2.2	16.8	3.4	1.5
WSKT	1,940	1,680	2,600	Buy	34.0	(22.7)	26.3	6.6x	1.5x	24.8	2.9	7.9	2.7	1.4
WIKA	2,140	1,655	2,500	Buy	16.8	23.0	19.2	11.1x	1.3x	12.6	1.3	19.0	43.9	1.2
Basic Ind.						12.8	669.1							
KRAS	432	402	600	Buy	38.9	(9.6)	8.4	N/A	0.3x	(4.1)	N/A	20.0	7.1	1.2
Misc Ind.						0.8	389.9							
ASII	7,550	8,225	9,100	Buy	20.5	(2.6)	305.7	14.1x	2.2x	16.6	2.5	16.1	14.8	1.2
Mining						(4.1)	405.3							
ADRO	1,265	1,215	1,750	Buy	38.3	(38.9)	40.5	6.8x	0.8x	11.7	7.9	11.1	(13.6)	1.2
PTBA	4,070	4,300	5,100	Buy	25.3	26.8	46.9	8.5x	2.7x	33.9	7.8	8.7	12.2	1.0
INCO	3,370	3,260	4,400	Buy	30.6	11.6	33.5	37.2x	1.3x	3.3	N/A	23.4	N/A	1.5
ANTM	885	765	1,200	Buy	35.6	4.1	21.3	24.3x	1.1x	4.6	0.2	99.5	540.7	1.4
Agriculture						(13.7)	97.0							
AALI	12,300	11,825	16,000	Buy	30.1	(10.7)	23.7	16.5x	1.2x	7.7	3.5	10.3	(26.9)	0.6
LSIP	1,175	1,250	1,500	Buy	27.7	(15.5)	8.0	24.2x	1.0x	4.0	3.8	(15.2)	(54.6)	0.8

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	8.6%
YTD Change Gap (vs JCI)	4.8%
Weekly Change	-0.3%
Weekly Change Gap (vs JCI)	0.3%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	JPN	06:50	BoP Current Account Balance	Feb	¥2676.8b	¥2633.5b	¥600.4b
<i>8 - Apr</i>	USA	21:00	Factory Orders	Feb	-0.50%	-0.50%	0.10%
	USA	21:00	Durable Goods Orders	Feb F	-1.60%	-1.60%	-1.60%
Wednesday	JPN	06:50	PPI YoY	Mar		1.00%	0.80%
<i>10 - Apr</i>	JPN	06:50	Core Machine Orders MoM	Feb		2.90%	-5.40%
	UK	15:30	Manufacturing Production MoM	Feb		0.20%	0.80%
	UK	15:30	Industrial Production MoM	Feb		0.10%	0.60%
	USA	18:00	MBA Mortgage Applications	5-Apr		--	18.60%
	EU	18:45	ECB Deposit Facility Rate	10-Apr		-0.40%	-0.40%
	EU	18:45	ECB Main Refinancing Rate	10-Apr		0.00%	0.00%
	USA	19:30	CPI MoM	Mar		0.30%	0.20%
Thursday	CHN	08:30	PPI YoY	Mar		0.40%	0.10%
<i>11 - Apr</i>	CHN	08:30	CPI YoY	Mar		2.30%	1.50%
	GER	13:00	CPI MoM	Mar F		0.40%	0.40%
	GER	13:00	CPI YoY	Mar F		1.30%	1.30%
	USA	19:30	PPI Final Demand MoM	Mar		0.30%	0.10%
	USA	19:30	Initial Jobless Claims	6-Apr		210k	202k
Friday	USA	21:00	U. of Mich. Sentiment	Apr P		98.2	98.4
<i>12 - Apr</i>							

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	Tentative	Net Foreign Assets IDR	Mar		--	1696.2t
<i>8 - Apr</i>	Tentative	Foreign Reserves	Mar		--	\$123.30b

Source: Bloomberg

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