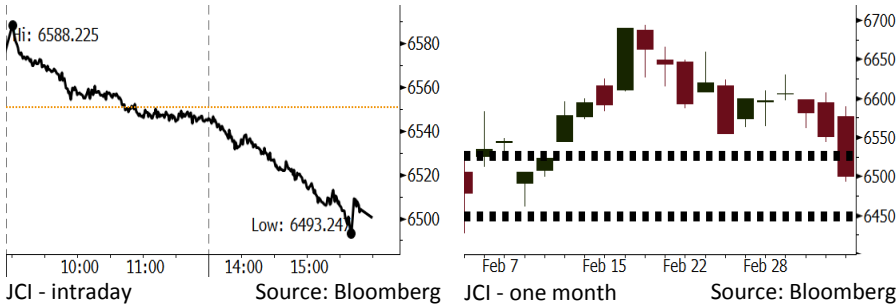


Morning Brief

JCI Movement



IHSG (Jakarta Composite Index)

Mar 06	6,500.11
Chg	-50.48pts (-0.77%)
Volume (bn shares)	90.24
Value (IDR tn)	6.58

Adv 151 Dec 209 Unc 222 Untr 99

Foreign Transaction (IDR bn)

Buy	1,940
Sell	2,764
Net Buy (Sell)	(824)

Top Buy	NB Val.	Top Sell	NS Val.
TLKM	30.3	BBCA	94.4
UNTR	25.5	ASII	91.3
ADRO	24.6	BBRI	82.0
INKP	19.1	BBNI	82.0
KREN	8.7	UNVR	59.8

LQ-45 Index Top Gainers & Losers

Gainers	%	Losers	%
BUMI	3.3%	PWON	-4.4%
UNTR	2.6%	BBNI	-3.9%
MNCN	2.0%	BRPT	-3.5%
ADHI	1.7%	UNVR	-2.7%
GGRM	0.7%	KLBF	-2.5%

Government Bond Yield & FX

Tenor	Last	Chg.
Tenor: 10 year	6.70%	0.07%
USD/IDR	13,776	0.10%
KRW/IDR	12.79	0.51%

Global Indexes

Index	Last	Chg.	%
Dow Jones	24,884.12	9.36	0.04%
S&P 500	2,728.12	7.18	0.26%
Nasdaq	7,372.01	41.30	0.56%
FTSE 100	7,146.75	30.77	0.43%
CAC 40	5,170.23	3.00	0.06%
DAX	12,113.87	23.00	0.19%
Nikkei	21,417.76	375.67	1.79%
Hang Seng	30,510.73	624.34	2.09%
Shanghai	3,289.64	32.72	1.01%
KOSPI	2,411.41	36.35	1.53%
EIDO	28.35	(0.39)	-1.36%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,334.6	14.5	1.09%
Crude Oil (USD /bbl)	62.60	0.03	0.05%
Coal Newcas(USD/ton)	99.05	(0.25)	-0.25%
Gas (USD /mmbtu)	2.75	0.05	1.66%
Nickel LME (USD /MT)	13,680	250.0	1.86%
CPO (MYR/Ton)	2,478	15.0	0.61%

Indonesian Market Recap

JCI weakened in contrast to Asia markets strengthening. Investors digesting government Islamic bonds lack of buyers. **Top Losers: Consumer (-1.21%), Property (-1.14%), Basic Industry (-1.06%).**

Today's Outlook: Trump's Administration Turmoil

Today we estimate JCI to lower with the **support range of 6446-6452 and resistance range of 6523-6529**. The negative sentiment derives from Gary Cohn resigning as the economic advisor of Trump's administration due to the jitters of import tariff policy. From domestic outlook, the negative sentiment derives from the decline in consumers' confidence index into the lowest level since November. Besides, today investors await the release of February's foreign reserves. The data is crucial to be digested amid the downtrend of rupiah.

Stocks Recommendation (details on the next page)

Trading Buy: LSIP, ELSA, TINS

Global Market

United States

The U.S. markets rallied last night even though the turmoil of the U.S. import tariff still prevails.

Europe

European markets closed higher yesterday. Investors disregarded the jitters relating to the traded war and the result of election in Italy.

Asia

Asia markets rallied yesterday after the jitters relating to the trade war subdued. Nikkei indexes soared highly than 2%.

Company News

- HMSP : Net Profit Declines by 0.70%
- ADRO : Secures Revenue of IDR44 Trillion
- PTPP : Injects Capital of IDR31.68 Bilion to Its Subsidiary
- MPPA : Keeps Performing Efficiency

Domestic & Global News

Indonesia's Feb. Consumer Confidence Falls to Lowest Since Nov.
Gary Cohn resigns as Trump's top economic advisor

Indonesia Economic Data

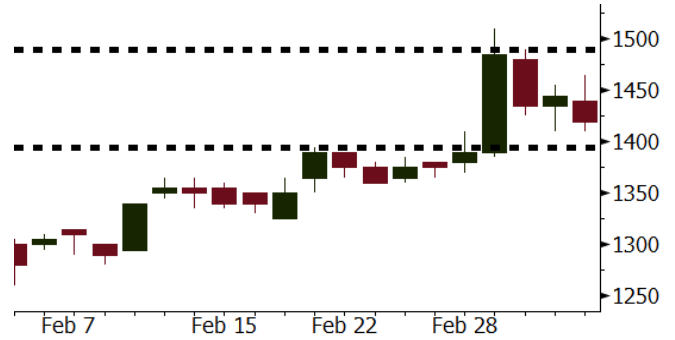
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.19%	5.06%
FX Reserve (USD bn)	131.98	130.20	Current Acc (USD bn)	(5.76)	(5.80)
Trd Balance (USD bn)	(0.68)	(0.27)	Govt Spending Yoy	3.81%	3.46%
Exports Yoy	7.86%	6.93%	FDI (USD bn)	4.62	7.86
Imports Yoy	26.44%	17.83%	Business Confidence	111.02	112.39
Inflation Yoy	3.18%	3.25%	Cons. Confidence*	126.10	126.40

LSIP Last = 1420

Analysis Global CPO prices marked the rebound of 0.6% to MYR2,478 as it was boosted by the expectancy of import tariff imposed on soy oil products by India's government.

Range 1395 – 1490

Action Trading Buy. Cut Loss If Below 2690



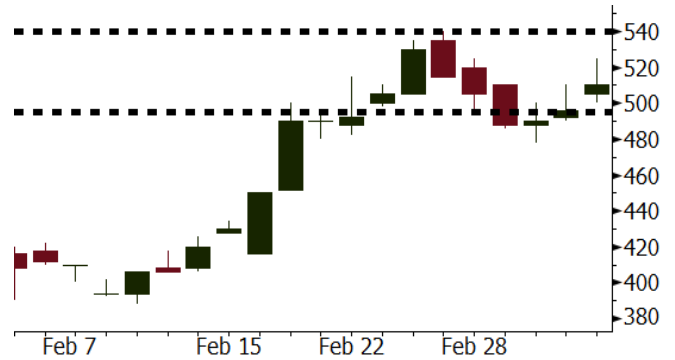
Source: Bloomberg

ELSA Last = 510

Analysis Pertamina as the parent entity of ELSA keeps performing expansion. It plans to buy three million barrel crude and expand to the Shale market in the U.S.

Range 495 – 540

Action Trading Buy. Cut Loss If Below 495



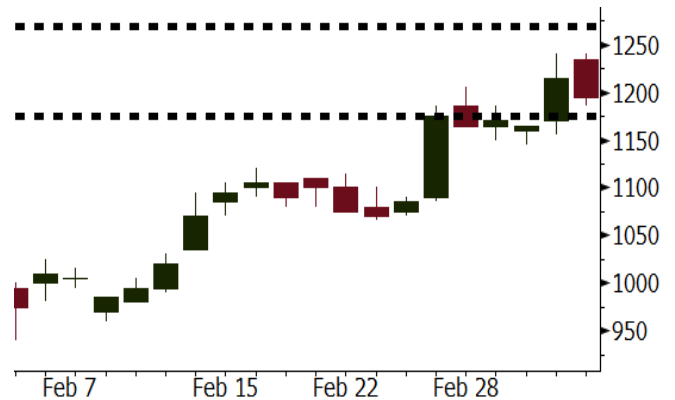
Source: Bloomberg

TINS Last = 1195

Analysis Commodities prices including tin are estimated to rally due to the downtrend of dollar. The turmoil of the U.S. import tariff and the North Korea sentiment triggered the downtrend of dollar into one-week lowest level.

Range 1175 - 1270

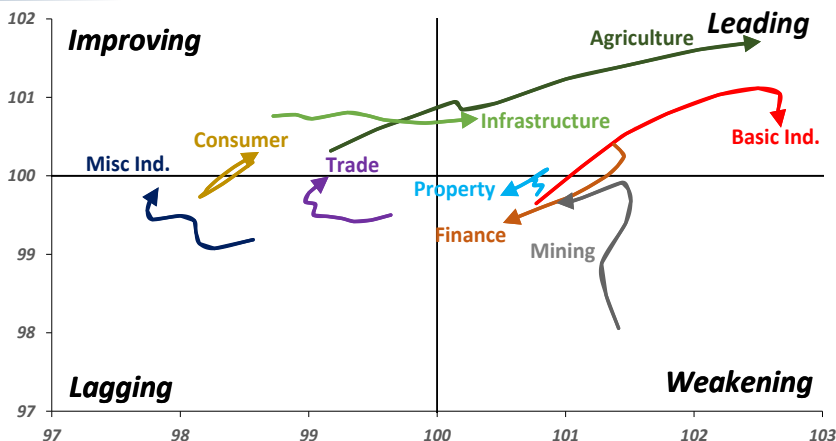
Action Trading buy. Cut Loss If Below 488



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						20.2	7,312.4							
Finance						40.5	2,185.2							
BBCA	22,775	21,900	24,100	Hold	5.8	47.2	561.5	25.2x	4.4x	18.9	0.9	6.9	11.3	1.0
BBRI	3,730	3,640	4,700	Buy	26.0	56.1	460.1	15.7x	2.7x	18.5	2.3	10.2	10.7	1.3
BMRI	8,050	8,000	10,300	Buy	28.0	42.5	375.7	18.2x	2.3x	13.0	1.7	5.9	49.5	1.3
BBNI	9,175	9,900	10,825	Buy	18.0	45.6	171.1	12.6x	1.7x	14.7	2.3	11.2	19.7	1.3
BBTN	3,720	3,570	3,300	Hold	(11.3)	79.7	39.4	13.0x	1.8x	14.8	1.3	13.3	15.8	1.0
BJTM	715	710	810	Hold	13.3	26.5	10.7	9.2x	1.4x	15.4	6.2	0.6	12.5	1.3
Consumer						16.6	1,588.2							
HMSP	4,710	4,730	5,000	Hold	6.2	19.2	547.9	42.2x	17.7x	42.2	2.3	3.8	(0.9)	1.1
GGRM	79,750	83,800	97,825	Buy	22.7	25.8	153.4	20.5x	3.8x	19.4	3.3	9.4	17.8	1.3
UNVR	52,525	55,900	49,450	Hold	(5.9)	24.0	400.8	57.2x	77.5x	141.8	1.7	2.9	9.5	1.1
ICBP	8,925	8,900	10,200	Hold	14.3	7.5	104.1	27.3x	5.5x	21.4	1.7	3.6	7.4	1.3
INDF	7,450	7,625	8,000	Hold	7.4	(7.7)	65.4	16.2x	2.1x	14.1	3.2	6.5	8.4	1.1
KLBF	1,560	1,690	2,020	Buy	29.5	2.3	73.1	30.8x	5.8x	19.8	1.4	5.0	4.5	1.1
KAEF	2,510	2,700	3,280	Buy	30.7	25.8	13.9	48.8x	5.9x	12.3	0.4	8.4	10.4	1.3
Infrastructure						8.4	807.26							
TLKM	4,020	4,440	5,450	Buy	35.6	3.0	405.2	17.7x	4.4x	25.9	4.9	12.5	21.0	1.1
EXCL	2,870	2,960	3,800	Buy	32.4	(1.0)	30.7	82.6x	1.4x	1.8	N/A	7.2	(7.9)	0.9
ISAT	5,550	4,800	6,750	Buy	21.6	(21.0)	30.2	22.3x	2.2x	9.9	1.3	4.8	29.0	0.5
JSMR	5,300	6,400	6,050	Hold	14.2	15.7	38.5	17.5x	2.5x	15.3	1.5	110.6	9.5	0.9
TBIG	5,700	6,425	6,050	Hold	6.1	14.7	25.8	21.8x	15.1x	76.3	2.6	7.8	(25.2)	0.7
INDY	4,050	3,060	5,050	Buy	24.7	451.0	21.1	51.2x	2.3x	4.6	N/A	22.4	N/A	1.0
Trade						8.7	768.5							
UNTR	36,075	35,400	39,425	Hold	9.3	37.7	134.6	18.2x	3.0x	17.2	1.9	41.8	48.0	1.2
AKRA	5,950	6,350	8,025	Buy	34.9	(5.9)	23.8	25.2x	3.3x	17.8	2.5	22.6	(9.6)	1.0
SCMA	2,670	2,480	3,250	Buy	21.7	(2.6)	39.0	27.1x	9.2x	35.3	2.2	0.2	(5.4)	0.8
MNCN	1,540	1,285	1,500	Hold	(2.6)	(6.7)	22.0	18.6x	2.3x	11.7	2.7	2.2	(11.9)	1.0
LPPF	11,050	10,000	16,225	Buy	46.8	(15.5)	32.2	16.9x	13.9x	91.2	4.4	1.3	(5.5)	1.3
ACES	1,320	1,155	1,150	Hold	(12.9)	74.8	22.6	29.6x	6.8x	24.8	1.2	18.9	10.5	0.8
RALS	1,230	1,200	1,200	Hold	(2.4)	6.5	8.7	19.9x	2.4x	12.3	2.9	(3.1)	3.8	1.0
MPPA	434	452	450	Hold	3.7	(63.8)	2.3	N/A	1.2x	(17.1)	N/A	(6.7)	N/A	1.8
Property						3.5	447.4							
BSDE	1,785	1,700	1,800	Hold	0.8	1.1	34.4	7.0x	1.4x	21.4	0.3	56.7	172.3	1.2
PWON	655	685	760	Buy	16.0	18.0	31.5	17.7x	3.2x	19.6	0.7	20.9	8.3	1.1
CTRA	1,260	1,185	1,440	Hold	14.3	(2.7)	23.4	23.4x	1.8x	8.7	0.4	(1.6)	(6.1)	1.0
SMRA	1,000	945	1,160	Buy	16.0	(28.6)	14.4	38.6x	2.3x	6.1	0.5	10.5	100.0	1.3
PPRO	186	189	215	Buy	15.6	(38.8)	11.6	12.2x	2.5x	10.5	0.7	14.7	0.7	0.9
WSKT	2,850	2,210	2,810	Hold	(1.4)	16.8	38.7	6.8x	2.8x	31.0	1.3	90.1	126.5	1.1
PTPP	2,960	2,640	4,770	Buy	61.1	(16.6)	18.4	14.5x	1.8x	18.9	1.7	26.9	43.9	1.2
WIKA	1,865	1,550	2,150	Buy	15.3	(25.1)	16.7	11.5x	1.4x	15.8	1.8	70.0	8.5	1.0
ADHI	2,370	1,885	2,160	Hold	(8.9)	(0.4)	8.4	20.9x	1.5x	7.5	1.1	53.1	78.0	1.0
Misc Ind.						(6.2)	403.8							
ASII	8,050	8,300	9,300	Buy	15.5	(5.8)	325.9	17.2x	2.6x	16.0	2.1	13.8	24.6	1.3
Basic Ind.						35.0	584.9							
INTP	20,450	21,950	21,575	Hold	5.5	32.1	75.3	35.4x	3.1x	8.6	4.5	(7.3)	(55.3)	1.4
SMGR	10,700	9,900	11,550	Hold	7.9	12.6	63.5	20.8x	2.2x	10.9	2.8	7.7	(50.2)	1.2
CPIN	3,410	3,000	4,160	Buy	22.0	8.9	55.9	33.2x	3.7x	11.2	1.6	33.2	(22.4)	1.2
JPFA	1,575	1,300	1,970	Buy	25.1	(8.4)	18.0	18.0x	1.9x	11.0	3.2	9.4	(53.4)	0.9
MAIN	785	740	780	Hold	(0.6)	(35.9)	1.8	29.6x	1.0x	3.4	4.8	2.5	(99.0)	1.1
KRAS	505	424	500	Hold	(1.0)	(27.9)	9.8	N/A	0.4x	(7.2)	N/A	5.9	43.5	1.2
TPIA	5,800	6,000	6,275	Hold	8.2	25.3	103.4	22.7x	4.5x	22.8	2.2	25.3	3.8	0.7
BRPT	2,510	2,260	2,420	Hold	(3.6)	112.7	35.0	22.0x	2.4x	14.0	N/A	25.1	(5.3)	0.2
Mining						36.8	418.1							
ADRO	2,330	1,860	2,720	Buy	16.7	38.3	74.5	10.9x	1.6x	15.3	2.5	37.2	78.0	1.1
PTBA	3,050	2,460	4,085	Buy	33.9	41.9	35.1	8.9x	2.5x	32.2	1.9	31.7	156.4	1.3
ITMG	27,200	20,700	31,350	Buy	15.3	59.3	30.7	8.6x	2.3x	27.1	9.0	23.5	91.7	0.9
INCO	3,070	2,890	3,550	Buy	15.6	20.4	30.5	N/A	1.2x	(0.6)	N/A	7.7	N/A	1.4
ANTM	905	625	1,090	Buy	20.4	19.1	21.7	N/A	1.2x	(1.7)	N/A	8.0	N/A	1.0
TINS	1,195	775	1,500	Buy	25.5	18.9	8.9	18.9x	1.6x	8.0	0.8	53.8	N/A	1.1
ELSA	510	372	625	Buy	22.5	25.0	3.7	17.0x	1.3x	7.8	0.8	37.5	(20.5)	1.1
Agriculture						(5.9)	109.1							
AALI	14,750	13,150	14,425	Hold	(2.2)	(3.6)	28.4	14.1x	1.6x	11.4	3.5	22.5	N/A	0.6
LSIP	1,420	1,420	1,800	Buy	26.8	(6.0)	9.7	12.7x	1.2x	9.7	2.5	23.1	28.7	0.8

* Target Price for December 2018

Source: Bloomberg, NHKS Research

HMSP : Net Profit Declines by 0.70%

HMSP posted the revenue of IDR99.09 trillion (4% y-y) even though the sales cost hiked by IDR170 billion from the prior year. Its gross profit consistently hiked by 2%. The decline in the net profit was mainly caused by the decline in others incomes reaching 78% compared to the previous year. It caused the earnings before tax to decline by 0.7% and effect on its performance. (Kontan)

PTPP : Injects Capital of IDR31.68 Bilion to Its Subsidiary

PTPP injected the paid up capital of IDR31.68 billion to its subsidiary, PT Sinergi Colamadu. The capital will be used to develop ex sugar company land situated in Karanganyar, Central Java. In January 2018, PTPP secures the new consolidated contract of IDR2.33 trillion deriving from the parent entity by IDR929.36 billion and subsidiary by IDR1.40 trillion. (Bisnis Indonesia)

ADRO : Secures Revenue of IDR44 Trillion

ADRO secured the revenue of USD3.26 billion (29.36% y-y). The exchange rate of IDR for dollar settling at 13,513.35 per USD1 caused its revenue to amount to IDR44.05 trillion. Besides, its net profit also soared by 44.43% y-y into USD483.29 million. The distribution of capex hiked by 186% y-y and EBITDA also edged up by 47% y-y. (Bisnis Indonesia)

MPPA : Keeps Performing Efficiency

MPPA keeps performing efficiency to lower loss and cost. It succeeded to curb the electricity use by 50% since three years ago. Nonetheless, the low purchasing power and the downtrend of sales caused MPPA to boost its employees' productivity and review some stores. Per September 2017, its cost sales hiked 6x and revenue declined by 6.6% from the same period of prior year. (Bisnis Indonesia)

Domestic & Global News

Indonesia's Feb. Consumer Confidence Falls to Lowest Since Nov.

Consumer confidence index falls to 122.5 in Feb. from 126.1 in previous month, according to a survey by Bank Indonesia. Index falls to the lowest since Nov.. Consumers in Feb. tend to hold off spending on durable goods, in particular electronics, furniture and home appliances. Consumers were less optimistic with economic conditions ahead, and expected a decline in job availability. As much as 46.8% of respondents prefer to put excess income in savings or time deposits for the next 12 months, and others prefer investing in property and gold or jewelry. (Bloomberg)

Gary Cohn resigns as Trump's top economic advisor

White House chief economic advisor Gary Cohn has resigned from President Donald Trump's administration. The former Goldman Sachs president and free trade advocate Cohn, whose departure date will come in a few weeks, decided to quit after Trump announced he would impose stiff tariffs on steel and aluminum imports. In a prepared statement, Cohn said, "It has been an honor to serve my country and enact pro-growth economic policies to benefit the American people, in particular the passage of historic tax reform." (CNBC)

Global Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday 06 - Mar	USA	22:00	Durable Goods Orders	Jan F		--	-3.70%
Wednesday 07 - Mar	CHN	Tentative	Foreign Reserves	Feb		\$3150.00b	\$3161.46b
	EU	17:00	GDP SA QoQ	4Q F		0.60%	0.60%
	EU	17:00	GDP SA YoY	4Q F		2.70%	2.70%
	USA	20:15	ADP Employment Change	Feb		193k	234k
	USA	20:30	Trade Balance	Jan		-\$52.6b	-\$53.1b
Thursday 08 - Mar	CHN	Tentative	Trade Balance	Feb		-\$8.45b	\$20.34b
	CHN	Tentative	Imports YoY	Feb		6.50%	36.90%
	CHN	Tentative	Exports YoY	Feb		10.00%	11.10%
	USA	02:00	U.S. Federal Reserve Releases Beige Book				
	JPN	06:50	BoP Current Account Balance	Jan		¥368.5b	¥797.2b
	JPN	06:50	GDP SA QoQ	4Q F		0.20%	0.10%
	JPN	06:50	GDP Annualized SA QoQ	4Q F		1.00%	0.50%
	GER	14:00	Factory Orders MoM	Jan		-1.50%	3.80%
	EU	19:45	ECB Main Refinancing Rate	8-Mar		0.00%	0.00%
Friday 02 - Mar	CHN	08:30	PPI YoY	Feb		3.80%	4.30%
	CHN	08:30	CPI YoY	Feb		2.40%	1.50%
	UK	16:30	Industrial Production MoM	Jan		1.30%	-1.30%
	UK	16:30	Manufacturing Production MoM	Jan		0.20%	0.30%
	USA	20:30	Change in Nonfarm Payrolls	Feb		200k	200k
	USA	20:30	Unemployment Rate	Feb		4.00%	4.10%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Prev.
Tuesday 06 - Mar	Tentative	Consumer Confidence Index	Feb	122.5		126.1
Wednesday 07 - Mar	Tentative	Net Foreign Assets IDR	Feb			1733.8t
	Tentative	Foreign Reserves	Feb			\$131.98b

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday 05 - Mar	Extraordinary Shareholder Meeting	MYTX, ELSA
Tuesday 06 - Mar	Extraordinary Shareholder Meeting	GMFI, WICO
Wednesday 07 - Feb	Cum Dividend Date	BJBR (IDR90.3 per share) MEGA (IDR93.3 per share) SMBR (IDR3.7 per share)
Thursday 08 - Mar	Extraordinary Shareholder Meeting	UNSP
Friday 09 - Mar	Annual Shareholder Meeting	EXCL
	Extraordinary Shareholder Meeting	BBNP
	Annual & Extraordinary Shareholder Meeting	AGRS

Source: Bloomberg

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