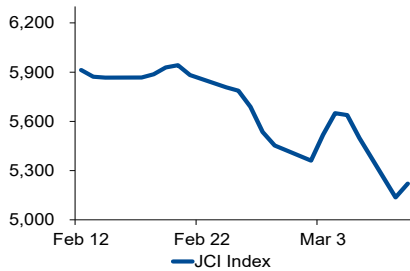


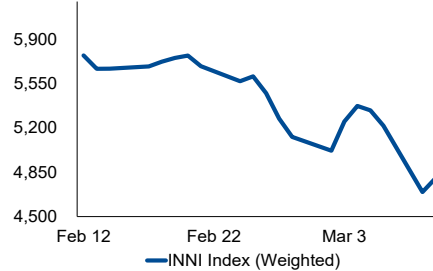
Morning Brief

Daily | March 11 2020

JCI Movement



INNI Movement



JCI Index

Mar. 10	5,220.82
Chg.	+84.01pts (+1.64%)
Volume (bn shares)	61.90
Value (IDR tn)	7.24
Adv 233 Dec 161 Unc 297 Untr 161	

INNI Index

Last	4,803.72
Chg.	+109.72pts (+2.34%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
WIKA	+4.7%	MAPI	-2.6%
UNTR	+4.6%	CTRA	-1.3%
PTBA	+4.5%	TLKM	-0.3%
BBRI	+4.3%	SMGR	-0.3%
INCO	+4.0%		

Foreign Transaction

	(IDR bn)
Buy	2,481
Sell	3,338
Net Buy (Sell)	857

Top Buy	NB Val.	Top Sell	NS Val.
PTBA	17.2	BBCA	175.4
INDF	8.0	ASII	167.1
ICBP	6.2	BMRI	139.3
EXCL	5.3	BBNI	127.2
BNLI	4.4	TLKM	52.4

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.97%	-0.14%
USDIDR	14,352	-0.28%
KRWIDR	12.02	0.55%

Global Indexes

Index	Last	Chg.	%
Dow Jones	25,018.16	1167.14	4.89%
S&P 500	2,882.23	135.67	4.94%
FTSE 100	5,960.23	(5.54)	-0.09%
DAX	10,475.49	(149.53)	-1.41%
Nikkei	19,867.12	168.36	0.85%
Hang Seng	25,392.51	352.05	1.41%
Shanghai	2,996.76	53.47	1.82%
KOSPI	1,962.93	8.16	0.42%
EIDO	20.65	1.25	6.44%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,649.4	(31.1)	-1.85%
Crude Oil (USD / bbl)	34.36	3.23	10.38%
Coal Newcas(USD/ton)	65.05	0.15	0.23%
Nickel LME (USD / MT)	12,680	30.0	0.24%
Tin LME (USD / MT)	16,875	175.0	1.05%
CPO (MYR/Ton)	2,342	10.0	0.43%

Market Recap

IHSG was rebound after a deep plunge as stocks of the banking sector strengthened. **JCI's Top Gainers: Finance (+2.4%), Consumer (+2.1%), Misc. Ind. (+1.7%).**

INNI index was rebound, backed by construction stocks—WIKA in particular.

Daily Foreign & Domestic Sector Movement

JCI recorded foreign outflows of IDR857 billion, with stocks of the banking sector to account for the largest outflows of IDR485 billion. JCI and Asia bourses revived from a deep plunge and were in the green after Trump affirmed a 0% payroll tax rate in 2020. In contrast to banking stocks, PTBA was one of mining stocks recorded the largest foreign inflows of IDR17 billion on Tuesday's trading session of March 10, 2020, while its export performance in 2020 only hovered at 35%-40% of the total sales. In addition, the rupiah exchange rate against USD was appreciated by 0.28% to 14,352.

Today's Outlook: Twelve SOEs Are Buyers of Stock Buyback

The Dow Jones was rebound by 4.89% to 25,018. The US revived from its lowest record since 2008's financial crisis hit the country as investors counted their optimism on economic development incentives rolled out by Trump. Turning to the domestic realm, the Ministry of State-Owned Enterprises (SOEs) stated that 12 SOEs have allocated a budget of IDR7 trillion to IDR8 trillion for stock buyback.

Company News

- WIKA : Leaves Overseas Projects Unrevised
- CTRA : Has Yet to Revise Its Business Plans
- BBRI : Synergizes Business with Lazada Express

Domestic & Global News

- Fiscal Stimulus Are Poised for Roll Out
- COVID-19 Worldwide Spread Is Another Blown for China's Weak Factories

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.75%	5.00%	Real GDP	4.97%	4.97%
FX Reserve (USD bn)	130.40	131.70	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	(0.86)	(0.03)	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	-3.71%	1.28%	FDI (USD bn)	4.71	5.70
Imports Yoy	-4.78%	-5.62%	Business Confidence	105.33	105.33
Inflation Yoy	2.98%	2.68%	Cons. Confidence*	121.70	121.70

WIKA : Leaves Overseas Projects Unrevised

PT Wijaya Karya Tbk (WIKA) has yet to revise its targets for overseas projects due to the spread of COVID-19. The overseas projects will contribute IDR6 trillion for its revenues, and WIKA targets to secure overseas projects in the Philippines, Taiwan, and Congo. Cooperating with the Embassy of the Republic of Indonesia, Indonesian Consulate General, WIKA monitors its existing projects. (Kontan)

BBRI : Synergizes Business with Lazada Express

PT Bank Rakyat Indonesia Tbk (BBRI) cooperates with Lazada Express to provide savings account to couriers. The cooperation was signed in Jakarta on March 10, 2020 as BBRI will provide ~6,000 savings account to receive service costs debited from partners of Lazada Express. (CNBC Indonesia)

CTRA : Has Yet to Revise Its Business Plans

PT Ciputra Developmetn Tbk (CTRA) is still working on the projects' completion; thus, it leaves 2020's business plans undone. It is figuring out the impacts of coronavirus and optimistic about the property market outlook along with end-users' demand for housing as its new project, Citraland Driyorejo Gresik has posted sales of 260 units. (Bisnis Indonesia)

Domestic & Global News

Fiscal Stimulus Are Poised for Roll Out

The Minister of Finance Sri Mulyani is still completing a number of fiscal stimuli to immunize the economy as COVID-19 spreads its lethal infection. The stimuli are income tax (PPh 21), import income tax (PPh22), income taxes (PPh 25), and value-added tax (PPN) facilitated to sectors vulnerable to COVID-19. (Kontan)

COVID-19 Worldwide Spread Is Another Blown for China's Weak Factories

Chinese factories just starting their weak operation should face slumping demands from their trading partners. As the pandemic grips elsewhere, those weak factories should cope with canceled orders and a lack of new consumers. (Bloomberg)

	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						(2.6)	2,230.2							
BBCA	29,625	33,425	32,000	Hold	8.0	7.7	730.4	25.6x	4.2x	17.5	1.2	13.7	10.5	1.0
BBRI	3,910	4,400	4,950	Buy	26.6	1.6	482.3	13.9x	2.3x	17.7	4.3	11.1	6.3	1.3
Consumer						(34.8)	990.7							
GGRM	45,850	53,000	61,800	Buy	34.8	(49.4)	88.2	9.5x	1.9x	20.5	5.7	16.9	25.8	1.0
KINO	2,990	3,430	4,680	Buy	56.5	12.8	4.3	8.7x	1.7x	21.2	1.7	34.1	323.0	0.8
ICBP	10,775	11,150	12,875	Buy	19.5	4.6	125.7	25.2x	5.2x	22.2	1.3	11.2	11.4	0.8
KLBF	1,155	1,620	1,780	Buy	54.1	(24.0)	54.1	21.1x	3.5x	17.6	2.3	7.3	6.2	1.3
Infrastructure						(19.7)	651.84							
TLKM	3,490	3,970	4,700	Buy	34.7	(6.1)	345.7	17.1x	3.5x	21.3	4.7	3.5	15.6	0.9
JSMR	4,500	5,175	6,000	Buy	33.3	(10.0)	32.7	16.9x	1.8x	11.3	1.0	(22.8)	(15.2)	1.2
Trade						(22.0)	586.5							
UNTR	16,525	21,525	26,300	Buy	59.2	(38.3)	61.6	5.4x	1.1x	20.2	7.5	(0.2)	1.7	1.0
MAPI	740	1,055	1,300	Buy	75.7	(29.9)	12.3	15.0x	2.1x	14.8	1.4	11.4	14.7	1.0
Property						(11.1)	375.5							
CTRA	790	1,040	1,550	Buy	96.2	(7.6)	14.7	14.5x	1.0x	7.2	1.3	(0.7)	(28.9)	1.5
WSKT	850	1,485	2,600	Buy	205.9	(54.8)	11.5	8.3x	0.6x	7.8	8.6	(39.2)	(69.4)	1.6
WIKA	1,550	1,990	2,500	Buy	61.3	(14.8)	13.9	6.2x	0.9x	15.3	2.5	(12.9)	57.3	1.4
Basic Ind.						(15.2)	577.4							
SMGR	9,500	12,000	14,300	Buy	50.5	(24.2)	56.3	24.7x	1.8x	7.5	2.2	31.1	(38.1)	1.4
Misc Ind.						(26.8)	283.0							
ASII	5,150	6,925	8,600	Buy	67.0	(28.2)	208.5	9.6x	1.4x	15.2	4.1	(0.9)	0.2	1.2
Mining						(31.1)	299.7							
TINS	550	825	800	Buy	45.5	(59.3)	4.1	29.0x	0.7x	1.6	4.5	114.6	N/A	1.6
PTBA	2,310	2,660	2,300	Hold	(0.4)	(42.0)	26.6	6.2x	1.4x	23.7	14.7	2.9	(22.2)	1.1
INCO	2,320	3,640	4,200	Buy	81.0	(35.4)	23.1	27.9x	0.8x	3.0	N/A	0.7	(4.9)	1.6
ANTM	575	840	1,100	Buy	91.3	(42.2)	13.8	17.2x	0.7x	4.1	2.2	23.0	(11.1)	1.6
Agriculture						(27.4)	69.3							
AALI	8,100	14,575	15,600	Buy	92.6	(34.9)	15.6	73.8x	0.8x	1.1	2.8	(8.5)	(85.3)	0.7

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-22.8%
YTD Change Gap (vs JCI)	-5.9%
Weekly Change	-8.5%
Weekly Change Gap (vs JCI)	-3.1%

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 <i>09 – Mar</i>	GE	14:00	Industrial Production SA MoM	Jan	3.00%	1.70%	-3.50%
Tuesday <i>10 – Mar</i>	CH	08:30	PPI YoY	Feb	-0.40%	-0.30%	0.10%
	CH	08:30	CPI YoY	Feb	5.20%	5.20%	5.40%
	EC	17:00	GDP SA QoQ	4Q	0.10%	0.10%	0.10%
	EC	17:00	GDP SA YoY	4Q	1.00%	0.90%	0.90%
	CH	17:01	Money Supply M2 YoY	Feb		8.50%	8.40%
Wednesday <i>11 - Mar</i>	UK	16:30	Industrial Production MoM	Jan		0.30%	0.10%
	UK	16:30	Manufacturing Production MoM	Jan		0.20%	0.30%
	US	18:00	MBA Mortgage Applications	Mar		--	15.10%
	US	19:30	CPI MoM	Feb		0.00%	0.10%
Thursday <i>12– Mar</i>	US	19:30	PPI Final Demand MoM	Feb		-0.10%	0.50%
	US	19:30	Initial Jobless Claims	Mar		218k	216k
	EC	19:45	ECB Main Refinancing Rate	Mar		0.00%	0.00%
	EC	19:45	ECB Deposit Facility Rate	Mar		-0.50%	-0.50%
Friday <i>13 - Mar</i>	GE	14:00	CPI MoM	Feb		0.40%	0.40%
	GE	14:00	CPI YoY	Feb		1.70%	1.70%
	US	21:00	U. of Mich. Sentiment	Mar		95	101

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday <i>09 – Mar</i>	Tentative	Consumer Confidence Index	Feb	117.7	--	121.7

Source: Bloomberg

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