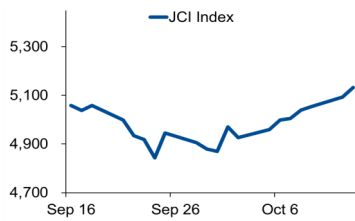


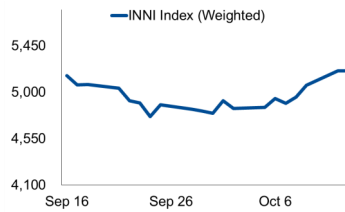
# Morning Brief

Daily | 14 October, 2020

## JCI Movement



## INNI Movement



## JCI Index

Oct. 13	5,132.57
Chg.	+39.47pts (+0.78%)
Volume (bn shares)	135.30
Value (IDR tn)	8.90
<b>Adv 198 Dec 213 Unc 182 Untr 124</b>	

## Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BRIS	989.4	TLKM	263.1
BBRI	662.4	BBNI	213.3
AGRO	438.8	PGAS	212.6
BBCA	281.2	BMRI	196.0
BBKP	279.3	BOGA	173.5

## Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BRIS	989.4	TLKM	263.1
BBRI	662.4	BBNI	213.3
AGRO	438.8	PGAS	212.6
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BBKP	279.3	BOGA	173.5

(IDR bn)			
Foreign Transaction			
		Buy	Sell
Net Buy (Sell)		1,679	1,734
			55
Top Buy	NB Val.	Top Sell	NS Val.
BRIS	32.1	BMRI	58.3
TOWR	31.7	TLKM	28.1
BULL	25.4	BSDE	27.1
MDKA	24.5	INKP	26.5
BRPT	20.2	ASII	25.3

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.88%	-0.02%
USDIDR	14,725	0.17%
KRWIDR	12.82	0.04%

## Global Indices

Index	Last	Chg.	%
Dow Jones	28,679.81	(157.71)	-0.55%
S&P 500	3,511.93	(22.29)	-0.63%
FTSE 100	5,969.71	(31.67)	-0.53%
DAX	13,018.99	(119.42)	-0.91%
Nikkei	23,601.78	43.09	0.18%
Hang Seng	24,649.68	530.55	2.20%
Shanghai	3,359.75	1.29	0.04%
KOSPI	2,403.15	(0.58)	-0.02%
EIDO	18.35	(0.02)	-0.11%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,891.4	(31.4)	-1.63%
Crude Oil (USD/B)	40.20	0.77	1.95%
ICE NewCastle (USD/ton)	53.65	(0.95)	-1.74%
LME Nickel (USD/MT)	15,221	559.0	3.81%
LME Tin (USD/MT)	18,270	133.0	0.73%
CPO (MYR/ton)	3,003	9.0	0.30%

## Today's Outlook:

### Development of Job Creation Law

The rally in the US stock market was stalled after the three major markets simultaneously declined at the close of trading (13/10/2020). Investors are starting to anticipate that the new stimulus agreement will be difficult to realize before the Presidential Election. In addition, the market is also getting less favorable from the temporary suspension of testing of the Covid-19 drug from Eli Lilly, as well as the vaccine from Johnson & Johnson.

The JCI movement today will still be influenced by developments around the Job Creation Law which is still rather controversial with the opposition. But the market also have good news from the daily Covid-19 cases in Indonesia which fell below 4,000 cases over the past 2 days. Technically, the JCI position is in the upper Bollinger Band with limited room for an increase.

### Company News

- BBRI : Establishes Collaboration with Modal Rakyat
- ANTM : Involved in the Electric Car Battery Project
- INCO : Increases Production Target in 2020
- TPIA : Preparing to Issue Bonds Worth IDR600 Billion

### Domestic & Global News

- BI Performs Quantitative Easing of IDR667.6 Trillion
- U.S. Consumer Prices Slow in September

### Sectors

	Last	Chg.	%
Finance	1146,00	20,37	1,81%
Miscellaneous Industry	866,23	7,11	0,83%
Basic Industries	750,85	4,20	0,56%
Mining	1379,00	4,07	0,30%
Consumer Goods	1875,16	3,00	0,16%
Infrastructure, Utilities, Transportation	827,18	0,54	0,07%
Agriculture	1187,93	-0,41	-0,03%
Property, Real Estate, and Construction	326,09	-0,12	-0,04%
Trade, Services, and Investment	632,89	-1,18	-0,19%

### 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)	135.15	137.00	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	1.42%	1.32%	Cons. Confidence*	83.40	86.20

### **BBRI : Establishes Collaboration with Modal Rakyat**

PT Bank Rakyat Indonesia Tbk (BBRI) has officially collaborated with a fintech, Modal Rakyat, which was announced on Oct. 13, 2020. The collaboration includes a financing program worth IDR30 billion for MSMEs in Indonesia. The reason BBRI chose Modal Rakyat was because the fintech application was already widely used by the public and was included in the top five category of Indonesian fintech companies. (Bisnis Indonesia)

### **INCO : Increases Production Target in 2020**

PT Vale Indonesia Tbk (INCO) is optimistic that it can reach 73,000 tons of nickel production in 2020, higher than the initial target of 71,000. INCO believes that this performance can be achieved because nickel sales are currently being maintained plus the postponement of the stove reconstruction project this year. In the long term, INCO will still focus on continuing strategic projects located in Pomalaa and Bahodopi. (Kontan)

### **ANTM : Involved in the Electric Car Battery Project**

PT Aneka Tambang Tbk (ANTM) was appointed by MIND ID to participate in the Indonesia Battery Holding (IBH) project which consists of Pertamina and PLN. The investment value of the IBH project as a form of battery development from nickel mining to battery boxes is estimated at USD12 billion. Later ANTM will play a role in the upstream, then Pertamina as an intermediate, and PLN plays a role in the downstream. (Bisnis Indonesia)

### **TPIA : Preparing to Issue Bonds Worth IDR600 Billion**

PT Chandra Asri Petrochemical Tbk (TPIA) will issue bonds worth IDR600 billion, the Obligasi Berkelanjutan III Chandra Asri Petrochemical Step II Year 2020. The bonds have a term of three years with a fixed interest rate of 8.20% per year with an issuance date of 4 November 2020. The offering period runs on 26-27 October 2020 and the funds raised will be used by TPIA for additional working capital. (Kontan)

## Domestic & Global News

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### **BI Performs Quantitative Easing of IDR667.6 Trillion**

Bank Indonesia (BI) has carried out quantitative easing (QE) in banks amounting to IDR667.6 trillion up until October 9, 2020. QE carried out by the central bank originated from a decrease in the statutory reserves (GWM), which provided liquidity of around IDR155 trillion and monetary expansion that provide liquidity of IDR496.8 trillion. (Kontan)

### **U.S. Consumer Prices Slow in September**

U.S. consumer prices rose for a fourth straight month in September though the pace has slowed amid considerable slack in the economy as it gradually recovers from the COVID-19 recession. The Labor Department said on Tuesday its consumer price index increased 0.2% last month after gaining 0.4% in August. The CPI advanced 0.6% in both June and July after falling in the prior three months as business closures to slow the spread of the coronavirus weighed on demand. (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
<b>Finance</b>						(7.1)	2,185.1							
BBCA	29,275	33,425	34,000	Buy	16.1	(5.6)	721.8	25.8x	4.3x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,280	4,400	4,000	Buy	22.0	(16.3)	404.6	14.2x	2.2x	15.2	5.1	(2.1)	(37.2)	1.3
BBNI	4,760	7,850	6,000	Buy	26.1	(31.3)	88.8	7.3x	0.8x	10.9	4.3	(1.5)	(41.6)	1.4
BMRI	5,675	7,675	7,000	Buy	23.3	(14.0)	264.8	10.9x	1.5x	13.3	6.2	4.1	(23.9)	1.4
<b>Consumer</b>						(13.4)	1,078.6							
GGRM	44,425	53,000	59,600	Buy	34.2	(17.5)	85.5	8.2x	1.6x	21.0	N/A	1.7	(10.7)	1.0
KINO	3,040	3,430	2,950	Hold	(3.0)	(22.1)	4.3	15.9x	1.7x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	9,925	11,150	12,150	Buy	22.4	(14.4)	115.7	19.8x	4.0x	22.7	2.2	4.1	31.2	0.8
KLBF	1,585	1,620	1,870	Buy	18.0	(5.1)	74.3	28.2x	4.5x	17.0	1.3	3.8	10.3	1.0
<b>Infrastructure</b>						(31.6)	582.12							
TLKM	2,730	3,917	3,800	Buy	39.2	(34.0)	270.4	14.6x	2.8x	19.6	5.6	(3.6)	(0.8)	1.0
JSMR	3,830	5,175	4,550	Buy	18.8	(31.9)	27.8	22.2x	1.5x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,190	3,150	3,350	Buy	53.0	(37.2)	23.4	10.8x	1.1x	11.1	0.9	6.7	526.9	1.1
TOWR	1,030	805	1,310	Buy	27.2	57.3	52.5	19.6x	5.6x	31.1	2.3	21.7	30.0	0.9
PGAS	1,035	2,170	1,400	Buy	35.3	(52.5)	25.1	83.9x	0.7x	0.8	4.0	(17.9)	(85.0)	1.6
TBIG	1,350	1,230	1,400	Hold	3.7	(1.1)	30.6	29.7x	5.2x	21.9	2.1	13.2	33.8	1.0
<b>Trade</b>						(20.8)	564.1							
UNTR	22,500	21,525	19,000	Sell	(15.6)	9.1	83.9	8.6x	1.4x	17.3	4.3	(23.4)	(28.3)	0.9
MAPI	650	1,055	870	Buy	33.8	(38.1)	10.8	409.5x	2.0x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,650	1,795	2,000	Buy	21.2	-	5.3	17.6x	1.1x	6.3	N/A	(6.3)	5.9	1.5
<b>Property</b>						(34.8)	313.5							
CTRA	765	1,040	780	Hold	2.0	(33.5)	14.2	13.6x	1.0x	7.0	1.0	(10.8)	(43.8)	1.4
WSKT	705	1,485	820	Buy	16.3	(54.4)	9.6	N/A	0.6x	(7.0)	0.5	(45.7)	N/A	1.8
WIKA	1,245	1,990	1,410	Hold	13.3	(34.6)	11.2	6.8x	0.8x	11.3	4.1	(37.2)	(71.9)	1.8
PTPP	930	1,585	1,250	Buy	34.4	(42.9)	5.8	9.9x	0.5x	4.9	3.6	(36.6)	(94.5)	1.8
PWON	400	570	440	Hold	10.0	(37.0)	19.3	10.5x	1.4x	13.2	N/A	(43.7)	(64.7)	1.6
<b>Basic Ind.</b>						(13.1)	603.6							
SMGR	9,350	12,000	11,500	Buy	23.0	(22.7)	55.5	22.0x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	5,950	6,500	6,660	Hold	11.9	8.2	97.6	27.5x	4.3x	17.0	1.4	(6.7)	(3.8)	1.5
<b>Misc Ind.</b>						(24.5)	264.0							
ASII	4,740	6,925	5,575	Buy	17.6	(26.2)	191.9	8.2x	1.3x	15.9	3.9	(22.7)	16.1	1.3
<b>Mining</b>						(14.4)	320.3							
TINS	735	825	1,200	Buy	63.3	(18.8)	5.5	N/A	1.1x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	2,030	2,660	2,900	Buy	42.9	(9.8)	23.4	6.8x	1.4x	21.0	16.1	(15.1)	(38.5)	1.1
INCO	3,830	3,640	4,500	Buy	17.5	-	38.1	18.9x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	765	840	1,100	Buy	43.8	(23.5)	18.4	N/A	1.0x	(0.5)	0.4	(36.0)	(80.2)	1.6
ITMG	8,200	11,475	12,000	Buy	46.3	(37.6)	9.3	6.9x	0.7x	10.1	15.5	(26.9)	(50.0)	1.2
ADRO	1,150	1,555	1,700	Buy	47.8	(11.2)	36.8	9.5x	0.7x	7.0	9.5	(23.2)	(47.7)	1.4
MEDC	352	732	931	Buy	164.5	(37.5)	8.8	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
<b>Agriculture</b>						(11.9)	76.1							
AALI	11,125	14,575	14,200	Buy	27.6	4.5	21.4	38.3x	1.1x	3.0	0.8	6.5	796.6	1.5
LSIP	950	1,485	1,200	Buy	26.3	(23.1)	6.5	19.3x	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
<b>Tuesday</b>	UK	13:00	Jobless Claims Change	Sep	28.1k	--	73.7k
<i>13 - Oct</i>	GE	13:00	CPI MoM	Sep	-0.2%	-0.2%	-0.2%
	GE	13:00	CPI YoY	Sep	-0.2%	-0.2%	-0.2%
	ID	14:20	Bank Indonesia 7D Reverse Repo	Oct	4.00%	4.00%	4.00%
	GE	16:00	ZEW Survey Current Situation	Oct	-59.5	-63	-66.2
	US	19:30	CPI MoM	Sep	0.2%	0.2%	0.4%
<b>Wednesday</b>	US	18:00	MBA Mortgage Applications	Oct		--	4.6%
<i>14 - Oct</i>	US	19:30	PPI Final Demand MoM	Sep		0.1%	0.3%
<b>Thursday</b>	ID	11:00	Trade Balance	Sep		\$2060m	\$2330m
<i>15 - Oct</i>	US	19:30	Initial Jobless Claims	Oct		--	840k
	US	19:30	Empire Manufacturing	Oct		12	17
<b>Friday</b>	EC	16:00	CPI MoM	Sep		0.1%	0.1%
<i>16 - Oct</i>	EC	16:00	CPI YoY	Sep		-0.3%	-0.3%
	US	19:30	Retail Sales Advance MoM	Sep		0.7%	0.6%
	US	20:15	Industrial Production MoM	Sep		0.6%	0.4%
	US	21:00	U. of Mich. Sentiment	Oct		80	80.4

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday</b>	RUPS	TRIL
<i>12 - Oct</i>	Cum Dividend	ASGR, XISB
<b>Tuesday</b>	RUPS	IPCM
<i>13 - Oct</i>		
<b>Wednesday</b>	RUPS	BKSL
<i>14 - Oct</i>		
<b>Thursday</b>	RUPS	MPPA, BULL
<i>15 - Oct</i>		
<b>Friday</b>	Right Issue	DNAR
<i>16 - Oct</i>		

Source: NHKSI Research

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