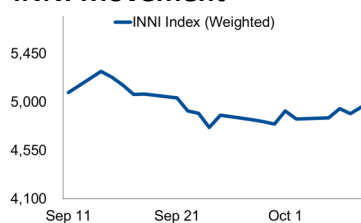


# Morning Brief

## JCI Movement



## INNI Movement



## Today's Outlook:

### New Daily Covid-19 Cases Record

Major markets in the US still continued rally on trading (08/10/2020). One of the triggers is the rising crude oil price, as well as hopes for airline industry stimulus package. Meanwhile new number of jobless claims is higher than the consensus.

In the domestic market, JCI movement today is impacted by negative sentiments from the demonstration on Job Creation Law that ended in a riot. Meanwhile, new Covid-19 daily cases also booked new record yesterday at 4,850. Technically, JCI can still slightly rise with the MACD indicator in the positive and foreign transactions moving to net buy.

## Company News

- MAIN : Continues New Factory Construction
- GIAA : Obtains a LPEI Loan of IDR 1 Trillion
- PPRE : Entering the Mining Sector

## Domestic & Global News

- Retail Sales Shows Improvement Trend in August 2020
- German Exports Rise in August for Fourth Month in a Row

## Sectors

	Last	Chg.	%
Miscellaneous Industry	862.20	15.07	1.78%
Consumer Goods	1,874.74	18.56	1.00%
Infrastructure, Utilities, Transportation	820.05	7.42	0.91%
Agriculture	1,160.00	8.82	0.77%
Finance	1,097.04	7.61	0.70%
Basic Industries	747.10	5.14	0.69%
Mining	1,345.49	7.29	0.54%
Trade, Services, and Investment	632.58	3.03	0.48%
Property, Real Estate, and Construction	329.42	3.65	-1.10%

## 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

## JCI Index

Oct. 08	5,039.14
Chg.	+34.81pts (+0.70%)
Volume (bn shares)	94.19
Value (IDR tn)	6.37
Adv 257 Dec 179 Unc 281 Untr 116	

## Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	445.7	ASII	155.4
TLKM	415.5	BOGA	147.1
BBRI	388.8	MDKA	136.9
BMRI	242.9	BRIS	117.9
PGAS	211.2	BBNI	98.5

## Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	96.9	BMRI	90.7
MDKA	40.6	TLKM	43.5
ASII	30.8	TBIG	32.6
BULL	17.6	PGAS	24.6
UNVR	13.5	ADRO	23.4

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.91%	0.00%
USDIDR	14,710	0.00%
KRWIDR	12.76	0.39%

## Global Indices

Index	Last	Chg.	%
Dow Jones	28,425.51	122.05	0.43%
S&P 500	3,446.83	27.38	0.80%
FTSE 100	5,978.03	31.78	0.53%
DAX	13,042.21	113.64	0.88%
Nikkei	23,647.07	224.25	0.96%
Hang Seng	24,193.35	(49.51)	-0.20%
Shanghai	3,218.05	(6.31)	-0.20%
KOSPI	2,391.96	5.02	0.21%
EIDO	18.21	0.15	0.83%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,893.8	6.4	0.34%
Crude Oil (USD/B)	41.19	1.24	3.10%
ICE NewCastle (USD/ton)	62.05	(1.25)	-1.97%
LME Nickel (USD/MT)	14,662	58.0	0.40%
LME Tin (USD/MT)	18,137	27.0	0.15%
CPO (MYR/ton)	2,888	18.0	0.63%

### **MAIN : Continues New Factory Construction**

PT Malindo Feedmill Tbk (MAIN) will continue its expansion by constructing a new factory in Lampung after being delayed since 2014. The issue of land for the construction of a factory with an investment value of IDR1.1 trillion has been facilitated by the Investment Security Task Force. MAIN targets the new factory to start operating next year with an increase in animal feed production capacity to 1.8 million tons/year. (Kontan)

### **PPRE : Entering the Mining Sector**

PT PP Presisi Tbk (PPRE) plans to develop a new business in the mining sector which has been submitted through the EGMS on October 8, 2020. PPRE hopes that the mining business can become a recurring income for the company and complements the construction sector. The EGMS changed the company's articles of association and also changed several members of the company's directors and commissioners. (Investor Daily)

### **GIAA : Obtains a LPEI Loan of IDR 1 Trillion**

PT Garuda Indonesia Tbk (GIAA) obtained a working capital loan of IDR 1 trillion from the Indonesian Export Financing Agency (LPEI) with a tenor of 1 year. The funds will be used for the company's export service activities in order to increase national economic growth. The funds will be disbursed in the fourth quarter of 2020 and has been agreed by the DPR Commission IV. (Bisnis Indonesia)

## Domestic & Global News

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### **Retail Sales Shows Improvement Trend in August 2020**

Retail sales in August 2020 showed an improvement trend even though it is still in a contractionary phase. Based on the results of a Bank Indonesia (BI) retail sales survey, the Real Sales Index (IPR) in August 2020 was recorded at 196.6 or an annual contraction of 9.2% (yoy). This is actually already better than the contraction in July 2020 which reached 12.3% yoy. (Kontan)

### **German Exports Rise in August for Fourth Month in a Row**

German exports rose for the fourth month running and by more than expected in August, boosting hopes for a robust third quarter in Europe's largest economy after the coronavirus shock. Seasonally adjusted exports rose 2.4% on the month after a 4.7% rise in July, the Federal Statistics Office said. Imports rose by 5.8% after a rise of 1.1% the previous month. The trade surplus narrowed to 15.7 billion euros, the Office said. (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>						(10.2)	2,091.7							
BBCA	28,900	33,425	34,000	Buy	17.6	(4.8)	712.5	25.5x	4.2x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,150	4,400	4,000	Buy	27.0	(20.5)	388.5	13.6x	2.1x	15.2	5.3	(2.1)	(37.2)	1.3
BBNI	4,670	7,850	6,000	Buy	28.5	(30.8)	87.1	7.1x	0.8x	10.9	4.4	(1.5)	(41.6)	1.5
BMRI	5,450	7,675	7,000	Buy	28.4	(15.2)	254.3	10.5x	1.4x	13.3	6.5	4.1	(23.9)	1.4
<b>Consumer</b>						(11.9)	1,078.4							
GGRM	43,875	53,000	59,600	Buy	35.8	(11.3)	84.4	8.1x	1.5x	21.0	N/A	1.7	(10.7)	0.9
KINO	2,980	3,430	2,950	Hold	(1.0)	(29.0)	4.3	15.6x	1.6x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	10,075	11,150	12,150	Buy	20.6	(16.0)	117.5	20.1x	4.1x	22.7	2.1	4.1	31.2	0.8
KLBF	1,600	1,620	1,870	Buy	16.9	(3.0)	75.0	28.4x	4.6x	17.0	1.3	3.8	10.3	1.0
<b>Infrastructure</b>						(31.3)	577.10							
TLKM	2,700	3,917	3,800	Buy	40.7	(33.6)	267.5	14.4x	2.8x	19.6	5.7	(3.6)	(0.8)	1.0
JSMR	3,830	5,175	4,550	Buy	18.8	(30.4)	27.8	22.2x	1.5x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,200	3,150	3,350	Buy	52.3	(36.0)	23.6	10.8x	1.1x	11.1	0.9	6.7	526.9	1.1
TOWR	1,025	805	1,310	Buy	27.8	61.4	52.3	19.5x	5.6x	31.1	2.3	21.7	30.0	1.0
PGAS	980	2,170	1,400	Buy	42.9	(51.2)	23.8	79.7x	0.6x	0.8	4.2	(17.9)	(85.0)	1.6
TBIG	1,335	1,230	1,400	Hold	4.9	4.3	30.2	29.4x	5.1x	21.9	2.1	13.2	33.8	1.0
<b>Trade</b>						(20.3)	563.7							
UNTR	22,600	21,525	19,000	Sell	(15.9)	12.7	84.3	8.6x	1.4x	17.3	4.3	(23.4)	(28.3)	0.9
MAPI	590	1,055	870	Buy	47.5	(40.7)	9.8	371.7x	1.8x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,595	1,795	2,000	Buy	25.4	3.9	5.1	17.0x	1.0x	6.3	N/A	(6.3)	5.9	1.5
<b>Property</b>						(32.8)	316.7							
CTRA	685	1,040	780	Hold	13.9	(37.7)	12.7	12.2x	0.9x	7.0	1.2	(10.8)	(43.8)	1.5
WSKT	545	1,485	820	Buy	50.5	(63.8)	7.4	N/A	0.5x	(7.0)	0.6	(45.7)	N/A	1.8
WIKA	1,160	1,990	1,410	Buy	21.6	(36.1)	10.4	6.3x	0.8x	11.3	4.4	(37.2)	(71.9)	1.8
PTPP	865	1,585	1,250	Buy	44.5	(45.8)	5.4	9.2x	0.5x	4.9	3.9	(36.6)	(94.5)	1.8
PWON	370	570	440	Buy	18.9	(38.3)	17.8	9.7x	1.3x	13.2	N/A	(43.7)	(64.7)	1.6
<b>Basic Ind.</b>						(9.3)	600.6							
SMGR	9,650	12,000	11,500	Buy	19.2	(15.0)	57.2	22.7x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	6,000	6,500	6,660	Hold	11.0	18.2	98.4	27.7x	4.3x	17.0	1.4	(6.7)	(3.8)	1.5
<b>Misc Ind.</b>						(23.1)	262.8							
ASII	4,750	6,925	5,575	Buy	17.4	(24.3)	192.3	8.3x	1.3x	15.9	3.9	(22.7)	16.1	1.3
<b>Mining</b>						(15.5)	312.5							
TINS	710	825	1,200	Buy	69.0	(18.9)	5.3	N/A	1.1x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	1,990	2,660	2,900	Buy	45.7	(11.2)	22.9	6.6x	1.4x	21.0	16.4	(15.1)	(38.5)	1.1
INCO	3,500	3,640	4,500	Buy	28.6	(2.5)	34.8	17.3x	1.2x	7.1	N/A	23.3	N/A	1.6
ANTM	720	840	1,100	Buy	52.8	(27.3)	17.3	N/A	1.0x	(0.5)	0.4	(36.0)	(80.2)	1.5
ITMG	8,125	11,475	12,000	Buy	47.7	(35.8)	9.2	6.8x	0.7x	10.1	15.7	(26.9)	(50.0)	1.2
ADRO	1,130	1,555	1,700	Buy	50.4	(11.0)	36.1	9.4x	0.7x	7.0	9.7	(23.2)	(47.7)	1.4
MEDC	346	732	931	Buy	169.1	(35.1)	8.7	N/A	0.4x	(12.8)	N/A	(7.6)	N/A	1.6
<b>Agriculture</b>						(15.7)	74.3							
AALI	10,675	14,575	14,200	Buy	33.0	(2.3)	20.5	36.7x	1.1x	3.0	0.9	6.5	796.6	1.5
LSIP	920	1,485	1,200	Buy	30.4	(24.0)	6.3	18.7x	0.7x	4.0	1.6	(1.9)	550.0	1.7

\* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	EC	15:00	Markit Eurozone Composite PMI	sep	50.4	50.1	50.1
<i>05 - Oct</i>	US	21:00	ISM Services Index	Sep	57.8	56.3	56.9
<b>Tuesday</b>	ID	-	Consumer Confidence Index	Sep	83.4	--	86.9
<i>06 - Oct</i>	GE	13:00	Factory Orders MoM	Aug	4.5%	2.8%	2.8%
	UK	15:30	Markit/CIPS UK Construction PMI	Sep	56.8	54.0	54.6
	US	19:30	Trade Balance	Aug	-\$67.1b	-\$66.1b	-\$63.6b
<b>Wednesday</b>	ID	10:00	Foreign Reserves	Sep	\$135.15b	--	\$137.00b
<i>07 - Oct</i>	GE	13:00	Industrial Production SA MoM	Aug	-0.2%	1.0%	1.2%
	US	18:00	MBA Mortgage Applications	Oct	4.6%	--	-4.8%
<b>Thursday</b>	US	19:30	Initial Jobless Claims	Oct	840k	820k	837k
<i>08 - Oct</i>							
<b>Friday</b>	UK	13:00	Industrial Production MoM	Aug		--	5.2%
<i>09 - Oct</i>	UK	13:00	Manufacturing Production MoM	Aug		--	6.3%
	US	21:00	Wholesale Inventories MoM	Aug		--	0.5%

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday</b>	Right Issue	PNBS
<i>05 - Oct</i>	RUPS	ARTO
<b>Tuesday</b>	Cum Dividend	ASII, UNTR
<i>06 - Oct</i>		
<b>Wednesday</b>	Cum Dividend	AALI
<i>07 - Oct</i>	RUPS	JIHD, AMOR
<b>Thursday</b>	RUPS	PPRO, PPRE
<i>08 - Oct</i>		
<b>Friday</b>	RUPS	ENVY
<i>09 - Oct</i>		

Source: RTI Analytics

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