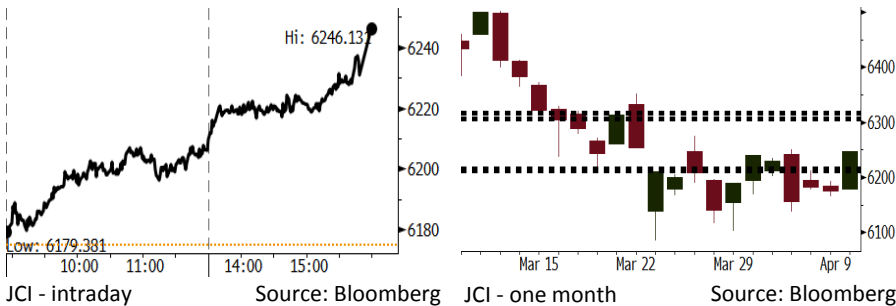


Morning Brief

Daily | Apr 10, 2018

JCI Movement



IHSG (Jakarta Composite Index)

Apr 09	6,246.13
Chg	+71.08pts (+1.15%)
Volume (bn shares)	123.05
Value (IDR tn)	6.89

Adv 195 Dec 166 Unc 226 Untr 106

Foreign Transaction (IDR bn)

Buy	2,594
Sell	2,704
Net Buy (Sell)	(111)

Top Buy	NB Val.	Top Sell	NS Val.
BBNI	37.6	BMRI	57.5
INKP	36.6	HMSP	41.1
BBCA	29.0	TLKM	27.6
ICBP	16.4	SMGR	25.2
CPIN	14.4	BNLI	23.3

LQ-45 Index Top Gainers & Losers

Gainers	%	Losers	%
TRAM	7.5%	MNCN	-1.7%
WSBP	6.7%	BBCA	-1.1%
PTBA	5.9%	INDF	-1.0%
PTPP	3.4%	ADRO	-1.0%
INTP	3.3%	BBNI	-0.9%

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.64%	0.00%
USDIDR	13,761	-0.12%
KRWIDR	12.87	-0.16%

Global Indexes

Index	Last	Chg.	%
Dow Jones	23,979.10	46.34	0.19%
S&P 500	2,613.16	8.69	0.33%
Nasdaq	6,950.34	35.23	0.51%
FTSE 100	7,194.75	11.11	0.15%
CAC 40	5,263.39	5.15	0.10%
DAX	12,261.75	20.48	0.17%
Nikkei	21,678.26	110.74	0.51%
Hang Seng	30,229.58	384.64	1.29%
Shanghai	3,138.29	7.18	0.23%
KOSPI	2,444.08	14.50	0.60%
EIDO	26.94	0.37	1.39%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,336.4	3.3	0.25%
Crude Oil (USD /bbl)	63.42	1.36	2.19%
Coal Newcas(USD/ton)	92.80	0.40	0.43%
Gas (USD /mmbtu)	2.69	(0.01)	-0.30%
Nickel LME (USD /MT)	13,435	165.0	1.24%
CPO (MYR/Ton)	2,464	(41.0)	-1.64%

Indonesian Market Recap

JCI soared yesterday. Investors awaited the release of February's retail sales data estimated to grow. **Top Gainers: Miscellaneous Industries (+2.49%), Agriculture (+2.38%), Infrastructure (+1.90%).**

Today's Outlook: Petroleum Policy by Indonesian Government

We estimate JCI to rally with the **support range of 6212-6216 and resistance range of 6306-6316**. The positive sentiment derives from the mandatory regulation of authority approval prior to increasing the prices of non-subsidized petroleum by the retailers. The regulation is estimated to hold inflation stable. From global, investors will keep their eyes on the speech on market reformation delivered by Xi Jinping.

Stocks Recommendation (details on the next page)

Trading Buy: LPPF, BMRI, HMSP

Global Market

United States

The U.S. markets rallied last night. Although the trade war's tension was slightly soft, investors concerned about FBI investigation into Trump's lawyer.

Europe

European markets rallied yesterday. It was led by the technology-based industry as the concerns about trade war dissipated slightly.

Asia

Asia markets rallied yesterday. Investors disregarded the negative sentiment stemming from the trade war between the U.S. and China.

Company News

BBCA	: Distributes Dividend of IDR175 Per Share
PKPK	: Targets New Contract of IDR100 Billion
TPIA	: Absorbs Fully Bond Funds
TELE	: Consistently Distributes Dividend

Domestic & Global News

Indonesian Government Intervenes Hike in Prices of Non-Subsidized Petroleum
 Trump rips Cohen raid: 'It's a disgraceful situation, it's a total witch hunt'

Indonesia Economic Data

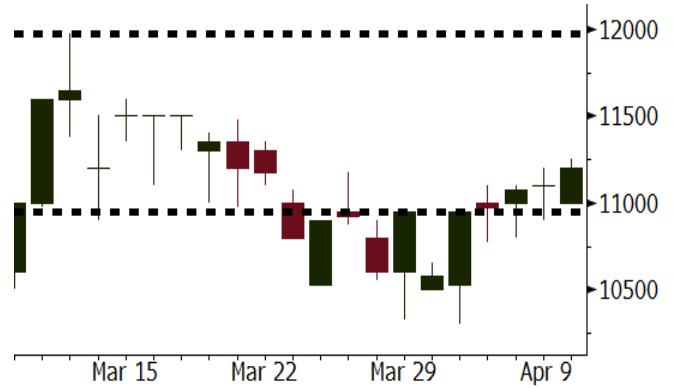
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.19%	5.06%
FX Reserve (USD bn)	126.00	128.06	Current Acc (USD bn)	(5.76)	(5.80)
Trd Balance (USD bn)	(0.12)	(0.68)	Govt Spending Yoy	3.81%	3.46%
Exports Yoy	11.76%	7.86%	FDI (USD bn)	4.62	7.86
Imports Yoy	25.18%	26.44%	Business Confidence	111.02	112.39
Inflation Yoy	3.40%	3.18%	Cons. Confidence*	121.60	122.50

LPPF Last = 11200

Analysis Based on Band Indonesia's updated survey, the apparel retail sales of February 2018 grew by 10.2%. The growth was estimated to be accelerated into 11.5% in March 2018.

Range 10950 - 11975

Action Trading Buy. Cut Loss If Below 10950



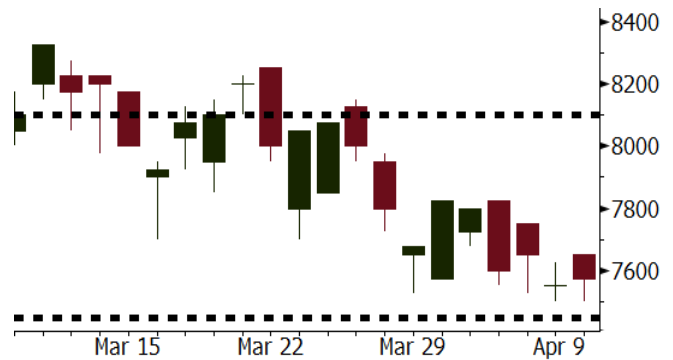
Source: Bloomberg

BMRI Last = 7575

Analysis Based on consensus, BMRI now has the least expensive valuation among other big-cap banks. It has forward P/B of 1.87x or 0.4% below 10-year average of forward P/B.

Range 7450 – 8100

Action Trading Buy. Cut Loss If Below 7450



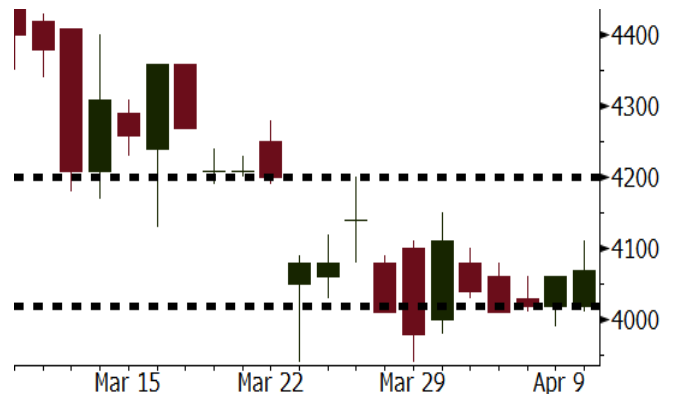
Source: Bloomberg

HMSP Last = 4070

Analysis Bank Indonesia oversaw the growth of 1.5% in February's retail sales to continue further in the following months. One of products supporting the consistent retail sales growth is cigarettes.

Range 4020 - 4200

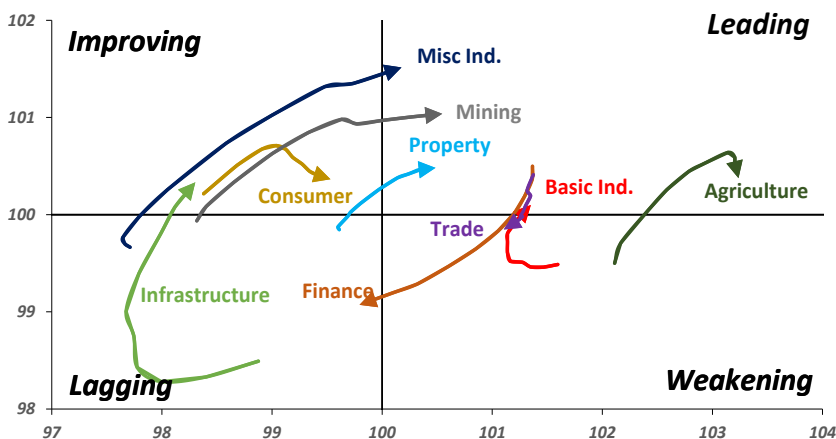
Action Trading buy. Cut Loss If Below 4020



Source: Bloomberg

Sector Rotation

Relative Rotation Graph - Last 10 Days



Source: Bloomberg

Relative Valuation

	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
JCI Index						10.7	6,971.9							
Finance						25.5	2,071.6							
BBCA	22,775	21,900	24,950	Hold	9.5	31.3	561.5	24.1x	4.3x	19.1	0.9	7.2	13.1	0.9
BBRI	3,530	3,640	4,700	Buy	33.1	34.7	435.4	14.9x	2.6x	18.5	3.0	10.2	10.7	1.3
BMRI	7,575	8,000	10,300	Buy	36.0	25.7	353.5	17.1x	2.1x	13.0	2.6	5.9	49.5	1.3
BBNI	8,500	9,900	10,825	Buy	27.4	31.8	158.5	11.6x	1.6x	14.7	3.0	11.2	19.7	1.3
BBTN	3,600	3,570	3,790	Hold	5.3	54.5	38.1	12.6x	1.8x	14.8	1.6	13.3	15.8	0.9
BJTM	660	710	810	Buy	22.7	(6.4)	9.9	8.5x	1.3x	15.4	6.7	0.6	12.5	1.3
Consumer						7.3	1,477.9							
HMSP	4,070	4,730	5,025	Buy	23.5	2.5	473.4	37.5x	13.9x	37.1	2.6	3.8	(0.9)	1.2
GGRM	74,200	83,800	97,825	Buy	31.8	10.7	142.8	18.4x	3.4x	19.0	3.5	9.2	16.1	1.3
UNVR	51,900	55,900	49,450	Hold	(4.7)	14.6	396.0	56.5x	76.5x	141.8	1.7	2.9	9.5	1.1
ICBP	8,275	8,900	9,625	Buy	16.3	1.2	96.5	25.4x	4.9x	20.5	1.9	3.6	5.5	1.3
INDF	7,175	7,625	8,000	Hold	11.5	(10.0)	63.0	15.1x	2.0x	13.9	3.3	5.3	9.7	1.1
KLBF	1,520	1,690	2,020	Buy	32.9	(1.9)	71.3	29.6x	5.4x	19.1	1.4	4.2	4.5	1.2
KAEF	2,180	2,700	3,280	Buy	50.5	31.3	12.1	37.0x	4.8x	13.8	0.4	5.4	22.2	1.3
Infrastructure						(0.2)	761.49							
TLKM	3,770	4,440	4,600	Buy	22.0	(7.6)	380.0	16.9x	4.0x	25.0	5.2	10.2	13.9	1.1
EXCL	2,570	2,960	3,800	Buy	47.9	(12.3)	27.5	73.9x	1.3x	1.8	N/A	7.2	(7.9)	0.9
ISAT	4,820	4,800	6,750	Buy	40.0	(32.6)	26.2	23.1x	1.9x	8.3	1.5	2.5	2.8	0.6
JSMR	4,550	6,400	6,050	Buy	33.0	(2.4)	33.0	15.0x	2.2x	15.3	1.7	110.6	9.5	1.0
TBIG	5,650	6,425	6,050	Hold	7.1	(2.2)	25.6	10.8x	8.1x	99.8	2.6	8.4	229.7	0.7
INDY	3,840	3,060	5,050	Buy	31.5	429.7	20.0	4.3x	1.6x	44.3	N/A	41.7	N/A	1.2
Trade						0.6	758.6							
UNTR	34,475	35,400	42,350	Buy	22.8	20.5	128.6	17.4x	2.8x	17.2	2.0	41.8	48.0	1.3
AKRA	5,525	6,350	8,025	Buy	45.2	(13.0)	22.2	24.5x	2.9x	16.7	2.7	20.2	(11.3)	1.0
SCMA	2,610	2,480	3,250	Buy	24.5	(9.1)	38.2	28.7x	9.8x	36.3	2.2	(1.6)	(11.4)	0.7
MNCN	1,450	1,285	1,500	Hold	3.4	(22.9)	20.7	13.3x	2.1x	16.3	2.9	4.8	10.3	1.0
LPPF	11,200	10,000	13,750	Buy	22.8	(16.9)	32.7	17.1x	14.0x	91.2	4.3	1.3	(5.5)	1.2
ACES	1,350	1,155	1,575	Buy	16.7	44.4	23.2	29.6x	6.6x	23.7	1.2	20.3	9.4	0.9
RALS	1,350	1,200	1,450	Hold	7.4	15.9	9.6	22.3x	2.6x	11.9	2.7	(4.0)	0.8	0.9
Property						4.5	428.1							
BSDE	1,795	1,700	1,850	Hold	3.1	(1.6)	34.5	7.0x	1.4x	21.4	0.3	56.7	172.3	1.2
PWON	640	685	700	Hold	9.4	18.5	30.8	16.5x	3.0x	19.7	0.7	18.1	12.1	1.1
CTRA	1,195	1,185	1,440	Buy	20.5	8.1	22.2	24.6x	1.7x	6.9	0.4	(4.4)	(12.7)	1.0
SMRA	910	945	1,160	Buy	27.5	(32.6)	13.1	36.2x	2.0x	5.7	0.5	4.5	16.2	1.3
WSKT	2,510	2,210	2,810	Hold	12.0	10.6	34.1	6.0x	2.4x	31.0	1.5	90.1	126.5	1.2
PTPP	2,750	2,640	4,770	Buy	73.5	(9.5)	17.0	11.7x	1.5x	13.8	1.8	30.6	13.6	1.2
WIKA	1,740	1,550	2,150	Buy	23.6	(21.3)	15.6	N/A	1.1x	N/A	1.9	67.1	(17.3)	1.0
ADHI	2,140	1,885	2,160	Hold	0.9	(0.5)	7.6	14.8x	1.3x	9.1	1.2	37.0	64.4	1.0
Misc Ind.						(10.9)	386.7							
ASII	7,750	8,300	9,300	Buy	20.0	(9.9)	313.7	16.6x	2.5x	16.0	2.2	13.8	24.6	1.3
Basic Ind.						23.9	581.5							
INTP	18,850	21,950	21,575	Hold	14.5	11.4	69.4	37.3x	2.8x	7.3	4.9	(6.1)	(51.9)	1.4
SMGR	10,325	9,900	11,550	Hold	11.9	15.0	61.2	30.4x	2.1x	7.0	3.0	6.4	(55.4)	1.3
CPIN	3,610	3,000	4,160	Buy	15.2	9.4	59.2	23.7x	3.8x	16.8	1.6	29.0	10.9	1.2
JPFA	1,625	1,300	1,820	Hold	12.0	(0.6)	18.5	18.6x	2.0x	11.0	3.1	9.4	(53.4)	0.9
MAIN	720	740	780	Hold	8.3	(44.2)	1.6	27.2x	0.9x	3.4	5.3	3.7	(82.9)	1.1
KRAS	478	424	500	Hold	4.6	(19.0)	9.2	N/A	0.4x	(4.4)	N/A	7.8	58.0	1.2
TPIA	6,150	6,000	6,275	Hold	2.0	18.7	109.7	24.1x	4.8x	22.8	2.0	25.3	3.8	0.7
BRPT	2,360	2,260	2,420	Hold	2.5	34.1	32.9	23.0x	2.2x	12.4	N/A	25.1	(5.3)	0.2
Mining						20.2	400.6							
ADRO	2,070	1,860	2,720	Buy	31.4	9.5	66.2	10.0x	1.4x	14.6	2.9	29.1	44.5	1.2
PTBA	3,210	2,460	4,085	Buy	27.3	23.2	37.0	7.6x	2.5x	37.3	1.8	38.5	123.2	1.3
ITMG	27,425	20,700	31,125	Hold	13.5	36.4	31.0	8.7x	2.3x	27.1	11.4	23.5	91.7	0.9
INCO	3,020	2,890	3,550	Buy	17.5	32.5	30.0	N/A	1.2x	(0.8)	N/A	7.7	N/A	1.5
ANTM	850	625	990	Buy	16.5	20.6	20.4	149.5x	1.1x	0.7	N/A	39.0	89.3	1.1
TINS	1,085	775	1,240	Hold	14.3	10.2	8.1	15.9x	1.3x	8.6	0.9	32.3	79.9	1.1
ELSA	446	372	625	Buy	40.1	14.4	3.3	14.9x	1.1x	7.8	1.0	37.5	(20.5)	1.1
Agriculture						(6.2)	110.1							
AALI	13,775	13,150	18,375	Buy	33.4	(5.5)	26.5	13.2x	1.5x	11.4	3.8	22.5	(8.0)	0.6
LSIP	1,390	1,420	1,800	Buy	29.5	(0.7)	9.5	12.4x	1.2x	9.7	2.5	23.1	28.7	0.8

* Target Price for December 2018

Source: Bloomberg, NHKS Research

BBCA : Distributes Dividend of IDR175 Per Share

BBCA agreed the outright dividend payment of IDR175 per share and scheduled the cum dividend date of April 17, 2018 in regular markets. The payment of the dividend is on April 30, 2018. In the last session, its shares were worth IDR22,775 per share reflecting the dividend yield of 0.77%. (Kontan)

TPIA : Absorbs Fully Bond Funds

TPIA has fully absorbed the funds amounting to IDR500 billion from the proceeds of I self-registration bonds phase II of 2018. It used 64% of the proceeds to settle its debt and the remaining was allocated for working capital. The bonds were issued in three series with different tenor and coupon. By December 2017, it issued I phase bond self-registration worth IDR500 billion. (Kontan)

PKPK : Targets New Contract of IDR100 Billion

PKPK targets to achieve 2018's new contract worth IDR100 billion; thus, it participates in 4 project bid of Santos (Madura Offshores) Pty Ltd. It estimates the two projects of Santos worth IDR88 billion, pursues projects of PT Greatwall Drilling Asia Pacific worth IDR13 billion, and sets 2018's overall revenue of IDR24 billion. (Bisnis Indonesia)

TELE : Consistently Distributes Dividend

Despite posting the decline in 2017's net profit, TELE stated to pay outright dividend worth IDR5 per share. The bond par value multiplied by 7.3 billion of issued shares is equal to IDR36.5 billion of total paid dividend. It set April 16, 2018 as the cum dividend date in regular and negotiation markets. Its shares closed at IDR810 reflecting the dividend yield of 0.62%. (Kontan)

Domestic & Global News

Indonesian Government Intervenes Hike in Prices of Non-Subsidized Petroleum

The Indonesian government will intervene the hike in prices of non-subsidized petroleum such as Pertalite, Pertamina, and Pertamina Turbo. The intervention aimed at avoiding volatile inflation arising from the hike in prices of non-subsidized petroleum. The vice minister of Energy and Mineral Resources (ESDM) Archandra Tahar stated that proposal relating to the hike in prices of non-subsidized petroleum has to obtain approval from the authorities. (Kompas)

Trump rips Cohen raid: 'It's a disgraceful situation, it's a total witch hunt'

The FBI on Monday raided the New York City office and residence of President Donald Trump's personal attorney Michael Cohen, seeking evidence related to the payment Cohen made to porn star Stormy Daniels on the eve of the 2016 presidential election. The Washington Post, citing a source familiar with the case, reported that Cohen is being investigated for crimes possibly related to bank fraud and campaign finance violations. At a White House event Monday evening, Trump slammed the raid on Cohen's office as a "disgraceful situation." (CNBC)

Global Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 09 - Apr	JPN	06:50	BoP Current Account Balance	Feb	¥2076.0b	¥2196.0b	¥607.4b
Tuesday 10 - Apr	USA	19:30	PPI Final Demand MoM	Mar		0.10%	0.20%
	USA	19:30	PPI Ex Food and Energy MoM	Mar		0.20%	0.20%
Wednesday 11 - Apr	JPN	06:50	Core Machine Orders MoM	Feb		-2.50%	8.20%
	JPN	06:50	PPI YoY	Mar		2.00%	2.50%
	CHN	08:30	PPI YoY	Mar		3.30%	3.70%
	CHN	08:30	CPI YoY	Mar		2.60%	2.90%
	UK	15:30	Industrial Production MoM	Feb		0.60%	1.30%
	UK	15:30	Manufacturing Production MoM	Feb		0.20%	0.10%
	USA	19:30	CPI MoM	Mar		0.00%	0.20%
	USA	19:30	CPI Ex Food and Energy MoM	Mar		0.20%	0.20%
	USA	19:30	CPI YoY	Mar		2.40%	2.20%
	USA	19:30	CPI Ex Food and Energy YoY	Mar		2.10%	1.80%
Thursday 12 - Apr	USA	01:00	FOMC Meeting Minutes	21-Mar			
	USA	19:30	Import Price Index MoM	Mar		0.10%	0.40%
	USA	19:30	Initial Jobless Claims	7-Apr		--	242k
Friday 13 - Apr	CHN	Tentative	Trade Balance	Mar		\$27.87b	\$33.74b
	CHN	Tentative	Exports YoY	Mar		11.90%	44.50%
	CHN	Tentative	Imports YoY	Mar		12.40%	6.30%
	GER	13:00	CPI MoM	Mar F		0.40%	0.40%
	GER	13:00	CPI YoY	Mar F		1.60%	1.60%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Prev.
Monday 09 - Apr	Tentative	Retail Sales YoY	Feb		--	-1.8%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday 09 - Apr	Rights Delisting Date	RBMS
	Cum Dividend Date	DSNG (IDR10 per share)
Tuesday 10 - Apr	Rights Delisting Date	BPFI
	Annual Shareholder Meeting	AALI, JSMR
Wednesday 11 - Apr	Annual Shareholder Meeting	ASGR, PTBA
	Annual & Extraordinary Shareholder Meeting	ACST
	Extraordinary Shareholder Meeting	BEKS, BRPT
Thursday 12 - Apr	Annual Shareholder Meeting	ANTM, BOLT, LINK
Friday 13 - Apr	Annual Shareholder Meeting	ADHI, AUTO

Source: Bloomberg

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PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

Wisma Korindo 7th Floor
Jl. M.T. Haryono Kav. 62
Pancoran, Jakarta 12780
Indonesia
Telp: +62 21 7976202
Fax : +62 21 7976206

Branch Office BSD:

ITC BSD Blok R No.48
Jl. Pahlawan Seribu Serpong
Tangerang Selatan 15322
Indonesia
Telp : +62 21 5316 2049
Fax : +62 21 5316 1687

Branch Office Solo :

Jl. Ronggowarsito No. 8
Kota Surakarta
Jawa Tengah 57111
Indonesia
Telp: +62 271 664763
Fax : +62 271 661623

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