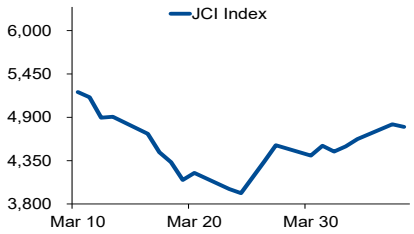
Morning Brief

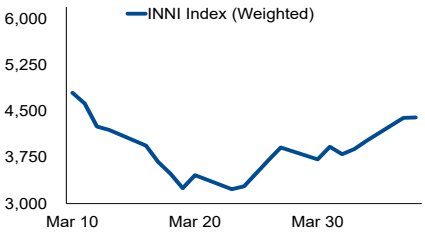
NH KORINDO SEKURITAS

Daily | April 08, 2020

JCI Movement



INNI Movement



Market Recap

JCI pointed to losses after a 3-day gaining streak as its banking and infrastructure sectors were underperformed. . **JCI's Top Losers: Infrastructure (-2.0%), Consumer (-1.8%), Basic Ind. (-0.5%).**

INNI Index nudged up as its construction stocks led gains.

Daily Foreign & Domestic Sector Movement

JCI recorded foreign outflows of IDR527 billion as the banking sector gave up the largest foreign gains on Tuesday's trading session of April 07, 2020. Meanwhile, CPO's futures prices for June 2020's contract is likely to nudge up, supported by two major factors as follows 1) hiking oil prices after Saudi Arabia and Russia to agree on output cut ahead of Thursday's OPEC meeting of April 09, 2020; 2) a 1.9% decline in Malaysia's CPO stockpiles from 1.67 million tons in February to 1.65 million tons in March.

USD/IDR, additionally, was appreciated by 1.29 percent to 16,200.

Today's Outlook: Official Reserve Assets Slip by USD9.4 Billion

The Dow Jones slightly pointed lower by 0.12% to 22,653 albeit sliding COVID-19 cases in a number of countries. Back to the domestic backdrop, Bank Indonesia (BI) recorded Indonesia's official reserve assets at the end of March 2020 to stand at USD121 billion or decreasing by USD9.4 billion from Feb's amount. The root of March's lower amount was the spending of USD7 billion on stimulus for stabilizing rupiah exchange rate and the payment of mature debts amounting to USD2 billion.

Company News

BBRI : Restructures UMKM Credits
KLBF : Likely Distributes Dividend at 45%-50% or Profits
ASII : Grants Second-Term Donation of IDR30 Billion

Domestic & Global News

The Fed Facilitates USD60 Billion of Repo Line for BI
RBA Supports All-Time Low Rates to Buffer Tanking GDP

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	2.96%	2.98%	Cons. Confidence*	121.70	121.70

JCI Index

Apr. 07	4,778.63
Chg.	33.18pts (-0.69%)
Volume (bn shares)	104.33
Value (IDR tn)	9.59

Adv 160 Dec 251 Unc 283 Untr 143

INNI Index

Last	4,400.92
Chg.	+6.40pts (+0.15%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
KINO	+7.8%	INCO	-6.1%
WIKA	+7.5%	GGRM	-3.5%
MAPI	+7.1%	TLKM	-3.3%
CTRA	+6.1%	KLBF	-3.1%
WSKT	+4.7%	JSMR	-3.0%

Foreign Transactions (IDR bn)

Buy	2,880
Sell	3,407
Net Buy (Sell)	527

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	42.5	TLKM	109.2
MNCN	33.9	BMRI	58.6
SMGR	20.1	BBNI	51.1
MDKA	19.0	BBRI	49.8
ICBP	14.7	PGAS	41.1

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	8.14%	0.05%
USDIDR	16,430	-0.39%
KRWIDR	13.34	-0.74%

Global Indicies

Index	Last	Chg.	%
Dow Jones	22,653.86	(26.13)	-0.12%
S&P 500	2,659.41	(4.27)	-0.16%
FTSE 100	5,704.45	122.06	2.19%
DAX	10,356.70	281.53	2.79%
Nikkei	18,950.18	373.88	2.01%
Hang Seng	24,253.29	504.17	2.12%
Shanghai	2,820.76	56.78	2.05%
KOSPI	1,823.60	31.72	1.77%
EIDO	15.48	(0.09)	-0.58%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,647.7	(13.3)	-0.80%
Crude Oil (USD /bbl)	23.63	(2.45)	-9.39%
Coal Newcas(USD/ton)	61.50	(0.60)	-0.97%
Nickel LME (USD /MT)	11,471	182.0	1.61%
Tin LME (USD /MT)	14,621	341.0	2.39%
CPO (MYR/Ton)	2,315	65.0	2.89%

Company News

BBRI : Restructures UMKM Credits

PT Bank Rakyat Indonesia Tbk (BBRI) has restructured credits of IDR14.9 trillion for more than 134,000 UMKMs (micro, small and medium enterprises) hit hardest by the coronavirus. The credit restructuring was carried out within less than one month with different schemes for each of the debtors pursuant to the crisis with which they have to cope. (Investor Daily)

ASII : Grants Second-Term Donation of IDR30 Billion

PT Astra International Tbk (ASII) on Tuesday of April 07, 2020 granted a second-term donation of IDR30 billion for two hospitals: Nasional Cipto Mangunkusumo in Jakarta and Airlangga in Surabaya. The donation embodies ASII's commitment to alleviating the spread of COVID-19. The second-term donation added with the firs-term donation totaled IDR93 billion. (Kontan)

KLBF : Likely Distributes Dividend at 45%-50% or Profits

PT Kalbe Farma Tbk (KLBF) in 2019 posted net sales of IDR22.63 trillion or a 7.4% YoY increase. To maintain the growth of earnings before taxes, KLBF persistently manages marketing and sales effectiveness and monitors operational costs. In addition, KLBF is likely to distribute dividends at 45%-55% with a cautious calculation of funds availability. (Kontan)

Domestic & Global News

The Fed Facilitates USD60 Billion of Repo Line for BI

The Fed facilitated Bank Indonesia (BI) USD60 Billion worth of repo line to support Indonesia's official reserve assets leading to a stable rupiah exchange rate. The repo line facility by means of USD denominated liquidity injection is the second line of defense against the lethal impacts of coronavirus. BI is committed to holding a prudent stance of the repo line facility whose functions resemble the Bilateral Currency Swap Agreement (BCSA). (Kompas)

RBA Supports All-Time Low Rates to Buffer Tanking GDP

The Reserve Bank of Australia (RBA) holds a 0.25% historically record low rate, with COVID-19 relief measures of unlimited bond purchases. RBA will patiently retain its very dovish stance and relief measures until its goals of recovered employment and stable inflation are accomplished. (Asia Nikkei)

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						(20.1)	1,935.2							
BBCA	28,275	33,425	32,000	Hold	13.2	2.5	697.1	24.4x	4.0x	17.5	1.3	13.7	10.5	1.1
BBRI	3,030	4,400	4,950	Buy	63.4	(29.4)	373.7	10.8x	1.8x	17.7	5.6	11.1	6.3	1.3
Consumer						(30.8)	1,007.5							
GGRM	48,100	53,000	61,800	Buy	28.5	(38.9)	92.5	8.5x	1.8x	22.7	5.4	15.5	39.6	1.0
KINO	2,210	3,430	4,680	Buy	111.8	(12.3)	3.2	6.1x	1.2x	21.8	2.3	29.5	246.7	0.8
ICBP	10,075	11,150	12,875	Buy	27.8	11.9	117.5	23.6x	4.9x	22.2	1.4	11.2	11.4	0.8
KLBF	1,230	1,620	1,430	Buy	16.3	(19.6)	57.7	23.0x	3.6x	16.4	2.1	7.4	2.0	1.1
Infrastructure						(25.4)	597.18							
TLKM	3,220	3,970	4,700	Buy	46.0	(17.9)	319.0	15.7x	3.2x	21.3	5.1	3.5	15.6	0.9
JSMR	3,200	5,175	6,000	Buy	87.5	(46.7)	23.2	12.0x	1.3x	11.3	1.4	(22.8)	(15.2)	1.3
Trade						(25.0)	556.6							
UNTR	17,600	21,525	20,000	Hold	13.6	(32.0)	65.7	5.8x	1.1x	20.2	7.0	(0.2)	1.7	0.8
MAPI	605	1,055	1,300	Buy	114.9	(35.6)	10.0	12.3x	1.7x	14.8	1.7	11.4	14.7	1.1
Property						(26.9)	328.4							
CTRA	605	1,040	1,550	Buy	156.2	(44.5)	11.2	11.1x	0.8x	7.2	1.7	(0.7)	(28.9)	1.3
WSKT	665	1,485	2,600	Buy	291.0	(65.7)	9.0	9.6x	0.5x	5.2	11.0	(35.7)	(76.3)	1.7
WIKA	1,220	1,990	2,500	Buy	104.9	(43.0)	10.9	4.8x	0.7x	14.6	3.2	(12.7)	32.0	1.6
Basic Ind.						(21.1)	537.0							
SMGR	8,100	12,000	14,300	Buy	76.5	(40.3)	48.0	20.1x	1.5x	7.5	2.6	31.5	(22.4)	1.3
Misc Ind.						(42.2)	230.4							
ASII	4,060	6,925	8,600	Buy	111.8	(46.2)	164.4	7.6x	1.1x	15.2	5.2	(0.9)	0.2	1.2
Mining						(29.7)	293.8							
TINS	525	825	800	Buy	52.4	(61.8)	3.9	27.7x	0.6x	1.6	4.8	114.6	N/A	1.5
PTBA	2,100	2,660	2,300	Hold	9.5	(48.4)	24.2	5.6x	1.3x	23.7	16.2	2.9	(22.2)	1.1
INCO	2,310	3,640	4,200	Buy	81.8	(31.5)	23.0	24.6x	0.7x	3.0	N/A	0.7	(4.9)	1.7
ANTM	555	840	1,100	Buy	98.2	(37.3)	13.3	16.6x	0.7x	4.1	2.3	23.0	(11.1)	1.6
Agriculture						(32.5)	64.1							
AALI	6,600	14,575	15,600	Buy	136.4	(46.3)	12.7	60.2x	0.7x	1.1	3.4	(8.5)	(85.3)	1.3

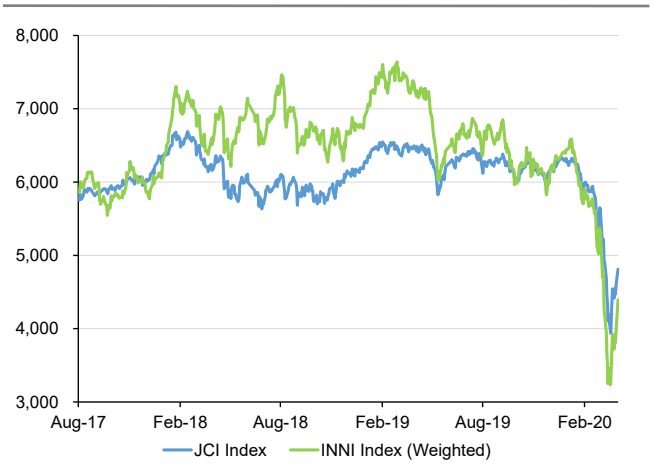
*** Target Price for December 2020**

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement	
YTD Change	-29.3%
YTD Change Gap (vs JCI)	-5.3%
Weekly Change	12.2%
Weekly Change Gap (vs JCI)	6.9%
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
Monday	GE	13:00	Factory Orders MoM	Feb	-1.40%	-2.50%	5.50%
06 – Apr	UK	15:30	Markit/CIPS UK Construction PMI	Mar	39.3	44	52.6
Tuesday	GE	13:00	Industrial Production SA MoM	Feb	0.30%	-0.90%	3.00%
07 – Apr							
Wednesday	US	18:00	MBA Mortgage Applications	Apr		--	15.30%
08 - Apr							
Thursday	UK	13:00	Industrial Production MoM	Feb		0.10%	-0.10%
09 – Apr	UK	13:00	Manufacturing Production MoM	Feb		0.10%	0.20%
	UK	13:00	Trade Balance GBP/Mn	Feb		£1000m	£4212m
	US	19:30	PPI Final Demand MoM	Mar		-0.40%	-0.60%
	US	19:30	Initial Jobless Claims	Apr		5000k	6648k
	US	21:00	Wholesale Inventories MoM	Feb		-0.50%	-0.50%
	US	21:00	U. of Mich. Sentiment	Apr		75	89.1
Friday	CH	08:30	PPI YoY	Mar		-1.10%	-0.40%
10 - Apr	CH	08:30	CPI YoY	Mar		4.90%	5.20%
	US	19:30	CPI MoM	Mar		-0.30%	0.10%
	US	19:30	CPI Ex Food and Energy MoM	Mar		0.10%	0.20%
	US	19:30	CPI YoY	Mar		1.60%	2.30%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	Tentative	Consumer Confidence Index	Mar	113.8	--	117.7
06 – Apr						
Tuesday	10:00	Net Foreign Assets IDR	Mar	1936.7t	--	1819.2t
07 – Apr	10:00	Foreign Reserves	Mar	$120.97b	--	$130.40b

Source: Bloomberg

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