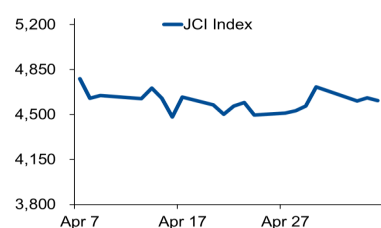
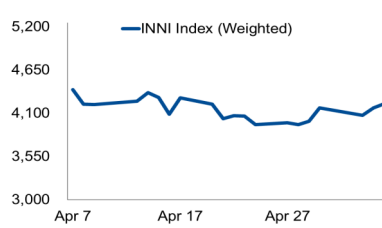


Morning Brief

JCI Movement



INNI Movement



Market Recap

JCI on Wednesday's trading session of 05/06/2020 was bearish, held back by the industry sector. **JCI's Top Losers: Basic Ind. (-2.8%), Infrastructure (-1.3%), Trade (-0.3%)**

INNI Index, as opposed to JCI, rallied as JSMR made the double-digit growth.

Daily Foreign & Domestic Sector Movement

JCI on Wednesday trading session of May 06, 2020 recorded foreign net sell of IDR289 billion with the first's largest net sell portion of IDR113.8 billion posted by ASII. ASII to maintain liquidity with respect to COVID-19 lockdowns reduces CapEx allocation from IDR20-21 trillion to IDR10-11 trillion. Another to ASII, TLKM also posted the second-largest foreign net sell of IDR87 billion regardless of its liability for paying bonds principal of IDR1.9 trillion whose mature date is in 2H2020.

USD/IDR Highlight

USD/IDR, additionally, steadied at 15,080.

Today's Outlook: Benchmark Coal Prices Shed in May

The Dow Jones advanced by 0.89% to 23,875 even though laid-off workers to file unemployment benefits soared to 33 million people with respect to economic lockdowns. Investors are optimistic about advancement in COVID-19 vaccine, more unlimited stimulus, and easing tension between the U.S. and China. A glance at commodities, May's coal price benchmark dropped to USD61.11 per ton as the economic lockdowns curtailed demands for coal by Asia-based coal importers.

Company News

- PTBA : Decides Dividend Amount in June
- BBRI : Re-structures Credits of 1.2 Million Debtors
- AAAL : Unveils Stable Domestic Demand

Domestic & Global News

- Livestock Entrepreneurs Purchase 14.9% Livebird of Independent-Farmers
- The Fed's Asset Accumulation Grows Little in Two-Recent Month

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*	84.80	113.80

JCI Index

May 06	4,608.79
Chg.	-21.34pts (-0.46%)
Volume (bn shares)	62.98
Value (IDR tn)	5.35
Adv 148 Dec 244 Unc 309 Untr 164	

INNI Index

Last	4,217.04
Chg.	+48.82pts (+1.17%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
JSMR	+10.4%	KINO	-3.3%
INCO	+4.8%	TLKM	-2.4%
PTBA	+4.4%	WSKT	-1.7%
KLBF	+3.3%	CTRA	-1.0%
BBCA	+1.3%	ICBP	-0.8%

Foreign Transactions

	(IDR bn)
Buy	1,746
Sell	2,035
Net Buy (Sell)	289

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	86.8	ASII	113.8
JSMR	37.8	TLKM	87.0
HMSP	30.4	PGAS	56.9
INCO	15.0	BMRI	42.7
BBNI	6.2	KLBF	32.4

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	23,875.89	211.25	0.89%
S&P 500	2,881.19	32.77	1.15%
FTSE 100	5,935.98	82.22	1.40%
DAX	10,759.27	153.07	1.44%
Nikkei	19,674.77	55.42	0.28%
Hang Seng	23,980.63	(156.85)	-0.65%
Shanghai	2,871.52	(6.62)	-0.23%
KOSPI	1,928.61	(0.15)	-0.01%
EIDO	16.17	0.29	1.83%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,716.1	30.4	1.80%
Crude Oil (USD/B)	23.55	(0.44)	-1.83%
ICE NewCastle (USD/ton)	53.30	0.10	0.19%
LME Nickel (USD/MT)	12,330	27.0	0.22%
LME Tin (USD/MT)	15,225	25.0	0.16%
CPO (MYR/ton)	1,975	(8.0)	-0.40%

PTBA : Decides Dividend Amount in June

PT Bukit Asam Tbk (PTBA) is committed to distributing dividends this year despite downbeat coal prices. The amount of dividends will be determined at June's AGM, and PTBA endeavors that this-year dividends are as equal as 2020's dividends. PTBA amid the uncertain backdrop strives to run efficient operation in order to maintain 2020's performance. (Kontan)

AALI : Unveils Stable Domestic Demand

PT Astra Agro Lestari Tbk (AALI) ensures stable demand and active operations even though CPO price steadied at MYR2,000 / ton. AALI banks on stable domestic demand with 2020's estimated absorption of circa 70% of total production. AALI's FFB production until 1Q20 fell 8.5% YoY due to weather anomalies to disrupt production. (Bisnis Indonesia)

BBRI : Re-structures Credits of 1.2 Million Debtors

PT Bank Rakyat Indonesia Tbk (BBRI) on the back of COVID-19's impact restructures credits of its 1.2 million debtors from March 16 to April 2020. Another to restructuring, BBRI still distributes credits for prospective sectors with taking precarious principles. (Investor Daily)

Domestic & Global News

Livestock Entrepreneurs Purchase 14.9% Livebird of Independent-Farmers

Ministry of Agriculture through the Directorate General of Animal Husbandry and Animal Health (Director General of PKH) monitors practices of livebird purchases by livestock entrepreneurs. The livestock entrepreneurs until May 7, 2020 has purchased 613,870 chickens equal to 14.90% of the total committed purchase of 4,119,000 chickens. (Kompas)

The Fed's Asset Accumulation Grows Little in Two-Recent Month

The U.S. Federal Reserve's balance sheet soared skyward to circa USD6.77 trillion, but its assets accumulated at the lethargic pace during the last two months as its unlimited relief backstop to deal with COVID-19 eased demand. Additionally, the Fed's stash of bonds and other assets hiked by USD66.7 billion in the week ended Wednesday, May 6 or a little increase since the week ended Feb. 26. (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
Finance						(25.9)	1,774.6							
BBCA	26,775	33,425	32,000	Buy	19.5	(6.1)	660.1	23.1x	3.8x	17.5	2.1	13.7	10.5	1.1
BBRI	2,620	4,400	4,950	Buy	88.9	(37.9)	323.2	9.3x	1.6x	17.7	6.4	11.1	6.3	1.2
Consumer						(26.9)	1,032.8							
GGRM	44,200	53,000	61,800	Buy	39.8	(46.1)	85.0	7.8x	1.7x	22.7	5.9	15.5	39.6	1.0
KINO	2,600	3,430	4,680	Buy	80.0	(1.5)	3.7	13.7x	1.4x	10.5	1.9	11.1	(81.3)	0.8
ICBP	9,675	11,150	12,875	Buy	33.1	(0.3)	112.8	22.4x	4.5x	21.5	1.4	10.1	10.2	0.8
KLBF	1,405	1,620	1,430	Hold	1.8	(6.3)	65.9	25.5x	4.0x	16.3	1.9	8.0	12.5	1.1
Infrastructure						(25.9)	606.83							
TLKM	3,240	3,970	4,700	Buy	45.1	(15.7)	321.0	15.8x	3.2x	21.3	5.1	3.5	15.6	1.0
JSMR	3,510	5,175	6,000	Buy	70.9	(37.9)	25.5	11.5x	1.4x	12.4	1.3	(28.7)	0.2	1.4
Trade						(27.5)	540.6							
UNTR	15,300	21,525	20,000	Buy	30.7	(43.6)	57.1	5.7x	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
Property						(36.2)	275.2							
CTRA	520	1,040	1,550	Buy	198.1	(51.2)	9.7	8.4x	0.6x	7.8	1.9	(0.8)	(2.6)	1.3
WSKT	595	1,485	2,600	Buy	337.0	(69.3)	8.1	8.6x	0.5x	5.2	12.3	(35.7)	(76.3)	1.8
WIKA	935	1,990	2,500	Buy	167.4	(59.0)	8.4	3.7x	0.5x	14.6	4.1	(12.7)	32.0	1.6
Basic Ind.						(9.8)	559.4							
SMGR	7,450	12,000	14,300	Buy	91.9	(34.2)	44.2	18.5x	1.4x	7.5	2.8	31.5	(22.4)	1.4
Misc Ind.						(46.1)	214.2							
ASII	3,640	6,925	8,600	Buy	136.3	(50.8)	147.4	6.9x	1.0x	14.4	5.8	(9.4)	(7.8)	1.3
Mining						(28.6)	284.4							
TINS	470	825	800	Buy	70.2	(62.2)	3.5	N/A	0.7x	(10.7)	5.3	75.2	N/A	1.5
PTBA	1,895	2,660	2,300	Buy	21.4	(40.6)	21.8	5.5x	1.1x	20.6	17.9	(4.0)	(25.0)	1.1
INCO	2,830	3,640	4,200	Buy	48.4	(2.7)	28.1	17.6x	0.9x	5.6	N/A	38.1	N/A	1.7
ANTM	500	840	1,100	Buy	120.0	(34.6)	12.0	62.0x	0.7x	1.1	2.5	29.4	(88.1)	1.6
Agriculture						(32.6)	60.9							
AALI	6,325	14,575	15,600	Buy	146.6	(41.2)	12.2	22.3x	0.6x	2.9	3.5	13.3	891.7	1.3

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

INNI Index Movement

YTD Change	-32.2%
YTD Change Gap (vs JCI)	-5.6%
Weekly Change	6.6%
Weekly Change Gap (vs JCI)	4.9%

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
Monday	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%
Tuesday	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
Wednesday	GE	13.00	Factory Orders MoM	Mar	-15.6%	-10.0%	-1.4%
<i>06 - May</i>	US	18.00	MBA Mortgage Applications	May	0.1%	-	-3.3%
	US	19.15	ADP Employment Change	Apr	20236K	-20550k	-27k
Thursday	UK	13.00	Bank of England Bank Rate	May	0.10%	0.10%	0.10%
<i>07 - May</i>	GE	13.00	Industrial Production SA MoM	Mar	-9.2%	-7.5%	0.3%
	US	19.30	Initial Jobless Claims	May	3169K	3000k	3839k
Friday	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
Monday	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%
Tuesday	11:00	GDP YoY	1Q	2.97%	4.00%	4.97%
<i>05 - May</i>						

Source: Bloomberg

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