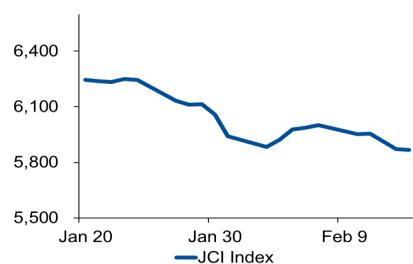
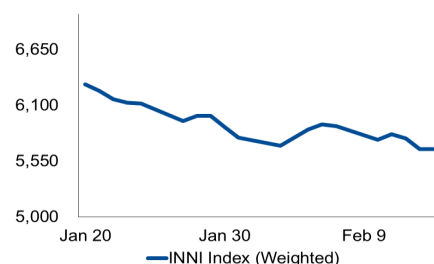


# Morning Brief

## JCI Movement



## INNI Movement



## Market Recap

On Friday of Feb. 14, 2020, JCI ebbed, hampered by the infrastructure and banking sectors. **JCI's Top Losers: Infrastructure (-1.6%), Finance (-0.5%), Mining (-0.3%).**

INNI index, as opposed to JCI, nudged up, backed by UNTR's rally albeit globally depreciated prices of coal.

## Daily Foreign & Domestic Sector Movement

After 4 days of securing foreign inflows, JCI on Friday of Feb. 14, 2020 gave up foreign capital of IDR363 billion whose largest portion of IDR263 billion was withdrawn from stocks of the banking sector. Financial Service Authority (OJK) reveals lenders' NPL is stable as Nov. 2019 NPL stood at 2.77% or a 2.67% increase from Nov. 2018 and hovered at 2.5% in Dec. 2019. It also estimates 1Q20's NPL to increase due to the wobbly global economic state and surging death toll of coronavirus cases.

The rupiah exchange rate for USD, meanwhile, dropped one point to 13,693.

## Today's Outlook: IMF Slashes Global Economic Growth

The Nasdaq Composite and the S&P index increased little by 0.30% and 0.18%, respectively underpinned by the little hike in sales of home equipment along with rising sales of homes. Besides, IMF estimates the lower revision to the global economic growth to 0.1%-0.2% due to the world's anxieties over the coronavirus outbreak. In fact, in Jan. 2020, IMF has cut 2020's global growth from 0.1% to 3.3%.

## Company News

- TLKM : Develops Modern Broadband Cities
- ANTM : Finishes Ferronickel Plant Soonest
- TINS : Positions as World's First-Largest Tin Producer

## Domestic & Global News

- Indonesian Government Withdraws Foreign Debts of USD834.32 Million
- Feb. Consumer Sentiment Rises amid Coronavirus Outbreak

## 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

## JCI Index

Feb. 14	5,866.94
Chg.	-5.0pts (-0.09%)
Volume (bn shares)	54.36
Value (IDR tn)	6.18
<b>Adv 154 Dec 220 Unc 314 Untr 178</b>	

## INNI Index

Last	5,669.12
Chg.	-1.63pts (+0.03%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
UNTR	4.0%	TLKM	-2.4%
ASII	2.5%	BBCA	-1.6%
PTBA	2.2%	INCO	-1.6%
SMGR	1.8%	TINS	-1.5%
KINO	1.7%	GGRM	-1.1%

## Foreign Transaction

	(IDR bn)
Buy	2,536
Sell	2,900
Net Buy (Sell)	363

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	222.7	BBCA	530.2
ASII	39.2	TLKM	127.2
BBNI	29.3	TOWR	13.1
PGAS	26.1	BTPS	10.0
BMRI	23.2	BRPT	8.7

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.58%	0.01%
USDIDR	13,693	-0.01%
KRWIDR	11.58	-0.04%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	29,398.08	(25.23)	-0.09%
S&P 500	3,380.16	6.22	0.18%
FTSE 100	7,409.13	(42.90)	-0.58%
DAX	13,744.21	(1.22)	-0.01%
Nikkei	23,687.59	(140.14)	-0.59%
Hang Seng	27,815.60	85.60	0.31%
Shanghai	2,917.01	10.94	0.38%
KOSPI	2,243.59	10.63	0.48%
EIDO	24.09	(0.02)	-0.08%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,584.1	8.1	0.51%
Crude Oil (USD / bbl)	52.05	0.63	1.23%
Coal Newcas(USD/ton)	70.85	0.15	0.21%
Nickel LME (USD / MT)	13,015	(270.0)	-2.03%
Tin LME (USD / MT)	16,525	(65.0)	-0.39%
CPO (MYR/Ton)	2,660	35.0	1.33%

### **TLKM : Develops Modern Broadband Cities**

PT Telekomunikasi Indonesia Tbk (TLKM) accelerates the development of 100%-fiber-optic tech. infrastructure or Modern Broadband City. To date, it has developed 215 Modern Broadband Cities and 8 Modern Provinces and expands the infrastructure development across the country so that Indonesia is well braced for the 5G networks coverage. (Investor Daily)

### **ANTM : Finishes Ferronickel Plant Soonest**

PT Aneka Tambang Tbk (ANTM) has completed 97.5% of its 13,500Tn production-capacity plant located in East Halmahera. ANTM targets the ferronickel plant running into active operation in 2020 to boost the highest production and ferronickel sales it can strive for. (Bisnis Indonesia)

### **TINS : Positions as World's First-Largest Tin Producer**

PT Timah Tbk (TINS) replaced Yunan Tin Co's position as the world's first-largest tin producer as TINS achieved a 128.7% YoY increase in production or equal to 76,400 tons at the time the ban of tin export taking into force. TINS in 2020 targets a 5% increase in production, while it still monitors the current prices. (Bisnis Indonesia)

## Domestic & Global News

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### **Indonesian Government Withdraws Foreign Debts of USD834.32 Million**

The Indonesian government through Ministry of Finance signed 6 foreign debt agreements in January 2020. The foreign debt agreements amounted to USD834.32 million worth of 4 multilateral debts and two bilateral debts. (Kontan)

### **Feb. Consumer Sentiment Rises amid Coronavirus Outbreak**

U.S. consumer sentiment figures for February came in higher than expected despite the recent outbreak of the coronavirus. The University of Michigan's consumer sentiment index came in at 100.9 for February. Economists polled by Dow Jones expected February consumer sentiment to come in at 99.5. (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
<b>Finance</b>						10.1	2,533.9							
BBCA	33,400	33,425	32,000	Hold	(4.2)	24.6	823.5	29.1x	4.9x	18.1	1.1	15.0	13.0	1.0
BBRI	4,550	4,400	4,950	Hold	8.8	20.7	561.2	16.2x	2.7x	17.7	2.9	11.1	6.3	1.4
<b>Consumer</b>						(26.8)	1,093.8							
GGRM	54,575	53,000	61,800	Hold	13.2	(34.9)	105.0	11.3x	2.2x	20.5	4.8	16.9	25.8	1.0
KINO	3,080	3,430	4,680	Buy	51.9	6.6	4.4	9.0x	1.7x	21.2	1.6	34.1	323.0	0.7
ICBP	10,775	11,150	12,875	Buy	19.5	3.4	125.7	25.2x	5.2x	22.2	1.3	11.2	11.4	0.7
KLBF	1,390	1,620	1,780	Buy	28.1	(11.7)	65.2	25.4x	4.3x	17.6	1.9	7.3	6.2	1.3
<b>Infrastructure</b>						(14.7)	708.74							
TLKM	3,640	3,970	4,700	Buy	29.1	(2.6)	360.6	17.8x	3.6x	21.3	4.5	3.5	15.6	0.9
JSMR	4,900	5,175	6,000	Buy	22.4	(2.5)	35.6	18.4x	2.0x	11.3	0.9	(22.8)	(15.2)	1.2
<b>Trade</b>						(13.2)	640.0							
UNTR	18,325	21,525	26,300	Buy	43.5	(26.8)	68.4	6.4x	1.2x	19.8	6.7	7.3	(4.8)	1.0
MAPI	905	1,055	1,300	Buy	43.6	(11.7)	15.0	18.4x	2.5x	14.8	1.1	11.4	14.7	1.0
<b>Property</b>						(0.8)	420.4							
CTRA	880	1,040	1,550	Buy	76.1	1.1	16.3	16.1x	1.1x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,095	1,485	2,600	Buy	137.4	(38.0)	14.9	10.7x	0.8x	7.8	6.7	(39.2)	(69.4)	1.6
WIKA	1,945	1,990	2,500	Buy	28.5	18.2	17.4	7.8x	1.1x	15.3	2.0	(12.9)	57.3	1.5
<b>Basic Ind.</b>						(2.5)	678.4							
SMGR	11,375	12,000	14,300	Buy	25.7	(5.4)	67.5	29.5x	2.2x	7.5	1.8	31.1	(38.1)	1.4
<b>Misc Ind.</b>						(19.1)	325.9							
ASII	6,100	6,925	8,600	Buy	41.0	(19.7)	246.9	12.1x	1.7x	14.9	3.5	1.2	(7.1)	1.2
<b>Mining</b>						(23.1)	326.9							
TINS	670	825	800	Buy	19.4	(53.0)	5.0	35.3x	0.8x	1.6	3.7	114.6	N/A	1.6
PTBA	2,330	2,660	2,300	Hold	(1.3)	(41.5)	26.8	5.9x	1.5x	26.4	14.6	1.4	(24.9)	1.1
INCO	3,130	3,640	4,200	Buy	34.2	(10.6)	31.1	394.7x	1.2x	0.3	N/A	(12.6)	N/A	1.5
ANTM	675	840	1,100	Buy	63.0	(28.9)	16.2	20.2x	0.8x	4.1	1.9	23.0	(11.1)	1.5
<b>Agriculture</b>						(18.7)	82.0							
AALI	11,100	14,575	15,600	Buy	40.5	(18.4)	21.4	50.2x	1.2x	2.3	2.0	(10.0)	(90.1)	0.7

\* Target Price for December 2020

Source: Bloomberg, NHKS Research

## INNI Summary

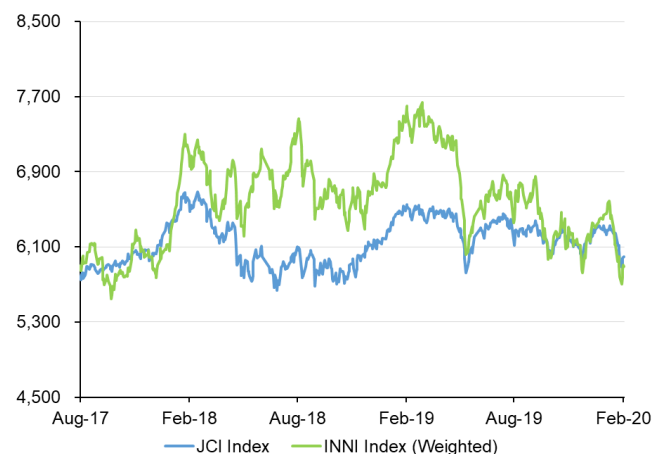
### INNI Index Movement

YTD Change	-8.9%
YTD Change Gap (vs JCI)	-2.2%
Weekly Change	-3.8%
Weekly Change Gap (vs JCI)	-1.6%

### 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
<b>Monday</b>	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%
<b>Tuesday</b>	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%
<b>Wednesday</b>	US	19:00	MBA Mortgage Applications	Feb	1.10%	--	5.00%
<i>12– Feb</i>							
<b>Thursday</b>	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
<b>Friday</b>	GE	14:00	GDP SA QoQ	4Q	0.00%	0.10%	0.10%
<i>14 - Feb</i>	EC	17:00	GDP SA QoQ	4Q	0.10%	0.10%	0.10%
	EC	17:00	GDP SA YoY	4Q	0.90%	1.00%	1.00%
	US	20:30	Import Price Index MoM	Jan	0.00%	-0.20%	0.30%
	US	20:30	Retail Sales Advance MoM	Jan	0.30%	0.30%	0.30%
	US	21:15	Industrial Production MoM	Jan	-0.30%	-0.20%	-0.30%
	US	22:00	U. of Mich. Sentiment	Feb	100.9	99.3	99.8

Source: Bloomberg

## Domestic Economic Calendar

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

Source: Bloomberg

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