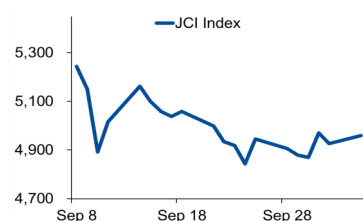
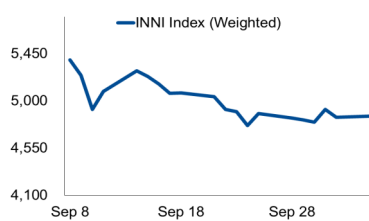


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Omnibus Law Bill Passes

Wall Street managed to rebound significantly on trading (05/10/2020), as the market positively responded to news that the US President, Donald Trump, will soon leave the hospital. This news also revived hopes of a fiscal stimulus package agreement being reached.

The news from the US will also have a good impact on the JCI to continue yesterday's rally. Domestically, investors will monitor the condition after the Omnibus Law was passed yesterday and the release of Consumer Confidence Index data (IKK).

Company News

INAF : Provides PCR Test for IDR750,000

WSKT : Optimistic to Achieve New Contracts

BRIS : Profit Grows 158.46% YoY Until August

Domestic & Global News

Early October 2020, Foreign Capital Inflow Reaches IDR1.03 Trillion

U.S. Service Sector Rises Above Pre-Pandemic Level in September

Sectors

	Last	Chg.	%
Consumer Goods	1,848.67	24.28	1.33%
Finance	1,068.75	12.61	1.19%
Basic Industries	735.03	7.11	0.98%
Trade, Services, and Investment	628.88	0.20	0.03%
Property, Real Estate, and Construction	341.10	(0.50)	-0.15%
Agriculture	1,149.38	(3.80)	-0.33%
Infrastructure, Utilities, and Transportation	802.70	(3.76)	-0.47%
Mining	1,337.25	(7.00)	-0.52%
Miscellaneous Industry	834.66	(4.74)	-0.57%

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	1.42%	1.32%	Cons. Confidence*	86.90	86.20

JCI Index

Oct. 05	4,958.76
Chg.	+32.03pts (+0.65%)
Volume (bn shares)	84.77
Value (IDR tn)	5.77
Adv 224 Dec 175 Unc 318 Untr 156	

Most Active Stocks

by Value		(IDR bn)	
Stocks	Val.	Stocks	Val.
TLKM	331.5	BOGA	189.8
BBCA	321.9	MDKA	139.2
BBRI	291.7	BBNI	136.3
BRIS	220.5	JSKY	123.3
BMRI	196.9	PURE	122.1

Foreign Transaction

(IDR bn)			
Buy	1,642		
Sell	1,606		
Net Buy (Sell)	35		
Top Buy	NB Val.	Top Sell	NS Val.
BULL	23.5	TLKM	83.0
BMRI	19.7	BBCA	81.9
MDKA	13.5	BBRI	39.0
POLL	6.3	ASII	36.5
UNVR	5.8	TBIG	32.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.91%	-0.01%
USDIDR	14,800	-0.44%
KRWIDR	12.73	-0.12%

Global Indices

Index	Last	Chg.	%
Dow Jones	28,148.64	465.83	1.68%
S&P 500	3,408.63	60.19	1.80%
FTSE 100	5,942.94	40.82	0.69%
DAX	12,828.31	139.27	1.10%
Nikkei	23,312.14	282.24	1.23%
Hang Seng	23,767.78	308.73	1.32%
Shanghai	3,218.05	(6.31)	-0.20%
KOSPI	2,358.00	30.11	1.29%
EIDO	17.89	0.48	2.76%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,913.5	13.7	0.72%
Crude Oil (USD/B)	39.22	2.17	5.86%
ICE NewCastle (USD/ton)	58.10	0.55	0.96%
LME Nickel (USD/MT)	14,418	75.0	0.52%
LME Tin (USD/MT)	17,815	513.0	2.96%
CPO (MYR/ton)	2,721	13.0	0.48%

INAF : Provides PCR Test for IDR750,000

PT Indofarma Tbk (INAF) through its subsidiary PT Farmalab Indoutama provides coronavirus PCR test service with the highest price of IDR750 thousand per test. This price is below the maximum price set by the government, which is IDR900 thousand per test. This PCR service can check 1,200 to 1,300 samples per day and also accept test requests from homecare services and other health facilities. (Kontan)

BRIS : Profit Grows 158.46% YoY Until August

PT BRI Syariah Tbk (BRIS) managed to book net profit of IDR168 billion as per August 2020, up by 158.46% YoY. BRIS's profit was supported by distribution of funds which reached IDR1.94 trillion or grew 19.75% yoy. BRIS will continue to strive to maximize Islamic economic and financial literacy activities so that the public will better understand the strengths and benefits of the Islamic economy. This is expected to expand the industry, to sharia-based investment. (Kontan)

WSKT : Optimistic to Achieve New Contracts

PT Waskita Karya Tbk (WSKT) targets the new contract value to reach IDR27 trillion by the end of this year, although until 3Q20 the revenue had only reached 43% of the target. WSKT is optimistic that it can secure contracts from several toll road projects in Sumatra, East Kalimantan and Jakarta with a total value of IDR11 trillion. WSKT is also eyeing the acquisition of a pipeline project worth IDR3 trillion. (Kontan)

Domestic & Global News

Early October 2020, Foreign Capital Inflow Reaches IDR1.03 Trillion

Foreign capital record in the first week of October 2020 booked an inflow to the domestic financial market. According to a note by BI, based on transaction data from September 28 to October 01, 2020, foreign investment inflow reached IDR1.03 trillion. IDR2.46 trillion of foreign capital was invested in the Sovereign Bond (SBN) market, but IDR1.43 trillion was taken from the stock market. (Kontan)

U.S. Service Sector Rises Above Pre-Pandemic Level in September

U.S. services industry activity picked up in September, pulling above a level that prevailed before the COVID-19 pandemic struck the nation, amid increases in new orders and employment. The Institute for Supply Management (ISM) said on Monday its non-manufacturing activity index rose to a reading of 57.8 last month from 56.9 in August. That put the index just above its 57.3 level in February. (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						(12.3)	2,037.7							
BBCA	27,600	33,425	34,000	Buy	23.2	(8.7)	680.5	24.4x	4.0x	17.0	2.0	6.6	(5.0)	1.1
BBRI	3,160	4,400	4,000	Buy	26.6	(20.0)	389.8	13.6x	2.1x	15.2	5.3	(2.1)	(37.2)	1.3
BBNI	4,620	7,850	6,000	Buy	29.9	(32.8)	86.2	7.1x	0.8x	10.9	4.5	(1.5)	(41.6)	1.5
BMRI	5,350	7,675	7,000	Buy	30.8	(16.4)	249.7	10.3x	1.4x	13.3	6.6	4.1	(23.9)	1.4
Consumer						(14.1)	1,063.4							
GGRM	41,675	53,000	59,600	Buy	43.0	(15.8)	80.2	7.7x	1.5x	21.0	N/A	1.7	(10.7)	0.9
KINO	3,000	3,430	2,950	Hold	(1.7)	(20.4)	4.3	15.7x	1.6x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	10,100	11,150	12,150	Buy	20.3	(17.4)	117.8	20.2x	4.1x	22.7	2.1	4.1	31.2	0.8
KLBF	1,565	1,620	1,870	Buy	19.5	(5.2)	73.4	27.8x	4.5x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(33.3)	564.88							
TLKM	2,650	3,917	3,800	Buy	43.4	(35.9)	262.5	14.1x	2.7x	19.6	5.8	(3.6)	(0.8)	1.0
JSMR	3,580	5,175	4,550	Buy	27.1	(35.5)	26.0	20.7x	1.4x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,090	3,150	3,350	Buy	60.3	(37.6)	22.4	10.3x	1.1x	11.1	1.0	6.7	526.9	1.1
TOWR	1,035	805	1,310	Buy	26.6	69.7	52.8	19.7x	5.6x	31.1	2.3	21.7	30.0	1.0
PGAS	930	2,170	1,400	Buy	50.5	(55.7)	22.5	75.6x	0.6x	0.8	4.5	(17.9)	(85.0)	1.6
TBIG	1,330	1,230	1,400	Hold	5.3	5.6	30.1	29.3x	5.1x	21.9	2.1	13.2	33.8	1.0
Trade						(21.0)	560.4							
UNTR	22,325	21,525	19,000	Hold	(14.9)	10.5	83.3	8.5x	1.4x	17.3	5.4	(23.4)	(28.3)	0.9
MAPI	560	1,055	870	Buy	55.4	(43.4)	9.3	352.8x	1.7x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,530	1,795	2,000	Buy	30.7	(7.6)	4.9	16.3x	1.0x	6.3	N/A	(6.3)	5.9	1.5
Property						(30.8)	328.0							
CTRA	690	1,040	780	Hold	13.0	(35.2)	12.8	12.3x	0.9x	7.0	1.2	(10.8)	(43.8)	1.5
WSKT	515	1,485	820	Buy	59.2	(66.7)	7.0	N/A	0.5x	(7.0)	0.7	(45.7)	N/A	1.8
WIKA	1,090	1,990	1,410	Buy	29.4	(41.2)	9.8	6.0x	0.7x	11.3	4.7	(37.2)	(71.9)	1.8
PTPP	820	1,585	1,250	Buy	52.4	(50.9)	5.1	8.7x	0.5x	4.9	4.1	(36.6)	(94.5)	1.8
PWON	344	570	440	Buy	27.9	(42.7)	16.6	9.0x	1.2x	13.2	N/A	(43.7)	(64.7)	1.6
Basic Ind.						(13.0)	590.9							
SMGR	9,450	12,000	11,500	Buy	21.7	(18.0)	56.1	22.3x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	5,750	6,500	6,660	Buy	15.8	9.5	94.3	26.5x	4.2x	17.0	1.4	(6.7)	(3.8)	1.5
Misc Ind.						(26.7)	254.4							
ASII	4,560	6,925	5,575	Buy	22.3	(29.0)	184.6	7.9x	1.2x	15.9	4.7	(22.7)	16.1	1.3
Mining						(15.0)	310.6							
TINS	680	825	1,200	Buy	76.5	(25.3)	5.1	N/A	1.1x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	1,950	2,660	2,900	Buy	48.7	(11.4)	22.5	6.5x	1.4x	21.0	16.7	(15.1)	(38.5)	1.1
INCO	3,580	3,640	4,500	Buy	25.7	(1.4)	35.6	17.7x	1.2x	7.1	N/A	23.3	N/A	1.6
ANTM	720	840	1,100	Buy	52.8	(25.0)	17.3	N/A	1.0x	(0.5)	0.4	(36.0)	(80.2)	1.5
ITMG	8,075	11,475	12,000	Buy	48.6	(32.8)	9.1	6.8x	0.7x	10.1	15.8	(26.9)	(50.0)	1.2
ADRO	1,125	1,555	1,700	Buy	51.1	(11.1)	36.0	9.3x	0.7x	7.0	9.7	(23.2)	(47.7)	1.4
MEDC	338	732	931	Buy	175.4	(37.1)	8.5	N/A	0.4x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(14.8)	73.6							
AALI	10,475	14,575	14,200	Buy	35.6	(2.6)	20.2	36.0x	1.1x	3.0	0.5	6.5	796.6	1.5
LSIP	915	1,485	1,200	Buy	31.1	(23.4)	6.2	18.6x	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
Monday	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
Tuesday	ID	-	Consumer Confidence Index	Sep		--	86.9
<i>06 - Oct</i>	GE	13:00	Factory Orders MoM	Aug		2.0%	2.8%
	UK	15:30	Markit/CIPS UK Construction PMI	Sep		--	54.6
	US	19:30	Trade Balance	Aug		USD -66.1b	USD -63.6b
Wednesday	ID	10:00	Foreign Reserves	Sep		--	\$137.00b
<i>07 - Oct</i>	GE	13:00	Industrial Production SA MoM	Aug		1.0%	1.2%
	US	18:00	MBA Mortgage Applications	Oct		--	-4.8%
Thursday	US	19:30	Initial Jobless Claims	Oct		--	837k
<i>08 - Oct</i>							
Friday	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
Monday	Right Issue	PNBS
<i>05 - Oct</i>	RUPS	ARTO
Tuesday	Cum Dividend	ASII, UNTR
<i>06 - Oct</i>		
Wednesday	Cum Dividend	AALI
<i>07 - Oct</i>	RUPS	JIHD, AMOR
Thursday	RUPS	PPRO, PPRE
<i>08 - Oct</i>		
Friday	RUPS	ENVY
<i>09 - Oct</i>		

Source: RTI Analytics

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