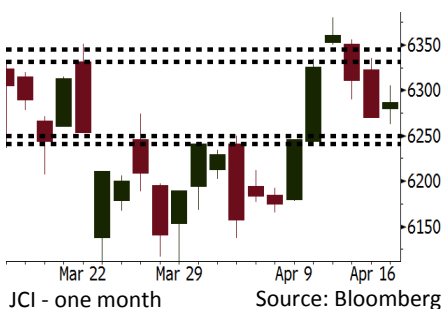
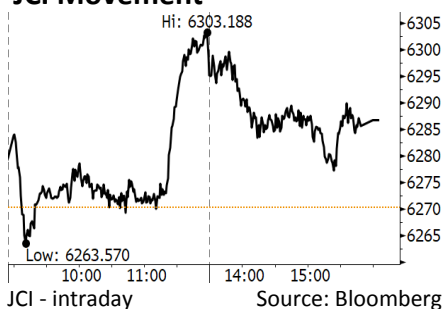


Morning Brief

Daily | Apr 17, 2018

JCI Movement



IHSG (Jakarta Composite Index)

Apr 16	6,286.75
Chg	+16.42pts (+0.26%)
Volume (bn shares)	66.34
Value (IDR tn)	4.9

Adv 172 Dec 193 Unc 222 Untr 109

Foreign Transaction (IDR bn)

Buy	1,275
Sell	1,826
Net Buy (Sell)	(551)

Top Buy	NB Val.	Top Sell	NS Val.
TLKM	19.8	BBCA	249.6
BMRI	18.3	PTBA	34.2
INKP	13.5	PGAS	30.6
WSKT	8.6	ADRO	26.9
HMSP	8.0	ASII	25.1

LQ-45 Index Top Gainers & Losers

Gainers	%	Losers	%
AKRA	3.6%	INTP	-4.1%
UNVR	2.6%	WSKT	-3.2%
HMSP	2.0%	INDY	-2.9%
SCMA	1.9%	GGRM	-2.0%
TRAM	1.5%	ANTM	-1.7%

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.60%	0.04%
USDIDR	13,780	0.18%
KRWIDR	12.83	-0.23%

Global Indexes

Index	Last	Chg.	%
Dow Jones	24,573.04	212.90	0.87%
S&P 500	2,677.84	21.54	0.81%
Nasdaq	7,156.29	49.64	0.70%
FTSE 100	7,198.20	(66.36)	-0.91%
CAC 40	5,312.96	(2.06)	-0.04%
DAX	12,391.41	(50.99)	-0.41%
Nikkei	21,835.53	56.79	0.26%
Hang Seng	30,315.59	(492.79)	-1.60%
Shanghai	3,110.65	(48.40)	-1.53%
KOSPI	2,457.49	2.42	0.10%
EIDO	27.50	0.18	0.66%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,345.9	(0.3)	-0.02%
Crude Oil (USD /bbl)	66.22	(1.17)	-1.74%
Coal Newcas(USD/ton)	93.00	(0.40)	-0.43%
Gas (USD /mmbtu)	2.75	0.02	0.62%
Nickel LME (USD /MT)	14,335	395.0	2.83%
Tin LME (USD /MT)	21,025	(25.0)	-0.12%
CPO (MYR/Ton)	2,369	(32.0)	-1.33%

Indonesian Market Recap

JCI ended higher yesterday. Investors responded to the release of March's surplus trade balance. **Top Gainers: Consumer (+0.97%), Miscellaneous Industries (-0.91%), Infrastructure (-0.32%).**

Today's Outlook: China's GDP Growth

Today we estimate JCI to rally with the **support range of 6241-6250 and resistance range of 6332-6345**. The main sentiment derives from the release of China's 1Q18 GDP growth in this morning. It is estimated that 1Q18 China economic growth is likely stable at 6.8%. The conducive global sentiment enables investors to eye the domestic sentiment, particularly the release of BI's survey of 1Q18 banking industry.

Stocks Recommendation (details on the next page)

Trading Buy: PTPP, BBRI, JPFA

Global Market

United States

The U.S. markets rallied last night after the concerns about geopolitical tension in Syria eased.

Europe

European markets closed lower yesterday. Investors digested the updated political issue including the geopolitical conditions in Middle East.

Asia

Asia markets moved mixed yesterday. Investors still digested the geopolitical tension after the U.S. strike missile attack on Syria.

Company News

- ELSA : Targets Revenue Higher than IDR5 Trillion
- ISAT : Hikes Its Targeted Proceeds of Bonds into IDR2.72 Trillion
- WIKA : Carries on Duties of Shareholder Loan
- UNTR : Absorbs Capex of IDR2.5 Trillion

Domestic & Global News

Indonesia Posts Biggest Trade Surplus in Six Months in March
US reportedly weighs retaliation against China for restrictions

Indonesia Economic Data

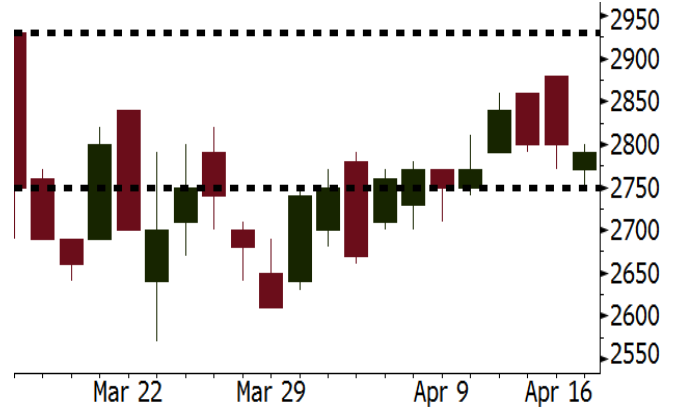
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.19%	5.06%
FX Reserve (USD bn)	126.00	128.06	Current Acc (USD bn)	(5.76)	(5.80)
Trd Balance (USD bn)	1.09	(0.12)	Govt Spending Yoy	3.81%	3.46%
Exports Yoy	6.14%	11.76%	FDI (USD bn)	4.62	7.86
Imports Yoy	9.07%	25.18%	Business Confidence	111.02	112.39
Inflation Yoy	3.40%	3.18%	Cons. Confidence*	121.60	122.50

PTPP Last = 2790

Analysis The National Development Planning Agency will hold press conference relating to the infrastructure funding with perpetual bond scheme to initially be carried on by PTPP. The scheme whittles away the funding issue faced by PTPP.

Range 2750 - 2930

Action Trading Buy. Cut Loss If Below 2750



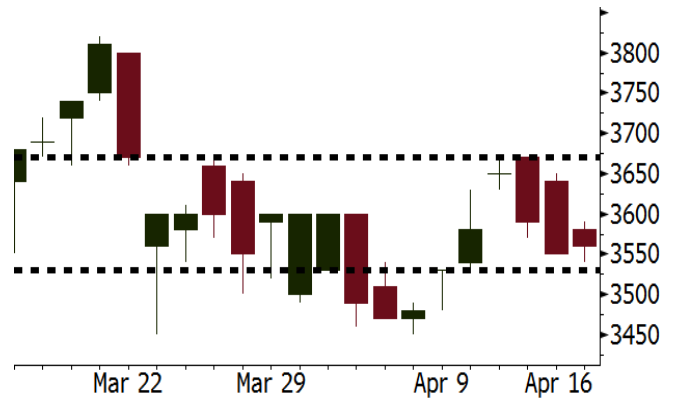
Source: Bloomberg

BBRI Last = 3560

Analysis Today Bank Indonesia (BI) will release 1Q18 banking industry survey. The banking industry is estimated to grow along with the result of business activity survey.

Range 3530 – 3670

Action Trading Buy. Cut Loss If Below 3530



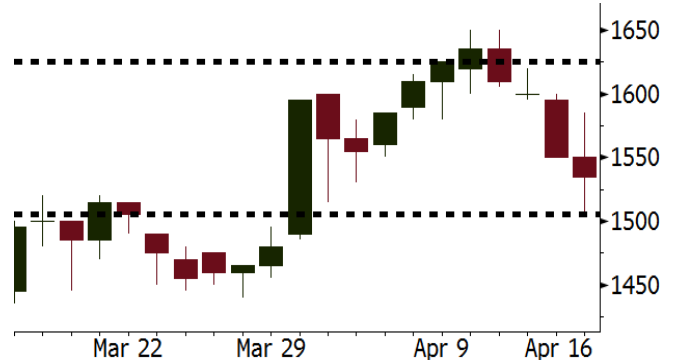
Source: Bloomberg

JPFA Last = 1535

Analysis JPFA showed its optimism for 2018 performance by allocation the capex of IDR2.5 trillion. The figures soared by 63% from 2017 capex realization of IDR1.5 trillion.

Range 1505 - 1625

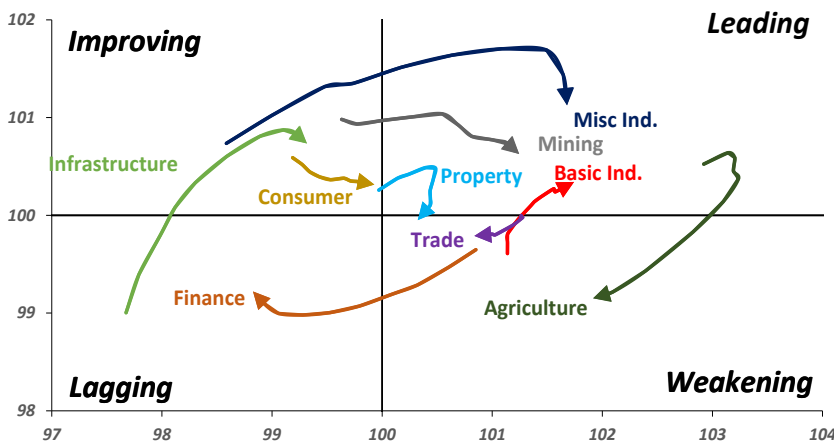
Action Trading buy. Cut Loss If Below 1505



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						11.6	7,003.4							
Finance						29.8	2,112.5							
BBCA	22,900	21,900	24,950	Hold	9.0	32.0	564.6	24.2x	4.3x	19.1	1.1	7.2	13.1	0.9
BBRI	3,550	3,640	4,700	Buy	32.4	39.8	437.9	15.0x	2.6x	18.5	3.0	10.2	10.7	1.3
BMRI	8,025	8,000	10,300	Buy	28.3	37.8	374.5	18.1x	2.2x	13.0	2.5	5.9	49.5	1.3
BBNI	8,825	9,900	10,825	Buy	22.7	40.6	164.6	12.1x	1.7x	14.7	2.9	11.2	19.7	1.3
BBTN	3,580	3,570	3,790	Hold	5.9	57.0	37.9	12.5x	1.8x	14.8	1.6	13.3	15.8	0.9
BJTM	675	710	810	Buy	20.0	-	10.1	8.7x	1.3x	15.4	6.5	0.6	12.5	1.4
Consumer						7.3	1,466.2							
HMSP	4,010	4,730	5,025	Buy	25.3	2.6	466.4	36.9x	13.7x	37.1	2.7	3.8	(0.9)	1.2
GGRM	76,000	83,800	97,825	Buy	28.7	17.5	146.2	18.9x	3.5x	19.0	3.4	9.2	16.1	1.3
UNVR	50,200	55,900	49,450	Hold	(1.5)	10.8	383.0	54.7x	74.0x	141.8	1.7	2.9	9.5	1.0
ICBP	8,350	8,900	9,625	Buy	15.3	2.8	97.4	25.6x	5.0x	20.5	1.8	3.6	5.5	1.2
INDF	7,075	7,625	8,000	Hold	13.1	(11.3)	62.1	14.9x	2.0x	13.9	3.3	5.3	9.7	1.1
KLBF	1,565	1,690	2,020	Buy	29.1	(0.9)	73.4	30.5x	5.5x	19.1	1.4	4.2	4.5	1.2
KAEF	2,240	2,700	3,280	Buy	46.4	13.1	12.4	38.1x	5.0x	13.8	0.4	5.4	22.2	1.4
Infrastructure						(2.5)	748.19							
TLKM	3,660	4,440	4,600	Buy	25.7	(10.1)	368.9	16.4x	3.9x	25.0	5.4	10.2	13.9	1.1
EXCL	2,620	2,960	3,800	Buy	45.0	(13.5)	28.0	75.4x	1.3x	1.8	N/A	7.2	(7.9)	1.0
ISAT	4,740	4,800	6,750	Buy	42.4	(33.7)	25.8	22.7x	1.8x	8.3	1.5	2.5	2.8	0.6
JSMR	4,620	6,400	6,050	Buy	31.0	(0.4)	33.5	15.2x	2.2x	15.3	1.7	110.6	9.5	1.0
TBIG	5,675	6,425	6,050	Hold	6.6	(5.4)	25.7	10.9x	8.2x	99.8	2.6	8.4	229.7	0.7
INDY	3,820	3,060	5,050	Buy	32.2	445.7	19.9	4.3x	1.6x	44.3	N/A	41.7	N/A	1.1
Trade						1.8	763.5							
UNTR	35,100	35,400	42,350	Buy	20.7	24.7	130.9	17.7x	2.9x	17.2	1.9	41.8	48.0	1.3
AKRA	5,600	6,350	8,025	Buy	43.3	(14.5)	22.5	24.8x	3.0x	16.7	2.7	20.2	(11.3)	1.0
SCMA	2,670	2,480	3,250	Buy	21.7	(2.9)	39.0	29.3x	10.0x	36.3	2.2	(1.6)	(11.4)	0.7
MNCN	1,430	1,285	1,500	Hold	4.9	(21.2)	20.4	13.1x	2.1x	16.3	2.9	4.8	10.3	1.0
LPPF	10,700	10,000	13,750	Buy	28.5	(20.4)	31.2	16.4x	13.4x	91.2	4.5	1.3	(5.5)	1.2
ACES	1,390	1,155	1,575	Hold	13.3	54.4	23.8	30.5x	6.8x	23.7	1.2	20.3	9.4	0.9
RALS	1,430	1,200	1,450	Hold	1.4	23.8	10.1	23.6x	2.8x	11.9	2.5	(4.0)	0.8	1.0
MAPI	8,300	6,200	9,450	Hold	13.9	33.3	13.8	40.9x	3.4x	9.5	0.3	15.2	60.3	1.0
Property						0.4	426.0							
BSDE	1,770	1,700	1,850	Hold	4.5	0.3	34.1	6.9x	1.3x	21.4	0.3	56.7	172.3	1.1
PWON	615	685	700	Hold	13.8	5.1	29.6	15.8x	2.9x	19.7	0.7	18.1	12.1	1.0
CTRA	1,240	1,185	1,440	Buy	16.1	(0.4)	23.0	25.5x	1.7x	6.9	0.4	(4.4)	(12.7)	1.0
SMRA	995	945	1,160	Buy	16.6	(26.0)	14.4	39.6x	2.2x	5.7	0.5	4.5	16.2	1.3
WSKT	2,490	2,210	2,810	Hold	12.9	5.1	33.8	6.0x	2.4x	31.0	2.3	90.1	126.5	1.1
PTPP	2,800	2,640	3,850	Buy	37.5	(19.3)	17.4	11.9x	1.5x	13.8	1.8	30.6	13.6	1.3
WIKA	1,700	1,550	2,150	Buy	26.5	(28.6)	15.2	12.7x	1.0x	8.2	2.0	67.1	(17.3)	1.0
ADHI	2,090	1,885	2,160	Hold	3.3	(10.3)	7.4	14.4x	1.3x	9.1	1.3	37.0	64.4	1.0
Misc Ind.						(11.6)	378.9							
ASII	7,525	8,300	9,300	Buy	23.6	(11.5)	304.6	16.1x	2.5x	16.0	2.2	13.8	24.6	1.4
Basic Ind.						27.2	590.8							
INTP	18,875	21,950	21,575	Hold	14.3	14.4	69.5	37.4x	2.8x	7.3	4.9	(6.1)	(51.9)	1.5
SMGR	10,125	9,900	11,550	Hold	14.1	14.1	60.1	29.8x	2.1x	7.0	3.0	6.4	(55.4)	1.3
CPIN	3,760	3,000	4,160	Hold	10.6	16.8	61.7	24.7x	3.9x	16.8	1.5	29.0	10.9	1.2
JPFA	1,550	1,300	1,820	Buy	17.4	(0.6)	17.7	17.7x	1.9x	11.0	3.2	9.4	(53.4)	0.9
MAIN	775	740	780	Hold	0.6	(38.5)	1.7	35.5x	1.0x	2.8	4.9	3.9	(76.8)	1.1
KRAS	474	424	500	Hold	5.5	(22.9)	9.2	N/A	0.4x	(4.4)	N/A	7.8	58.0	1.2
TPIA	6,100	6,000	6,275	Hold	2.9	18.0	108.8	23.9x	4.8x	22.8	2.1	25.3	3.8	0.7
BRPT	2,540	2,260	2,420	Hold	(4.7)	41.1	35.5	24.8x	2.4x	12.4	N/A	25.1	(5.3)	0.3
Mining						23.5	409.2							
ADRO	2,130	1,860	2,720	Buy	27.7	14.5	68.1	10.2x	1.4x	14.6	2.8	29.1	44.5	1.1
PTBA	3,430	2,460	4,085	Buy	19.1	37.2	39.5	8.1x	2.7x	37.3	1.7	38.5	123.2	1.3
ITMG	27,075	20,700	31,125	Hold	15.0	36.7	30.6	8.6x	2.3x	27.1	11.6	23.5	91.7	0.9
INCO	3,230	2,890	3,550	Hold	9.9	44.8	32.1	N/A	1.3x	(0.8)	N/A	7.7	N/A	1.5
ANTM	880	625	990	Hold	12.5	19.7	21.1	154.8x	1.1x	0.7	N/A	39.0	89.3	1.0
TINS	1,065	775	1,240	Buy	16.4	8.7	7.9	15.6x	1.3x	8.6	1.0	32.3	79.9	1.1
ELSA	488	372	625	Buy	28.1	19.0	3.6	16.3x	1.2x	7.8	0.9	37.5	(20.5)	1.1
Agriculture						(7.9)	108.0							
AALI	13,750	13,150	18,375	Buy	33.6	(5.7)	26.5	13.2x	1.5x	11.4	3.8	22.5	(8.0)	0.6
LSIP	1,365	1,420	1,800	Buy	31.9	(2.2)	9.3	12.2x	1.1x	9.7	2.6	23.1	28.7	0.8

* Target Price for December 2018

Source: Bloomberg, NHKS Research

ELSA : Targets Revenue Higher than IDR5 Trillion

ELSA targets 2018 revenues of higher than IDR5 trillion. To achieve the target, it allocates the fund of USD25 million for offshore activity to start in 2018. It had secured the contract worth IDR2 trillion, excluding the carry forward contract worth IDR4 trillion. (Kontan)

WIKA : Carries on Duties of Shareholder Loan

WIKA holding 38% of PT Sinergi BUMN Indonesia's shares, will carry on the duties of shareholder loan. Complying with the agreement, WIKA is required to allocate the fund of IDR4 trillion for Jakarta-Bandung rapid train project. To the present time, it had performed 6x payments with the total fund of IDR2.52 trillion. The collected fund will be used for land acquisition and I phase of project construction. (Bisnis Indonesia)

ISAT : Hikes Its Targeted Proceeds of Bonds into IDR2.72 Trillion

ISAT set to upgrade its targeted proceeds of II Shelf Registration Phase III of 2018 from IDR2 trillion into IDR2.72 trillion. The bonds are divided into 5 series, have maturity of 370 days -10 years, and the coupon 6.05%-8.70%. Pefindo and Fitch Ratings gave idAAA and AAA (idn) rating to the non-collateral bonds. (Bisnis Indonesia)

UNTR : Absorbs Capex of IDR2.5 Trillion

UNTR absorbed the capex of IDR2.5 trillion or 22% of 2018 total capex allocated worth IDR11.7 trillion. The total capex budget increased by 42% compared to 2017 capex because UNTR considered that coal mining industry is still prospective. Most of the capex will be used for purchasing heavy machinery for PT Pamapersada Nusantara, UNTR's subsidiary. In 2018, it targets the hike of 20% in 2018 revenue. (Kontan)

Domestic & Global News

Indonesia Posts Biggest Trade Surplus in Six Months in March

Indonesia posts USD1.09 billion in trade surplus in March, driven by an 8.2% jump in non-oil and gas exports, according to nation's statistics bureau. Surplus is highest since September 2017 and beat estimate for USD89 million deficit. Exports rose 6.14% y-y to USD15.58 billion in March (Vs. estimate of 3%). Non-oil and gas exports total USD14.2 billion in March compared to USD13.2 billion a year earlier. (Bloomberg)

US reportedly weighs retaliation against China for restrictions on tech companies

The Office of the U.S. Trade Representative is considering a new complaint against China to retaliate for restrictions on high tech sectors, like cloud computing, the Wall Street Journal reported. In China, U.S. cloud-computing firms, like Amazon and Microsoft, must operate jointly with Chinese companies and license their technology to the Chinese partners. The USTR has argued Beijing restricts licenses that would allow U.S. firms to operate independently, preventing U.S. companies from marketing their services or signing up customers in China. (CNBC)

Global Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	USA	19:30	Empire Manufacturing	Apr	15.8	19.6	22.5
16 - Apr	USA	19:30	Retail Sales Advance MoM	Mar	0.60%	0.40%	-0.10%
Tuesday	CHN	09:00	GDP YoY	1Q		6.80%	6.80%
17 - Apr	CHN	09:00	Retail Sales YoY	Mar		9.70%	9.40%
	CHN	09:00	Industrial Production YoY	Mar		6.40%	6.20%
	JPN	11:30	Industrial Production MoM	Feb F		--	4.10%
	UK	15:30	Claimant Count Rate	Mar		--	2.40%
	UK	15:30	Jobless Claims Change	Mar		--	9.2k
	UK	15:30	ILO Unemployment Rate 3Mths	Feb		4.30%	4.30%
	GER	16:00	ZEW Survey Current Situation	Apr		86	90.7
	GER	16:00	ZEW Survey Expectations	Apr		-1.5	5.1
	USA	19:30	Housing Starts	Mar		1269k	1236k
	USA	20:15	Industrial Production MoM	Mar		0.30%	1.10%
Wednesday	UK	15:30	CPI YoY	Mar		2.70%	2.70%
18 - Apr	EU	16:00	CPI YoY	Mar F		1.40%	1.40%
Thursday	USA	01:00	U.S. Federal Reserve Releases Beige Book				
19 - Apr							
Friday	JPN	06:30	Natl CPI YoY	Mar		1.10%	1.50%
20 - Apr	EU	21:00	Consumer Confidence	Apr A		-0.1	0.1

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Prev.
Monday	11:00	Imports YoY	Mar	9.07%	11.70%	25.18%
16 - Apr	11:00	Exports YoY	Mar	6.14%	1.95%	11.76%
	11:00	Trade Balance	Mar	\$1091.7m	\$224m	-\$116m
Friday	Tentative	Bank Indonesia 7D Reverse Repo	19-Apr		4.25%	4.25%
20 - Apr						

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Annual Shareholder Meeting	PTRO, TINS, UNTR
16 - Apr	Cum Dividend Date	JASS (IDR59 per share)
Tuesday	Annual Shareholder Meeting	MLBI, PANS, PPRO
17 - Apr	Annual & Extraordinary Shareholder Meeting	BFIN
	Cum Dividend Date	AALI (IDR322 per share)
		JSMR (IDR60.6 per share)
Wednesday	Annual Shareholder Meeting	KRAS
18 - Apr		
Thursday	Annual Shareholder Meeting	INAF, KAEF, LEAD, MFMI, POWR, TURI
19 - Apr	Extraordinary Shareholder Meeting	DGIK
Friday	Annual Shareholder Meeting	ADMF, ATIC, BSSR, KBLV, MLIA, PBSA
20 - Apr	Annual & Extraordinary Shareholder Meeting	DILD

Source: Bloomberg

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