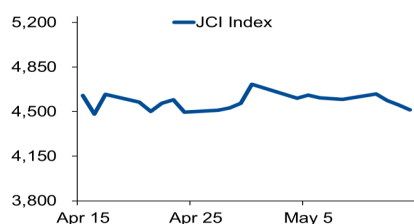


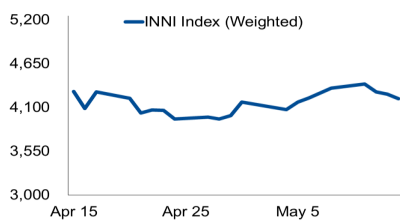
Morning Brief

Daily | May 15, 2020

JCI Movement



INNI Movement



JCI Index

May. 14	4,513.834
Chg.	-40.52pts (-0.89%)
Volume (bn shares)	6.42
Value (IDR tn)	6.68
Adv 115 Dec 268 Unc 311 Untr 136	

INNI Index

Last	4,208.05
Chg.	-57.32pts (-1.34%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
GGRM	+4.4%	BBRI	-4.9%
SMGR	+4.3%	WIKA	-4.7%
JSMR	+2.9%	ASII	-4.3%
ICBP	+0.8%	ANTM	-3.7%
INCO	+0.7%	BBCA	-3.7%

Foreign Transaction

	(IDR bn)
Buy	1,805
Sell	2,761
Net Buy (Sell)	956

Top Buy	NB Val.	Top Sell	NS Val.
MNCN	44.4	BBRI	401.7
HMSP	30.4	BBCA	291.6
BMRI	18.0	ASII	123.2
INCO	16.0	TLKM	56.0
SMGR	15.1	BBNI	45.5

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.87%	-0.01%
USDIDR	14,885	0.13%
KRWIDR	12.12	-0.08%

Global Indices

Index	Last	Chg.	%
Dow Jones	23,625.34	377.37	1.62%
S&P 500	2,852.50	32.50	1.15%
FTSE 100	5,741.54	(162.51)	-2.75%
DAX	10,337.02	(205.64)	-1.95%
Nikkei	19,914.78	(352.27)	-1.74%
Hang Seng	23,829.74	(350.56)	-1.45%
Shanghai	2,870.34	(27.71)	-0.96%
KOSPI	1,924.96	(15.46)	-0.80%
EIDO	15.96	(0.07)	-0.44%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,730.3	14.0	0.82%
Crude Oil (USD/B)	27.56	2.27	8.98%
ICE NewCastle (USD/ton)	55.80	0.20	0.36%
LME Nickel (USD/MT)	12,072	(182.0)	-1.49%
LME Tin (USD/MT)	15,030	(140.0)	-0.92%
CPO (MYR/ton)	2,031	(1.0)	-0.05%

Market Recap

JCI closed lower for three days in a row as the banking and miscellaneous industry were worst performed. **JCI's Top Losers: Misc Ind. (-2.9%), Finance (-2.7%), Agriculture (-1.62%)**

Alike JCI, INNI Index dropped as BBRI--one of its banking stocks--worse performed.

Daily Foreign & Domestic Sector Movement

JCI recorded foreign outflows for 4 consecutive days and closed Thursday's trading session of May 15, 2020 with capital outflows of IDR955 billion. BBRI gave up the largest foreign capital of IDR399 billion despite 1Q20's credit growth of 10.05% to IDR930 trillion and a 78.31% increase in micro, small and medium entrepreneurs (SMEs) credits. Conversely, MNCN succeeded foreign capital inflows of IDR64.6 billion as its all segments virtually performed better.

USD/IDR Highlight

USD/IDR dropped 0.13% to 14,885.

Today's Outlook: Anticipate Trade Balance Reading

The Dow Jones rebound by 1.62% to 23,625 due to the rally in JP Morgan (+4.10%) and Citigroup (+3.55%) and market's optimism about the U.S. economic outlook. Back in the domestic sector, investors cautiously eye on today's trade balance reading as economists predict 2020's trade balance is likely at surplus due to imports to fall deeper than exports.

Company News

- BBRI : Obtains 32% Growth in Incentive Income amid Pandemic
- WSKT : Achieves IDR6.9 Trillion from Turnkey Projects
- CTRA : Subsidiary Secures Transactions from Digital Marketing

Domestic & Global News

- Government Unveils IDR12.2 Trillion for Four SOEs
- U.S. Unemployment Hikes Higher than Estimate

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)	127.88	120.97	Current Acc (USD bn)	(8.12)	(7.49)
Trd Balance (USD bn)	0.74	2.34	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	-7.02%	-0.20%	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*	84.80	113.80

BBRI : Obtains 32% Growth in Incentive Income amid Pandemic

PT Bank Rakyat Indonesia Tbk (BBRI) amid the lockdowns succeeded a 32% YoY growth in incentive income to IDR4 trillion, spurred by its digital platform, (i.e., a 20% YoY growth in mobile banking, a 88.4% YoY growth in internet banking. BBRI's 1Q20 digital transactions stood at IDR75 billion, while card transactions were in declining trend. (Kontan)

CTRA : Subsidiary Secures Transactions from Digital Marketing

PT Ciputra Development Tbk thorough its subsidiary, Ciputra Residence, recorded revenue of IDR185 billion stemming from its two residential projects thanks to digital marketing transactions and online unit selection. CTRA is confidence in property's pretty stable growth outlook amid the lockdowns as it plans to develop projects in 2020. (Investor Daily)

WSKT : Achieves IDR6.9 Trillion from Turnkey Projects

PT Waskita Karya Tbk (WSKT) secured IDR6.9 trillion from 1Q20's turnkey projects topping 50% of the early year target. The payments of turnkey projects derive from Jakarta Cikampek Elevated II toll, Kuciran Parigi toll, Salatiga Kartasura toll. WSKT targets payments of IDR18.7 trillion from construction projects excluding other turnkey projects. (Kontan)

Domestic & Global News

Government Unveils IDR12.2 Trillion for Four SOEs

The Government will support four State-Owned Enterprises (SOEs) to cushion COVID-19 wreaking havoc by IDR12.2 trillion worth of injection mainly focused on National Strategic Program (PSN) bailout for the construction sector. (Kontan)

U.S. Unemployment Hikes Higher than Estimate

The U.S. laid-off workers filing for unemployment benefits soared for an eighth straight week due to the economic lockdowns. The unemployment benefits reached 2.98 million in the week ended on May 9, 2020 after a 3.18 million unemployment benefit filed in the previous week. The sixth straight week declines in filed unemployment benefits did not necessarily mean a decline as the median estimate for unemployment benefits was at 2.98 million. (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
Finance						(28.4)	1,666.7							
BBCA	23,925	33,425	32,000	Buy	33.8	(12.4)	589.9	20.6x	3.4x	17.5	2.3	13.7	10.5	1.1
BBRI	2,280	4,400	4,950	Buy	117.1	(41.4)	281.2	8.1x	1.6x	18.6	7.4	17.9	(0.3)	1.2
Consumer						(21.8)	1,063.7							
GGRM	48,750	53,000	61,800	Buy	26.8	(39.6)	93.8	8.6x	1.8x	22.7	5.3	15.5	39.6	1.0
KINO	2,630	3,430	4,680	Buy	77.9	6.9	3.8	13.8x	1.4x	10.5	1.9	11.1	(81.3)	0.9
ICBP	9,750	11,150	12,875	Buy	32.1	2.4	113.7	22.5x	4.5x	21.5	1.4	10.1	10.2	0.8
KLBF	1,395	1,620	1,430	Hold	2.5	3.3	65.4	25.3x	4.0x	16.3	1.9	8.0	12.5	1.1
Infrastructure						(23.3)	586.70							
TLKM	3,080	3,970	4,700	Buy	52.6	(14.7)	305.1	15.1x	3.1x	21.3	5.3	3.5	15.6	1.0
JSMR	3,520	5,175	6,000	Buy	70.5	(33.6)	25.5	11.6x	1.4x	12.4	1.3	(28.7)	0.2	1.4
Trade						(26.6)	538.5							
UNTR	14,500	21,525	20,000	Buy	37.9	(42.8)	54.1	5.4x	0.9x	16.9	8.5	(19.0)	(40.2)	0.8
MAPI	680	1,055	1,300	Buy	91.2	(25.7)	11.3	12.1x	1.8x	16.1	1.5	14.0	27.3	1.2
Property						(27.1)	292.4							
CTRA	480	1,040	1,550	Buy	222.9	(50.5)	8.9	7.7x	0.6x	7.8	2.1	(0.8)	(2.6)	1.3
WSKT	575	1,485	2,600	Buy	352.2	(67.3)	7.8	8.3x	0.4x	5.2	12.7	(35.7)	(76.3)	1.8
WIKA	905	1,990	2,500	Buy	176.2	(53.1)	8.1	3.6x	0.5x	14.6	4.3	(12.7)	32.0	1.7
Basic Ind.						(4.6)	533.7							
SMGR	8,425	12,000	14,300	Buy	69.7	(20.1)	50.0	19.5x	1.5x	8.0	2.5	5.6	66.7	1.4
Misc Ind.						(41.3)	212.0							
ASII	3,680	6,925	8,600	Buy	133.7	(47.1)	149.0	7.0x	1.0x	14.4	5.7	(9.4)	(7.8)	1.3
Mining						(24.5)	284.2							
TINS	470	825	800	Buy	70.2	(56.1)	3.5	N/A	0.7x	(10.7)	5.3	75.2	N/A	1.5
PTBA	1,845	2,660	2,300	Buy	24.7	(36.4)	21.3	5.3x	1.0x	20.6	18.4	(4.0)	(25.0)	1.1
INCO	2,890	3,640	4,200	Buy	45.3	10.3	28.7	18.2x	1.0x	5.6	N/A	38.1	N/A	1.7
ANTM	515	840	1,100	Buy	113.6	(26.4)	12.4	63.9x	0.7x	1.1	2.5	29.4	(88.1)	1.6
Agriculture						(30.3)	60.1							
AALI	6,175	14,575	15,600	Buy	152.6	(39.3)	11.9	21.8x	0.6x	2.9	3.6	13.3	891.7	1.3

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

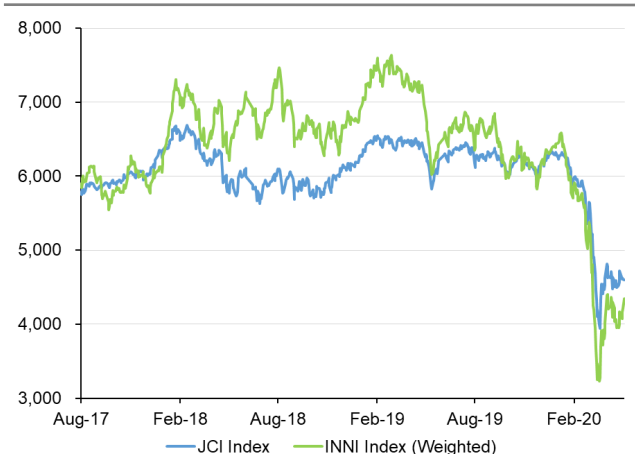
INNI Index Movement

YTD Change	-32.4%
YTD Change Gap (vs JCI)	-4.2%
Weekly Change	-0.2%
Weekly Change Gap (vs JCI)	1.8%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	CH	08:30	PPI YoY	Apr	-3.1%	-2.6%	-1.5%
<i>12 - May</i>	CH	08.30	CPI YoY	Apr	3.3%	3.7%	4.3%
	US	19.30	CPI MoM	Apr	-0.8%	-0.8%	-0.4%
Wednesday	UK	13.00	Industrial Production MoM	Mar	-4.2%	-5.5%	0.1%
<i>13 - May</i>	UK	13.00	Manufacturing Production MoM	Mar	-4.6%	-6.0%	0.5%
	UK	13.00	GDP QoQ	1Q20	-2.0%	-2.6%	0.0%
	UK	13.00	GDP YoY	1Q20	-1.6%	-2.2%	1.1%
	US	18.00	MBA Mortgage Applications	May	0.3%	-	0.1%
	US	19.30	PPI Final Demand MoM	Apr	-1.3%	-0.5%	-0.2%
Thursday	GE	13.00	CPI MoM	Apr	0.40%	0.30%	0.30%
<i>14 - May</i>	GE	13.00	CPI YoY	Apr	0.90%	0.80%	0.80%
	US	19.30	Initial Jobless Claims	May	2981K	-	3169k
Friday	CH	09.00	Industrial Production YoY	Apr		1.50%	-1.10%
<i>15 - May</i>	CH	09.00	Retail Sales YoY	Apr		-5.90%	-15.80%
	GE	13.00	GDP SA QoQ	1Q20		-2.30%	0.00%
	EC	16.00	GDP SA QoQ	1Q20		-3.80%	-3.80%
	EC	16.00	GDP SA YoY	1Q20		-3.30%	-3.30%
	US	19.30	Retail Sales Advance MoM	Apr		-11.70%	-8.70%
	US	19.30	Empire Manufacturing	May		-60	-78.2
	US	20.15	Industrial Production MoM	Apr		-12.00%	-5.40%
	US	21.00	U. of Mich. Sentiment	May		68	71.8

Source: Bloomberg

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