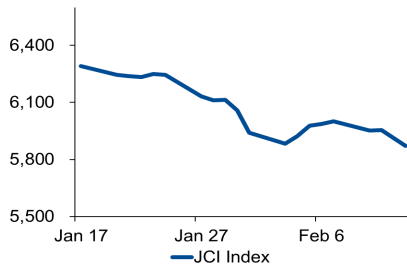


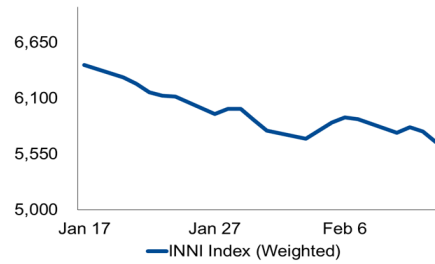
Morning Brief

Daily | February 14 2020

JCI Movement



INNI Movement



JCI Index

Feb. 13	5,871.95
Chg.	-41.12pts (-0.70%)
Volume (bn shares)	45.87
Value (IDR tn)	6.77
Adv 108 Dec 294 Unc 285 Untr 162	

INNI Index

Last	5,667.48
Chg.	-105.32pts (-1.82%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
KINO	1.0%	ANTM	-4.9%
BBRI	0.9%	TINS	-3.5%
ICBP	0.5%	WSKT	-3.5%
JSMR	0.2%	INCO	-3.0%
		KLBF	-2.8%

Foreign Transaction

	(IDR bn)
Buy	2,266
Sell	2,217
Net Buy (Sell)	49

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	133.4	SMGR	28.7
PGAS	42.5	BTPS	25.5
BBNI	42.3	ADRO	20.7
ASII	29.1	BBCA	19.7
BBRI	16.6	ICBP	17.6

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.58%	0.01%
USDIDR	13,694	0.15%
KRWIDR	11.58	-0.04%

Global Indexes

Index	Last	Chg.	%
Dow Jones	29,423.31	(128.11)	-0.43%
S&P 500	3,373.94	(5.51)	-0.16%
FTSE 100	7,452.03	(82.34)	-1.09%
DAX	13,745.43	(4.35)	-0.03%
Nikkei	23,827.73	(33.48)	-0.14%
Hang Seng	27,730.00	(93.66)	-0.34%
Shanghai	2,906.07	(20.83)	-0.71%
KOSPI	2,232.96	(5.42)	-0.24%
EIDO	24.11	(0.46)	-1.87%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,576.0	9.9	0.63%
Crude Oil (USD / bbl)	51.42	0.25	0.49%
Coal Newcas(USD/ton)	70.50	0.25	0.36%
Nickel LME (USD / MT)	13,285	185.0	1.41%
Tin LME (USD / MT)	16,590	90.0	0.55%
CPO (MYR/Ton)	2,625	(84.0)	-3.10%

Market Recap

JCI was still in the red as the bearish agriculture sector left JCI lethargic. **JCI's Top Losers: Agriculture (-2.7%), Basic Ind. (-1.9%), Infrastructure (-1.7%).**

INNI index weakened as stocks of the mining sector—ANTM and TINS—gave up gains.

Daily Foreign & Domestic Sector Movement

JCI recorded foreign inflows of IDR49 billion as PGAS to gain foreign funds of IDR42.5 billion edged up 0.6% on Thursday's trading session of Feb. 13, 2020. Investors positively responded to PGAS's commitment to supplying gas to Balongan Refinery Unit. The April Comex gold futures contract, meanwhile, picked up 0.39% to USD1,577.80 per troy ounce after Hubei's health commission recorded the death toll surge subsequent to the changes in the method used to calculate cases of coronavirus infection.

The rupiah exchange rate against USD weakened 0.15% to 13,694.

Today's Outlook: Coal Prices Surge

The Dow Jones ebbed 0.43% to 29,423 as the mounting death toll of coronavirus cases and the Fed's less liquidity injection. Aside from the US market, Director General of Ministry of Energy and Mineral Resources Bambang Gatot Ariyono assures that coronavirus outbreak has yet to affect prices of coal, and Indonesia's coal price reference (HBA) even picked up due to Chinese stockpiles of coal to tumble.

Company News

- WSKT : Sets Nominal Target for 1Q20 Contracts
- BBCA : Strives for 12% Growth in Credit Card Business Segment
- BBRI : Cooperates with Traveloka to Promote Credit Cards

Domestic & Global News

- 2020's Inflation Target of ± 3% Is Achievable
- US Deficit Surges 25% in Fiscal 2020

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.00%	5.00%	Real GDP	4.97%	4.97%
FX Reserve (USD bn)	131.70	129.18	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	(0.03)	(1.33)	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	1.28%	-5.67%	FDI (USD bn)	4.71	5.70
Imports Yoy	-5.62%	-9.24%	Business Confidence	105.33	105.33
Inflation Yoy	2.68%	2.72%	Cons. Confidence*	121.70	121.70

WSKT : Sets Nominal Target for 1Q20 Contracts

PT Waskita Beton Precast Tbk (WSBP), the subsidiary of PT Waskita Karya Tbk (WSKT), targets 1Q20 new contracts to grow by 32.1 YoY or equal to IDR3 trillion by relying on infrastructure and noninfrastructure projects. It cooperates with Pertamina Trans Kontinental to form a two-year joint venture and still pursues 51% of new contracts given by the Indonesian government. (Kontan)

BBRI : Cooperates with Traveloka to Promote Credit Cards

PT Bank Rakyat Indonesia Tbk (BBRI) cooperates with Traveloka to boost BBRI credit-card business segment as the consumer sector estimated to grow ~28% yoy is the key driver for this business segment. Co-branding credit cards targeting PayLater users is the outcome of two-companies cooperation. (Bisnis Indonesia)

BBCA : Strives for 12% Growth in Credit Card Business Segment

PT Bank Central Asia Tbk (BBCA) targets its credit card business to grow by ±12% in 2020 as traveling, fashion, and groceries are the drivers for the growth. It provides promotions for e-commerce transactions and F&B purchases as the strategy to drive credit-card growth. The rising popularity of gadgets and traveling prove a boon for e-commerce transactions. (Kontan)

Domestic & Global News

2020's Inflation Target of ± 3% Is Achievable

The National Inflation Targeting, Monitoring, and Control Team (TPIP) authorized by Coordinating Ministry for Economic Affairs is certain that 2020's benign inflation to fall short in the target range of 3.0% ± 1% is achievable. The core inflation, administered prices, or volatile food prices are likely to be well controlled, hence, the targeted benign inflation is monitored and achievable. (Kontan)

US Deficit Surges 25% in Fiscal 2020

Treasury Department data released Wednesday show the shortfall at \$389.2 billion in the first four months of fiscal 2020. That's a 25% gain over the same period last year and already about 40% of the total deficit for fiscal 2019. Over the past 12 months, the government has spent \$1.06 trillion more than it has taken in. (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						10.6	2,548.1							
BBCA	33,950	33,425	32,000	Hold	(5.7)	26.2	837.0	29.6x	5.0x	18.1	1.0	15.0	13.0	1.0
BBRI	4,570	4,400	4,950	Hold	8.3	20.3	563.7	16.3x	2.7x	17.7	2.9	11.1	6.3	1.4
Consumer						(27.7)	1,090.5							
GGRM	55,200	53,000	61,800	Hold	12.0	(33.5)	106.2	11.5x	2.2x	20.5	4.7	16.9	25.8	1.0
KINO	3,030	3,430	4,680	Buy	54.5	4.1	4.3	8.8x	1.7x	21.2	1.7	34.1	323.0	0.7
ICBP	10,800	11,150	12,875	Buy	19.2	2.9	125.9	25.3x	5.3x	22.2	1.3	11.2	11.4	0.7
KLBF	1,370	1,620	1,780	Buy	29.9	(13.6)	64.2	25.0x	4.2x	17.6	1.9	7.3	6.2	1.3
Infrastructure						(12.7)	720.42							
TLKM	3,730	3,970	4,700	Buy	26.0	1.1	369.5	18.2x	3.7x	21.3	4.4	3.5	15.6	0.9
JSMR	4,860	5,175	6,000	Buy	23.5	(4.7)	35.3	18.2x	1.9x	11.3	0.9	(22.8)	(15.2)	1.2
Trade						(14.4)	635.3							
UNTR	17,625	21,525	26,300	Buy	49.2	(31.0)	65.7	6.1x	1.2x	19.8	7.0	7.3	(4.8)	1.0
MAPI	895	1,055	1,300	Buy	45.3	(11.8)	14.9	18.2x	2.5x	14.8	1.1	11.4	14.7	1.0
Property						(2.3)	419.1							
CTRA	885	1,040	1,550	Buy	75.1	0.6	16.4	16.2x	1.1x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,100	1,485	2,600	Buy	136.4	(41.0)	14.9	10.8x	0.8x	7.8	6.6	(39.2)	(69.4)	1.6
WIKA	1,945	1,990	2,500	Buy	28.5	13.7	17.4	7.8x	1.1x	15.3	2.0	(12.9)	57.3	1.5
Basic Ind.						(4.6)	671.4							
SMGR	11,175	12,000	14,300	Buy	28.0	(9.9)	66.3	29.0x	2.1x	7.5	1.9	31.1	(38.1)	1.4
Misc Ind.						(20.6)	320.5							
ASII	5,950	6,925	8,600	Buy	44.5	(21.7)	240.9	11.8x	1.7x	14.9	3.5	1.2	(7.1)	1.2
Mining						(24.0)	328.0							
TINS	680	825	800	Buy	17.6	(52.6)	5.1	35.8x	0.8x	1.6	3.7	114.6	N/A	1.6
PTBA	2,280	2,660	2,300	Hold	0.9	(43.7)	26.3	5.8x	1.5x	26.4	14.9	1.4	(24.9)	1.2
INCO	3,180	3,640	4,200	Buy	32.1	(12.9)	31.6	400.0x	1.2x	0.3	N/A	(12.6)	N/A	1.5
ANTM	680	840	1,100	Buy	61.8	(32.0)	16.3	20.3x	0.8x	4.1	1.9	23.0	(11.1)	1.5
Agriculture						(19.6)	81.8							
AALI	11,025	14,575	15,600	Buy	41.5	(19.2)	21.2	49.8x	1.1x	2.3	2.0	(10.0)	(90.1)	0.7

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-8.9%
YTD Change Gap (vs JCI)	-2.3%
Weekly Change	-1.6%
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	CH	08:30	PPI YoY	Jan	0.10%	0.00%	-0.50%
<i>10– Feb</i>	CH	08:30	CPI YoY	Jan	5.40%	4.90%	4.50%
	CH	08:31	Money Supply M2 YoY	Jan		8.60%	8.70%
Tuesday	UK	16:30	GDP QoQ	4Q	0.00%	0.00%	0.40%
<i>11 - Feb</i>	UK	16:30	GDP YoY	4Q	1.10%	0.80%	1.10%
	UK	16:30	Industrial Production MoM	Dec	0.10%	0.30%	-1.20%
	UK	16:30	Manufacturing Production MoM	Dec	0.30%	0.40%	-1.70%
Wednesday	US	19:00	MBA Mortgage Applications	Feb	1.10%	--	5.00%
<i>12– Feb</i>							
Thursday	GE	14:00	CPI MoM	Jan	-0.60%	-0.60%	-0.60%
<i>13– Feb</i>	GE	14:00	CPI YoY	Jan	1.70%	1.70%	1.70%
	US	20:30	CPI MoM	Jan	0.10%	0.20%	0.20%
	US	20:30	Initial Jobless Claims	Feb	205k	211k	202k
Friday	GE	14:00	GDP SA QoQ	4Q		0.10%	0.10%
<i>14 - Feb</i>	EC	17:00	GDP SA QoQ	4Q		0.10%	0.10%
	EC	17:00	GDP SA YoY	4Q		1.00%	1.00%
	US	20:30	Import Price Index MoM	Jan		-0.20%	0.30%
	US	20:30	Retail Sales Advance MoM	Jan		0.30%	0.30%
	US	21:15	Industrial Production MoM	Jan		-0.20%	-0.30%
	US	22:00	U. of Mich. Sentiment	Feb		99.3	99.8

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	10:00	BoP Current Account Balance	4Q	-\$8122m	-\$8050m	-\$7665m
<i>10– Feb</i>						

Source: Bloomberg

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