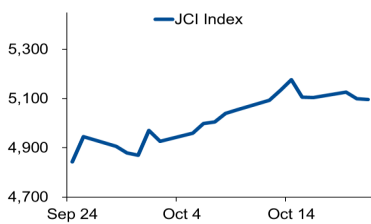
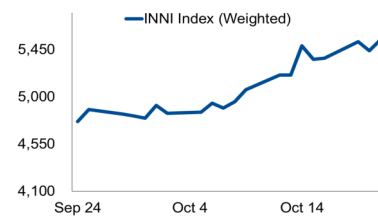


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

JCI Tend to Move Sideways Without New Sentiment

The three major US markets closed slightly lower in trading (21/10/2020), amid uncertainty over when the stimulus aid agreement will be reached. Meanwhile, the majority of companies that announced their third quarter 2020 performance beat analyst estimates.

Meanwhile, the JCI movement will still seek new directions with some market players still tending to wait and see while waiting for new sentiments. Technically, JCI is expected to move sideways within the range 5057-5132

Company News

- WIKA : Company Ranked A-
- BRPT : Potentially Receiving Additional Cash
- BBKP : Fitch Raises Corporate Ratings

Domestic & Global News

- PEN Budget Disbursement Reaches IDR344.43 Trillion
- China's Fiscal Revenues Rise 4.7% in Third-Quarter

Sectors

	Last	Chg.	%
Finance	1123,95	-7,83	-0,69%
Property, Real Estate, and Construction	313,04	-2,12	-0,67%
Consumer Goods	1822,69	-3,49	-0,19%
Agriculture	1163,99	1,57	0,14%
Infrastructure, Utilities, Transportation	820,85	1,85	0,23%
Trade, Services, and Investment	639,72	3,93	0,62%
Basic Industries	759,89	4,90	0,65%
Mining	1444,95	11,08	0,77%
Miscellaneous Industry	930,86	11,45	1,25%

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)	2.44	2.33	Govt. Spending Yoy	-6.90%	3.75%
Exports Yoy	-0.51%	-8.36%	FDI (USD bn)	4.07	4.60
Imports Yoy	-18.88%	-24.19%	Business Confidence	104.82	105.33
Inflation Yoy	1.42%	1.32%	Cons. Confidence*	83.40	86.20

JCI Index

Oct. 21	5,096.44
Chg.	-3.39pts (-0.07%)
Volume (bn shares)	125.15
Value (IDR tn)	9.57
Adv 183 Dec 218 Unc 316 Untr 133	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
ANTM	1,505.3	BMRI	316.8
BRIS	810.5	ASII	274.0
BBCA	449.9	INKP	256.2
TLKM	381.5	BBNI	214.7
BBRI	378.5	WSKT	167.6

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
Buy	2,121		
Sell	2,240		
Net Buy (Sell)			118
Top Buy	NB Val.	Top Sell	NS Val.
ASII	121.6	BBCA	140.9
BBRI	60.6	TLKM	87.4
INTP	39.2	BMRI	61.7
BBNI	37.7	ICBP	41.8
MDKA	20.3	ADRO	14.8

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.61%	-0.04%
USDIDR	14,633	-0.17%
KRWIDR	12.93	0.43%

Global Indices

Index	Last	Chg.	%
Dow Jones	28,210.82	(97.97)	-0.35%
S&P 500	3,435.56	(7.56)	-0.22%
FTSE 100	5,776.50	(112.72)	-1.91%
DAX	12,557.64	(179.31)	-1.41%
Nikkei	23,639.46	72.42	0.31%
Hang Seng	24,754.42	184.88	0.75%
Shanghai	3,325.03	(3.08)	-0.09%
KOSPI	2,370.86	12.45	0.53%
EIDO	18.85	0.40	2.17%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,924.3	17.4	0.91%
Crude Oil (USD/B)	40.03	(1.67)	-4.00%
ICE NewCastle (USD/ton)	58.70	(0.45)	-0.76%
LME Nickel (USD/MT)	15,886	(137.0)	-0.86%
LME Tin (USD/MT)	18,745	75.0	0.40%
CPO (MYR/ton)	2,888	30.0	1.05%

WIKA : Company Ranked A-

PT Wijaya Karya Tbk (WIKA) received a national long-term rating downgrade to A- (idn) from the previous A (idn) given by Fitch Ratings Indonesia. This is provided by Fitch considering the strengths and incentives for the government to provide support. WIKA's default has affected funding for other SOEs due to large debts and exposure to global and domestic investors. (Kontan)

BBKP : Fitch Raises Corporate Ratings

PT Bank Bukopin Tbk (BBKP) received a rating upgrade to IdAAA given by Fitch Ratings Indonesia. The rating upgrade takes into account the completion of the process of increasing capital from Kookmin Bank as the current major shareholder of BBKP. In addition, the BBKP management also said that public trust had increased after Kookmin Bank was present. (Bisnis Indonesia)

BRPT : Potentially Receiving Additional Cash

PT Barito Pacific Tbk (BRPT) has the potential to receive additional cash of USD52 million from the dividend distribution of Star Energy Geothermal-Salak Drajat. The additional cash will increase the interest coverage ratio of BRPT in 2020 to 1.9x and in 2021 to 0.8x. While the date of dividend payments have not been disclosed, it was recorded that up to June 2020 that BRPT had internal cash of around USD70 million. (Kontan)

Domestic & Global News

PEN Budget Disbursement Reaches IDR344.43 Trillion

As of October 19, 2020, the realization of the National Economic Recovery (PEN) program budget disbursement has reached IDR 344.43 trillion from the total budget of IDR 695.2 trillion. In detail, the distribution of the budget for the health program was IDR27.82 trillion or 31.78% of the ceiling of IDR87.55 trillion, for business incentives disbursed IDR29.68 trillion or 24.61% of the ceiling of IDR120.61 trillion. (Kontan)

China's Fiscal Revenues Rise 4.7% in Third-Quarter

China's fiscal revenues grew 4.7% in the third quarter from a year earlier, reversing a 7.4% drop in the previous quarter, the finance ministry said on Wednesday, as the country's economic recovery picked up pace. China's economy in the July to September quarter expanded by 4.9% from a year earlier, weaker than analyst expectations but faster than the second quarter's 3.2% growth. (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						(11.5)	2,140.2							
BBCA	28,900	33,425	34,000	Buy	17.6	(8.3)	712.5	25.5x	4.2x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,240	4,400	4,000	Buy	23.5	(21.7)	399.6	14.0x	2.1x	15.2	5.2	(2.1)	(37.2)	1.3
BBNI	4,880	7,850	6,000	Buy	23.0	(33.4)	91.0	7.5x	0.8x	10.9	4.2	(1.5)	(41.6)	1.5
BMRI	5,525	7,675	7,000	Buy	26.7	(19.0)	257.8	10.6x	1.4x	13.3	6.4	4.1	(23.9)	1.4
Consumer						(13.3)	1,048.4							
GGRM	40,925	53,000	59,600	Buy	45.6	(20.5)	78.7	7.6x	1.4x	21.0	N/A	1.7	(10.7)	1.0
KINO	2,980	3,430	2,950	Hold	(1.0)	(23.2)	4.3	15.6x	1.6x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	9,700	11,150	12,150	Buy	25.3	(15.1)	113.1	19.4x	3.9x	22.7	2.2	4.1	31.2	0.8
KLBF	1,565	1,620	1,870	Buy	19.5	(4.0)	73.4	27.8x	4.5x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(32.4)	577.67							
TLKM	2,680	3,917	3,800	Buy	41.8	(35.8)	265.5	14.3x	2.8x	19.6	5.7	(3.6)	(0.8)	1.0
JSMR	3,680	5,175	4,550	Buy	23.6	(34.9)	26.7	21.3x	1.4x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,050	3,150	3,350	Buy	63.4	(41.8)	21.9	10.1x	1.1x	11.1	1.0	6.7	526.9	1.1
TOWR	1,000	805	1,310	Buy	31.0	51.5	51.0	19.0x	5.4x	31.1	2.4	21.7	30.0	0.9
PGAS	1,060	2,170	1,400	Buy	32.1	(52.7)	25.7	86.8x	0.7x	0.8	3.9	(17.9)	(85.0)	1.6
TBIG	1,450	1,230	1,400	Hold	(3.4)	13.7	32.9	31.9x	5.5x	21.9	1.9	13.2	33.8	1.0
Trade						(21.0)	570.2							
UNTR	22,275	21,525	19,000	Hold	(14.7)	3.6	83.1	8.5x	1.4x	17.3	4.4	(23.4)	(28.3)	0.9
MAPI	645	1,055	870	Buy	34.9	(43.9)	10.7	406.4x	2.0x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,680	1,795	2,000	Buy	19.0	(7.4)	5.4	17.9x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(38.6)	301.0							
CTRA	795	1,040	780	Hold	(1.9)	(32.6)	14.8	14.2x	1.0x	7.0	1.0	(10.8)	(43.8)	1.4
WSKT	770	1,485	820	Hold	6.5	(52.8)	10.5	N/A	0.7x	(7.0)	0.4	(45.7)	N/A	1.9
WIKA	1,225	1,990	1,410	Buy	15.1	(38.8)	11.0	6.7x	0.8x	11.3	4.2	(37.2)	(71.9)	1.8
PTPP	935	1,585	1,250	Buy	33.7	(46.1)	5.8	10.0x	0.5x	4.9	3.6	(36.6)	(94.5)	1.8
PWON	400	570	440	Hold	10.0	(34.4)	19.3	10.5x	1.4x	13.2	N/A	(43.7)	(64.7)	1.6
Basic Ind.						(17.9)	610.9							
SMGR	9,500	12,000	11,500	Buy	21.1	(24.5)	56.3	22.4x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	5,975	6,500	6,660	Hold	11.5	(8.4)	98.0	27.6x	4.3x	17.0	1.4	(6.7)	(3.8)	1.5
Misc Ind.						(22.6)	283.7							
ASII	5,250	6,925	5,575	Hold	6.2	(22.2)	212.5	9.1x	1.4x	15.9	3.5	(22.7)	16.1	1.3
Mining						(9.1)	335.6							
TINS	865	825	1,200	Buy	38.7	(4.4)	6.4	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	2,000	2,660	2,900	Buy	45.0	(15.3)	23.0	6.7x	1.4x	21.0	16.3	(15.1)	(38.5)	1.1
INCO	4,280	3,640	4,500	Hold	5.1	25.9	42.5	21.3x	1.5x	7.1	N/A	23.3	N/A	1.6
ANTM	1,100	840	1,100	Hold	-	18.3	26.4	N/A	1.5x	(0.5)	0.3	(36.0)	(80.2)	1.6
ITMG	8,225	11,475	12,000	Buy	45.9	(35.2)	9.3	7.0x	0.7x	10.1	15.5	(26.9)	(50.0)	1.2
ADRO	1,200	1,555	1,700	Buy	41.7	(12.1)	38.4	10.0x	0.7x	7.0	9.1	(23.2)	(47.7)	1.4
MEDC	374	732	931	Buy	148.9	(32.0)	9.4	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(12.7)	74.6							
AALI	10,750	14,575	14,200	Buy	32.1	3.4	20.7	37.0x	1.1x	3.0	0.8	6.5	796.6	1.5
LSIP	945	1,485	1,200	Buy	27.0	(21.9)	6.4	19.2x	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
Monday	CH	09:00	GDP YoY	3Q20	4.9%	5.5%	3.2%
<i>19 - Oct</i>	CH	09:00	Industrial Production YoY	Sep	6.9%	5.8%	5.6%
	CH	09:00	Retail Sales YoY	Sep	3.3%	1.7%	0.5%
Tuesday	US	19:30	Housing Starts	Sep	1415k	1452k	1416k
<i>20 - Oct</i>							
Wednesday	UK	13:00	CPI MoM	Sep	0.4%	0.5%	-0.4%
<i>21 - Oct</i>	UK	13:00	CPI YoY	Sep	0.5%	0.6%	0.2%
	UK	13:00	CPI Core YoY	Sep	1.3%	1.3%	0.9%
	UK	13:00	PPI Output NSA MoM	Sep	-0.1%	0.0%	0.0%
	UK	13:00	PPI Output NSA YoY	Sep	-0.9%	-0.9%	-0.9%
	US	18:00	MBA Mortgage Applications	Oct	-0.6%	--	-0.7%
Thursday	US	19:30	Initial Jobless Claims	Oct		865k	898k
<i>22 - Oct</i>							
Friday	GE	14:30	Markit Germany Manufacturing PMI	Oct		54	56.4
<i>23 - Oct</i>	EC	15:00	Markit Eurozone Manufacturing PMI	Oct		53.0	53.7
	UK	15:30	Markit UK PMI Manufacturing SA	Oct		53.1	54.1
	US	20:45	Markit US Manufacturing PMI	Oct		53.4	53.2

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	RUPS	BRAM
<i>19 - Oct</i>		
Tuesday	RUPS	DVLA, MBAP
<i>20 - Oct</i>		
Wednesday	RUPS	PALM, BSSR, BMRI
<i>21 - Oct</i>		
Thursday	Right Issue	DNAR
<i>22 - Oct</i>	RUPS	GREN
Friday	RUPS	CLEO, DIGI
<i>23 - Oct</i>		

Source: NHKSI Research

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