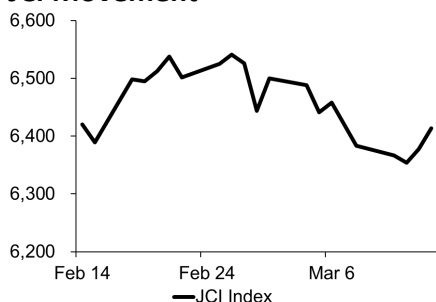


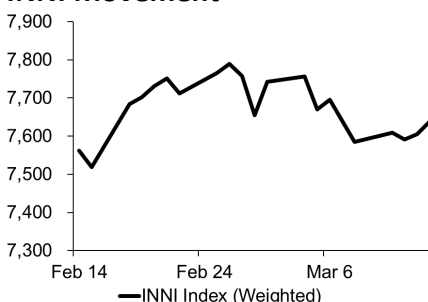
Morning Brief

Daily | Mar 15, 2019

JCI Movement



INNI Movement



JCI Index

March 14	6,413.27
Chg.	+35.69pts (+0.56%)
Volume (bn shares)	171.56
Value (IDR tn)	9.30
Adv 216 Dec 190 Unc 237 Untr 111	

INNI Index

Last	7,638.84
Chg.	+33.25pts (+0.44%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
LPPF	7.2%	INDF	-1.4%
BMRI	3.0%	MAPI	-1.4%
ASII	2.5%	AALI	-0.8%
WIKA	2.4%	GGRM	-0.8%
CTRA	2.3%	KAEF	-0.3%

Foreign Transaction

	(IDR bn)
Buy	3,084
Sell	3,398
Net Buy (Sell)	(313)

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	148.5	TLKM	146.1
BTPS	42.3	BBCA	90.6
BMRI	28.8	UNTR	88.7
BRPT	22.2	JPFA	52.8
UNVR	15.3	ASII	41.1

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.83%	-0.03%
USDIDR	14,278	0.09%
KRWIDR	12.59	-0.04%

Global Indexes

Index	Last	Chg.	%
Dow Jones	25,709.94	7.05	0.03%
S&P 500	2,808.48	(2.44)	-0.09%
FTSE 100	7,185.43	26.24	0.37%
DAX	11,587.47	15.06	0.13%
Nikkei	21,287.02	(3.22)	-0.02%
Hang Seng	28,851.39	43.94	0.15%
Shanghai	2,990.69	(36.27)	-1.20%
KOSPI	2,155.68	7.27	0.34%
EIDO	25.21	0.08	0.32%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,309.1	7.5	0.58%
Crude Oil (USD /bbl)	58.26	1.39	2.44%
Coal Newcas(USD/ton)	90.35	(0.40)	-0.44%
Nickel LME (USD /MT)	13,210	105.0	0.80%
Tin LME (USD /MT)	21,150	(175.0)	-0.82%
CPO (MYR/Ton)	2,091	(25.0)	-1.18%

Market Recap

JCI was at the higher close yesterday as the financial and basic industry sectors strengthened. Investors also awaited the release of trade balance data. **Top Gainers JCI: Basic Industry (+2.03%), Misc. Industry (+2.02%), Finance (+0.91%)**

INNI Index nudged up 0.44% yesterday as LPPF's stocks rebounded by 7.2% after John Riady succeeded his father, James Riady, to manage Lippo group's projects.

Daily Foreign & Domestic Sector Movement

Yesterday's foreign outflows were at IDR313 billion. The biggest outflows were from the telecommunication and trade sectors of IDR148 billion and IDR87 billion, respectively. Despite the outflows, JCI rebounded by 0.56%, backed by the foreign inflows of IDR64 billion into the financial sector. Gradually-raising foreign inflows into the financial sector put Indonesia's equity on the spotlight.

Meanwhile, domestic inflows of IDR65 billion run into the poultry sector. After the downward revision of 20%-30% since February, the sector starts to accumulate capital inflows.

Today's Outlook: Expect Foreign Inflows

We estimate INNI Index to strengthen at the slightest today as foreign outflows subdued. Foreign investors are likely to target such large cap. banks as BBKA, BBRI, and BMRI---top-listed sector on INNI Index. The infrastructure sector will rally as JSMR is performing funding option to construct infrastructure projects: toll roads.

Company News

- BMRI : Distributes Credit Infrastructure of IDR182 Trillion
- PTPP : Bolsters 2019's Net Profits
- MIKA : Aggressively Expands in 2019

Domestic & Global News

- BI Estimates February's Surpluses Trade Balance
- Trump: US Probably 3 or 4 Weeks Away From Knowing About China Trade Deal

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)	123.30	120.10	Current Acc (USD bn)	(9.15)	(8.85)
Trd Balance (USD bn)	(1.16)	(1.10)	Govt. Spending Yoy	4.56%	6.28%
Exports Yoy	-4.70%	-4.62%	FDI (USD bn)	3.62	5.95
Imports Yoy	-1.83%	1.16%	Business Confidence	108.05	112.82
Inflation Yoy	2.57%	2.82%	Cons. Confidence*	125.10	125.50

BMRI : Distributes Credit Infrastructure of IDR182 Trillion

BMRI distributed infrastructure credit of IDR182 trillion (+37% y-y) in January 2019. That is BMRI's strategy to boost the infrastructure credit and the total credit distribution growth of 10%-12% in 2019. At the early of 2019, BMRI gave credit facilities for Probolinggo-Banyuwangi toll-road projects. (Kontan)

PTPP : Bolsters 2019's Net Profits

PTPP will boost 2019's net profits as 2018's net profit grew only at 3.4%. Thus, PTPP sets such strategies as settling non-technical issues, boosting revenues from investment projects, and projects optimization. It also states that rooms for financial expansion are quite large in light of a safe ratio threshold. (Bisnis Indonesia)

MIKA : Aggressively Expands in 2019

MIKA stated to take over the stock ownership of PT Gemilang Anak Sejahtera and PT Bina Husada. The acquisition was worth IDR269 billion. In May 2019, it will operate new hospitals, namely RS Mitra Keluarga Bintaro and Jatiasih. In addition, it plans to build a new Surabaya-based hospital in 1H19. (Bisnis Indonesia)

Domestic & Global News

BI Estimates February's Surpluses Trade Balance

Bank Indonesia Governor Perry Warjiyo stated that BI forecasted February's trade balance to post surpluses. The Deputy of Bank Indonesia Dody Budi Waluyo also re-affirmed Warjiyo's statement. February's non-oli&gas surpluses are estimated to be bigger than oil& gas trade deficits. Non-oil & gas trade balance is potential for outperforming prior month deficits of USD704.7 million. (Kontan)

Trump: US Probably 3 or 4 Weeks Away From Knowing About China Trade Deal

President Donald Trump said Thursday the U.S. will probably know in the next three or four weeks about a possible trade deal with China. "We'll have news on China. Probably one way or the other, we're going to know over the next three to four weeks," Trump said during a St. Patrick's Day reception from the White House's East Room. The president remarked that China has been "very responsible and very reasonable." (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
Finance						4.5	2,288.8							
BBCA	27,400	26,000	32,000	Buy	16.8	17.2	675.5	26.1x	4.5x	18.3	0.9	8.7	11.0	1.0
BBRI	3,870	3,660	4,650	Buy	20.2	6.3	477.3	14.6x	2.6x	18.5	2.8	10.4	11.7	1.5
BMRI	6,925	7,375	8,000	Buy	15.5	(13.4)	323.2	12.9x	1.8x	14.4	2.9	7.4	21.2	1.5
Consumer						1.4	1,515.0							
GGRM	90,825	83,625	110,000	Buy	21.1	21.7	174.8	21.6x	4.1x	19.6	2.9	13.6	6.3	1.2
UNVR	49,900	45,400	59,000	Buy	18.2	(0.4)	380.7	41.8x	50.2x	142.9	1.8	1.5	30.1	1.0
ICBP	10,400	10,450	11,800	Hold	13.5	20.6	121.3	28.6x	5.8x	21.3	2.1	7.5	14.6	0.8
INDF	7,075	7,450	8,700	Buy	23.0	(1.4)	62.1	16.8x	1.9x	11.7	4.3	3.1	(13.7)	1.1
KAEF	2,960	2,600	4,100	Buy	38.5	31.0	16.4	39.5x	6.3x	14.5	0.6	24.6	27.3	1.1
KLBF	1,510	1,520	1,870	Buy	23.8	1.7	70.8	29.1x	5.1x	18.3	1.7	3.9	1.4	1.2
Infrastructure						4.0	801.08							
TLKM	3,730	3,750	4,350	Buy	16.6	(4.2)	369.5	20.0x	4.1x	20.4	4.5	2.3	(20.6)	0.8
JSMR	5,075	4,280	5,900	Buy	16.3	3.2	36.8	17.8x	2.3x	13.4	1.2	18.7	(6.9)	0.9
Trade						(11.9)	725.1							
UNTR	26,175	27,350	35,000	Buy	33.7	(22.3)	97.6	8.8x	1.8x	22.4	3.7	31.1	50.3	1.0
SILO	3,290	3,590	4,000	Buy	21.6	(59.9)	5.3	330.6x	0.9x	0.3	N/A	2.0	(85.4)	0.9
MIKA	1,940	1,575	2,300	Buy	18.6	(8.1)	28.2	44.2x	7.2x	17.3	N/A	10.1	(8.3)	0.7
LPPF	3,700	5,600	5,500	Buy	48.6	(67.8)	10.8	9.9x	5.8x	53.0	12.4	2.2	(42.4)	1.1
RALS	1,830	1,420	2,050	Hold	12.0	41.9	13.0	21.7x	3.3x	15.7	2.2	2.2	43.4	0.9
MAPI	1,065	805	1,300	Buy	22.1	43.0	17.7	30.5x	3.4x	14.0	0.4	18.3	126.7	0.7
Property						(11.5)	399.2							
PWON	640	620	725	Hold	13.3	4.1	30.8	13.8x	2.6x	20.6	0.9	19.0	25.2	1.3
CTRA	890	1,010	1,080	Buy	21.3	(26.7)	16.5	18.2x	1.2x	6.8	1.1	7.9	1.7	1.6
PTPP	2,090	1,805	2,450	Buy	17.2	(27.9)	13.0	8.6x	1.1x	21.1	2.2	16.8	3.4	1.4
WSKT	1,950	1,680	2,500	Buy	28.2	(24.4)	26.5	5.0x	1.5x	33.2	2.9	27.0	41.1	1.4
WIKA	1,920	1,655	2,100	Hold	9.4	10.0	17.2	12.5x	1.3x	11.0	1.4	32.3	26.0	1.2
Basic Ind.						16.6	681.8							
KRAS	472	402	600	Buy	27.1	(1.3)	9.1	N/A	0.4x	(2.5)	N/A	22.7	51.3	1.2
Misc Ind.						1.2	382.2							
ASII	7,275	8,225	9,100	Buy	25.1	(2.3)	294.5	13.6x	2.2x	16.6	2.6	16.1	14.8	1.2
Mining						3.3	425.4							
ADRO	1,455	1,215	1,750	Buy	20.3	(29.0)	46.5	7.8x	0.9x	11.7	6.9	11.1	(13.6)	1.2
PTBA	4,020	4,300	5,100	Buy	26.9	44.1	46.3	8.4x	2.6x	33.9	7.9	8.7	12.2	1.0
INCO	3,580	3,260	4,400	Buy	22.9	14.4	35.6	39.1x	1.3x	3.3	N/A	23.4	N/A	1.5
ANTM	965	765	1,200	Buy	24.4	12.2	23.2	26.5x	1.2x	4.6	0.2	99.5	540.7	1.4
Agriculture						(8.8)	98.2							
AALI	12,500	11,825	16,000	Buy	28.0	(8.9)	24.1	16.7x	1.3x	7.7	3.5	10.3	(26.9)	0.6
LSIP	1,245	1,250	1,500	Buy	20.5	(5.0)	8.5	25.6x	1.0x	4.0	3.6	(15.2)	(54.6)	0.8

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

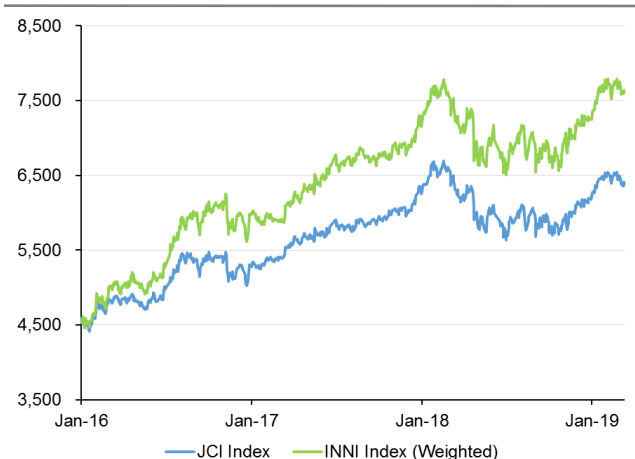
INNI Index Movement

YTD Change	5.2%
YTD Change Gap (vs JCI)	1.6%
Weekly Change	0.7%
Weekly Change Gap (vs JCI)	0.2%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 11 - Mar	CHN	Tentative	Money Supply M2 YoY	Feb	8.00%	8.40%	8.40%
	GER	14:00	Industrial Production SA MoM	Jan	-0.80%	0.40%	-0.40%
	USA	19:30	Retail Sales Advance MoM	Jan	0.20%	0.00%	-1.20%
Tuesday 12 - Mar	UK	16:30	Manufacturing Production MoM	Jan	0.80%	-0.20%	-0.70%
	UK	16:30	Industrial Production MoM	Jan	0.60%	0.00%	-0.50%
	USA	19:30	CPI MoM	Feb	0.20%	0.20%	0.00%
Wednesday 13 - Mar	JPN	06:50	Core Machine Orders MoM	Jan	-5.40%	-1.50%	-0.10%
	JPN	06:50	PPI YoY	Feb	0.80%	0.70%	0.60%
	USA	18:00	MBA Mortgage Applications	8-Mar	2.30%	--	-2.50%
	USA	19:30	PPI Final Demand MoM	Feb	0.10%	0.20%	-0.10%
	USA	19:30	Durable Goods Orders	Jan P	0.40%	-0.80%	--
Thursday 14 - Mar	GER	14:00	CPI MoM	Feb F	0.40%	0.50%	0.50%
	GER	14:00	CPI YoY	Feb F	1.50%	1.60%	1.60%
	USA	19:30	Initial Jobless Claims	9-Mar	229k	--	223k
	USA	21:00	New Home Sales	Jan	607k	628k	621k
Friday 15 - Mar	USA	21:00	U. of Mich. Sentiment	Mar P		95.8	93.8

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Prev.
Thursday 14 - Mar	Tentative	Local Auto Sales	Feb		--	81218
Friday 15 - Mar	Tentative	Exports YoY	Feb		--	-4.70%
	Tentative	Imports YoY	Feb		--	-1.83%
	Tentative	Trade Balance	Feb		--	-\$1160m

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday 11 - Mar	Extraordinary Shareholder Meeting	GMFI
	Cum Date Cash Dividend	MEGA
Tuesday 12 - Mar	Extraordinary Shareholder Meeting	CASS, WOMF
	Cum Date Cash Dividend	ARNA
Wednesday 13 - Mar	Extraordinary Shareholder Meeting	GMTD
Thursday 14 - Mar	Extraordinary Shareholder Meeting	PEHA
Friday 15 - Mar	Extraordinary Shareholder Meeting	LPCK, SILO, SSMS

Source: Bloomberg

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