

# Morning Brief

## JCI Movement



## INNI Movement



## Today's Outlook:

### Waiting for Interest Rate Decision

Wall Street still managed to continue its four consecutive days of rally. The increase was triggered by the technology sector with huge market caps such as Apple, Facebook, and Amazon. Meanwhile, investors have also started to anticipate the release of Q3/2020 financial report releases.

In the domestic market, after closing higher on the first day of PSBB transition phase yesterday, investors will pay close attention to the Bank Indonesia's Board of Governor's meeting decision today. Although moving towards the bullish trend, JCI today is prone to a decline after rallying for the past week. Meanwhile, market participants will also look closely at the open gap that happened yesterday in the 5057-5078 area.

## Company News

- BBTN : LDR at 93% as per September 2020
- IPCC : Books Cargo Increase as per September 2020
- INDY : Corporate Bond Receives BB- Rating

## Domestic & Global News

- Social Forestry Realization Reaches 4.2 Million Hectares in September
- India's September Inflation Picks Up to 7.34%

## Sectors

	Last	Chg.	%
Finance	1125,62	-20,20	1,83%
Agriculture	1188,34	-14,93	1,27%
Mining	1374,94	-13,76	1,01%
Trade, Services, and Investment	634,07	-3,28	0,52%
Basic Industries	746,65	-3,53	0,48%
Infrastructure, Utilities, Transportation	826,64	-1,51	0,18%
Consumer Goods	1872,16	2,19	-0,12%
Miscellaneous Industry	859,12	2,28	-0,26%
Property, Real Estate, and Construction	326,21	1,40	-0,43%

## 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. 12	5,093.09
Chg.	+39.43pts (+0.78%)
Volume (bn shares)	101.42
Value (IDR tn)	6.93
<b>Adv 266 Dec 168 Unc 283 Untr 119</b>	

## Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	496.9	TLKM	211.0
BBCA	484.9	MDKA	208.2
BBKP	324.9	KAEF	203.2
BRIS	269.0	PGAS	152.9
BMRI	218.4	BOGA	149.8

## Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
Buy	1,730		
Sell	1,835		
Net Buy (Sell)			104
Top Buy	NB Val.	Top Sell	NS Val.
BBCA	180.6	PGAS	53.9
BULL	23.5	ROTI	38.6
MDKA	21.3	BBNI	37.0
BTPS	18.5	BBRI	33.0
GGRM	18.4	ICBP	30.8

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.90%	-0.02%
USDIDR	14,700	0.00%
KRWIDR	12.81	-0.08%

## Global Indices

Index	Last	Chg.	%
Dow Jones	28,837.52	250.62	0.88%
S&P 500	3,534.22	57.09	1.64%
FTSE 100	6,001.38	(15.27)	-0.25%
DAX	13,138.41	87.18	0.67%
Nikkei	23,558.69	(61.00)	-0.26%
Hang Seng	24,649.68	530.55	2.20%
Shanghai	3,358.47	86.39	2.64%
KOSPI	2,403.73	11.77	0.49%
EIDO	18.37	0.01	0.05%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,922.8	(7.6)	-0.40%
Crude Oil (USD/B)	39.43	(1.17)	-2.88%
ICE NewCastle (USD/ton)	56.30	(3.20)	-5.38%
LME Nickel (USD/MT)	15,221	559.0	3.81%
LME Tin (USD/MT)	18,270	133.0	0.73%
CPO (MYR/ton)	2,994	83.0	2.85%

### **BBTN : LDR at 93% as per September 2020**

PT Bank Tabungan Negara Tbk (BBTN) recorded its LDR level as of September 2020 to be at 93% which is the company's strongest liquidity position. The positive performance was also supported by the increase in DPK of 18.1% YoY due to innovations and quantitative easing. In the future, BBTN plans to cut cheap money portion by gradually slashing dear money. (Investor Daily)

### **INDY : Corporate Bond Receives BB- Rating**

PT Indika Energy Tbk (INDY) received a BB- rating by the Fitch Rating for US dollar-denominated bonds that will be issued by its subsidiary. The negative outlook was given by Fitch for the bonds because it is estimated that INDY's FFO will be between the 2.7x and 3.2x levels from 2021 to 2024. Meanwhile, INDY's current performance is still weak due to weakening global coal prices and low sales volume. (Kontan)

### **IPCC : Books Cargo Increase as per September 2020**

PT Indonesia Kendaraan Terminal Tbk (IPCC) booked the total cargo of CBU vehicles at 24,500 units in September 2020. There were 10,240 CBU vehicles that used IPCC's service in September, 1,398 units of heavy equipment, and 953 M3 of General Cargo. The IPCC also ensures that all IPCC business activities continue to operate normally during the pandemic. (Kontan)

## Domestic & Global News

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### **Social Forestry Realization Reaches 4.2 Million Hectares in September**

Director General of Social Forestry and Environmental Partnerships, Ministry of Environment and Forestry (KLHK), Bambang Supriyanto said, until 30 September 2020 the realization of social forestry had reached 4.2 million hectares (ha). From that number, 96% (40.96 million hectares) were given to the private sector and 4% (1.75 hectares) were given to the public. (Kontan)

### **India's September Inflation Picks Up to 7.34%**

India's annual retail inflation picked up in September to 7.34% from a year ago as food prices surged ahead of the festival season, government data showed on Monday. Analysts in a Reuters poll had forecast that retail inflation would rise to 6.88% in September, compared to 6.69% in the previous 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
<b>Finance</b>						(8.2)	2,146.2							
BBCA	29,275	33,425	34,000	Buy	16.1	(4.4)	721.8	25.8x	4.3x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,190	4,400	4,000	Buy	25.4	(18.6)	393.5	13.8x	2.1x	15.2	5.3	(2.1)	(37.2)	1.3
BBNI	4,670	7,850	6,000	Buy	28.5	(33.0)	87.1	7.1x	0.8x	10.9	4.4	(1.5)	(41.6)	1.4
BMRI	5,625	7,675	7,000	Buy	24.4	(14.1)	262.5	10.8x	1.5x	13.3	6.3	4.1	(23.9)	1.4
<b>Consumer</b>						(12.9)	1,076.9							
GGRM	44,550	53,000	59,600	Buy	33.8	(15.9)	85.7	8.2x	1.6x	21.0	N/A	1.7	(10.7)	1.0
KINO	3,080	3,430	2,950	Hold	(4.2)	(23.6)	4.4	16.1x	1.7x	10.7	3.5	(1.3)	(67.6)	0.9
ICBP	9,950	11,150	12,150	Buy	22.1	(14.4)	116.0	19.9x	4.0x	22.7	2.2	4.1	31.2	0.8
KLBF	1,580	1,620	1,870	Buy	18.4	(4.8)	74.1	28.1x	4.5x	17.0	1.3	3.8	10.3	1.0
<b>Infrastructure</b>						(32.2)	581.74							
TLKM	2,730	3,917	3,800	Buy	39.2	(33.6)	270.4	14.6x	2.8x	19.6	5.6	(3.6)	(0.8)	1.0
JSMR	3,800	5,175	4,550	Buy	19.7	(30.9)	27.6	22.0x	1.5x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,210	3,150	3,350	Buy	51.6	(36.7)	23.7	10.9x	1.1x	11.1	0.9	6.7	526.9	1.1
TOWR	1,030	805	1,310	Buy	27.2	59.7	52.5	19.6x	5.6x	31.1	2.3	21.7	30.0	0.9
PGAS	1,000	2,170	1,400	Buy	40.0	(54.3)	24.2	81.4x	0.7x	0.8	4.2	(17.9)	(85.0)	1.6
TBIG	1,360	1,230	1,400	Hold	2.9	0.4	30.8	29.9x	5.2x	21.9	2.1	13.2	33.8	1.0
<b>Trade</b>						(20.4)	565.0							
UNTR	22,500	21,525	19,000	Sell	(15.6)	10.7	83.9	8.6x	1.4x	17.3	4.3	(23.4)	(28.3)	0.9
MAPI	645	1,055	870	Buy	34.9	(36.1)	10.7	406.4x	2.0x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,620	1,795	2,000	Buy	23.5	(2.1)	5.2	17.3x	1.0x	6.3	N/A	(6.3)	5.9	1.5
<b>Property</b>						(35.0)	313.6							
CTRA	720	1,040	780	Hold	8.3	(36.8)	13.4	12.8x	0.9x	7.0	1.1	(10.8)	(43.8)	1.4
WSKT	650	1,485	820	Buy	26.2	(57.5)	8.8	N/A	0.6x	(7.0)	0.5	(45.7)	N/A	1.8
WIKA	1,215	1,990	1,410	Buy	16.0	(34.9)	10.9	6.6x	0.8x	11.3	4.2	(37.2)	(71.9)	1.8
PTPP	905	1,585	1,250	Buy	38.1	(43.4)	5.6	9.6x	0.5x	4.9	3.7	(36.6)	(94.5)	1.8
PWON	396	570	440	Hold	11.1	(37.1)	19.1	10.4x	1.3x	13.2	N/A	(43.7)	(64.7)	1.6
<b>Basic Ind.</b>						(12.0)	600.3							
SMGR	9,400	12,000	11,500	Buy	22.3	(20.5)	55.8	22.1x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	5,975	6,500	6,660	Hold	11.5	13.3	98.0	27.6x	4.3x	17.0	1.4	(6.7)	(3.8)	1.5
<b>Misc Ind.</b>						(25.6)	261.8							
ASII	4,700	6,925	5,575	Buy	18.6	(27.4)	190.3	8.2x	1.2x	15.9	3.9	(22.7)	16.1	1.3
<b>Mining</b>						(15.1)	319.3							
TINS	745	825	1,200	Buy	61.1	(16.8)	5.5	N/A	1.2x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	2,020	2,660	2,900	Buy	43.6	(11.0)	23.3	6.7x	1.4x	21.0	16.2	(15.1)	(38.5)	1.1
INCO	3,940	3,640	4,500	Hold	14.2	2.9	39.1	19.5x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	780	840	1,100	Buy	41.0	(23.2)	18.7	N/A	1.0x	(0.5)	0.4	(36.0)	(80.2)	1.6
ITMG	8,200	11,475	12,000	Buy	46.3	(36.6)	9.3	6.9x	0.7x	10.1	15.5	(26.9)	(50.0)	1.2
ADRO	1,110	1,555	1,700	Buy	53.2	(14.3)	35.5	9.2x	0.7x	7.0	9.9	(23.2)	(47.7)	1.4
MEDC	354	732	931	Buy	163.0	(38.1)	8.9	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
<b>Agriculture</b>						(12.0)	76.1							
AALI	11,100	14,575	14,200	Buy	27.9	3.5	21.4	38.2x	1.1x	3.0	0.8	6.5	796.6	1.5
LSIP	955	1,485	1,200	Buy	25.7	(22.7)	6.5	19.4x	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		--	73.7k
<i>13 - Oct</i>	GE	13:00	CPI MoM	Sep		-0.2%	-0.2%
	GE	13:00	CPI YoY	Sep		-0.2%	-0.2%
	ID	14:20	Bank Indonesia 7D Reverse Repo	Oct		4.00%	4.00%
	GE	16:00	ZEW Survey Current Situation	Oct		-63	-66.2
	US	19:30	CPI MoM	Sep		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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