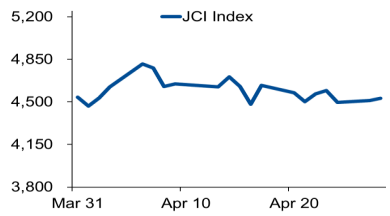
Morning Brief

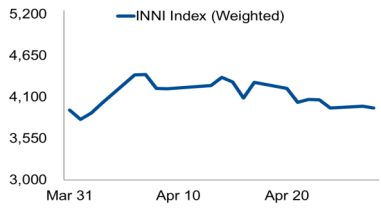
NH KORINDO SEKURITAS

Daily | April 29, 2020

JCI Movement



INNI Movement



Market Recap

JCI continued to rally, backed by the consumption and basic industry sectors. **JCI's Top Gainers: Basic Ind. (+2.9%), Agriculture (+2.5%), Consumer (+2.2%)**

INNI Index in contrast with JCI dipped, subdued by its worst-performing banking stocks, BBRI and BBCA. Those two stocks were listed in the top 5 foreign net sell on Tuesday's trading session of April 28, 2020.

Daily Foreign & Domestic Sector Movement

JCI ended Tuesday's trading with foreign outflows of IDR1.1 trillion as its banking stocks--BBRI and BBCA--recorded net sell of IDR338 billion and IDR284 billion, respectively. Data of lenders' deposit interest rate offer surveyed by Bank Indonesia's Market Money Information Center (PIPU) disclosed that BBRI had established deposit interest for a one-month tenor at 5.2%, while BBCA had offered lower deposit interest at 4.1%. Conversely, consumer goods stocks--ICBP and KLBF posted foreign inflows of IDR8 billion and IDR6.9 billion.

USD/IDR Highlight

USD/IDR, additionally, was weakened by 0.62 percent to 15,480.

Today's Outlook: Government Holds 5 Sectors Free from VAT

The Dow Jones dipped 0.13% to 24,101 to end a four-day rally streak as declines in technology stocks, i.e., Alphabet (-3.01%), Facebook (-2.45%), Amazon (-2.61%), Netflix (-4.16%), and Apple inc (-1.62%) hampered the Dow Jones. A glance at the domestic sector, the government unveiled incentives in the form of value-added tax (VAT) exemptions, delays, and incentives on the basis of imposing Other Taxes (DPP)-- especially for the agricultural products sector, unprocessed wood from natural forests or industrial plantations, mineral & coal mining, oil & natural gas, as well as renewable electricity.

Company News

AALI : Secures Net Profits in 1Q20
INCO : Attains Net Profits in 1Q20
CTRA : Maintains Pre-Sales Target

Domestic & Global News

COVID-19 Slashes Revenues of National Shipping
U.S. Goods Trade Deficit Was Wider

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.50%	Real GDP	4.97%	4.97%
FX Reserve (USD bn)	120.97	130.40	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	0.74	2.34	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	-0.20%	11.00%	FDI (USD bn)	4.71	5.70
Imports Yoy	-0.75%	-5.11%	Business Confidence	105.33	105.33
Inflation Yoy	2.96%	2.98%	Cons. Confidence*	121.70	121.70

JCI Index

Apr. 28	4,529.55
Chg.	+16.41pts (+0.36%)
Volume (bn shares)	60.42
Value (IDR tn)	6.24

Adv 170 Dec 195 Unc 336 Untr 188

INNI Index

Last	3,954.10
Chg.	-24.07pts (-0.61%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
KLBF	+8.6%	UNTR	-5.2%
JSMR	+5.5%	SMGR	-2.8%
WSKT	+5.4%	BBRI	-2.6%
WIKA	+4.8%	BBCA	-2.6%
CTRA	+2.6%		

Foreign Transactions (IDR bn)

Buy	1,909
Sell	3,013
Net Buy (Sell)	1,103

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	63.4	BBRI	338.6
BBNI	29.5	BBCA	284.8
ICBP	8.0	TLKM	38.9
KLBF	6.9	BTPS	31.4
PWON	5.5	ASII	31.0

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	8.11%	0.01%
USDIDR	15,445	0.39%
KRWIDR	12.61	0.60%

Global Indicies

Index	Last	Chg.	%
Dow Jones	24,101.55	(32.23)	-0.13%
S&P 500	2,863.39	(15.09)	-0.52%
FTSE 100	5,958.50	111.71	1.91%
DAX	10,795.63	135.64	1.27%
Nikkei	19,771.19	(12.03)	-0.06%
Hang Seng	24,575.96	295.82	1.22%
Shanghai	2,810.02	(5.47)	-0.19%
KOSPI	1,934.09	11.32	0.59%
EIDO	15.44	0.00	0.00%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,707.8	(6.2)	-0.36%
Crude Oil (USD/B)	12.34	(0.44)	-3.44%
ICE NewCastle (USD/ton)	52.25	1.00	1.95%
LME Nickel (USD/MT)	12,294	50.0	0.41%
LME Tin (USD/MT)	15,345	(115.0)	-0.74%
CPO (MYR/ton)	2,020	2.0	0.10%

Company News

AALI : Secures Net Profits in 1Q20

PT Astra Agro Lestari Tbk (AALI) recorded 1Q20 net profits of IDR371 billion or an 892% YoY increase. The stellar performance was backed by the hike of ~45% to IDR9,037/ kg in 1Q20's average selling prices of CPO. AALI with respect to the corona outbreak actively carries out WHF regulation. (Investor Daily)

CTRA : Maintains Pre-Sales Target

PT Ciputra Development Tbk (CTRA) postponed revisions to 2020's presales target of IDR6.7 trillion. It considers the unprecedented impacts of COVID-19 but is optimistic still about achieving the target through sales of units offered by the residential segment. Projects to boost its presales are Surabaya, Jakarta, Tangerang, Medan, and Bogor-based projects. (Bisnis Indonesia)

INCO : Attains Net Profits in 1Q20

PT Vale Indonesia Tbk (INCO) succeeded to attain 1Q20 net profits of USD29 million or a 31% YoY increase. The sound performance was achievable amid the unprecedented COVID-19 outbreak. INCO in years ahead spurs its production target to cushion the virus' impacts on its performance. (Kontan)

Domestic & Global News

COVID-19 Slashes Revenues of National Shipping

The Indonesian National Shipowners Association (INSA) revealed that national shipping revenue had dropped to 75% - 100% since the COVID-19 outbreak. INSA DPP Chairperson Carmelita Hartoto added that declines in global crude oil prices and USD/IDR depreciation exacerbated declines in national shipping revenues. (Kompas)

U.S. Goods Trade Deficit Was Wider

The U.S. goods trade deficit was wider in March as exports of motor vehicles and parts tanked. Indeed, imports also tumbled with respect to the virus shock to disrupt flow of goods. The goods trade gap hiked 7.2% to USD64.2 billion last month, according to the Commerce Department. The smaller import bill necessarily means a positive in term of GDP calculation, while declining imports means lesser inventory accumulation possible for offsetting trade's contribution to GDP. (Reuters)

INNI Components

	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						(30.7)	1,708.5							
BBCA	24,150	33,425	32,000	Buy	32.5	(15.0)	595.4	20.8x	3.4x	17.5	2.3	13.7	10.5	1.1
BBRI	2,590	4,400	4,950	Buy	91.1	(40.3)	319.5	9.2x	1.5x	17.7	6.5	11.1	6.3	1.3
Consumer						(28.4)	1,017.7							
GGRM	44,050	53,000	61,800	Buy	40.3	(47.0)	84.8	7.8x	1.7x	22.7	5.9	15.5	39.6	1.0
KINO	2,570	3,430	4,680	Buy	82.1	(1.2)	3.7	7.1x	1.4x	21.8	1.9	29.5	246.7	0.8
ICBP	10,025	11,150	12,875	Buy	28.4	7.8	116.9	23.2x	4.6x	21.5	1.4	10.1	10.2	0.9
KLBF	1,445	1,620	1,430	Hold	(1.0)	(3.7)	67.7	27.0x	4.3x	16.4	1.8	7.4	2.0	1.1
Infrastructure						(27.4)	597.78							
TLKM	3,160	3,970	4,700	Buy	48.7	(17.0)	313.0	15.5x	3.1x	21.3	5.2	3.5	15.6	1.0
JSMR	2,700	5,175	6,000	Buy	122.2	(56.3)	19.6	10.1x	1.1x	11.3	1.7	(22.8)	(15.2)	1.3
Trade						(27.7)	541.8							
UNTR	15,550	21,525	20,000	Buy	28.6	(42.3)	58.0	5.8x	0.9x	16.9	7.9	(19.0)	(40.2)	0.8
MAPI	610	1,055	1,300	Buy	113.1	(38.1)	10.1	10.9x	1.6x	16.1	1.6	14.0	27.3	1.2
Property						(40.6)	267.1							
CTRA	505	1,040	1,550	Buy	206.9	(55.7)	9.4	8.1x	0.6x	7.8	2.0	(0.8)	(2.6)	1.3
WSKT	590	1,485	2,600	Buy	340.7	(72.8)	8.0	8.5x	0.4x	5.2	12.4	(35.7)	(76.3)	1.8
WIKA	875	1,990	2,500	Buy	185.7	(64.6)	7.8	3.4x	0.5x	14.6	4.4	(12.7)	32.0	1.6
Basic Ind.						(10.6)	573.8							
SMGR	6,950	12,000	14,300	Buy	105.8	(48.6)	41.2	17.2x	1.3x	7.5	3.0	31.5	(22.4)	1.3
Misc Ind.						(45.8)	216.6							
ASII	3,740	6,925	8,600	Buy	129.9	(50.8)	151.4	7.1x	1.0x	14.4	5.6	(9.4)	(7.8)	1.3
Mining						(34.2)	274.8							
TINS	462	825	800	Buy	73.2	(65.8)	3.4	N/A	0.7x	(10.7)	5.4	75.2	N/A	1.5
PTBA	1,780	2,660	2,300	Buy	29.2	(54.9)	20.5	4.8x	1.1x	23.7	19.1	2.9	(22.2)	1.1
INCO	2,350	3,640	4,200	Buy	78.7	(23.5)	23.4	14.3x	0.8x	5.6	N/A	38.1	N/A	1.7
ANTM	492	840	1,100	Buy	123.6	(43.8)	11.8	61.0x	0.7x	1.1	2.6	29.4	(88.1)	1.6
Agriculture						(34.1)	59.6							
AALI	5,975	14,575	15,600	Buy	161.1	(44.7)	11.5	21.1x	0.6x	2.9	3.7	13.3	891.7	1.3

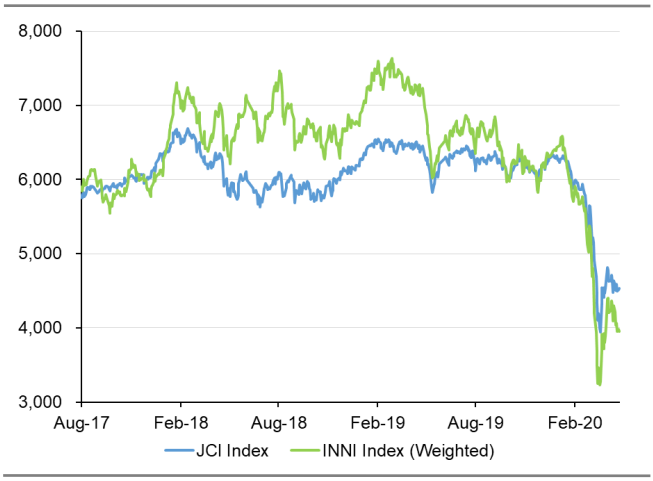
*** Target Price for December 2020**

Source: Bloomberg, NHKSI Research

INNI Summary

INNI Index Movement	
YTD Change	-36.4%
YTD Change Gap (vs JCI)	-8.5%
Weekly Change	-1.9%
Weekly Change Gap (vs JCI)	-2.6%
INNI Market Capitalization	
Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKS Research

Global Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	US	21:00	Conf. Board Consumer Confidence	Apr	86.9	87.0	120
28 - Apr							
Wednesday	EC	15:00	M3 Money Supply YoY	Mar		5.50%	5.50%
29 - Apr	US	18:00	MBA Mortgage Applications	Apr		--	-0.30%
	GE	19:00	CPI YoY	Apr		0.70%	1.40%
	US	19:30	GDP Annualized QoQ	1Q A		-3.90%	2.10%
Thursday	US	01:00	FOMC Rate Decision (Upper Bound)	Apr		0.25%	--
30 – Apr	CH	08:00	Manufacturing PMI	Apr		51	52
	GE	14:55	Unemployment Change (000's)	Apr		77.0k	1.0k
	EC	16:00	GDP SA QoQ	1Q A		-3.50%	0.10%
	EC	16:00	GDP SA YoY	1Q A		-3.30%	1.00%
	EC	18:45	ECB Main Refinancing Rate	Apr		0.00%	0.00%
	EC	18:45	ECB Deposit Facility Rate	Apr		-0.50%	-0.50%
	US	19:30	Personal Income	Mar		-1.60%	0.60%
	US	19:30	Personal Spending	Mar		-5.00%	0.20%
	US	19:30	Initial Jobless Claims	Apr		3500k	4427k
Friday	UK	15:30	Markit UK PMI Manufacturing SA	Apr		32.7	32.9
01- May	US	20:45	Markit US Manufacturing PMI	Apr		36.7	36.9
	US	21:00	ISM Manufacturing	Apr		36.1	49.1

Source: Bloomberg

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