

Weekly Brief (Oct 26th –27th)

Summary:

Last week review: For the past week, JCI was influenced by global and domestic sentiments such as the release of China's GDP data and the delay of cigarette excise tax announcement. On the other hand, market participants welcomed the 3Q20 financial report as several companies released their financial performance last week.

This week's outlook: JCI movement this week tends to have minimum domestic sentiment as there are only 2 trading days. New sentiments are expected to come from the US towards the end of the week, where the US Q3/2020 economic growth data will be released. Consensus predicts there will be a significant recovery with GDP growth above 30%.

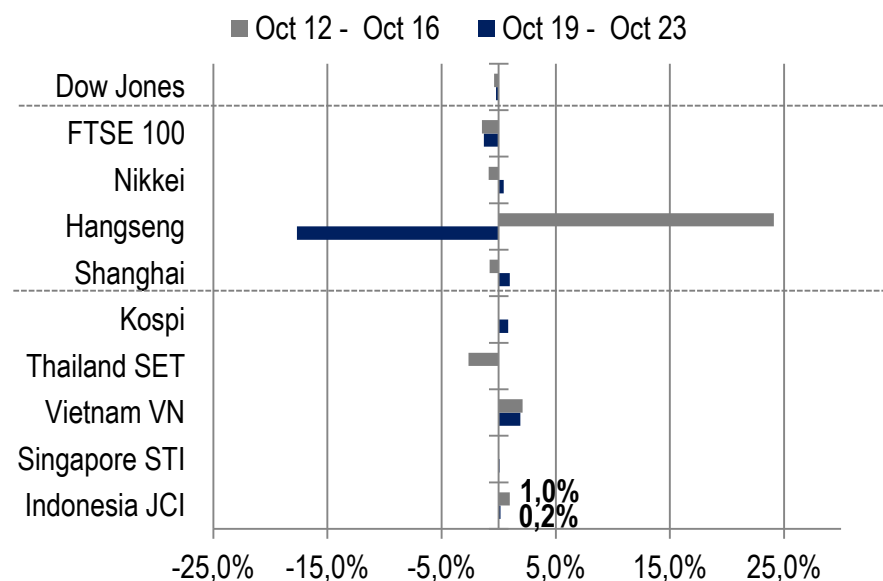
Last Week's JCI Movement

• JCI Index : 5,112.18 (+0.2%)
 Foreign Flow : Net sell of IDR990 billion (vs. last week's net sell of IDR592 billion)
 USD/IDR : 14,660 (+0.26%)

JCI Closed Slightly Higher

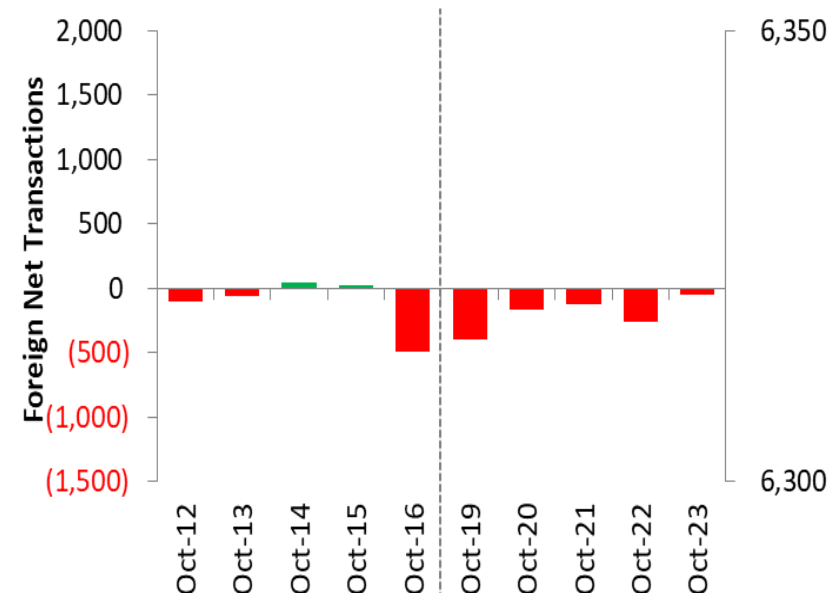
- 19 October - JCI closed higher supported by positive sentiments regarding the announcement of China's GDP that booked an increase of 4.9% in 3Q20.
- 20 October - JCI reversed to the red suppressed by the cigarette sector such as HMSP (-5.67%) GGRM (-5.86%) and WIIM (-5.21%) due to the delay in announcement of tobacco excise rates (CHT) in 2021.
- 23 October - JCI again closed in the green with the start of 3Q20 financial report release season.

Global Market Movement



Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

Last Week's Sector Movement

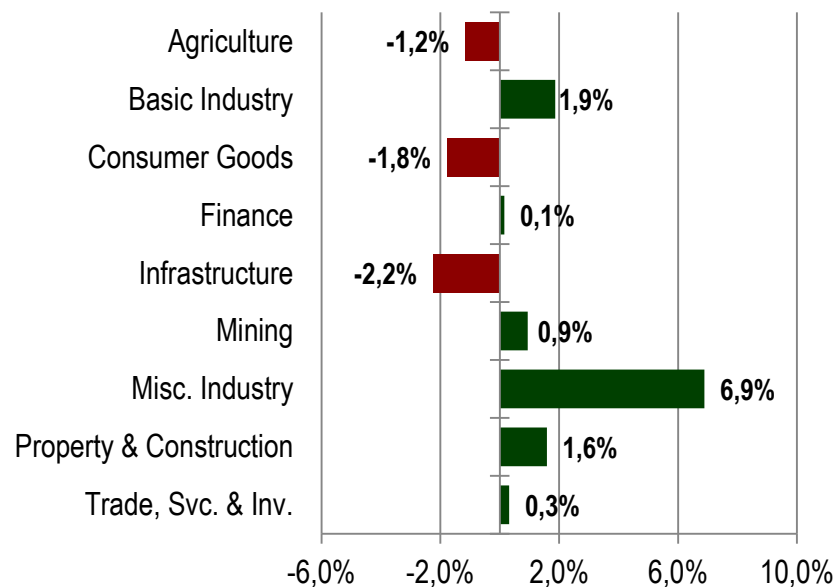
- **Miscellaneous Industry Sector**

The miscellaneous industry booked the highest increase of 6.9% in the past week. The rally was supported by one of the stocks, ASII (+9.5%) as the increase in sales of four-wheel vehicles in September by 53.8% compared to the previous month. Moreover, ASII booked net foreign buy amounting to IDR545 billion last week.

- **Infrastructure Sector**

Last week, the infrastructure sector was still in the red and recorded a decline of 2.2%, under the pressure of TLKM (-4.3%) that booked net foreign sell of IDR851 billion. As a note, PT Telekomunikasi Selular (Telkomsel), a subsidiary of PT Telekomunikasi Indonesia Tbk (TLKM) has signed a Conditional Sale and Purchase Agreement with PT Dayamitra Telekomunikasi (Mitratel) to transfer the ownership of 6,050 telecommunication towers.

JCI Sector Movement



Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val.	Top Sell (RG)	NS Val.
ASII	545.0	TLKM	-851.1
INTP	148.9	BBCA	-176.8
MDKA	82.3	ICBP	-103.6
BTPS	68.0	TOWR	-96.2
PWON	67.6	PTBA	-79.2

Source: NHKSI Research

Outlook This Week

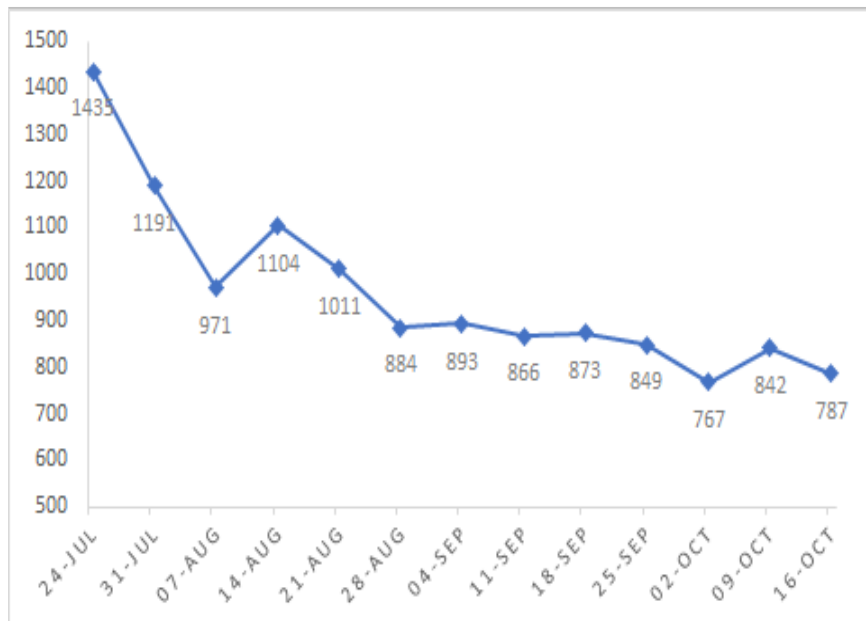
- **US Weekly Jobless Claims**

US weekly jobless claims data have shown a recovery since soaring in the beginning of the pandemic. The latest figure showed 787,000 new claims were filed last week. But the decline may stop if the US government and congress do not immediately agree on a new stimulus package, which is predicted to be released after the Presidential Election. Meanwhile, transportation and restaurant sectors are the most vulnerable to layoffs.

- **US Q3/2020 GDP Release**

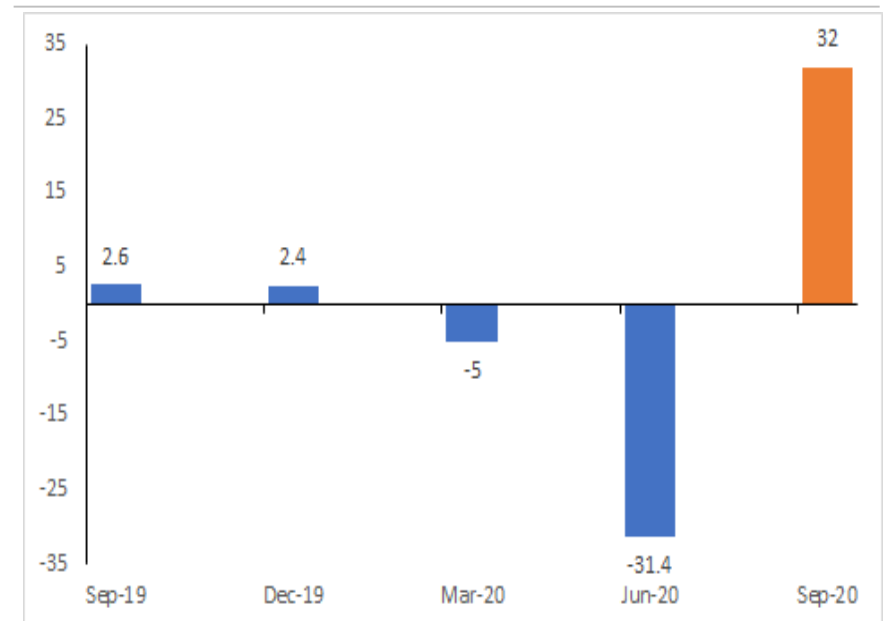
US economy is expected to book a significant recovery in Q3/2020, with the majority projecting a growth of over 30%. This indicates a recovery forming a “V” shape, after the US economy declining by -31.4% in Q2/2020. Investors will also pay close attention to how the rapid economic recovery will influence US voters as the presidential election in early November 2020 is approaching.

US Weekly Jobless Claims (%)



Source: Bloomberg, NHKSI Research

US Q3/2020 GDP Release

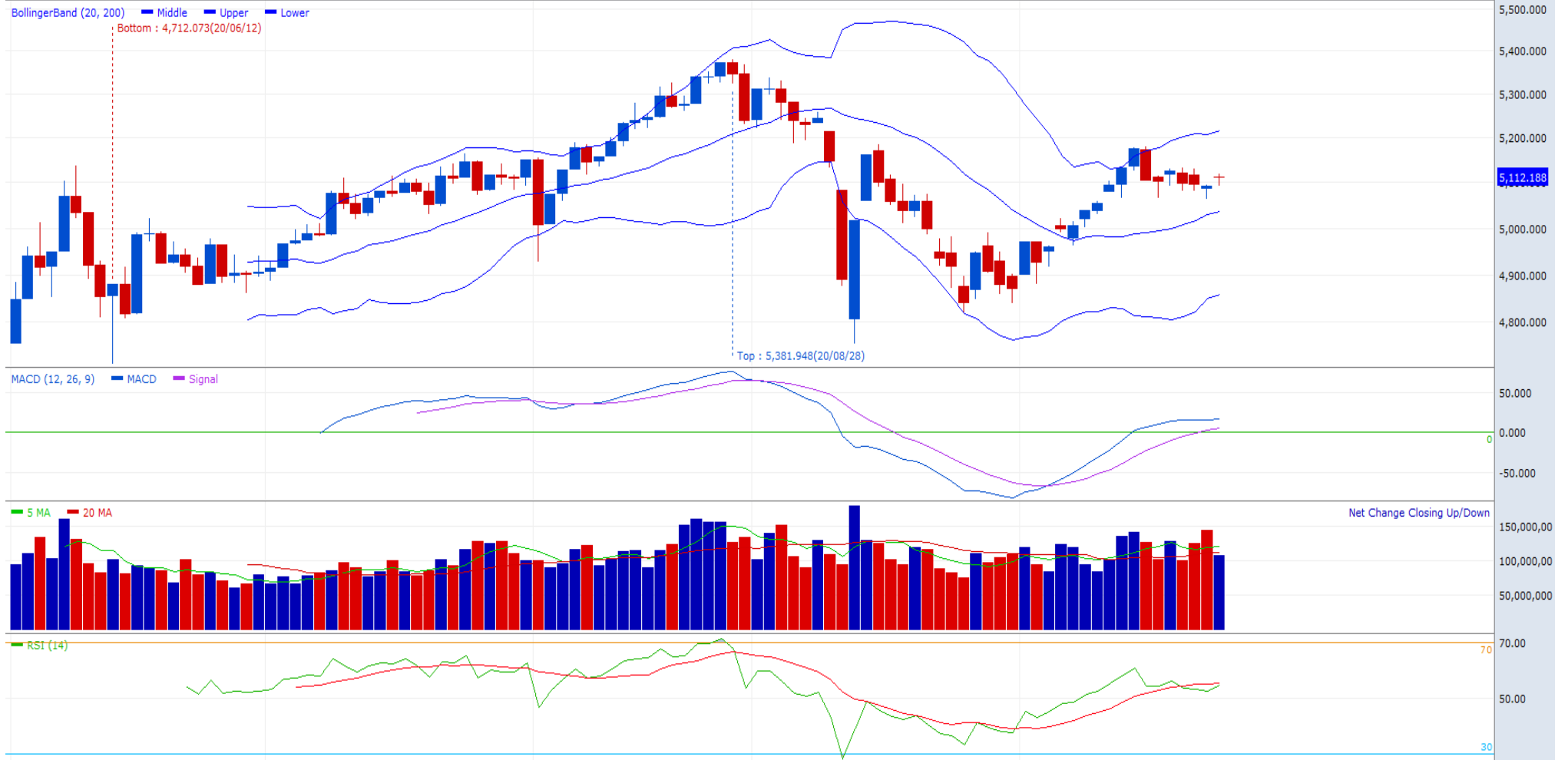


Source: Bloomberg, NHKSI Research

JCI Index

Close	5112.188	Upper Limit	5216.206	Lower Limit	4858.253	MACD	16.862
Signal	55.36	RSI	54.36	Signal	55.36	Support	5057
Resistance	5175						

Last : 5,112.188 ▲ 20.372(0.40%) Volume : 108,027,604



Kalender Ekonomi

Date	Country	Hour JKT	Event	Period	Consensus	Previous
Monday, 26-Oct	GE	16:00	IFO Business Climate	Oct	93	93.4
	US	21:00	New Home Sales	Sep	1024k	1011k
Tuesday, 27-Oct	EC	16:00	M3 Money Supply YoY	Sep	--	9.5%
	US	19:30	Durable Goods Orders	Sep	1.0%	0.5%
	US	21:00	Conf. Board Consumer Confidence	Oct	101.9	101.8
Wednesday, 28-Oct	US	18:00	MBA Mortgage Applications	Oct	--	-0.6%
	UK	-	Nationwide House PX MoM	Oct	--	0.9%
	UK	-	Nationwide House Px NSA YoY	Oct	--	5.0%
Thursday, 29-Oct	GE	15:00	Unemployment Change (000's)	Oct	-7.0k	-8.0k
	US	19:30	Initial Jobless Claims	Oct	--	787k
	US	19:30	GDP Annualized QoQ	3Q20	32.0%	-31.4%
	EC	19:45	ECB Main Refinancing Rate	Oct	0.0%	0.0%
Friday, 30-Oct	EC	17:00	GDP SA QoQ	3Q20	9.4%	-11.8%
	EC	17:00	GDP SA YoY	3Q20	-7.4%	-14.7%
	US	19:30	Personal Income	Sep	0.3%	-2.7%

Source: Bloomberg, NHKSI Research

Kalender Aksi Korporasi

Date	Event	Company
Monday, 26-Oct	RUPS	INDY
Tuesday, 27-Oct	RUPS	EXCL

Source: NHKSI Research

INNI Index's Stocks List

	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

Source : Bloomberg, NHKSI Research

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