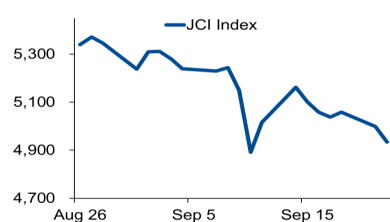
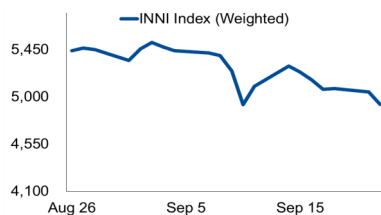


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Entering Oversold Area

US markets managed to rebound after experiencing 4 days of decline. The increase was supported by technology, consumer, and property sectors shares. The property sector received positive news from the US housing sales that increased significantly last August.

From the domestic market, the JCI movement continued the downward trend amid rampant negative sentiments and prediction of contracted Q3/2020 growth. But with the global market rebound and index movement to the oversold area, the JCI today has the opportunity to experience technical rebound.

Company News

ADRO : Maintains Coal Production Target

KAEF : Appointed to Produce Avigan

WSKT : Plans Divestment Through WTR

Domestic & Global News

August 2020, Realization of Govt Expenditure Reaches IDR977.3 Trillion

Taiwan Export Orders Grow at Fastest Pace in Over Two-and-a-Half Years

Sectors

	Last	Chg.	%
Agriculture	1,156.95	29.67	-2.50%
Finance	1,061.66	21.36	-1.97%
Consumer Goods	1,846.21	22.46	-1.20%
Mining	1,340.54	15.99	-1.18%
Basic Industries	702.87	6.15	-0.87%
Infrastructure, Utilities, and Transportation	813.18	6.74	-0.82%
Property, Real Estate, and Construction	342.13	2.69	-0.78%
Trade, Services, and Investment	626.54	4.18	-0.66%
Miscellaneous Industry	849.13	3.15	-0.37%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.00%	Real GDP	-5.32%	2.97%
FX Reserve (USD bn)	137.00	135.10	Current Acc (USD bn)	(2.90)	(8.08)
Trd Balance (USD bn)	2.33	3.26	Govt. Spending Yoy	-6.90%	3.75%
Exports Yoy	-8.36%	-9.90%	FDI (USD bn)	4.07	4.60
Imports Yoy	-24.19%	-32.55%	Business Confidence	104.82	105.33
Inflation Yoy	1.32%	1.54%	Cons. Confidence*	86.90	86.20

JCI Index

Sept. 22	4,934.09
Chg.	-65.26pts (-1.31%)
Volume (bn shares)	88.82
Value (IDR tn)	6.85
Adv 123 Dec 305 Unc 289 Untr 142	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	898.3	BRIS	186.9
BBRI	422.2	BOGA	143.7
BMRI	303.1	INKP	125.7
BBNI	219.3	PGAS	118.5
TLKM	211.5	MDKA	107.8

Foreign Transaction

(IDR bn)			
Buy			
Buy	1,626		
Sell	2,259		
Net Buy (Sell)	632		
Top Buy	NB Val.	Top Sell	NS Val.
MDKA	23.7	BBCA	411.0
BBRI	19.0	BMRI	67.5
UNTR	8.3	PGAS	18.0
PWON	7.3	BBTN	17.1
BTPS	5.9	GGRM	16.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.90%	0.03%
USDIDR	14,785	0.58%
KRWIDR	12.70	0.20%

Global Indices

Index	Last	Chg.	%
Dow Jones	27,288.18	140.48	0.52%
S&P 500	3,315.57	34.51	1.05%
FTSE 100	5,829.46	25.17	0.43%
DAX	12,594.39	51.95	0.41%
Nikkei	23,360.30	40.93	0.18%
Hang Seng	23,716.85	(233.84)	-0.98%
Shanghai	3,274.30	(42.63)	-1.29%
KOSPI	2,332.59	(56.80)	-2.38%
EIDO	17.48	(0.23)	-1.30%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,900.2	(12.3)	-0.64%
Crude Oil (USD/B)	39.80	0.26	0.66%
ICE NewCastle (USD/ton)	60.20	0.45	0.75%
LME Nickel (USD/MT)	14,606	65.0	0.45%
LME Tin (USD/MT)	18,250	150.0	0.83%
CPO (MYR/ton)	2,957	(50.0)	-1.66%

ADRO : Maintains Coal Production Target

PT Adaro Energy Tbk (ADRO) continues to target 52 million to 54 million tons of coal production this year amid the rally of coal price that is almost at the level of USD60 per tonne. ADRO sees coal price movements are still quite volatile and believes that the fundamentals of the coal and energy sector will remain solid in the long term, especially due to the support of development activities in Asian countries. (Kontan)

WSKT : Plans Divestment Through WTR

PT Waskita Karya Tbk (WSKT) through its subsidiary, PT Waskita Toll Road (WTR), plans to sell 30% of the PT Kusuma Kresna Dyandra Marga (KKDM) shares through limited equity fund (RDPT). This transaction is expected to complete in October 2020 with a divestment value of IDR550 billion. KKDM is the concession holder for the Bekasi-Cawang-Kampung Melayu or Becakayu toll road. (Bisnis Indonesia)

KAEF : Appointed to Produce Avigan

PT Kimia Farma Tbk (KAEF) was mentioned by the SOE Minister, Erick Tohir, to be able to produce an antiviral drug of the Avigan type. KAEF's success is expected to reduce Indonesia's dependence on imported antiviral products. KAEF believes that it is currently able to produce them. In the future, the products will be distributed according to the government's regulation and needs. (Kontan)

Domestic & Global News

August 2020, Realization of Govt Expenditure Reaches IDR977.3 Trillion

The realization of central government spending until the end of August 2020 reached IDR977.3 trillion. This realization is equal to 49.5% of the 2020 State Budget (APBN) ceiling in the Presidential Decree 72/2020 which amounted to IDR1,683.5 trillion. The central government's budget realization grew 14.0% YoY compared to the same period in 2019 that reached IDR875.5 trillion. (Kontan)

Taiwan Export Orders Grow at Fastest Pace in Over Two-and-a-Half Years

Taiwan's export orders grew at their fastest pace in more than two-and-a-half years in August, surging on strong global demand for its telecommuting products, as the coronavirus pandemic forces millions of people around the world to work from home. The island's export orders, a bellwether of global technology demand, rose 13.6% in August from a year earlier to \$45.5 billion, Ministry of Economic Affairs data showed on Monday, setting a historic high for the month. (Reuters)

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 (%)	Adj. Beta
Finance						(15.5)	2,024.2							
BBCA	27,250	33,425	30,100	Hold	10.5	(9.5)	671.8	24.0x	4.0x	17.0	2.0	6.6	(5.0)	1.1
BBRI	3,130	4,400	3,010	Hold	(3.8)	(25.1)	386.1	13.5x	2.1x	15.2	5.4	(2.1)	(37.2)	1.3
Consumer						(16.7)	1,062.0							
GGRM	41,975	53,000	59,600	Buy	42.0	(20.5)	80.8	7.7x	1.5x	21.0	N/A	1.7	(10.7)	0.9
KINO	2,960	3,430	2,950	Hold	(0.3)	(15.2)	4.2	15.5x	1.6x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	10,250	11,150	9,850	Hold	(3.9)	(13.7)	119.5	20.5x	4.2x	22.7	2.1	4.1	31.2	0.8
KLBF	1,455	1,620	1,870	Buy	28.5	(12.6)	68.2	25.9x	4.2x	17.0	1.4	3.8	10.3	1.0
Infrastructure						(33.4)	572.22							
TLKM	2,780	3,917	3,800	Buy	36.7	(33.7)	275.4	14.8x	2.9x	19.6	5.5	(3.6)	(0.8)	1.0
JSMR	3,130	5,175	4,550	Buy	45.4	(43.6)	22.7	18.1x	1.2x	6.9	0.5	(51.0)	(90.0)	1.4
EXCL	2,030	3,150	3,350	Buy	65.0	(40.1)	21.7	10.0x	1.1x	11.1	1.0	6.7	526.9	1.1
TOWR	1,020	805	1,310	Buy	28.4	58.1	52.0	19.4x	5.6x	31.1	2.3	21.7	30.0	1.0
PGAS	1,020	2,170	1,400	Buy	37.3	(55.3)	24.7	82.6x	0.7x	0.8	4.1	(17.9)	(85.0)	1.6
TBIG	1,315	1,230	1,400	Hold	6.5	11.9	29.8	28.9x	5.0x	21.9	2.1	13.2	33.8	1.0
Trade						(21.3)	558.3							
UNTR	22,825	21,525	19,000	Sell	(16.8)	3.3	85.1	8.7x	1.4x	17.3	5.3	(23.4)	(28.3)	0.9
MAPI	565	1,055	870	Buy	54.0	(44.6)	9.4	356.0x	1.7x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,570	1,795	2,000	Buy	27.4	(22.3)	5.0	16.8x	1.0x	6.3	N/A	(6.3)	5.9	1.5
Property						(30.5)	329.0							
CTRA	660	1,040	810	Buy	22.7	(39.2)	12.2	11.8x	0.8x	7.0	1.2	(10.8)	(43.8)	1.5
WSKT	525	1,485	820	Buy	56.2	(66.9)	7.1	N/A	0.5x	(7.0)	0.7	(45.7)	N/A	1.8
WIKA	1,105	1,990	1,410	Buy	27.6	(43.3)	9.9	6.0x	0.7x	11.3	4.6	(37.2)	(71.9)	1.8
PTPP	830	1,585	1,250	Buy	50.6	(51.9)	5.1	8.8x	0.5x	4.9	4.1	(36.6)	(94.5)	1.8
PWON	358	570	440	Buy	22.9	(47.0)	17.2	9.4x	1.2x	13.2	N/A	(43.7)	(64.7)	1.6
Basic Ind.						(18.8)	565.1							
SMGR	9,025	12,000	11,500	Buy	27.4	(27.8)	53.5	21.3x	1.6x	8.0	0.4	(2.0)	25.6	1.3
Misc Ind.						(27.8)	258.8							
ASII	4,670	6,925	5,350	Hold	14.6	(29.5)	189.1	8.1x	1.2x	15.9	4.6	(22.7)	16.1	1.3
Mining						(19.0)	311.3							
TINS	725	825	750	Hold	3.4	(33.5)	5.4	N/A	1.1x	(21.4)	N/A	(18.5)	N/A	1.5
PTBA	2,000	2,660	2,900	Buy	45.0	(16.7)	23.0	5.8x	1.1x	20.6	16.3	(4.0)	(25.0)	1.1
INCO	3,730	3,640	3,500	Hold	(6.2)	(2.4)	37.1	18.4x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	735	840	850	Buy	15.6	(30.3)	17.7	N/A	1.0x	(0.5)	0.4	(36.0)	(80.2)	1.5
Agriculture						(15.6)	74.1							
AALI	10,375	14,575	14,200	Buy	36.9	(3.9)	20.0	35.7x	1.1x	3.0	0.5	6.5	796.6	1.5
LSIP	960	1,485	1,200	Buy	25.0	(21.3)	6.5	19.5x	0.8x	4.0	1.6	(1.9)	550.0	1.6

* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	EC	21:00	Consumer Confidence	Sep	-13.9	-15	-14.7
22 - Sep	US	21:00	Existing Home Sales	Aug	6.00m	6.00m	5.86m
Wednesday	GE	14:30	Markit Germany Manufacturing PMI	Sep		52	52.2
23 - Sep	EC	15:00	Markit Eurozone Manufacturing PMI	Sep		51.5	51.7
	EC	15:00	Markit Eurozone Composite PMI	Sep		52.4	51.9
	UK	15:30	Markit UK PMI Manufacturing SA	Sep		54.3	55.2
	US	20:45	Markit US Manufacturing PMI	Sep		52.5	53.1
Thursday	GE	15:00	IFO Business Climate	Sep		93.9	92.6
24 - Sep	GE	15:00	IFO Expectations	Sep		98	97.5
	US	19:30	Initial Jobless Claims	Sep		--	860k
	US	21:00	New Home Sales	Aug		880k	901k
Friday	EC	15:00	M3 Money Supply YoY	Aug		10.0%	10.2%
25 - Sep	US	19:30	Durable Goods Orders	Aug		1.0%	11.4%
	US	19:30	Durables Ex Transportation	Aug		1.0%	2.6%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	XBNI
21 - Sep	RUPS	SFAN
Tuesday	RUPS	FORZ
22 - Sep		
Wednesday	RUPS	IPTV
23 - Sep		
Thursday	RUPS	KJEN, CMPP, BRPT
24 - Sep		
Friday	RUPS	INPC, BNGA, TOPS
25 - Sep		

Source: RTI Analytics

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