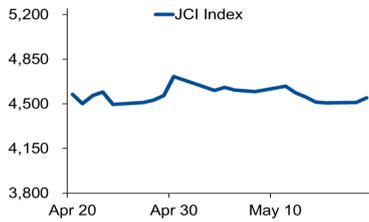
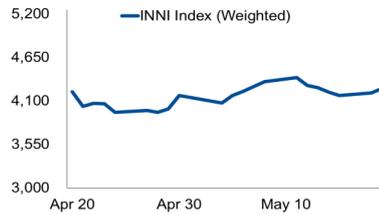


# Morning Brief

## JCI Movement



## INNI Movement



## JCI Index

May. 19	4,548.65
Chg.	+37.589pts (+0.83%)
Volume (bn shares)	75.95
Value (IDR tn)	8.62
<b>Adv 236 Dec 161 Unc 304 Untr 147</b>	

## INNI Index

Last	4,257.12
Chg.	+58.09pts (+1.38%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
BBRI	+9.2%	BBCA	-1.8%
WIKA	+6.0%	SMGR	-1.2%
CTRA	+4.7%	KLBF	-0.7%
UNTR	+2.5%	GGRM	-0.3%
MAPI	+2.1%		

## Foreign Transaction

	(IDR bn)
Buy	1,895
Sell	3,972
Net Buy (Sell)	2,076

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	170.8	BBCA	304.8
BBNI	55.9	BMRI	61.2
TLKM	41.2	TKIM	24.3
UNVR	38.1	JSMR	23.2
HMSP	36.7	GGRM	16.3

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.65%	-0.08%
USDIDR	14,770	-0.54%
KRWIDR	12.04	-0.04%

## Global Indices

Index	Last	Chg.	%
Dow Jones	24,206.86	(390.51)	-1.59%
S&P 500	2,922.94	(30.97)	-1.05%
FTSE 100	6,002.23	(46.36)	-0.77%
DAX	11,075.29	16.42	0.15%
Nikkei	20,433.45	299.72	1.49%
Hang Seng	24,388.13	453.36	1.89%
Shanghai	2,898.58	23.16	0.81%
KOSPI	1,980.61	43.50	2.25%
EIDO	16.04	(0.18)	-1.11%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,745.1	12.5	0.72%
Crude Oil (USD/B)	31.96	0.31	0.98%
ICE NewCastle (USD/ton)	55.90	0.80	1.45%
LME Nickel (USD/MT)	12,453	203.0	1.66%
LME Tin (USD/MT)	15,360	78.0	0.51%
CPO (MYR/ton)	2,182	40.0	1.87%

## Market Recap

JCI rallied further, backed by the banking and property stocks. **JCI's Top Gainers: Property (+2.0%), Finance (+1.9%), Agriculture (+1.9%)**

INNI Index topped JCI as BBRI climbed higher at 9.2% after posting foreign net buy.

## Daily Foreign & Domestic Sector Movement

JCI on Tuesday's trading session of May 19, 2020 recorded foreign outflows of IDR2.0 trillion, and BBRI gave up foreign outflows of IDR304 billion. BBRI and BBNI conversely posted foreign inflows of IDR170 billion and IDR55 billion, respectively. Of note, BBNI recorded higher net interest income of IDR9.54 trillion or a 7.7% y-y increase in 1Q20.

## USD/IDR Highlight

USD/IDR is appreciated by 0.54 percent to 14,770.

## Today's Outlook: BI Holds BI7-DRRR Unchanged

The Dow Jones closed lower by 1.59% to 24,206 subdued by bearish Boeing Co. (-3.69%) and Procter & Gamble Co. (-3.24%). In the domestic economy, Bank Indonesia (BI) after a two-day Board of Governors Meeting on May 18-19, 2020 decided to hold BI-7DRRR at 4.50% and left interest rates of deposit facility and lending facility at 3.75% and 5.25%, respectively.

## Company News

- JSMR : Finishes Toll-Road Constructions
- KLBF : Adjusts Drugs Supply as Listed in E-Catalogue
- WSKT : Subsidiary's Toll Road Traffic Experience Declines

## Domestic & Global News

- COVID-19 Cuts 1Q20 Non-Cash Transactions to 4.7%
- UK Unemployment Hikes Higher Since 1996

## 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)	(0.34)	0.74	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	-7.02%	-0.20%	FDI (USD bn)	4.71	6.08
Imports Yoy	-18.58%	-0.75%	Business Confidence	104.82	105.33
Inflation Yoy	2.67%	2.96%	Cons. Confidence*	84.80	113.80

### **JSMR : Finishes Toll-Road Constructions**

PT Jasa Marga Tbk (JSMR) through its two subsidiaries, namely Jasa Marga Purbaleunyi and Jasamarga Toll Road finished the construction of Cipularang toll. Until the early May, the construction of cross drain and control container reached 100%. JSMR currently has installed inclinometer to avoid erosion. (Kontan)

### **KLBF : Adjusts Drugs Supply as Listed in E-Catalogue**

PT Kalbe Farma Tbk (KLBF) strived to adjust drugs supply on the Health Care and Social Security Agency E-Catalogue pursuant to the current demands. The decline in number of regular patients has KLBF check E-Catalogue drugs supplied across Indonesia. KLBF keeps monitoring sales of drugs through 2Q20's E-Catalogue due to the higher demands. (Kontan)

### **WSKT : Subsidiary's Toll Road Traffic Experience Declines**

Waskita Toll Road as the subsidiary of PT Waskita Karya Tbk (WSKT) recorded a 30% decline in the number of toll road traffic. The decline is caused by the ban on Idul Fitri Exodus by the Indonesian Government. However, Waskita Toll Road ensures the smooth toll-road operation. (Investor Daily)

## Domestic & Global News

---

### **COVID-19 Cuts 1Q20 Non-Cash Transactions to 4.7%**

Bank Indonesia (BI) in 1Q20 recorded non-cash transactions (ATM, Debit Cards, Credit Cards, and Electronic Money (EM) dropped by 4.7% due to COVID-19 pandemic. On the other side, circulated banknotes slowed to 6.3% YoY. (Kontan)

### **UK Unemployment Hikes Higher Since 1996**

Unemployment in UK surged in April: the highest level since 24 years due to COVID-19 pandemic, the number of unemployment claims jumped by 856,500 claimant to 2.1 million or an 69% increase MoM. (Reuters)

	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>						(26.8)	1,641.9							
BBCA	23,400	33,425	32,000	Buy	36.8	(13.0)	576.9	20.2x	3.3x	17.5	2.4	13.7	10.5	1.1
BBRI	2,370	4,400	4,950	Buy	108.9	(36.8)	292.3	8.4x	1.6x	18.6	7.1	13.0	(0.3)	1.3
<b>Consumer</b>						(20.7)	1,073.0							
GGRM	49,300	53,000	61,800	Buy	25.4	(37.6)	94.9	8.7x	1.9x	22.7	5.3	15.5	39.6	1.0
KINO	2,650	3,430	4,680	Buy	76.6	7.7	3.8	13.9x	1.4x	10.5	1.9	11.1	(81.3)	0.9
ICBP	9,900	11,150	12,875	Buy	30.1	5.6	115.5	22.9x	4.6x	21.5	1.4	10.1	10.2	0.8
KLBF	1,390	1,620	1,430	Hold	2.9	4.5	65.2	25.2x	4.0x	16.3	1.9	8.0	12.5	1.1
<b>Infrastructure</b>						(18.8)	613.31							
TLKM	3,270	3,970	4,700	Buy	43.7	(7.9)	323.9	16.0x	3.3x	21.3	5.0	3.5	15.6	1.0
JSMR	3,700	5,175	6,000	Buy	62.2	(29.9)	26.9	12.2x	1.4x	12.4	1.2	(28.7)	0.2	1.3
<b>Trade</b>						(24.9)	537.1							
UNTR	14,500	21,525	20,000	Buy	37.9	(40.8)	54.1	5.4x	0.9x	16.9	8.5	(19.0)	(40.2)	0.8
MAPI	715	1,055	1,300	Buy	81.8	(15.4)	11.9	12.7x	1.9x	16.1	1.4	14.0	27.3	1.2
<b>Property</b>						(25.1)	300.4							
CTRA	494	1,040	1,550	Buy	213.8	(45.1)	9.2	8.6x	0.6x	7.2	2.0	(8.3)	(33.3)	1.3
WSKT	585	1,485	2,600	Buy	344.4	(64.9)	7.9	8.5x	0.4x	5.2	12.5	(35.7)	(76.3)	1.7
WIKA	965	1,990	2,500	Buy	159.1	(51.4)	8.7	3.8x	0.5x	14.6	4.0	(12.7)	32.0	1.7
<b>Basic Ind.</b>						(5.0)	533.1							
SMGR	8,500	12,000	14,300	Buy	68.2	(24.4)	50.4	19.6x	1.5x	8.0	2.4	5.6	66.7	1.3
<b>Misc Ind.</b>						(37.8)	227.6							
ASII	3,950	6,925	8,600	Buy	117.7	(42.8)	159.9	7.5x	1.0x	14.4	5.3	(9.4)	(7.8)	1.2
<b>Mining</b>						(22.6)	289.9							
TINS	462	825	800	Buy	73.2	(57.0)	3.4	N/A	0.7x	(10.7)	5.4	75.2	N/A	1.5
PTBA	1,915	2,660	2,300	Buy	20.1	(31.9)	22.1	5.5x	1.1x	20.6	17.7	(4.0)	(25.0)	1.1
INCO	2,950	3,640	4,200	Buy	42.4	19.4	29.3	18.7x	1.0x	5.6	N/A	38.1	N/A	1.7
ANTM	525	840	1,100	Buy	109.5	(23.4)	12.6	65.1x	0.7x	1.1	2.4	29.4	(88.1)	1.6
<b>Agriculture</b>						(28.0)	61.7							
AALI	6,525	14,575	15,600	Buy	139.1	(36.3)	12.6	23.1x	0.7x	2.9	3.4	13.3	891.7	1.3

\* Target Price for December 2020

Source: Bloomberg, NHKSI Research

## INNI Summary

### INNI Index Movement

YTD Change	-31.6%
YTD Change Gap (vs JCI)	-4.0%
Weekly Change	-0.8%
Weekly Change Gap (vs JCI)	0.0%

### 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
<b>Tuesday</b>	GE	16:00	ZEW Survey Expectations	May	51	30	28.2
<i>19 - May</i>	GE	16.00	ZEW Survey Current Situation	May	-93.5	-87.6	-91.5
	US	19.30	Housing Starts	Apr	891k	923k	1216k
<b>Wednesday</b>	UK	13.00	CPI MoM	Apr		-0.1%	0.0%
<i>20 - May</i>	UK	13.00	CPI YoY	Apr		0.9%	1.5%
	UK	13.00	CPI Core YoY	Apr		1.4%	1.6%
	UK	13.00	PPI Output NSA MoM	Apr		-0.5%	-0.2%
	UK	13.00	PPI Output NSA YoY	Apr		-0.4%	0.3%
	EC	16.00	CPI YoY	Apr		0.4%	0.7%
	US	18.00	MBA Mortgage Applications	May		--	0.3%
<b>Thursday</b>	UK	15.30	Markit UK PMI Manufacturing SA	May		35.7	32.6
<i>21 - May</i>	US	19.30	Initial Jobless Claims	May		2425k	2981k
	US	20.45	Markit US Manufacturing PMI	May		38	36.1
	US	21.00	Leading Index	Apr		-5.7%	-6.7%
	US	21.00	Existing Home Sales	Apr		4.30m	5.27m
<b>Friday</b>	UK	13.00	Retail Sales Inc Auto Fuel MoM	Apr		-16.0%	-5.1%
<i>22 - May</i>	GE	14.30	Markit Germany Manufacturing PMI	May		39	34.5
	EC	15.00	Markit Eurozone Manufacturing PMI	May		38	33.4

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Tuesday</b>	14:20	Bank Indonesia 7D Reverse Repo	May	4.50%	4.25%	4.50%
<i>19 - May</i>						

Source: Bloomberg

### DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



## PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

**Head Office :**

District 8 Treasury Tower 51<sup>st</sup>  
Fl. Unit A, SCBD Lot.28  
Jl. Jendral Sudirman Kav. 52-53  
Jakarta Selatan 12190  
Telp : +62 21 50889100  
Fax : +62 21 50889101

**Branch Office BSD:**

ITC BSD Blok R No.48  
Jl. Pahlawan Seribu Serpong  
Tangerang Selatan 15322  
Indonesia  
Telp : +62 21 5316 2049  
Fax : +62 21 5316 1687

**Branch Office Medan :**

Jl. Timor No 147  
Medan, Sumatera Utara  
20234  
Indonesia  
Telp : +62 614 156500  
Fax : +62 614 568560

### A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |  
Jakarta