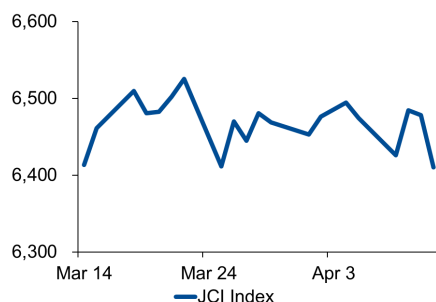
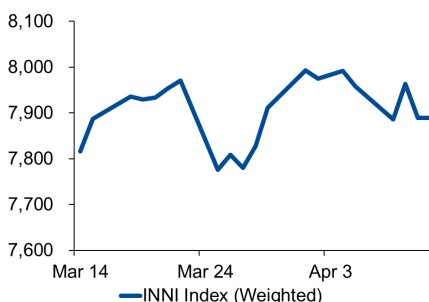


# Morning Brief

## JCI Movement



## INNI Movement



## Market Recap

JCI snapped lower, suppressed by the banking sector. **Top Losers JCI: Basic Industry (-2.3%), Consumer (-1.1%), Infrastructure (-0.9%)**

Unlike JCI, INNI Index was flat at 0.01%. Massive foreign inflows of IDR108 billion run into BBRI. Meanwhile, BBKA's AGM approved the dividend payment of IDR340/stock. Meanwhile, IDX is reviewing the plan of deleting KRAS after it posts loss over the last 7 consecutive years.

## Daily Foreign & Domestic Sector Movement

Foreign net buy was worth IDR546 billion with the basic industry, i.e. SMGR, posting net buy of IDR18.4 billion. Foreign investors positively responded to SMGR and SMCB consolidation with a view to accelerating downstream expansion, increasing production capacities, and product diversification.

Meanwhile, domestic inflows of IDR242.2 billion run into the banking sector and IDR70.82 into the consumer sector along with the national election to be held next week.

## Today's Outlook: Chinese Business Sector Recovers

Dow Jones nudged down 0.05% this morning, as the release of 1Q19 earnings begin. We estimate that today INNI Index moves flat. Take a close look at commodities stocks along with the release of Chinese Producer Price Index (PPI) settled at 0.4% y-y: the first hike in the last 9 months. It signaled Chinese better business activities, backed by the fiscal and monetary stimuli, given by the People's Bank of China (PoB).

## Company News

- BBKA : Is Optimistic about 1Q19 Credit Growth of 13%
- ASII : AUTO's Profits Picked up 10%
- BBRI : Targets Bilateral Loans of USD700 Million in 2019

## Domestic & Global News

- 1Q19 Manufacturing Industry Expansion
- China Sweetens Its Cloud-Computing Offer in U.S. Trade Talks

## 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

## JCI Index

April 11	6,410.16
Chg.	-68.16pts (-1.05%)
Volume (bn shares)	186.53
Value (IDR tn)	9.92
Adv 117 Dec 274 Unc 258 Untr 139	

## INNI Index

Last	7,889.19
Chg.	-0.46pts (-0.01%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
KAEF	11.8%	PWON	-5.4%
INCO	3.1%	INDF	-5.4%
MIKA	1.0%	ICBP	-3.5%
WSKT	0.3%	BMRI	-2.6%
RALS	0.0%	UNTR	-2.3%

## Foreign Transaction

	(IDR bn)
Buy	4,744
Sell	4,197
Net Buy (Sell)	546

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	108.1	BMRI	148.3
BRPT	28.6	BBKA	140.3
SMGR	18.4	TLKM	88.7
WSKT	16.3	BBNI	50.9
RALS	14.1	UNTR	40.0

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.68%	0.00%
USDIDR	14,140	-0.09%
KRWIDR	12.41	-0.08%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	26,143.05	(14.11)	-0.05%
S&P 500	2,888.32	0.11	0.00%
FTSE 100	7,417.95	(3.96)	-0.05%
DAX	11,935.20	29.29	0.25%
Nikkei	21,711.38	23.81	0.11%
Hang Seng	29,839.45	(280.11)	-0.93%
Shanghai	3,189.96	(51.97)	-1.60%
KOSPI	2,224.44	0.05	0.00%
EIDO	25.76	(0.61)	-2.31%

## Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,292.5	(15.5)	-1.18%
Crude Oil (USD /bbl)	63.58	(1.03)	-1.59%
Coal Newcas(USD/ton)	87.85	1.70	1.97%
Nickel LME (USD /MT)	12,976	(245.0)	-1.85%
Tin LME (USD /MT)	20,575	(275.0)	-1.32%
CPO (MYR/Ton)	2,154	(16.0)	-0.74%

**BBCA : Is Optimistic about 1Q19 Credit Growth of 13%**  
BBCA is optimistic about 1Q19 credit growth of 13% y-y. The credit distributed to the corporate segment was a stimulus for the growth. Besides, it has put best efforts to boost mortgage loan and vehicle loan of 1Q219. (CNBC Indonesia)

**ASII : AUTO's Profits Picked up 10%**  
AUTO, the subsidiary of ASII, posted the growth in net profits into IDR551.41 billion in 2018. The growth was stimulated by the growth of 13.3% y-y into IDR15.35 trillion in net revenues and the increase of only 14.3% y-y in COGS. It allocates the remaining net profits as capital expenditure and investment funds. (CNBC Indonesia)

**BBRI : Targets Bilateral Loans of USD700 Million in 2019**

BBRI targets bilateral loan in form of forex worth USD500 million-USD700 million in 2019. It cooperates with foreign banks to be committed to forex loan. It considers that such commitment is more profitable for fulfilling the need for forex funding. It was part of its plan to collect non-conventional funds. (Bisnis Indonesia)

## Domestic & Global News

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### 1Q19 Manufacturing Industry Expansion

Bank Indonesia (BI) released the manufacture performance of 1Q19, showing expansion. It was reflected in the Prompt Manufacturing Index (PMI)-BI of 52.62% in 1Q19, higher than that of 52.58% in 4Q18. The upbeat PMI was shown by the growing business activities in the manufacturing industry of 1Q19. Based on the Business Activities Survey by BI weighted net balance (SBT) of the manufacturing industry was at 1%, higher than that of 0.32% in 4Q18. The growing manufacturing industry aligned with the growth in Nikkei Indonesia Purchasing Managers Index (PMI). (Kontan)

### China Sweetens Its Cloud-Computing Offer in U.S. Trade Talks

The Wall Street Journal reported Thursday that China agreed to open its cloud-computing sector to foreign companies in an attempt to sweeten a deal with the U.S. That report followed Treasury Secretary Steven Mnuchin telling CNBC on Wednesday that Washington and Beijing have “pretty much agreed on an enforcement mechanism” for when a deal is struck. The two economic powerhouses have been attempting to strike a deal amid a protracted trade fight. (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>						12.6	2,407.9							
BBCA	27,450	26,000	32,000	Buy	16.6	18.6	676.8	26.2x	4.5x	18.3	0.9	8.7	11.0	0.9
BBRI	4,300	3,660	4,650	Hold	8.1	19.8	530.4	16.2x	2.9x	18.5	2.5	10.4	11.7	1.5
BMRI	7,400	7,375	8,000	Hold	8.1	(7.8)	345.3	13.8x	1.9x	14.4	2.7	7.4	21.2	1.4
<b>Consumer</b>						(4.8)	1,425.2							
GGRM	77,525	83,625	110,000	Buy	41.9	1.1	149.2	19.1x	3.3x	17.8	3.4	14.9	0.5	1.1
UNVR	48,500	45,400	59,000	Buy	21.6	(6.2)	370.1	40.6x	48.8x	142.9	1.9	1.5	30.1	1.0
ICBP	9,050	10,450	11,800	Buy	30.4	8.4	105.5	23.1x	4.9x	22.2	2.4	7.9	20.2	0.8
INDF	6,175	7,450	8,700	Buy	40.9	(13.3)	54.2	13.0x	1.6x	12.8	4.9	4.6	0.2	1.2
KAEF	3,610	2,600	4,100	Hold	13.6	61.2	20.0	48.2x	6.3x	14.6	0.5	21.7	27.3	1.2
KLBF	1,515	1,520	1,870	Buy	23.4	(5.0)	71.0	28.9x	4.9x	17.6	1.7	4.4	2.2	1.2
<b>Infrastructure</b>						3.9	787.47							
TLKM	3,870	3,750	4,350	Hold	12.4	4.2	383.4	20.8x	4.2x	20.4	4.3	2.3	(20.6)	0.8
JSMR	6,000	4,280	6,000	Hold	-	28.8	43.5	19.8x	2.6x	13.8	1.0	5.4	0.1	0.9
<b>Trade</b>						(12.8)	720.6							
UNTR	25,450	27,350	35,000	Buy	37.5	(27.7)	94.9	8.5x	1.8x	22.4	3.8	31.1	50.3	0.9
SILO	3,940	3,590	4,350	Hold	10.4	(53.2)	6.4	396.0x	1.0x	0.3	N/A	2.0	(85.4)	1.0
MIKA	2,050	1,575	2,300	Hold	12.2	(1.0)	29.8	48.8x	7.2x	15.8	N/A	8.7	(10.6)	0.8
LPPF	3,840	5,600	5,500	Buy	43.2	(64.6)	11.2	10.2x	6.0x	53.0	11.9	2.2	(42.4)	1.1
RALS	1,800	1,420	2,050	Hold	13.9	27.7	12.8	20.6x	3.2x	16.0	2.2	2.1	44.4	0.8
MAPI	960	805	1,300	Buy	35.4	18.5	15.9	23.7x	2.9x	15.5	0.4	16.0	117.8	0.8
<b>Property</b>						(6.5)	420.2							
PWON	700	620	725	Hold	3.6	12.0	33.7	13.3x	2.7x	22.2	0.9	23.2	35.8	1.3
CTRA	1,130	1,010	1,080	Hold	(4.4)	(8.9)	21.0	17.7x	1.5x	8.5	0.8	19.1	32.8	1.7
PTPP	2,250	1,805	2,450	Hold	8.9	(19.6)	13.9	9.3x	1.1x	12.4	2.1	16.8	3.4	1.5
WSKT	1,995	1,680	2,600	Buy	30.3	(20.2)	27.1	6.8x	1.5x	24.8	2.9	7.9	2.7	1.4
WIKA	2,180	1,655	2,500	Hold	14.7	28.2	19.6	11.3x	1.3x	12.6	1.2	19.0	43.9	1.2
<b>Basic Ind.</b>						9.6	662.0							
KRAS	452	402	600	Buy	32.7	(2.6)	8.7	N/A	0.3x	(4.1)	N/A	20.0	7.1	1.2
<b>Misc Ind.</b>						0.8	389.9							
ASII	7,550	8,225	9,100	Buy	20.5	(2.3)	305.7	14.1x	2.2x	16.6	2.5	16.1	14.8	1.2
<b>Mining</b>						(5.4)	405.9							
ADRO	1,300	1,215	1,750	Buy	34.6	(38.4)	41.6	7.0x	0.8x	11.7	7.7	11.1	(13.6)	1.2
PTBA	4,010	4,300	5,100	Buy	27.2	17.3	46.2	8.4x	2.6x	33.9	7.9	8.7	12.2	1.0
INCO	3,370	3,260	4,400	Buy	30.6	8.7	33.5	37.2x	1.3x	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>						(12.5)	96.3							
AALI	12,275	11,825	16,000	Buy	30.3	(9.6)	23.6	16.4x	1.2x	7.7	3.5	10.3	(26.9)	0.6
LSIP	1,120	1,250	1,500	Buy	33.9	(18.5)	7.6	23.1x	0.9x	4.0	4.0	(15.2)	(54.6)	0.8

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

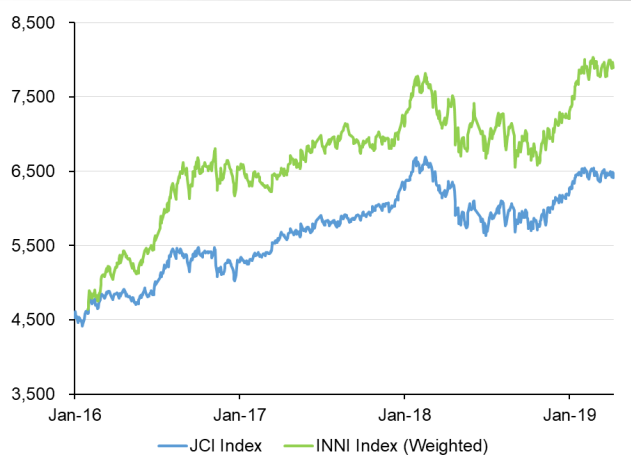
### INNI Index Movement

YTD Change	8.6%
YTD Change Gap (vs JCI)	5.1%
Weekly Change	-1.3%
Weekly Change Gap (vs JCI)	0.0%

### 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%	0.40%	0.10%
<i>11 - Apr</i>	CHN	08:30	CPI YoY	Mar	2.30%	2.30%	1.50%
	GER	13:00	CPI MoM	Mar F	0.40%	0.40%	0.40%
	GER	13:00	CPI YoY	Mar F	1.30%	1.30%	1.30%
	USA	19:30	PPI Final Demand MoM	Mar	0.60%	0.30%	0.10%
	USA	19:30	Initial Jobless Claims	6-Apr	196k	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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