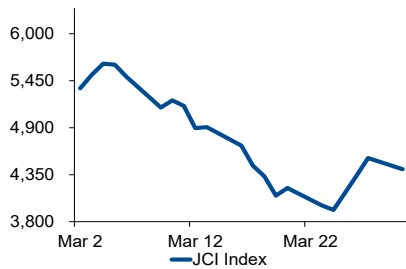


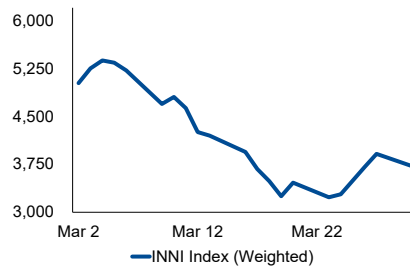
# Morning Brief

Daily | March 31, 2020

## JCI Movement



## INNI Movement



## JCI Index

Mar. 30	4,414.50
Chg.	-131.07pts (-2.88%)
Volume (bn shares)	47.18
Value (IDR tn)	5.55
<b>Adv 85 Dec 332 Unc 276 Untr 170</b>	

## INNI Index

Last	3,718.58
Chg.	-194.34pts (-4.97%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
KLBF	+3.5%	GGRM	-7.0%
TLKM	+1.6%	UNTR	-6.9%
INCO	+1.0%	JSMR	-6.9%
		SMGR	-6.9%
		PTBA	-6.9%

## Foreign Transactions

	(IDR bn)
Buy	2,128
Sell	2,191
Net Buy (Sell)	63

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	55.6	BBRI	69.9
BBNI	51.8	UNVR	38.3
TLKM	28.4	TOWR	38.2
HMSP	16.4	UNTR	16.1
SMGR	14.9	ICBP	15.2

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.91%	0.03%
USDIDR	16,338	1.04%
KRWIDR	13.35	1.14%

## Global Indices

Index	Last	Chg.	%
Dow Jones	22,327.48	690.70	3.19%
S&P 500	2,626.65	85.18	3.35%
FTSE 100	5,563.74	53.41	0.97%
DAX	9,815.97	183.45	1.90%
Nikkei	19,084.97	(304.46)	-1.57%
Hang Seng	23,175.11	(309.17)	-1.32%
Shanghai	2,747.21	(24.99)	-0.90%
KOSPI	1,717.12	(0.61)	-0.04%
EIDO	14.38	0.04	0.28%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,622.5	(5.7)	-0.35%
Crude Oil (USD / bbl)	20.09	(1.42)	-6.60%
Coal Newcas(USD/ton)	68.90	(1.55)	-2.20%
Nickel LME (USD / MT)	11,320	(35.0)	-0.31%
Tin LME (USD / MT)	14,500	240.0	1.68%
CPO (MYR/Ton)	2,441	63.0	2.65%

## Market Recap

JCI recorded trading halt and was in the red, held back by stocks of miscellaneous industry. **JCI's Top Losers: Misc. Ind. (-5.4%), Basic Ind.(-4.8%), Consumer (-3.8%).**

INNI index retreated as GGRM--- the consumers stock-- was automatically rejected.

## Daily Foreign & Domestic Sector Movement

JCI recorded net foreign sell of IDR63 billion and alike other Asia stocks were in the red on Monday (03/30/2020). Meanwhile, TLKM's net foreign buy of IDR28.4 billion was a relief for JCI. The outlook of the telecommunication industry is stellar after buyback stocks of IDR1.5 trillion and the Government's realistic approach to contain the virus by mandatory work from home (WFH) and e-learning.

At the same time, the rupiah exchange rate for USD in the spot market dropped by 1.04 percent to 16,337.

## Today's Outlook: OJK Unwinds Stimulus

The Dow Jones surged 3.19% to 22,327 as s Merck & Co and Johnson & Johnson rallied by 7.28% and 8.00%. The US government to extend the physical distancing regulation until April 2020 as a mandatory approach to contain the virus vicious spread was a potent driver for the Dow Jones. In the domestic realm, the Financial Service Authority (OJK) unwinds stimulus and holds accommodative policies to the pension fund after injecting stimulus to banking and financing companies. The OJK stimulus upholds financial system stability and economic growth amid the virus lethal threats.

## Company News

PTBA : Runs Still Normal Operation  
 KLBF : Secures Multiple Sales  
 WIKA : Postpones Some Projects

## Domestic & Global News

BI Pencils in March's Benign Inflation  
 China Holds Dovish Monetary Tones

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.75%	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)	2.34	(0.86)	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	11.00%	-3.71%	FDI (USD bn)	4.71	5.70
Imports Yoy	-5.11%	-4.78%	Business Confidence	105.33	105.33
Inflation Yoy	2.98%	2.68%	Cons. Confidence*	121.70	121.70

### **PTBA : Runs Still Normal Operation**

PT Bukit Asam Tbk (PTBA) confirms that its operational runs normally albeit the virus vicious spread. The management admits that India's lockdown is a hiccup for exporting to the country; thus, PTBA, in 2020, focuses on domestic sales and plans to revise 2020's Working Plans and Budget Allocation (RKAB) due to the economic deterioration caused by the virus spread. (Kontan)

### **KLBF : Secures Multiple Sales**

PT Kalbe Farma Tbk (KLBF) posted multiple gains in multivitamin sales since March amid the early COVID-19 outbreak. Although the sales of multivitamin products still give a small contribution to its consolidated revenues, KLBF is optimistic about an 8% YoY hike in 2020's sales. (Kontan)

### **WIKA : Postpones Some Projects**

PT Wijaya Karya Tbk (WIKA) has stopped some projects due to the escalating cases of COVID-19. In response to 2019's Corona Virus Disease Prevention in the Ministry Instruction Number 02/IN/M/2020, WIKA will list and postpone the ongoing projects. Nevertheless, WIKA has yet to disclose the postponed projects. (Kontan)

## Domestic & Global News

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### **BI Pencils in March's Benign Inflation**

Bank Indonesia (BI) estimates inflation of March 2020 to stand at 0.13% mom lower than 0.28% mom in February 2020. March inflation boosted ytd inflation at 0.80% and annual inflation at 3.00% yoy. (Kontan)

### **China Holds Dovish Monetary Tones**

The People's Bank of China trims the largest amount of interest rates on lending loans in response to deteriorating impacts of the virus on the economy. PBoC cut rates on 7-day reverse repurchase agreements to 2.2% from 2.4% and injected 50 billion yuan into the banking system. (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
<b>Finance</b>						(22.9)	1,847.8							
BBCA	27,475	33,425	32,000	Buy	16.5	(1.0)	677.4	23.7x	3.9x	17.5	1.3	13.7	10.5	1.1
BBRI	3,010	4,400	4,950	Buy	64.5	(26.9)	371.3	10.7x	1.8x	17.7	5.6	11.1	6.3	1.3
<b>Consumer</b>						(40.0)	895.5							
GGRM	40,925	53,000	61,800	Buy	51.0	(50.8)	78.7	7.2x	1.5x	22.7	6.4	15.5	39.6	1.0
KINO	2,040	3,430	4,680	Buy	129.4	(17.7)	2.9	5.9x	1.1x	21.2	2.5	34.1	323.0	0.8
ICBP	9,650	11,150	12,875	Buy	33.4	3.5	112.5	22.6x	4.7x	22.2	1.4	11.2	11.4	0.9
KLBF	1,045	1,620	1,430	Buy	36.8	(31.3)	49.0	19.1x	3.2x	17.6	2.5	7.3	6.2	1.1
<b>Infrastructure</b>						(32.9)	553.02							
TLKM	3,140	3,970	4,700	Buy	49.7	(19.4)	311.1	15.4x	3.1x	21.3	5.2	3.5	15.6	0.9
JSMR	2,420	5,175	6,000	Buy	147.9	(59.5)	17.6	9.1x	1.0x	11.3	1.9	(22.8)	(15.2)	1.3
<b>Trade</b>						(30.3)	526.7							
UNTR	14,425	21,525	20,000	Buy	38.6	(46.7)	53.8	4.8x	0.9x	20.2	8.6	(0.2)	1.7	0.8
MAPI	452	1,055	1,300	Buy	187.6	(53.4)	7.5	9.2x	1.3x	14.8	2.2	11.4	14.7	1.2
<b>Property</b>						(27.4)	318.3							
CTRA	450	1,040	1,550	Buy	244.4	(55.0)	8.4	8.3x	0.6x	7.2	2.2	(0.7)	(28.9)	1.3
WSKT	476	1,485	2,600	Buy	446.2	(76.0)	6.5	6.9x	0.4x	5.2	15.3	(35.7)	(76.3)	1.7
WIKA	820	1,990	2,500	Buy	204.9	(62.0)	7.4	3.2x	0.4x	14.6	4.7	(12.7)	32.0	1.6
<b>Basic Ind.</b>						(36.0)	441.9							
SMGR	7,425	12,000	14,300	Buy	92.6	(46.8)	44.0	18.4x	1.4x	7.5	2.8	31.5	(22.4)	1.3
<b>Misc Ind.</b>						(44.5)	217.1							
ASII	3,800	6,925	8,600	Buy	126.3	(48.1)	153.8	7.1x	1.0x	15.2	5.6	(0.9)	0.2	1.2
<b>Mining</b>						(37.3)	269.7							
TINS	416	825	800	Buy	92.3	(66.9)	3.1	21.9x	0.5x	1.6	6.0	114.6	N/A	1.5
PTBA	1,900	2,660	2,300	Buy	21.1	(54.8)	21.9	5.1x	1.2x	23.7	17.9	2.9	(22.2)	1.1
INCO	2,020	3,640	4,200	Buy	107.9	(40.4)	20.1	21.3x	0.6x	3.0	N/A	0.7	(4.9)	1.7
ANTM	432	840	1,100	Buy	154.6	(51.2)	10.4	12.9x	0.5x	4.1	2.9	23.0	(11.1)	1.6
<b>Agriculture</b>						(38.5)	57.1							
AALI	5,150	14,575	15,600	Buy	202.9	(54.1)	9.9	47.0x	0.5x	1.1	4.3	(8.5)	(85.3)	1.3

\* Target Price for December 2020

Source: Bloomberg, NHKS Research

## INNI Summary

### INNI Index Movement

YTD Change	-40.2%
YTD Change Gap (vs JCI)	-10.5%
Weekly Change	7.4%
Weekly Change Gap (vs JCI)	2.2%

### 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
<b>Monday</b> 30 – Mar	GE	19:00	CPI YoY	Mar	1.40%	1.30%	1.70%
<b>Tuesday</b> 31 – Mar	CH	08:00	Manufacturing PMI	Mar		45	35.7
	UK	13:00	GDP QoQ	4Q F		0.00%	0.00%
	UK	13:00	GDP YoY	4Q F		1.10%	1.10%
	GE	14:55	Unemployment Change (000's)	Mar		25.0k	-10.0k
	US	21:00	Conf. Board Consumer Confidence	Mar		110	130.7
<b>Wednesday</b> 01 - Apr	CH	08:45	Caixin China PMI Mfg	Mar		45	40.3
	GE	14:55	Markit/BME Germany Manufacturing PMI	Mar F		45.5	45.7
	EC	15:00	Markit Eurozone Manufacturing PMI	Mar F		44.7	44.8
	UK	15:30	Markit UK PMI Manufacturing SA	Mar F		47	48
	US	18:00	MBA Mortgage Applications	27-Mar		--	-29.40%
	US	19:15	ADP Employment Change	Mar		-150k	183k
	US	20:45	Markit US Manufacturing PMI	Mar F		48	49.2
	US	21:00	ISM Manufacturing	Mar		45	50.1
<b>Thursday</b> 02 – Apr	US	19:30	Initial Jobless Claims	28-Mar		3150k	3283k
	US	21:00	Factory Orders	Feb		0.20%	-0.50%
	US	21:00	Durable Goods Orders	Feb F		1.20%	1.20%
<b>Friday</b> 03 - Apr	US	19:30	Change in Nonfarm Payrolls	Mar		-100k	273k
	US	19:30	Unemployment Rate	Mar		3.80%	3.50%

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Wednesday</b> 01 - Apr	07:30	Markit Indonesia PMI Mfg	Mar		--	51.9
	11:00	CPI Core YoY	Mar		2.71%	2.76%
	11:00	CPI NSA MoM	Mar		0.12%	0.28%
	11:00	CPI YoY	Mar		2.91%	2.98%

Source: Bloomberg

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