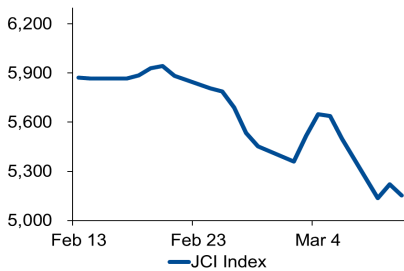


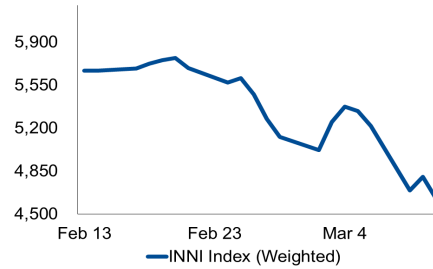
Morning Brief

Daily | March 12 2020

JCI Movement



INNI Movement



JCI Index

Mar. 11	5,154.10
Chg.	+66.72pts (-1.28%)
Volume (bn shares)	64.11
Value (IDR tn)	6.81
Adv 70 Dec 350 Unc 271 Untr 162	

INNI Index

Last	4,628.73
Chg.	-174.99pts (-3.64%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
KINO	+7.0%	WIKA	-9.7%
ICBP	+1.6%	WSKT	-9.4%
		TINS	-7.3%
		ANTM	-6.1%
		INCO	-6.0%

Foreign Transaction

	(IDR bn)
Buy	3,401
Sell	3,223
Net Buy (Sell)	177

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	155.20	BBCA	66.9
BMRI	49.0	UNVR	25.1
HMSP	30.6	BBNI	22.3
LPPF	17.6	TLKM	14.7
UNTR	16.2	SMGR	12.0

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.97%	0.00%
USDIDR	14,374	0.15%
KRWIDR	12.05	0.29%

Global Indexes

Index	Last	Chg.	%
Dow Jones	23,553.22	(1464.94)	-5.86%
S&P 500	2,741.38	(140.85)	-4.89%
FTSE 100	5,876.52	(83.71)	-1.40%
DAX	10,438.68	(36.81)	-0.35%
Nikkei	19,416.06	(451.06)	-2.27%
Hang Seng	25,231.61	(160.90)	-0.63%
Shanghai	2,968.52	(28.25)	-0.94%
KOSPI	1,908.27	(54.66)	-2.78%
EIDO	19.35	(1.30)	-6.30%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,635.0	(14.4)	-0.87%
Crude Oil (USD / bbl)	32.98	(1.38)	-4.02%
Coal Newcas(USD/ton)	65.05	0.45	0.70%
Nickel LME (USD / MT)	12,420	(260.0)	-2.05%
Tin LME (USD / MT)	16,700	(175.0)	-1.04%
CPO (MYR/Ton)	2,359	17.0	0.73%

Market Recap

JCI retreated as stocks of property were bearish. **JCI's Top Losers: Finance (-3.5%), Infrastructure (-3.1%), Agriculture (-2.8%).**

INNI Index's all across sectoral stocks, excluding consumers stocks, were in the red.

Daily Foreign & Domestic Sector Movement

Although JCI retreated, it gained foreign funds of IDR177 billion as the largest proportion worth of IDR115 contributed by stocks of the banking sector. Turning to commodities, prices of CPO rallied along with a smooth resolution of the dispute between Malaysia and India, decreasing stockpiles of Malaysian CPO in Feb., higher demands for CPO ahead of Ramadhan. Albeit those CPO-price bolstering catalysts, some CPO producers were unmoved from the red as they retreated on Wednesday's trading session of March 11, 2020.

Meanwhile, the rupiah exchange rate for USD was appreciated by 0.15% to 14,374.

Today's Outlook: The Government Rolls Out Second Incentives

The Dow Jones tanked at 5.86% to 23,553 after the World Health Organization (WHO) declared the spread of COVID-19 is lethal to the global state. That was a trigger for corrected-lower markets. Even Trump acting in the negation of his pledge to rolling out economic incentives exacerbated the lethargic Dow. Back to the domestic backdrop, Minister of Finance Sri Mulyani Indrawati ensures that workers are exempt from worker's income tax (PPH 21). That is one of the stimuli in the second economic incentives.

Company News

WSKT : Is Sanguine about WSBP's Sound Performance
 ANTM : Retain Cautious Eye on Stock Buyback
 JSMR : Is Not Rushing into Divestment

Domestic & Global News

Foreign Investors Withdraw Funds of IDR40.16 Trillion
 Bank of England Retains Dovish Tone of 0.25% Looser Rates

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

WSKT : Is Sanguine about WSBP's Sound Performance

PT Waskita Beton Precast Tbk (WSBP), the subsidiary of PT Waskita Karya Tbk (WSKT), targets to obtain revenues of IDR10 trillion and net profits of IDR1.1 trillion in 2020. The targets are supported by toll-road projects, new products of spun piles, and partnership with other state-owned enterprises (SOEs). (Kontan)

ANTM : Retain Cautious Eye on Stock Buyback

PT Aneka Tambang Tbk (ANTM) is still reviewing the chances of stock buyback to cushion pressures on downbeat stock prices as of early 2020. The review is cautiously taking into account ANTM's financial performance and priority of funds allocated while focusing on its core business by optimizing production, sales, and project development. (Bisnis Indonesia)

JSMR : Is Not Rushing into Divestment

PT Jasa Marga Tbk (JSMR) is not rushing into 2020's toll divestment and certain that the divestment plans will not be hampered by the current economic volatility. That is underlined by the fact that the toll-road business is relatively resilient enough to face short-term economic volatility. Indeed, it still evaluates the plan for the Trans Jawa toll road divestment by means of IPO scheme. (Bisnis Indonesia)

Domestic & Global News

Foreign Investors Withdraw Funds of IDR40.16 Trillion

COVID-19 pandemic stole foreign funds from Indonesia. From early January to Wednesday of March 4, 2020, foreign investors pulled out their money of IDR40.16 trillion whose amounts increase further. The Governor of Bank Indonesia Perry Warjiyo on Wednesday of March 11, elaborated that foreign investors had sold IDR31.76 trillion worth of government bonds FR series, IDR4.87 trillion worth of stocks, and the remaining was other series of government bonds (SBN). (Kontan)

Bank of England Retains Dovish Tone of 0.25% Looser Rates

The Bank of England trimmed its benchmark rates by 0.50% from 0.75% to 0.25%; that was the first looser rate as of August 2016. The dovish monetary stance aims to strengthen Britain's economy against lethal threats of the COVID-19 as it purchased 435 billion pounds of sovereign bonds, 10 billion pounds of corporate bonds, and launched a new funding scheme for micro-businesses. (Reuters)

	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						(3.1)	2,207.8							
BBCA	29,250	33,425	32,000	Hold	9.4	6.5	721.2	25.2x	4.1x	17.5	1.2	13.7	10.5	1.0
BBRI	3,910	4,400	4,950	Buy	26.6	2.1	482.3	13.9x	2.3x	17.7	4.3	11.1	6.3	1.3
Consumer						(34.3)	1,003.0							
GGRM	45,800	53,000	61,800	Buy	34.9	(50.1)	88.1	9.5x	1.9x	20.5	5.7	16.9	25.8	1.0
KINO	3,200	3,430	4,680	Buy	46.3	32.2	4.6	9.3x	1.8x	21.2	1.6	34.1	323.0	0.8
ICBP	10,950	11,150	12,875	Buy	17.6	6.8	127.7	25.6x	5.3x	22.2	1.3	11.2	11.4	0.8
KLBF	1,115	1,620	1,780	Buy	59.6	(26.2)	52.3	20.4x	3.4x	17.6	2.3	7.3	6.2	1.3
Infrastructure						(22.5)	631.07							
TLKM	3,400	3,970	4,700	Buy	38.2	(9.3)	336.8	16.6x	3.4x	21.3	4.8	3.5	15.6	0.9
JSMR	4,350	5,175	6,000	Buy	37.9	(13.4)	31.6	16.3x	1.7x	11.3	1.0	(22.8)	(15.2)	1.2
Trade						(22.6)	577.1							
UNTR	16,300	21,525	26,300	Buy	61.3	(37.7)	60.8	5.4x	1.0x	20.2	7.6	(0.2)	1.7	1.0
MAPI	720	1,055	1,300	Buy	80.6	(32.4)	12.0	14.6x	2.0x	14.8	1.4	11.4	14.7	1.0
Property						(14.2)	362.1							
CTRA	780	1,040	1,550	Buy	98.7	(10.3)	14.5	14.3x	1.0x	7.2	1.3	(0.7)	(28.9)	1.5
WSKT	770	1,485	2,600	Buy	237.7	(59.4)	10.5	7.5x	0.6x	7.8	9.5	(39.2)	(69.4)	1.6
WIKA	1,400	1,990	2,500	Buy	78.6	(23.1)	12.6	5.6x	0.8x	15.3	2.8	(12.9)	57.3	1.4
Basic Ind.						(16.1)	564.7							
SMGR	9,075	12,000	14,300	Buy	57.6	(26.7)	53.8	23.6x	1.7x	7.5	2.3	31.1	(38.1)	1.4
Misc Ind.						(27.3)	280.7							
ASII	5,125	6,925	8,600	Buy	67.8	(28.6)	207.5	9.6x	1.4x	15.2	4.1	(0.9)	0.2	1.2
Mining						(32.5)	293.0							
TINS	510	825	800	Buy	56.9	(59.8)	3.8	26.9x	0.6x	1.6	4.9	114.6	N/A	1.6
PTBA	2,200	2,660	2,300	Hold	4.5	(45.1)	25.3	5.9x	1.3x	23.7	15.4	2.9	(22.2)	1.1
INCO	2,180	3,640	4,200	Buy	92.7	(39.3)	21.7	26.1x	0.8x	3.0	N/A	0.7	(4.9)	1.6
ANTM	540	840	1,100	Buy	103.7	(44.3)	13.0	16.1x	0.7x	4.1	2.4	23.0	(11.1)	1.6
Agriculture						(29.3)	67.3							
AALI	7,600	14,575	15,600	Buy	105.3	(38.1)	14.6	69.3x	0.8x	1.1	2.9	(8.5)	(85.3)	0.7

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-25.6%
YTD Change Gap (vs JCI)	-7.6%
Weekly Change	-13.9%
Weekly Change Gap (vs JCI)	-5.1%

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	-0.10%	0.30%	0.10%
	UK	16:30	Manufacturing Production MoM	Jan	0.20%	0.20%	0.30%
	US	18:00	MBA Mortgage Applications	Mar	55.4%	--	15.10%
	US	19:30	CPI MoM	Feb	0.10%	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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