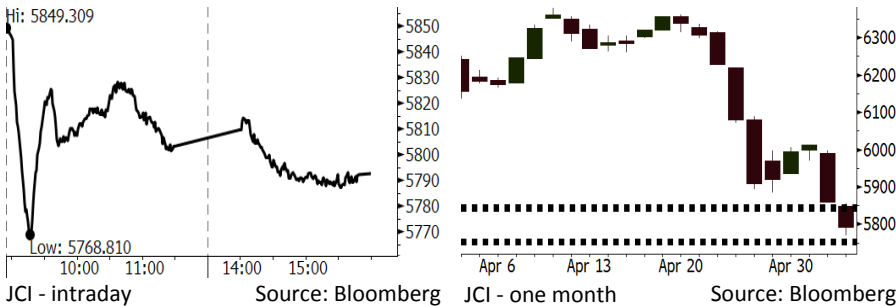


Morning Brief

Daily | May 07, 2018

JCI Movement



IHSG (Jakarta Composite Index)

May 04	6,792.35
Chg	-66.39pts (-1.13%)
Volume (bn shares)	75.57
Value (IDR tn)	6.85

Adv 110 Dec 262 Unc 217 Untr 114

Foreign Transaction (IDR bn)

Buy	3,351
Sell	4,194
Net Buy (Sell)	(842)

Top Buy	NB Val.	Top Sell	NS Val.
INKP	21.4	BBRI	185.1
PTBA	21.2	ADRO	98.0
UNVR	18.4	TLKM	81.5
PTPP	12.9	ASII	66.8
BBCA	11.7	BBNI	53.3

LQ-45 Index Top Gainers & Losers

Gainers	%	Losers	%
TRAM	2.9%	BBTN	-9.3%
LPPF	2.4%	WIKA	-6.2%
PTBA	2.1%	EXCL	-5.9%
SCMA	1.3%	INDF	-5.6%
LPKR	0.5%	BUMI	-5.3%

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.02%	-0.00%
USDIDR	13,945	0.04%
KRWIDR	12.94	-0.19%

Global Indexes

Index	Last	Chg.	%
Dow Jones	24,262.51	332.36	1.39%
S&P 500	2,663.42	33.69	1.28%
Nasdaq	7,209.62	121.47	1.71%
FTSE 100	7,567.14	64.45	0.86%
CAC 40	5,516.05	14.39	0.26%
DAX	12,819.60	129.45	1.02%
Nikkei	22,472.78	(35.25)	-0.16%
Hang Seng	29,926.50	(386.87)	-1.28%
Shanghai	3,091.03	(9.83)	-0.32%
KOSPI	2,461.38	(25.87)	-1.04%
EIDO	24.57	(0.12)	-0.49%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,314.5	2.4	0.19%
Crude Oil (USD /bbl)	69.72	1.29	1.89%
Coal Newcas(USD/ton)	98.75	0.70	0.71%
Gas (USD /mmbtu)	2.71	(0.02)	-0.55%
Nickel LME (USD /MT)	14,025	250.0	1.81%
Tin LME (USD /MT)	21,230	25.0	0.12%
CPO (MYR/Ton)	2,340	8.0	0.34%

Indonesian Market Recap

JCI continued to dive on Friday, 05/04. Investors' interests were still sluggish amid the awaiting of the release of GDP growth data. **Top Losers : Finance (-2.20%), Agriculture (-1.66%), Mining (-1.45%)**

Today's Outlook: : GDP Growth

We estimate JCI to rally with the support range of 5749-5756 and resistance range of 5839-5849. The main sentiment of JCI's today movement stems from the release of 1Q18 GDP growth to be release today. The estimated consensus of 5.18% likely maintains the trend of GDP growth acceleration. Besides, the April's consumer confidence index (CCI) gaining for the first time in 4 months shows Ramadhan's impacts on hiking consumers spending.

Stocks Recommendation (details on the next page)

Trading Buy: UNTR, TLKM, SCMA

Global Market

United States

The U.S. stocks rallied on Friday, 05/04 as Apple's stocks rallied. Investors disregarded the under-than-estimated job data.

Europe

European markets rallied on Friday, 05/04. Investors digested the meeting between the U.S. and China and the release of significant economic data.

Asia

Asia markets closed lower on Friday, 05/04. Investors digested the trade negotiation between the U.S. and China.

Company News

- ADRO : Its Cash Nudges Up 1%
- MPPA : Posts Decline in Net Profit
- ACES : Will Launch 4 New Stores in 2Q18
- CAMP : Posts Net Profit Growth of 99.82%

Domestic & Global News

- Indonesia's Consumer Confidence Index Strengthens in April
- Nonfarm payrolls increased by 164,000 in April

Indonesia Economic Data

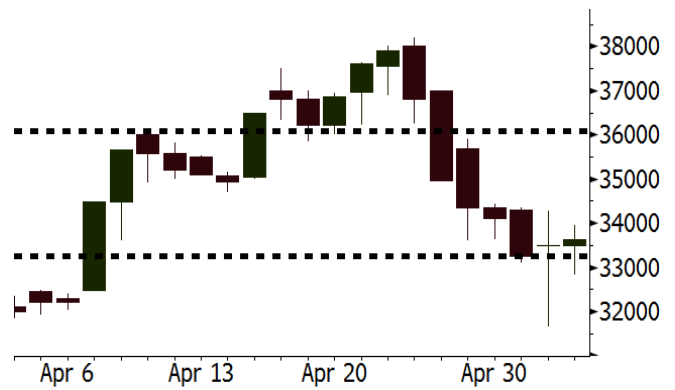
Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.25%	Real GDP	5.19%	5.19%
FX Reserve (USD bn)	126.00	128.06	Current Acc (USD bn)	(5.76)	(5.76)
Trd Balance (USD bn)	1.09	(0.12)	Govt Spending Yoy	3.81%	3.81%
Exports Yoy	6.14%	11.76%	FDI (USD bn)	4.62	4.62
Imports Yoy	9.07%	25.18%	Business Confidence	111.02	111.02
Inflation Yoy	3.41%	3.40%	Cons. Confidence*	122.20	121.60

UNTR Last = 33625

Analysis In 1Q18, UNTR posted the double digits sales growth in its overall segments. Besides, it evidenced the positive diversification efforts, particularly in the power plant business.

Range 33250 - 36100

Action Trading Buy. Cut Loss If Below 33250



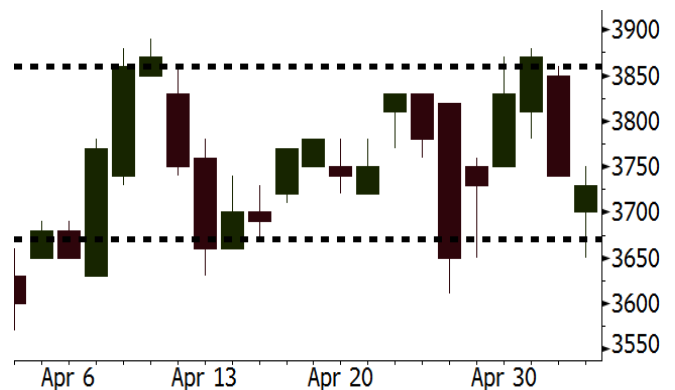
Source: Bloomberg

TLKM Last = 3730

Analysis TLKM will distribute the dividend of IDR167.7 per share. The last session price of 3,730 results in the dividend yield of 4.5%. The cum dividend data on the regular market is on Monday, 05/07/2018.

Range 3670 - 3860

Action Trading Buy. Cut Loss If Below 3670



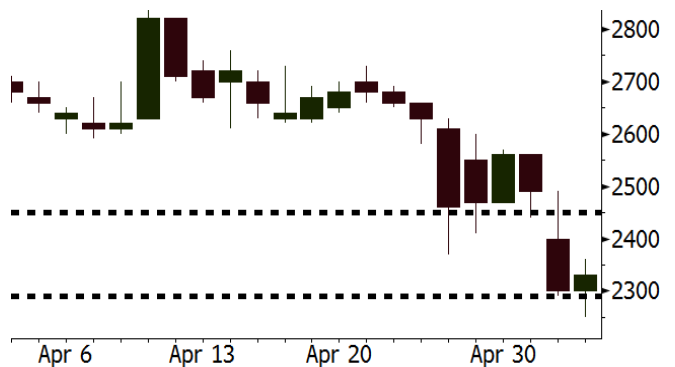
Source: Bloomberg

SCMA Last = 2330

Analysis SCTV, the TV channel of SCMA, led the market share with the audience share of 18.7% in April. Its domination is estimated to further due to the coming of Ramadhan and Asian Games Even in August.

Range 2290 - 2450

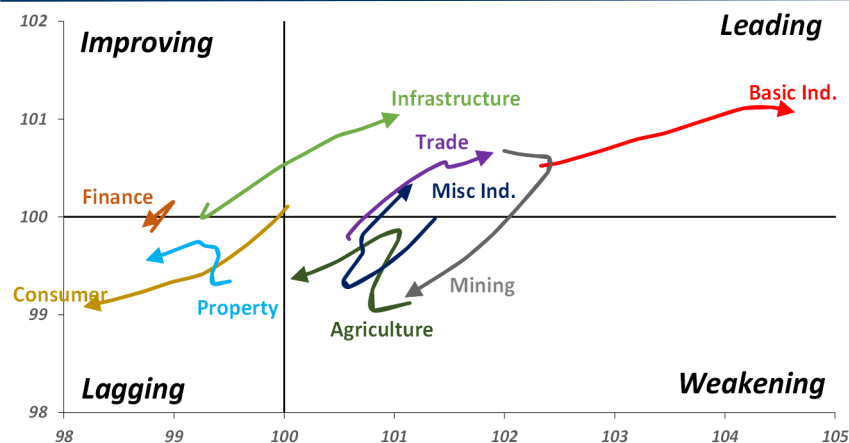
Action Trading buy. Cut Loss If Below 2290



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	5,792	6,356				2.2	6,544.3							
Finance						13.4	1,946.1							
BBCA	22,025	21,900	24,950	Hold	13.3	23.6	543.0	22.8x	4.0x	18.7	1.2	7.1	10.4	0.9
BBRI	3,030	3,640	4,700	Buy	55.1	8.8	373.7	12.4x	2.3x	19.6	3.5	13.0	11.4	1.4
BMRI	6,625	8,000	10,300	Buy	55.5	13.2	309.2	13.8x	1.9x	14.4	3.0	(1.9)	43.7	1.4
BBNI	7,475	9,900	10,825	Buy	44.8	12.8	139.4	9.9x	1.4x	15.2	3.4	10.6	12.7	1.2
BBTN	2,650	3,570	3,790	Buy	43.0	12.8	28.1	9.0x	1.3x	15.2	2.2	15.1	16.1	1.2
BJTM	705	710	810	Hold	14.9	6.0	10.6	8.8x	1.4x	15.4	6.3	#N/A	N/A	10.7
Consumer						(5.2)	1,323.6							
HMSP	3,280	4,730	5,025	Buy	53.2	(15.2)	381.5	30.8x	10.3x	33.3	3.3	2.5	(7.1)	1.3
GGRM	67,200	83,800	97,825	Buy	45.6	(1.2)	129.3	16.7x	2.9x	18.2	3.9	10.1	0.1	1.3
UNVR	45,350	55,900	49,450	Hold	9.0	(0.2)	346.0	50.3x	49.3x	100.6	1.9	(0.9)	(6.2)	1.0
ICBP	8,200	8,900	9,625	Buy	17.4	(4.7)	95.6	24.4x	4.7x	20.0	1.9	4.5	10.6	1.1
INDF	6,350	7,625	8,175	Buy	28.7	(25.1)	55.8	13.4x	1.7x	13.2	3.7	(1.1)	0.7	1.0
KLBF	1,390	1,690	1,730	Buy	24.5	(11.7)	65.2	27.1x	4.7x	18.2	1.6	2.4	0.2	1.1
KAEF	2,080	2,700	3,280	Buy	57.7	(16.5)	11.6	35.3x	4.6x	13.8	0.8	5.4	22.2	1.3
Infrastructure						(9.9)	715.92							
TLKM	3,730	4,440	4,600	Buy	23.3	(14.6)	376.0	17.4x	3.8x	22.4	5.3	4.3	(14.3)	0.9
EXCL	1,830	2,960	3,800	Buy	107.7	(42.5)	19.6	52.6x	0.9x	1.8	N/A	7.2	(7.9)	1.1
ISAT	3,700	4,800	6,750	Buy	82.4	(48.4)	20.1	17.7x	1.4x	8.3	1.9	2.5	2.8	0.8
JSMR	4,120	6,400	6,050	Buy	46.8	(11.4)	29.9	13.4x	1.9x	15.3	1.5	92.8	6.5	1.0
TBIG	5,300	6,425	6,050	Hold	14.2	(9.8)	24.0	10.2x	7.6x	99.8	2.8	8.4	229.7	0.6
INDY	3,620	3,060	5,050	Buy	39.5	221.8	18.9	3.6x	1.4x	46.6	N/A	263.6	166.7	1.1
Trade						(1.5)	732.0							
UNTR	33,625	35,400	42,350	Buy	25.9	34.2	125.4	14.9x	2.6x	18.6	2.7	39.0	68.7	1.2
AKRA	4,510	6,350	8,025	Buy	77.9	(28.4)	18.1	21.4x	2.1x	24.1	3.3	34.4	(22.8)	1.2
SCMA	2,330	2,480	3,200	Buy	37.3	(17.1)	34.1	25.6x	8.7x	36.3	2.5	(1.6)	(11.4)	0.8
MNCN	1,255	1,285	1,550	Buy	23.5	(33.9)	17.9	11.5x	1.8x	16.3	3.3	4.8	10.3	1.1
LPPF	9,600	10,000	13,750	Buy	43.2	(37.2)	28.0	14.7x	10.9x	81.7	5.0	5.9	1.2	1.1
ACES	1,300	1,155	1,575	Buy	21.2	36.8	22.3	26.6x	6.0x	24.0	1.3	21.5	35.7	0.9
RALS	1,390	1,200	1,450	Hold	4.3	6.5	9.9	22.3x	2.7x	12.2	2.6	(2.6)	407.0	0.9
MAPI	8,050	6,200	9,450	Buy	17.4	26.8	13.4	21.2x	3.0x	16.4	0.3	19.3	505.7	0.9
Property						(8.5)	383.8							
BSDE	1,595	1,700	1,850	Buy	16.0	(10.1)	30.7	6.2x	1.2x	21.4	0.3	56.7	172.3	1.2
PWON	565	685	700	Buy	23.9	(16.3)	27.2	13.0x	2.5x	21.0	0.8	19.5	61.9	1.1
CTRA	975	1,185	1,370	Buy	40.5	(20.7)	18.1	22.4x	1.3x	6.1	0.5	6.8	(41.7)	1.1
SMRA	890	945	960	Hold	7.9	(35.7)	12.8	38.5x	2.0x	5.2	0.6	(2.5)	(40.0)	1.4
WSKT	1,950	2,210	2,810	Buy	44.1	(14.8)	26.5	5.1x	1.7x	37.7	2.9	68.6	314.5	1.2
PTPP	2,220	2,640	3,850	Buy	73.4	(17.8)	13.8	9.3x	1.2x	13.9	N/A	26.3	19.0	1.3
WIKA	1,370	1,550	2,150	Buy	56.9	(38.6)	12.3	10.9x	1.0x	9.2	2.0	64.1	(30.9)	1.0
ADHI	1,810	1,885	2,160	Buy	19.3	(16.2)	6.4	11.3x	1.1x	10.1	1.6	39.7	282.5	1.1
Misc Ind.						(15.8)	370.6							
ASII	7,250	8,300	9,300	Buy	28.3	(17.6)	293.5	15.6x	2.3x	15.3	2.6	14.4	(1.6)	1.2
Basic Ind.						27.5	595.1							
INTP	17,000	21,950	21,575	Buy	26.9	4.8	62.6	38.3x	2.5x	6.3	5.5	1.9	(46.2)	1.3
SMGR	9,000	9,900	11,550	Buy	28.3	4.0	53.4	26.5x	1.8x	7.0	3.4	6.4	(55.4)	1.2
CPIN	3,630	3,000	4,200	Buy	15.7	15.6	59.5	20.7x	3.6x	18.2	1.5	(1.3)	60.5	1.1
JPFA	1,620	1,300	1,820	Hold	12.3	22.7	18.5	13.8x	2.2x	15.5	3.1	18.7	533.3	0.8
MAIN	740	740	780	Hold	5.4	(30.5)	1.7	21.9x	0.9x	4.1	5.1	16.5	109.1	1.0
KRAS	408	424	500	Buy	22.5	(26.5)	7.9	N/A	0.3x	(4.4)	N/A	38.9	72.7	1.2
TPIA	6,175	6,000	6,275	Hold	1.6	16.7	110.1	23.8x	4.7x	22.8	1.3	25.3	3.8	0.8
BRPT	2,270	2,260	2,420	Hold	6.6	44.6	31.7	21.8x	2.1x	12.4	N/A	25.1	(5.3)	0.6
Mining						20.5	377.6							
ADRO	1,640	1,860	2,720	Buy	65.9	1.5	52.5	8.1x	1.1x	13.6	6.6	5.1	(23.4)	1.3
PTBA	3,350	2,460	3,950	Buy	17.9	41.1	38.6	7.0x	2.4x	38.7	9.5	26.4	67.1	1.2
ITMG	22,475	20,700	31,125	Buy	38.5	21.7	25.4	7.0x	1.8x	27.1	14.0	23.5	91.7	1.1
INCO	3,090	2,890	3,550	Hold	14.9	50.7	30.7	2696.6x	1.2x	(0.1)	N/A	18.4	N/A	1.5
ANTM	830	625	990	Buy	19.3	28.7	19.9	53.1x	1.1x	2.0	0.2	247.2	3550.0	1.1
TINS	930	775	1,240	Buy	33.3	2.2	6.9	14.0x	1.1x	8.6	2.5	(0.6)	(23.2)	1.1
ELSA	406	372	625	Buy	53.9	18.7	3.0	13.6x	1.0x	7.8	1.0	50.1	1267.6	1.2
Agriculture						(13.8)	99.7							
AALI	11,700	13,150	18,375	Buy	57.1	(17.0)	22.5	14.4x	1.2x	8.6	4.0	10.7	(55.6)	0.7
LSIP	1,145	1,420	1,800	Buy	57.2	(16.4)	7.8	15.5x	#N/A	N/A	3.1	#N/A	N/A	0.8

* Target Price for December 2018

Source: Bloomberg, NHKS Research

ADRO : Its Cash Nudges Up 1%

ADRO's 1Q18 cash was at USD1.12 billion nudging up 1% on the annual basis, yet it spent the cash on investment instead of buyback. Now, it is focusing on the power plant business through the I and II Units of South Kalimantan project, and coal-fired power plant (PLTU) Batang. Most of its cash will be ploughed into 80% acquisition of Kestrel's mining stocks. (Kontan)

ACES : Will Launch 4 New Stores in 2Q18

ACES stated to launch 4 new stores in 2Q18. Of note, it launched 3 new stores in 1Q18 and two new stores in April. In 2018, it allocated the capex of IDR300 billion to launch 10-15 new stores. The new stores will be situated in Java Island as the sales figures in provinces producing commodities are not profitable. (Bisnis Indonesia)

MPPA : Posts Decline in Net Profit

MPPA posted the decline of 9.5% y-y into IDR159.81 billion in the loss attributed to its parent entity. The decline was attributable to the decline of 28.4% y-y in the general and administrative expense. Of note, its net sales also declined by 6.1% y-y into IDR2.91 trillion. To succeed in 2018, it will boost its sales by offering alluring promotion in a number of 2H18 events. (Bisnis Indonesia)

CAMP : Posts Net Profit Growth of 99.82%

CAMP posted the growth of 99.82% y-y into IDR18.26 billion in 1Q18 net profit. The growth was backed by the growth of 2.33% y-y into IDR219.03 billion in net sales and the respective growth of 134.66% y-y into IDR9.78 billion and 381.48% y-y into IDR130.73 million in financial revenue and operational revenue. (Kontan)

Domestic & Global News

Indonesia's Consumer Confidence Index Strengthens in April

Consumer confidence index gains for first time in 4 months to 122.2 in April amid a decline in expectations of price pressures, according to survey by Bank Indonesia. The index was 121.6 in March. Survey shows consumer's spending on durable goods set to remain flat. Rise in April consumer confidence index driven by improving expectations for future economic conditions and sustained perception of current economic conditions. (Bloomberg)

Nonfarm payrolls increased by 164,000 in April

The unemployment rate fell to 3.9 percent in April, an 18-year low, even as nonfarm payrolls rose by just 164,000, according to a report Friday from the Bureau of Labor Statistics. Economists surveyed by Reuters had expected payroll growth of 192,000 and the jobless rate to drop by one-tenth of a percent to 4.0 percent. The drop in the unemployment rate came amid another decline in the labor force participation rate to 62.8 percent, the lowest since January. (CNBC)

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 07 - May	CHN	Tentative	Foreign Reserves	Apr		\$3131.00b	\$3142.82b
Tuesday 08 - May	CHN	Tentative	Trade Balance	Apr		\$27.70b	-\$4.98b
	CHN	Tentative	Imports YoY	Apr		15.90%	14.40%
	CHN	Tentative	Exports YoY	Apr		7.50%	-2.70%
Wednesday 09 - May	USA	19:30	PPI Final Demand MoM	Apr		0.20%	0.30%
	USA	19:30	PPI Ex Food and Energy MoM	Apr		0.20%	0.30%
Thursday 10 - May	JPN	06:50	BoP Current Account Balance	Mar		¥2929.3b	¥2076.0b
	CHN	08:30	PPI YoY	Apr		3.40%	3.10%
	CHN	08:30	CPI YoY	Apr		1.90%	2.10%
	UK	18:00	Bank of England Bank Rate	10-May		0.50%	0.50%
	USA	19:30	CPI MoM	Apr		0.30%	-0.10%
	USA	19:30	CPI Ex Food and Energy MoM	Apr		0.20%	0.20%
	USA	19:30	CPI YoY	Apr		2.50%	2.40%
	USA	19:30	Initial Jobless Claims	05-May		--	211k
Friday 11 - May	USA	19:30	Import Price Index MoM	Apr		0.50%	0.00%
	USA	19:30	Import Price Index ex Petroleum MoM	Apr		0.20%	0.10%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Prev.
Monday 07 - May	Tentative	GDP QoQ	1Q		-0.30%	-1.70%
	Tentative	GDP YoY	1Q		5.18%	5.19%
Tuesday 08 - May	Tentative	Net Foreign Assets IDR	Apr		--	1695.8t
	Tentative	Foreign Reserves	Apr		--	\$126.00b
Friday 11 - May	Tentative	BoP Current Account Balance	1Q		--	-\$5761m

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday 07 - May	Annual Shareholder Meeting Cum Dividend Date	CARS, HDFA, MAPI, PANR, PRDA, SRSN HMSP (IDR107.3 per share) IMPC (IDR8 per share) LPPF (IDR457.5 per share) MLPT (IDR30 per share) RAJA (IDR4 per share) TLKM (IDR134.1 per share)
Tuesday 08 - May	Annual Shareholder Meeting Cum Dividend Date	ABMM, ASRM, COWL, MPMX, PNSE, SCCO ASSA (IDR12 per share) MARK (IDR15 per share) SMGR (IDR135.83 per share) SMSM (IDR10 per share) TGKA (IDR160 per share)
	Cum Right Offering Date	BBNP (2 per 11; subscription price IDR1,625)
Wednesday 09 - May	Annual Shareholder Meeting	APLN, BEST, BIPI, HITS, IGAR, INCI, ISAT, KDSI, KOPI, MAPB, PCAR, PGLI, PSSI, PTSP, PUDP, RIMO, SAME, SGRO, TOWR
Friday 11 - May	Annual Shareholder Meeting	HERO, KBRI, LTLS, MIRA, MTLA, ROTI, SCPI, TGRA

Source: Bloomberg

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