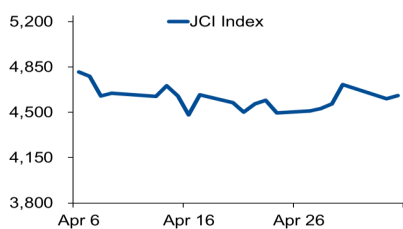


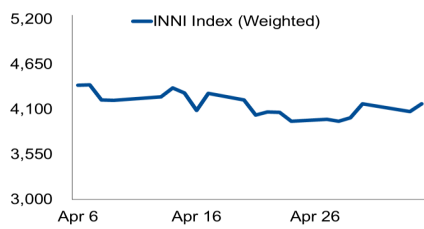
# Morning Brief

Daily | May 06, 2020

## JCI Movement



## INNI Movement



## Market Recap

JCI was rebound on the back of consumption goods and construction's best performing. **JCI's Top Gainers: Property (+2.1%), Consumer (+1.8%), Agri. (+3.9%)**

INNI Index topped JCI as its construction stocks, WIKA and WSKT, led gains.

## Daily Foreign & Domestic Sector Movement

JCI finished Tuesday's trading session of May 05, 2020 with foreign net sell of IDR429 billion as foreign investors diversified their large-cap. banking stocks--BBRI and BBNI-- as much as IDR106 billion and IDR77 billion. INCO, in contrast to those two worst-performing stocks, led Tuesday's trading by contribute foreign inflows of IDR20.9 billion to JCI as it secured profits and benefited from USD/IDR depreciation. But, the unprecedented crisis to cause volatile prices of nickel loom INCO's 2020 pathway.

## USD/IDR Highlight

USD/IDR, finally, was appreciated at 0.13 percent to 15,080.

## Today's Outlook: 1Q20 GDP Is Lethargic at 2.9%

The Dow Jones snapped a bit higher at 0.56% to 23,883 following the optimism of economic re-opening in the U.S. and global rebound in prices of crude oil on the back of upbeat demands for oil. Back to the national economy, Statistics Indonesia (BPS) released Indonesia's 1Q20 GDP to lag at 2.97% y-y. The growth was a way much lower than the estimate as economists infer the unprecedented virus crisis is the culprit in 1Q20's lethargic GDP growth and blow to 2Q20's GDP.

## Company News

- WSKT : Submits Relaxed Loan Payments
- BBRI : Enjoys Boosts in March's Mobile Banking Transactions
- AALI : Enjoys 1Q20 Buoyant Revenues
- CTRA : Delays Landbank Purchase

## Domestic & Global News

Exports of Goods and Services in 1Q20 Snap Higher at 0.24% YoY  
Relief Stimulus Leave Gold Steady

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.50%	Real GDP	2.97%	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	3.74%	0.48%
Exports Yoy	-0.20%	11.00%	FDI (USD bn)	4.71	6.08
Imports Yoy	-0.75%	-5.11%	Business Confidence	104.82	105.33
Inflation Yoy	2.67%	2.96%	Cons. Confidence*	113.80	117.70

## JCI Index

May 05	4,630.13
Chg.	+24.64pts (+0.54%)
Volume (bn shares)	59.25
Value (IDR tn)	5.38
<b>Adv 219 Dec 177 Unc 305 Untr 158</b>	

## INNI Index

Last	4,168.22
Chg.	+95.31pts (+2.34%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
MAPI	+12.0%	KINO	-6.9%
WIKA	+5.0%	UNTR	-2.1%
JSMR	+4.6%	KLBF	-1.2%
WSKT	+3.4%	SMGR	-0.3%
INCO	+1.9%		

## Foreign Transactions

	(IDR bn)
Buy	1,595
Sell	2,025
Net Buy (Sell)	429

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	124.6	BBRI	105.1
UNVR	48.7	ASII	83.5
INCO	20.9	BBNI	77.5
JSMR	11.6	TLKM	71.3
HMSP	6.5	PGAS	43.1

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	8.07%	0.19%
USDIDR	15,100	1.46%
KRWIDR	12.32	1.02%

## Global Indices

Index	Last	Chg.	%
Dow Jones	23,883.09	133.33	0.56%
S&P 500	2,868.44	25.70	0.90%
FTSE 100	5,849.42	95.64	1.66%
DAX	10,729.46	262.66	2.51%
Nikkei	19,619.35	(574.34)	-2.84%
Hang Seng	23,868.66	254.86	1.08%
Shanghai	2,860.08	(1029.79)	-4.18%
KOSPI	1,895.37	(52.19)	-2.68%
EIDO	15.99	(0.02)	-0.12%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,705.9	3.9	0.23%
Crude Oil (USD/B)	24.56	4.17	20.45%
ICE NewCastle (USD/ton)	52.70	0.60	1.15%
LME Nickel (USD/MT)	12,002	190.0	1.61%
LME Tin (USD/MT)	15,200	115.0	0.76%
CPO (MYR/ton)	1,975	(8.0)	-0.40%

### **WSKT : Submits Relaxed Loan Payments**

PT Waskita Karya Tbk (WSKT) plans to submit relaxed installments for its loans in order to buffer COVID-19 crisis to hit its performance. The relaxed measures are prolonged tenors and declining interest rates. WSKT's loans maturity are payable in March, May, November, December to be settled on cash derived from project payments. (Kontan)

### **AALI : Enjoys 1Q20 Buoyant Revenues**

PT Astra Agro Lestari Tbk (AALI) 1Q20 revenues grew by 13.3% YoY to IDR4.7 trillion thanks to CPO's upbeat selling prices and declining COGS. Although CPO's output shedded 14.6% YoY, AALI is committed to excellent operational performance regardless of COVID-19 blow to CPO's industry. (Bisnis Indonesia)

### **BBRI : Enjoys Boosts in March's Mobile Banking Transactions**

PT Bank Rakyat Indonesia Tbk (BBRI) cheered boosts in digital transactions of BRI's internet banking, BRImo, and online shopping. It in March posted a 61% hike in internet banking and BRImo from January to date and ensures its customers that boosts in transaction necessarily means improving transactions quality. (Kontan)

### **CTRA : Delays Landbank Purchase**

PT Ciputra Development Tbk (CTRA) postponed 2020's landbank purchase with respect to the corona crisis as it focuses more on adequate liquidity so that CapEx allocated to landbank is lower. CTRA to date has 2,341 hectares of landbank located in Tangerang, Jakarta, and Palembang. (Bisnis Indonesia)

## Domestic & Global News

### **Exports of Goods and Services in 1Q20 Snap Higher at 0.24% YoY**

Goods and service exports nudged up 0.24% yoy despite economic quarantine to end the vicious spread of COVID-19: the real fact of Indonesia's economic backdrop. It did an achievement for Indonesia's exports with regard to 1Q19's contracted growth of 1.58% yoy. 1Q20's non-oil and gas exports to jump by 4.67% after 1Q19's declines at 0.69% yoy were inevitable boosts to goods and service exports. (Kontan)

### **Relief Stimulus Leave Gold Steady**

Relief measures to buffer COVID-19 blow to economy worldwide benefit gold to top USD1,700 an ounce on Tuesday. But, the global economy re-opening should dim gold's lustrous trend. Auto catalyst metal palladium was not as lackluster as its prior state and drop at 5% to USD1,747.31 per ounce since March 24, 2020. Spot gold, additionally, was a bit lustrous at 0.2% to USD1,705.57 per ounce and U.S. gold futures were at 0.2% to USD1,719.60. (CNBC)

	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>						(25.2)	1,776.7							
BBCA	26,425	33,425	32,000	Buy	21.1	(6.0)	651.5	22.8x	3.7x	17.5	2.1	13.7	10.5	1.1
BBRI	2,630	4,400	4,950	Buy	88.2	(37.8)	324.4	9.4x	1.6x	17.7	6.4	11.1	6.3	1.2
<b>Consumer</b>						(26.7)	1,034.3							
GGRM	44,525	53,000	61,800	Buy	38.8	(44.8)	85.7	7.9x	1.7x	22.7	5.8	15.5	39.6	1.0
KINO	2,690	3,430	4,680	Buy	74.0	5.1	3.8	14.2x	1.4x	10.5	1.9	11.1	(81.3)	0.8
ICBP	9,750	11,150	12,875	Buy	32.1	1.6	113.7	22.5x	4.5x	21.5	1.4	10.1	10.2	0.8
KLBF	1,360	1,620	1,430	Hold	5.1	(7.8)	63.8	24.7x	3.9x	16.3	1.9	8.0	12.5	1.1
<b>Infrastructure</b>						(24.0)	615.26							
TLKM	3,320	3,970	4,700	Buy	41.6	(12.3)	328.9	16.2x	3.3x	21.3	4.9	3.5	15.6	1.0
JSMR	3,180	5,175	6,000	Buy	88.7	(43.5)	23.1	10.5x	1.2x	12.4	1.4	(28.7)	0.2	1.4
<b>Trade</b>						(27.0)	542.8							
UNTR	15,200	21,525	20,000	Buy	31.6	(43.5)	56.7	5.6x	0.9x	16.9	8.1	(19.0)	(40.2)	0.8
MAPI	700	1,055	1,300	Buy	85.7	(27.8)	11.6	12.5x	1.9x	16.1	1.4	14.0	27.3	1.2
<b>Property</b>						(36.4)	273.2							
CTRA	525	1,040	1,550	Buy	195.2	(48.5)	9.7	8.4x	0.6x	7.8	1.9	(0.8)	(2.6)	1.3
WSKT	605	1,485	2,600	Buy	329.8	(69.0)	8.2	8.8x	0.5x	5.2	12.1	(35.7)	(76.3)	1.8
WKA	940	1,990	2,500	Buy	166.0	(58.8)	8.4	3.7x	0.5x	14.6	4.1	(12.7)	32.0	1.6
<b>Basic Ind.</b>						(5.3)	575.9							
SMGR	7,500	12,000	14,300	Buy	90.7	(32.7)	44.5	18.6x	1.4x	7.5	2.8	31.5	(22.4)	1.4
<b>Misc Ind.</b>						(45.7)	212.9							
ASII	3,610	6,925	8,600	Buy	138.2	(51.4)	146.1	6.9x	0.9x	14.4	5.8	(9.4)	(7.8)	1.3
<b>Mining</b>						(29.7)	281.9							
TINS	468	825	800	Buy	70.9	(62.9)	3.5	N/A	0.7x	(10.7)	5.3	75.2	N/A	1.5
PTBA	1,815	2,660	2,300	Buy	26.7	(52.1)	20.9	5.3x	1.0x	20.6	18.7	(4.0)	(25.0)	1.1
INCO	2,700	3,640	4,200	Buy	55.6	(6.9)	26.8	16.8x	0.9x	5.6	N/A	38.1	N/A	1.7
ANTM	500	840	1,100	Buy	120.0	(34.2)	12.0	62.0x	0.7x	1.1	2.5	29.4	(88.1)	1.6
<b>Agriculture</b>						(32.8)	60.7							
AALI	6,300	14,575	15,600	Buy	147.6	(42.2)	12.1	22.3x	0.6x	2.9	3.6	13.3	891.7	1.3

\* Target Price for December 2020

Source: Bloomberg, NHKSI Research

## INNI Summary

### INNI Index Movement

YTD Change	-33.0%
YTD Change Gap (vs JCI)	-6.7%
Weekly Change	4.8%
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>	GE	14:55	Markit Germany Manufacturing PMI	Apr	34.5	34.4	34.4
<i>04 - May</i>	EC	15.00	Markit Eurozone Manufacturing PMI	Apr	33.4	33.6	33.6
	US	21.00	Factory Orders	Mar	-10.3%	-9.7%	0.0%
	US	21.00	Durable Goods Orders	Mar	-14.7%	-14.4%	-14.4%
<b>Tuesday</b>	US	19.30	Trade Balance	Mar	-\$44.4b	-\$44.2b	-\$39.9b
<i>05 - May</i>	US	21.00	ISM Non-Manufacturing Index	Apr	41.8	38.0	52.5
<b>Wednesday</b>	GE	13.00	Factory Orders MoM	Mar		-10.00%	-1.40%
<i>06 - May</i>	US	18.00	MBA Mortgage Applications	May		-	-3.30%
	US	19.15	ADP Employment Change	Apr		-20500k	-27k
<b>Thursday</b>	UK	13.00	Bank of England Bank Rate	May		0.10%	0.10%
<i>07 - May</i>	GE	13.00	Industrial Production SA MoM	Mar		-7.50%	0.30%
	US	19.30	Initial Jobless Claims	May		3000k	3839k
<b>Friday</b>	US	19.30	Change in Nonfarm Payrolls	Apr		-21300k	-701k
<i>08 - May</i>	US	19.30	Unemployment Rate	Apr		16.00%	4.40%
	US	21.00	Wholesale Inventories MoM	Mar		-1.00%	-1.00%

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	07:30	Markit Indonesia PMI Mfg	Apr	27.5	-	45.3
<i>04 - May</i>	11.00	CPI YoY	Apr	2.67%	2.76%	2.96%
<b>Tuesday</b>	11:00	GDP YoY	1Q	2.97%	4.00%	4.97%
<i>05 - May</i>						

Source: Bloomberg

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