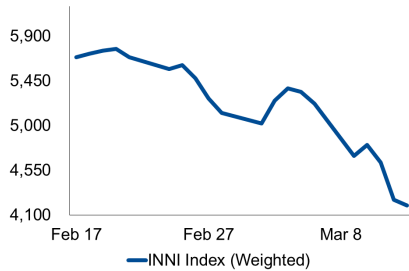
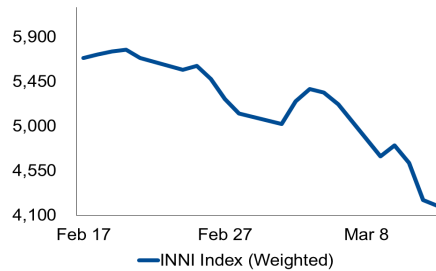


Morning Brief

JCI Movement



INNI Movement



Market Recap

After deep contraction, JCI made a little rebound on Friday's trading session of March 13, 2020. **JCI's Top Gainers: Infrastructure (+1.4%), Finance (+1.1%), Consumer (+0.7%).**

INNI index retreated still, subdued by the consumer sector's stocks, i.e., KINO and GGRM.

Daily Foreign & Domestic Sector Movement

JCI, on Friday's trading session of March 13, 2020, was murky due to IDR575 billion worth of foreign outflows. JCI's plunge was alike other Asia bourses. The companies whose stocks listed on IDX were excited about IDX's policy on the ease of stock buyback requirement; hence, those companies announced stock buyback are ACES, KLBF, POWR, SSIA, JRPT, BBRI, and PNBK.

Additionally, the rupiah exchange rate against the US dollar was depreciated by 1.76% to 14,778.

Today's Outlook: Cautious Anticipation of Feb. Trade Balance

The Dow Jones rallied by 9.36% to 23,185 after the deepest plunge since 1987. The plunge was attributable to Trump's national emergency against the lethal threat of COVID-19. But, AAPL's 11.98% rally underpinned the Dow's rally. Turning to the domestic realm, investors awaited the trade balance reading on Monday, March 16, 2020. Economists predict that the Feb. 2020 trade balance to narrow and account for swollen deficits, infected by the infectious global pandemic.

Company News

- KLBF : Starts Stock Buyback
- JSMR : Landslide Managing Completes in April
- WIKA : Cautiously Reviews Impacts of PSAK on Financial Performance
- WSKT : Is Sanguine about 2020's Target Accomplishment

Domestic & Global News

- APBN Swells to 2.5% to Shield against Lethal Covid-19
- Zero-Bound FRR Is Highly Expected

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

JCI Index

Mar. 13	4,907.57
Chg.	+11.82pts (+0.24%)
Volume (bn shares)	74.43
Value (IDR tn)	9.50
Adv 121 Dec 290 Unc 81 Untr 282	

INNI Index

Last	4,198.58
Chg.	-55.76pts (-1.31%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
ICBP	+4.3%	KINO	-7.0%
MAPI	+3.1%	SMGR	-5.6%
WIKA	+3.1%	GGRM	-5.5%
BBRI	+3.0%	JSMR	-5.1%
UNTR	+2.6%	PTBA	-4.4%

Foreign Transaction

	(IDR bn)
Buy	4,100
Sell	4,676
Net Buy (Sell)	575

Top Buy	NB Val.	Top Sell	NS Val.
MDKA	20.2	BBRI	147.9
UNVR	18.3	BMRI	116.2
SMGR	13.7	BBCA	71.8
ASII	7.9	BBNI	45.2
ICBP	6.9	INDF	1.8

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.34%	0.06%
USDIDR	14,778	1.76%
KRWIDR	12.12	0.71%

Global Indexes

Index	Last	Chg.	%
Dow Jones	23,185.62	1985.00	9.36%
S&P 500	2,711.02	230.38	9.29%
FTSE 100	5,366.11	128.63	2.46%
DAX	9,232.08	70.95	0.77%
Nikkei	17,431.05	(1128.58)	-6.08%
Hang Seng	24,032.91	(276.16)	-1.14%
Shanghai	2,887.43	(36.06)	-1.23%
KOSPI	1,771.44	(62.89)	-3.43%
EIDO	18.06	1.24	7.37%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,529.8	(46.3)	-2.94%
Crude Oil (USD /bbl)	31.73	0.23	0.73%
Coal Newcas(USD/ton)	65.45	0.85	1.32%
Nickel LME (USD /MT)	12,320	490.0	4.14%
Tin LME (USD /MT)	15,950	(150.0)	-0.93%
CPO (MYR/Ton)	2,284	7.0	0.31%

KLBF : Starts Stock Buyback

PT Kalbe Farma Tbk (KLBF) from March 16 to June 15, 2020, starts to perform a stock buyback of 1.87 billion stocks. It ensures sufficient working capital and cash flows to carry out such corporate action; it is expected that such action can stabilize price of KLBF amid the wobbly market. (Kontan)

WIKA : Cautiously Reviews Impacts of PSAK on Financial Performance

PT Wijaya Karya Tbk (WIKA) is analyzing the impacts of PSAK 71,72, and 73 regulations on its 2020's financial statements. It estimates that the regulations have only impacted on retained earnings, while its profit and loss will get no effects. In addition, it accelerates the disbursement of company receivables and selectively chooses projects in 2020. (Bisnis Indonesia)

JSMR : Landslide Managing Completes in April

PT Jasa Marga Tbk (JSMR) through its two subsidiaries, Jasa Marga Purbaleunyi Branch and Jasa Marga Tollroad Maintenance, targets to complete landslides managing in Cipularang Toll Road in April 2020. The managing process has reached 45% and shows significant progress by means of slope reconstruction and slag cement strengthening. (Bisnis Indonesia)

WSKT : Is Sanguine about 2020's Target Accomplishment

PT Waskita Karya Tbk (WSKT) considers the insignificant impacts of the COVID-19 on the Company performance in 2020. Although the pandemic can disrupt the supply chain, it ensures that its current projects will have no supply issues because those projects mostly use local raw materials. Nevertheless, its foreign contracts can get impacts of the currently deteriorating conditions. (Bisnis Indonesia)

Domestic & Global News

APBN Swells to 2.5% to Shield against Lethal Covid-19

Declining state revenues, and additional fiscal stimuli to shield against lethal threats of Covid-19 amid the deteriorating global economy leave deficits swollen. The 2020's state budget (APBN) deficits swell up 0.8% from the gross domestic product (GDP) equal to IDR125 billion; hence, the deficits surge from the initially estimated amount of IDR307.2 trillion (1.76% of GDP) to IDR432.2 trillion (2.5% of GDP). (Kontan)

Zero-Bound FRR Is Highly Expected

Economists and Markets hope that the Fed holds the Fed Funds Rates (FFR) at the zero bound in order to shield the US economy against the lethal impact of coronavirus pandemic: the tip of recession. The Fed is expected to cut the FFR by 100 bps to fall short in the target range of 1%-1.25% following March 2 rate reduction.

	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						(9.7)	2,110.3							
BBCA	28,300	33,425	32,000	Hold	13.1	2.9	697.7	24.4x	4.0x	17.5	1.3	13.7	10.5	1.0
BBRI	3,720	4,400	4,950	Buy	33.1	(6.5)	458.8	13.2x	2.2x	17.7	4.5	11.1	6.3	1.2
Consumer						(36.4)	979.0							
GGRM	41,600	53,000	61,800	Buy	48.6	(54.8)	80.0	8.6x	1.7x	20.5	6.3	16.9	25.8	1.1
KINO	2,790	3,430	4,680	Buy	67.7	17.7	4.0	8.1x	1.6x	21.2	1.8	34.1	323.0	0.8
ICBP	10,975	11,150	12,875	Buy	17.3	6.6	128.0	25.7x	5.3x	22.2	1.2	11.2	11.4	0.7
KLBF	1,040	1,620	1,430	Buy	37.5	(33.1)	48.8	19.0x	3.2x	17.6	2.5	7.3	6.2	1.3
Infrastructure						(24.8)	613.20							
TLKM	3,390	3,970	4,700	Buy	38.6	(8.1)	335.8	16.6x	3.4x	21.3	4.8	3.5	15.6	0.9
JSMR	3,700	5,175	6,000	Buy	62.2	(30.5)	26.9	13.9x	1.5x	11.3	1.2	(22.8)	(15.2)	1.3
Trade						(26.2)	558.0							
UNTR	15,600	21,525	20,000	Buy	28.2	(40.0)	58.2	5.1x	1.0x	20.2	7.9	(0.2)	1.7	1.0
MAPI	670	1,055	1,300	Buy	94.0	(39.9)	11.1	13.6x	1.9x	14.8	1.5	11.4	14.7	1.1
Property						(20.3)	342.0							
CTRA	710	1,040	1,550	Buy	118.3	(19.8)	13.2	13.0x	0.9x	7.2	1.4	(0.7)	(28.9)	1.5
WSKT	635	1,485	2,600	Buy	309.4	(67.3)	8.6	6.2x	0.5x	7.8	11.5	(39.2)	(69.4)	1.8
WIKA	1,180	1,990	2,500	Buy	111.9	(39.2)	10.6	4.8x	0.7x	15.3	3.3	(12.9)	57.3	1.6
Basic Ind.						(29.6)	499.0							
SMGR	7,575	12,000	14,300	Buy	88.8	(42.1)	44.9	19.7x	1.4x	7.5	2.7	31.1	(38.1)	1.6
Misc Ind.						(31.4)	266.4							
ASII	4,870	6,925	8,600	Buy	76.6	(32.6)	197.2	9.1x	1.3x	15.2	4.3	(0.9)	0.2	1.2
Mining						(37.2)	274.7							
TINS	468	825	800	Buy	70.9	(63.6)	3.5	24.7x	0.6x	1.6	5.3	114.6	N/A	1.6
PTBA	1,970	2,660	2,300	Buy	16.8	(51.1)	22.7	5.3x	1.2x	23.7	17.2	2.9	(22.2)	1.2
INCO	1,910	3,640	4,200	Buy	119.9	(47.5)	19.0	22.3x	0.7x	3.0	N/A	0.7	(4.9)	1.7
ANTM	478	840	1,100	Buy	130.1	(51.0)	11.5	14.3x	0.6x	4.1	2.7	23.0	(11.1)	1.6
Agriculture						(35.2)	62.2							
AALI	6,375	14,575	15,600	Buy	144.7	(49.0)	12.3	58.1x	0.7x	1.1	3.5	(8.5)	(85.3)	1.1

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-32.5%
YTD Change Gap (vs JCI)	-10.6%
Weekly Change	-19.5%
Weekly Change Gap (vs JCI)	-8.5%

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 09 – Mar	GE	14:00	Industrial Production SA MoM	Jan	3.00%	1.70%	-3.50%
Tuesday 10 – Mar	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 11 - Mar	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 12– Mar	US	19:30	PPI Final Demand MoM	Feb	1.30%	-0.10%	0.50%
	US	19:30	Initial Jobless Claims	Mar	211k	218k	216k
	EC	19:45	ECB Main Refinancing Rate	Mar	0.00%	0.00%	0.00%
	EC	19:45	ECB Deposit Facility Rate	Mar	-0.50%	-0.50%	-0.50%
Friday 13 - Mar	GE	14:00	CPI MoM	Feb	0.40%	0.40%	0.40%
	GE	14:00	CPI YoY	Feb	1.70%	1.70%	1.70%
	US	21:00	U. of Mich. Sentiment	Mar	95.9	95	101

Source: Bloomberg

Domestic Economic Calendar

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

Source: Bloomberg

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