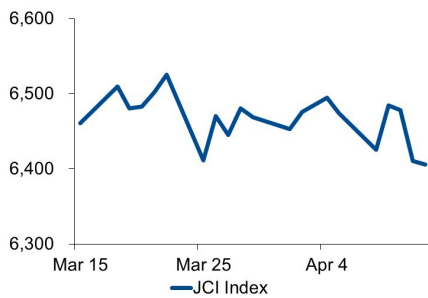
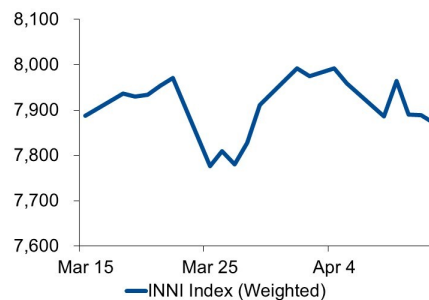


# Morning Brief

## JCI Movement



## INNI Movement



## Market Recap

JCI snapped lower on last Friday, held back by the profit taking on large cap. stocks in the banking sector. **Top Losers JCI: Basic Industry (-1.4%), Misc. industry (-1.0%), Agriculture (-0.3%)**

Aligning with JCI, INNI Index was at a modest pace of 0.23%, held back by foreign investors' outflows from banking stocks as BBRI, BBNI, BBKA, and BMRI. The total outflows from the big four banks were worth IDR450 billion.

## Daily Foreign & Domestic Sector Movement

Investors panicked Chinese International trade data as Chinese hard lending economy is a major catalyst for the global economy. Chinese imports, on annual basis, of March edged down 7.6%. The jitters spawned Friday's foreign outflows of IDR1 trillion, while the banking sector posted foreign inflows of IDR511 billion.

Furthermore, Friday's domestic net sell were at IDR33.1 billion on the basic industry and IDR19.1 billion on the property sector.

## Today's Outlook: Ease Panic about Bleak Global Economy

Dow Jones rallied at 1.03% on Friday due to the better-than-expected JP Morgan's financial statement. Today, INNI Index will move at a mixed pace. The global stimulus of Chinese exports hiking by 14.2% in March (vs. the estimate of 7.3%) is likely to be a positive catalyst. Meanwhile, from the domestic outlook, the trade balance data is likely to be deficits at around USD0.18 billion, dragging down the equity market today.

## Company News

- INDF : Re-purchase IFAR Stocks
- KRAS : Focuses on Debt Restructuring in 2019
- WSKT : Fitch Lowers WSKT's Prospect into Negative

## Domestic & Global News

- BI Estimates April's Inflation to Reach 0.25%
- China's March Exports Were Higher than Expected

## 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 12	6,405.86
Chg.	-4.30pts (-0.07%)
Volume (bn shares)	168.98
Value (IDR tn)	12.34
Adv 133 Dec 245 Unc 272 Untr 138	

## INNI Index

Last	7,871.14
Chg.	-18.05pts (-0.23%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
PWON	4.3%	KRAS	-3.5%
INDF	2.4%	LPPF	-2.9%
UNVR	2.0%	WIKA	-2.3%
UNTR	0.7%	ANTM	-1.7%
SILO	0.5%	CTRA	-1.3%

## Foreign Transaction

	(IDR bn)
Buy	5,669
Sell	6,717
Net Buy (Sell)	(1,047)

Top Buy	NB Val.	Top Sell	NS Val.
BRPT	39.3	BBRI	206.4
WSBP	22.7	BBNI	99.3
SMGR	17.8	BBKA	76.0
ITMG	16.2	BMRI	68.9
SMRA	10.1	TLKM	50.8

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.68%	0.01%
USDIDR	14,120	-0.14%
KRWIDR	12.42	0.08%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	26,412.30	269.25	1.03%
S&P 500	2,907.41	19.09	0.66%
FTSE 100	7,437.06	19.11	0.26%
DAX	11,999.93	64.73	0.54%
Nikkei	21,870.56	159.18	0.73%
Hang Seng	29,909.76	70.31	0.24%
Shanghai	3,188.63	(1.34)	-0.04%
KOSPI	2,233.45	9.01	0.41%
EIDO	25.82	0.06	0.23%

## Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,290.4	(2.1)	-0.16%
Crude Oil (USD /bbl)	63.89	0.31	0.49%
Coal Newcas(USD/ton)	89.10	0.10	0.11%
Nickel LME (USD /MT)	13,022	46.0	0.35%
Tin LME (USD /MT)	20,625	50.0	0.24%
CPO (MYR/Ton)	2,162	8.0	0.37%

### **INDF : Re-purchase IFAR Stocks**

INDF will repurchase overall stocks of its subsidiary, IFAR< listed on Singapore Exchange Securities Trading Limited. The repurchase aims at flexibility, possible for setting business strategies and changes in future operational. (CNBC Indonesia)

### **KRAS : Focuses on Debt Restructuring in 2019**

KRAS prioritizes debt restructurings as its main agenda in 2019. Based on its financial statements, it has debts of USD2.49 billion, edging up 10.45% and higher than that in 2017. It also targets the debt restructuring negotiation to be settled in April. (Kontan)

### **WSKT : Fitch Lowers WSKT's Prospect into Negative**

Fitch Ratings Indonesia revised negative WSKT's grade because of its high leverage of 6.1x. The high leverage was attributable to the external funding for settling the projects it works on. WSKT targets payments from turnkey projects and toll-road divestments to lower its debt level. (CNBC Indonesia)

## Domestic & Global News

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### **BI Estimates April's Inflation to Reach 0.25%**

Based on BI's survey result of price monitoring in the second week, April's inflation in the first week was at 0.21%. April's figure was attributable to the hikes in a number of food commodities; for example, shallot increased by 18% mom, garlic hiked by 21.6%, and tomatoes also edged up. (Kontan)

### **China's March Exports Were Higher than Expected**

Customs data showed China's March exports were higher than expected: Dollar-denominated exports rose 14.2 percent on-year, topping prediction of a 7.3 percent gain, according to a Reuters poll. Still, imports fell short of expectations, indicating domestic demand in the world's second-largest economy remained weak. The better-than-expected data signaled a "substantial ramp up in credit in the economy. This means credit easing measures are kicking in quite hard and focus will now turn to March's activity data". (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>						12.4	2,403.6							
BBCA	27,550	26,000	32,000	Buy	16.2	20.3	679.2	26.3x	4.5x	18.3	0.9	8.7	11.0	0.9
BBRI	4,310	3,660	4,650	Hold	7.9	21.4	531.6	16.3x	2.9x	18.5	2.5	10.4	11.7	1.5
BMRI	7,325	7,375	8,000	Hold	9.2	(8.7)	341.8	13.7x	1.9x	14.4	2.7	7.4	21.2	1.5
<b>Consumer</b>						(2.5)	1,440.6							
GGRM	77,525	83,625	110,000	Buy	41.9	2.0	149.2	19.1x	3.3x	17.8	3.4	14.9	0.5	1.2
UNVR	49,450	45,400	59,000	Buy	19.3	(1.5)	377.3	41.4x	49.8x	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	6,325	7,450	8,700	Buy	37.5	(10.6)	55.5	13.3x	1.7x	12.8	4.8	4.6	0.2	1.2
KAEF	3,580	2,600	4,100	Hold	14.5	59.8	19.9	47.8x	6.2x	14.6	0.5	21.7	27.3	1.1
KLBF	1,495	1,520	1,870	Buy	25.1	(4.5)	70.1	28.5x	4.8x	17.6	1.7	4.4	2.2	1.2
<b>Infrastructure</b>						6.1	787.64							
TLKM	3,830	3,750	4,350	Hold	13.6	5.6	379.4	20.6x	4.2x	20.4	4.4	2.3	(20.6)	0.8
JSMR	6,000	4,280	6,000	Hold	-	29.9	43.5	19.8x	2.6x	13.8	1.0	5.4	0.1	0.9
<b>Trade</b>						(13.0)	719.1							
UNTR	25,625	27,350	35,000	Buy	36.6	(27.0)	95.6	8.6x	1.8x	22.4	3.8	31.1	50.3	1.0
SILO	3,960	3,590	4,350	Hold	9.8	(53.0)	6.4	398.0x	1.0x	0.3	N/A	2.0	(85.4)	1.0
MIKA	2,040	1,575	2,300	Hold	12.7	(1.4)	29.7	48.5x	7.2x	15.8	N/A	8.7	(10.6)	0.8
LPPF	3,730	5,600	5,500	Buy	47.5	(65.1)	10.9	9.9x	5.9x	53.0	12.3	2.2	(42.4)	1.1
RALS	1,800	1,420	2,050	Hold	13.9	25.9	12.8	20.6x	3.2x	16.0	2.2	2.1	44.4	0.8
MAPI	960	805	1,300	Buy	35.4	15.7	15.9	23.7x	2.9x	15.5	0.4	16.0	117.8	0.8
<b>Property</b>						(6.2)	419.9							
PWON	730	620	725	Hold	(0.7)	18.7	35.2	13.8x	2.8x	22.2	0.8	23.2	35.8	1.3
CTRA	1,115	1,010	1,080	Hold	(3.1)	(10.1)	20.7	17.4x	1.4x	8.5	0.9	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	2,000	1,680	2,600	Buy	30.0	(19.7)	27.1	6.8x	1.5x	24.8	2.9	7.9	2.7	1.4
WIKA	2,130	1,655	2,500	Buy	17.4	25.3	19.1	11.0x	1.3x	12.6	1.3	19.0	43.9	1.2
<b>Basic Ind.</b>						8.4	652.8							
KRAS	436	402	600	Buy	37.6	(8.0)	8.4	N/A	0.3x	(4.1)	N/A	20.0	7.1	1.2
<b>Misc Ind.</b>						1.8	386.0							
ASII	7,475	8,225	9,100	Buy	21.7	(0.7)	302.6	14.0x	2.2x	16.6	2.5	16.1	14.8	1.2
<b>Mining</b>						(5.9)	406.0							
ADRO	1,300	1,215	1,750	Buy	34.6	(39.0)	41.6	7.1x	0.8x	11.7	7.7	11.1	(13.6)	1.2
PTBA	4,030	4,300	5,100	Buy	26.6	17.5	46.4	8.4x	2.7x	33.9	7.9	8.7	12.2	1.0
INCO	3,350	3,260	4,400	Buy	31.3	3.7	33.3	37.1x	1.3x	3.3	N/A	23.4	N/A	1.5
ANTM	880	765	1,200	Buy	36.4	-	21.1	24.2x	1.1x	4.6	0.2	99.5	540.7	1.4
<b>Agriculture</b>						(13.0)	96.0							
AALI	12,300	11,825	16,000	Buy	30.1	(10.5)	23.7	16.5x	1.2x	7.7	3.5	10.3	(26.9)	0.6
LSIP	1,110	1,250	1,500	Buy	35.1	(18.7)	7.6	22.8x	0.9x	4.0	4.1	(15.2)	(54.6)	0.8

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

### INNI Index Movement

YTD Change	8.4%
YTD Change Gap (vs JCI)	5.0%
Weekly Change	-1.1%
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>Tuesday</b>	JPN	11:30	Tertiary Industry Index MoM	Feb		-0.20%	0.40%
<i>16 - Apr</i>	UK	15:30	ILO Unemployment Rate 3Mths	Feb		3.90%	3.90%
	UK	15:30	Jobless Claims Change	Mar		--	27.0k
	GER	16:00	ZEW Survey Current Situation	Apr		8.5	11.1
	GER	16:00	ZEW Survey Expectations	Apr		0.5	-3.6
	USA	20:15	Industrial Production MoM	Mar		0.20%	0.10%
<b>Wednesday</b>	CHN	09:00	GDP YoY	1Q		6.30%	6.40%
<i>17 - Apr</i>	JPN	11:30	Industrial Production MoM	Feb F		--	1.40%
	UK	15:30	PPI Output NSA MoM	Mar		0.20%	0.10%
	UK	15:30	CPI Core YoY	Mar		1.90%	1.80%
	UK	15:30	CPI MoM	Mar		0.20%	0.50%
	UK	15:30	CPI YoY	Mar		2.00%	1.90%
	EU	16:00	CPI YoY	Mar F		1.40%	1.40%
	USA	18:00	MBA Mortgage Applications	12-Apr		--	-5.60%
	USA	19:30	Trade Balance	Feb		-\$53.5b	-\$51.1b
<b>Thursday</b>	EU	15:00	Markit Eurozone Manufacturing PMI	Apr P		1.00%	-0.20%
<i>18 - Apr</i>	USA	19:30	Retail Sales Advance MoM	Mar		205k	196k
	USA	19:30	Initial Jobless Claims	13-Apr		52.8	52.4
<b>Friday</b>							
<i>12 - Apr</i>	USA	19:30	Housing Starts	Mar		1230k	1162k

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	Tentative	Local Auto Sales	Mar		--	81684
<i>15 - Apr</i>	11:00	Imports YoY	Mar		-4.20%	-13.98%
	11:00	Trade Balance	Mar		-\$177m	\$330m
	11:00	Exports YoY	Mar		-11.77%	-11.33%

Source: Bloomberg

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