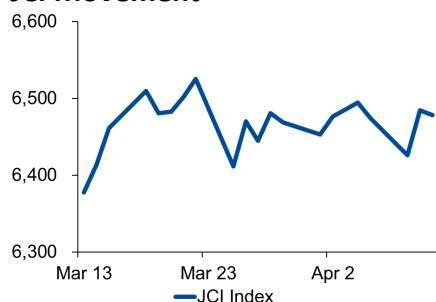


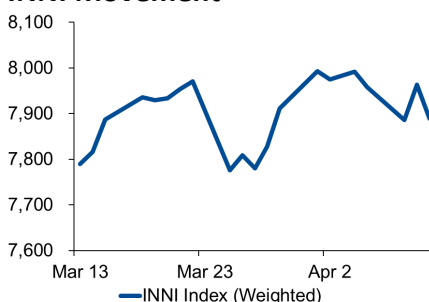
# Morning Brief

Daily | Apr 11, 2019

## JCI Movement



## INNI Movement



## JCI Index

April 10	6,478.32
Chg.	-6.02pts (-0.09%)
Volume (bn shares)	127.95
Value (IDR tn)	7.99
Adv 129 Dec 250 Unc 269 Untr 137	

## INNI Index

Last	7,889.66
Chg.	-74.08pts (-0.93%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
PTPP	3.2%	KAEF	-10.0%
MIKA	3.0%	LSIP	-3.4%
ADRO	1.5%	INCO	-2.1%
SILO	1.3%	JSMR	-2.0%
ICBP	1.1%	GGRM	-1.5%

## Foreign Transaction

	(IDR bn)
Buy	3,290
Sell	2,948
Net Buy (Sell)	342

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	175.8	BTPS	71.2
BBNI	60.7	BBTN	33.9
ASII	53.6	UNTR	28.3
BRPT	46.3	PTBA	24.2
ACES	23.7	HMSP	21.9

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.68%	0.03%
USDIDR	14,153	0.14%
KRWIDR	12.42	0.08%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	26,157.16	6.58	0.03%
S&P 500	2,888.21	10.01	0.35%
FTSE 100	7,421.91	(3.66)	-0.05%
DAX	11,905.91	55.34	0.47%
Nikkei	21,687.57	(115.02)	-0.53%
Hang Seng	30,119.56	(37.93)	-0.13%
Shanghai	3,241.93	2.27	0.07%
KOSPI	2,224.39	10.83	0.49%
EIDO	26.37	0.00	0.00%

## Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,308.0	3.9	0.30%
Crude Oil (USD /bbl)	64.61	0.63	0.98%
Coal Newcas(USD/ton)	87.70	(0.70)	-0.79%
Nickel LME (USD /MT)	13,221	25.0	0.19%
Tin LME (USD /MT)	20,850	(25.0)	-0.12%
CPO (MYR/Ton)	2,170	(42.0)	-1.90%

## Market Recap

JCI slipped slightly, suppressed by the infrastructure and consumer sectors. **Top Losers JCI: Agriculture (-0.7%), Property (-0.5%), Infrastructure (-0.4%)**

Like JCI, INNI Index nudged down 0.93%, suppressed by the domestic profit-taking ahead of the presidential election as investors retain wait-and-see act. On the other hand, foreign investors keep buying on stocks, reaping benefits of programs set by each of the president candidates.

## Daily Foreign & Domestic Sector Movement

Foreign inflows were worth IDR342 billion, IDR 143 billion of which run into the banking sector. Foreign investors targeted BBRI, posting the net buy of IDR176 billion and nudging up 0.23%. BBRI outperformance sent its prices higher for 9-consecutive days.

Besides, domestic investors posted the net buy of IDR15.9 billion in the consumer sector. The consumer sector rallied along with the buoyant retail sales data, released by Bank Indonesia.

## Today's Outlook: The Expectancy of Peaceful Election

Dow Jones nudged up 0.03% this morning as the Fed decided to leave its interest rate unchanged. Today, INNI Index is likely to rally as the expectancy of the peaceful presidential election boosts foreign investors' confidence of investing in Indonesian's stocks. Take a close watch on construction, cement, and property stocks because whoever the president-elect will be committed to infrastructure development.

## Company News

- PTBA : 1Q19 Performance Aligns with Target
- PTPP : Targets PPRE to Secure Revenues of IDR7 Trillion
- BBRI : Will Issue Bonds in 2H19

## Domestic & Global News

- Initiates Expansion of LCS Cooperation in ASEAN
- Fed Releases Minutes From March Meeting

## 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	125.10

### **PTBA : 1Q19 Performance Aligns with Target**

PTBA confirmed that coal production and sales of 1Q19 still aligned with the target. Its production and sales volume grew by 4% y-y and 1% y-y, respectively. Besides, the downtrend in global coal price has slight impacts on its domestic market share volume. (Kontan)

### **PTPP : Targets PPRE to Secure Revenues of IDR7 Trillion**

PPRE, the subsidiary of PTPP, targets 2019's revenues and net profits to reach IDR7 trillion and IDR600 billion, respectively. 2018's revenues surged by 68% y-y to IDR3.05 trillion. To accomplish 2019's target, PPRE will increase its portion of developing contracts, owned by PTPP from 2.5% to 5%. (Kontan)

### **BBRI : Will Issue Bonds in 2H19**

BBRI will issue bonds of IDR5-6 trillion in 2H19. The issuance is the continuation of III Self Registration worth IDR20 trillion. Besides, it has two mature bonds worth IDR3.4 trillion. Of note, it, in 2019, targets the growth of 12%-14% in its total credit. (Investor Daily)

## Domestic & Global News

### **Initiates Expansion of LCS Cooperation in ASEAN**

Bank Indonesia is reviewing efforts to expand local currency swap (LCS) cooperation other than with Thailand and Malaysia, the cooperation of which was started in 2018. BI recently considers to include Philippines in LCS cooperation. After the meeting with BI Governor and ASEAN's Finance Minister, BI supports the expansion of LCS cooperation in regional areas by submitting Draft ASEAN Guiding Principles on LCS Framework to be finalized by Working Committee on Capital Account Liberalization (WC-CAL) at the end of 2019. BI targets the draft to be approved by 10 nations of the ASIAN member at the end of 2019 so that it can be legalized during the meeting of ASEAN's central banks governors in Vietnam. (Kontan)

### **Fed Releases Minutes From March Meeting**

Federal Reserve officials at their most recent meeting left room for the possibility of interest rate increases before the end of the year, should economic conditions improve, according to minutes from the session released Wednesday. The central bank's Federal Open Market Committee voted unanimously to not raise its benchmark rate at the March 19-20 gathering, and simultaneously indicated that it didn't see a likelihood for any hikes through 2019. (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
<b>Finance</b>						12.9	2,428.0							
BBCA	27,675	26,000	32,000	Buy	15.6	18.6	682.3	26.4x	4.5x	18.3	0.9	8.7	11.0	0.9
BBRI	4,320	3,660	4,650	Hold	7.6	18.4	532.9	16.3x	2.9x	18.5	2.5	10.4	11.7	1.5
BMRI	7,600	7,375	8,000	Hold	5.3	(5.6)	354.7	14.2x	2.0x	14.4	2.6	7.4	21.2	1.4
<b>Consumer</b>						(4.3)	1,446.3							
GGRM	78,150	83,625	110,000	Buy	40.8	0.8	150.4	19.3x	3.3x	17.8	3.3	14.9	0.5	1.1
UNVR	49,300	45,400	59,000	Buy	19.7	(5.0)	376.2	41.3x	49.6x	142.9	1.9	1.5	30.1	1.0
ICBP	9,375	10,450	11,800	Buy	25.9	11.6	109.3	23.9x	5.1x	22.2	2.3	7.9	20.2	0.8
INDF	6,525	7,450	8,700	Buy	33.3	(9.7)	57.3	13.8x	1.7x	12.8	4.6	4.6	0.2	1.2
KAEF	3,230	2,600	4,100	Buy	26.9	44.8	17.9	43.1x	5.6x	14.6	0.5	21.7	27.3	1.2
KLBF	1,540	1,520	1,870	Buy	21.4	(0.3)	72.2	29.4x	4.9x	17.6	1.6	4.4	2.2	1.2
<b>Infrastructure</b>						3.3	795.09							
TLKM	3,950	3,750	4,350	Hold	10.1	3.0	391.3	21.2x	4.3x	20.4	4.2	2.3	(20.6)	0.8
JSMR	6,050	4,280	6,000	Hold	(0.8)	27.6	43.9	19.9x	2.6x	13.8	1.0	5.4	0.1	0.9
<b>Trade</b>						(12.7)	726.5							
UNTR	26,050	27,350	35,000	Buy	34.4	(26.8)	97.2	8.7x	1.8x	22.4	3.7	31.1	50.3	0.9
SILO	3,950	3,590	4,350	Hold	10.1	(52.8)	6.4	397.0x	1.0x	0.3	N/A	2.0	(85.4)	1.0
MIKA	2,030	1,575	2,300	Hold	13.3	(2.9)	29.5	48.3x	7.2x	15.8	N/A	8.7	(10.6)	0.8
LPPF	3,850	5,600	5,500	Buy	42.9	(64.9)	11.2	10.3x	6.0x	53.0	11.9	2.2	(42.4)	1.1
RALS	1,800	1,420	2,050	Hold	13.9	26.8	12.8	20.6x	3.2x	16.0	2.2	2.1	44.4	0.8
MAPI	970	805	1,300	Buy	34.0	18.3	16.1	24.0x	2.9x	15.5	0.4	16.0	117.8	0.8
<b>Property</b>						(6.3)	422.3							
PWON	740	620	725	Hold	(2.0)	17.5	35.6	14.0x	2.8x	22.2	0.8	23.2	35.8	1.3
CTRA	1,130	1,010	1,080	Hold	(4.4)	(8.5)	21.0	17.7x	1.5x	8.5	0.8	19.1	32.8	1.7
PTPP	2,290	1,805	2,450	Hold	7.0	(19.4)	14.2	9.5x	1.1x	12.4	2.0	16.8	3.4	1.5
WSKT	1,990	1,680	2,600	Buy	30.7	(20.4)	27.0	6.8x	1.5x	24.8	2.9	7.9	2.7	1.4
WIKA	2,220	1,655	2,500	Hold	12.6	28.7	19.9	11.5x	1.3x	12.6	1.2	19.0	43.9	1.2
<b>Basic Ind.</b>						11.9	677.8							
KRAS	456	402	600	Buy	31.6	(5.0)	8.8	N/A	0.3x	(4.1)	N/A	20.0	7.1	1.2
<b>Misc Ind.</b>						(0.2)	395.3							
ASII	7,675	8,225	9,100	Buy	18.6	(3.5)	310.7	14.3x	2.3x	16.6	2.5	16.1	14.8	1.2
<b>Mining</b>						(6.0)	404.8							
ADRO	1,315	1,215	1,750	Buy	33.1	(38.6)	42.1	7.1x	0.8x	11.7	7.6	11.1	(13.6)	1.2
PTBA	4,030	4,300	5,100	Buy	26.6	17.8	46.4	8.4x	2.7x	33.9	7.9	8.7	12.2	1.0
INCO	3,270	3,260	4,400	Buy	34.6	4.8	32.5	35.9x	1.2x	3.3	N/A	23.4	N/A	1.5
ANTM	895	765	1,200	Buy	34.1	3.5	21.5	24.6x	1.1x	4.6	0.2	99.5	540.7	1.4
<b>Agriculture</b>						(12.7)	96.8							
AALI	12,275	11,825	16,000	Buy	30.3	(10.2)	23.6	16.4x	1.2x	7.7	3.5	10.3	(26.9)	0.6
LSIP	1,140	1,250	1,500	Buy	31.6	(17.1)	7.8	23.5x	0.9x	4.0	3.9	(15.2)	(54.6)	0.8

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

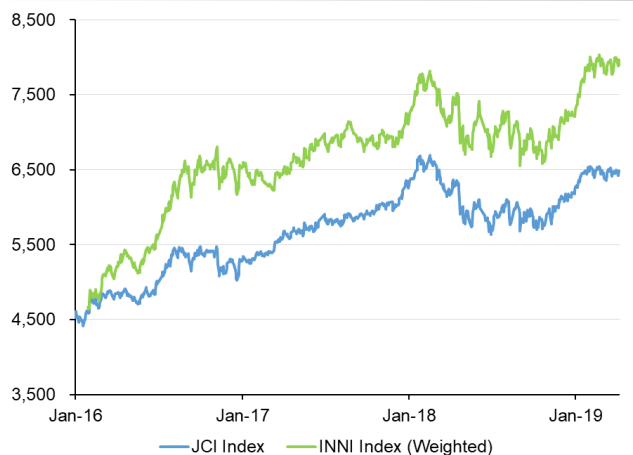
### INNI Index Movement

YTD Change	8.6%
YTD Change Gap (vs JCI)	4.0%
Weekly Change	-1.1%
Weekly Change Gap (vs JCI)	-1.1%

### INNI Market Capitalization

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

### INNI Index



Source: Bloomberg, NHKS Research

## Global Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	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%
<b>Wednesday</b>	JPN	06:50	PPI YoY	Mar	1.30%	1.00%	0.80%
<i>10 - Apr</i>	JPN	06:50	Core Machine Orders MoM	Feb	1.80%	2.90%	-5.40%
	UK	15:30	Manufacturing Production MoM	Feb	0.90%	0.20%	0.80%
	UK	15:30	Industrial Production MoM	Feb	0.60%	0.10%	0.60%
	USA	18:00	MBA Mortgage Applications	5-Apr	-5.60%	--	18.60%
	EU	18:45	ECB Deposit Facility Rate	10-Apr	-0.40%	-0.40%	-0.40%
	EU	18:45	ECB Main Refinancing Rate	10-Apr	0.00%	0.00%	0.00%
	USA	19:30	CPI MoM	Mar	0.40%	0.30%	0.20%
<b>Thursday</b>	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
<b>Friday</b>	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
<b>Monday</b>	Tentative	Net Foreign Assets IDR	Mar	1736.4t	--	1696.2t
<i>8 - Apr</i>	Tentative	Foreign Reserves	Mar	\$124.54b	--	\$123.30b

Source: Bloomberg

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