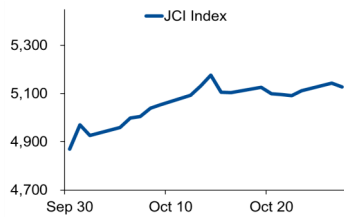
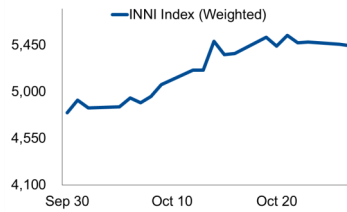


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Global Covid-19 Cases Jumps

US stock market dove last week with the biggest weekly decline since March. All three markets fell at more than 5% each as new Covid-19 cases in the US reached 100,000 a day. In addition, the market was also observing developments in lockdown policies which have been reintroduced in several European countries.

Meanwhile, the JCI is expected to be under pressure from various global sentiments that occurred during the long holiday. Investors will also pay attention to the release of the CPI data for October 2020, in which Indonesia is expected to experience slight inflation after 3 consecutive months of deflation.

Company News

- BDMN : Records Profit of IDR632 Billion in Q3/2020
- WIKA : Net Profit for Quarter III-2020 Drops 96.29%
- PTPP : Profit Drops 95% in Quarter III-2020
- INCO : Recorded Excellent Performance in the Third Quarter

Domestic & Global News

- Tax Restitution Grows by IDR19.6 Trillion
- UK Mortgage Approvals Jump to 13-Year High

Sectors

	Last	Chg.	%
Property, Real Estate, and Construction	330,97	-2,82	-0,85%
Basic Industries	762,32	-5,90	-0,77%
Infrastructure, Utilities, Transportation	808,58	-6,19	-0,76%
Mining	1418,02	-8,59	-0,60%
Consumer Goods	1805,20	-6,37	-0,35%
Finance	1139,65	-2,04	-0,18%
Trade, Services, and Investment	642,88	0,64	0,10%
Miscellaneous Industry	958,06	5,48	0,58%
Agriculture	1199,64	11,97	1,01%

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. 27	5,128.22
Chg.	-15.82pts (-0.31%)
Volume (bn shares)	127.77
Value (IDR tn)	8.53
Adv 176 Dec 233 Unc 308 Untr 144	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	616.2	BMRI	325.7
BBCA	518.6	BRIS	263.1
BBNI	421.6	ASII	246.3
TLKM	386.5	SAME	215.5
ANTM	357.2	GGRM	187.1

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	616.2	BMRI	325.7
BBCA	518.6	BRIS	263.1
BBNI	421.6	ASII	246.3
TLKM	386.5	SAME	215.5
ANTM	357.2	GGRM	187.1

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.61%	-0.02%
USDIDR	14,625	-0.17%
KRWIDR	12.98	0.12%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,501.60	(157.51)	-0.59%
S&P 500	3,269.96	(40.15)	-1.21%
FTSE 100	5,577.27	(4.48)	-0.08%
DAX	11,556.48	(41.59)	-0.36%
Nikkei	22,977.13	(354.81)	-1.52%
Hang Seng	24,107.42	(479.18)	-1.95%
Shanghai	3,224.53	(48.20)	-1.47%
KOSPI	2,267.15	(59.52)	-2.56%
EIDO	18.28	0.00	0.00%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,878.8	11.2	0.60%
Crude Oil (USD/B)	35.79	(0.38)	-1.05%
ICE NewCastle (USD/ton)	60.05	0.35	0.59%
LME Nickel (USD/MT)	15,156	(376.0)	-2.42%
LME Tin (USD/MT)	17,725	(97.0)	-0.54%
CPO (MYR/ton)	3,011	(40.0)	-1.31%

BDMN : Records Profit of IDR632 Billion in Q3/2020

PT Bank Danamon Indonesia Tbk (BDMN) on 28 October announced its financial statements for the first nine months of 2020. BDMN's net profit after tax (NPAT) in the third quarter of 2020 grew to IDR632 billion compared to the previous quarter. This growth brought the total NPAT to IDR1.48 trillion. Pre-provision operating profit (PPOP) rose by 9% compared to a year ago. (Kontan)

PTPP : Profit Drops 95% in Quarter III-2020

PT PP Tbk (PTPP) experienced a decline in performance during January-September 2020, both in terms of revenue and net profit. This state-owned construction company posted revenue of IDR10.02 trillion in the third quarter of 2020, down 37.02% YoY. The decrease in income also suppressed profit attributable to the parent entity, aka net income. PTPP only pocketed a net profit of IDR26.37 billion, down 94.92% yoy from IDR519.24 billion. (Kontan)

WIKA : Net Profit for Quarter III-2020 Drops 96.29%

PT Wijaya Karya Tbk (WIKA) recorded a net profit or profit attributable to the parent entity of IDR50.19 billion in the third quarter of 2020, down 96.29% from the same period last year of IDR1.35 trillion. Meanwhile, WIKA's revenue in the third quarter of 2020 was recorded at IDR18.3 trillion, down 43.28% from the same period last year. (Kontan)

INCO : Recorded Excellent Performance in the Third Quarter

PT Vale Indonesia Tbk (INCO) managed to book a net profit increase of USD76.64 million or 47.8% YoY in the third quarter. INCO's revenue also increased by 12.7% YoY to USD571.02 million. This brilliant performance was recorded due to adequate production performance, improving nickel prices in Q3 and lower oil and coal prices compared to the forecast posted by INCO until September 2020. (Kontan)

Domestic & Global News

Tax Restitution Grows by IDR19.6 Trillion

Realization of tax restitution grew by IDR19.6 trillion by the end of last September. Tax observer from the Center for Indonesia Taxation Analysis (CITA) Fajry Akbar appreciates the incentive to accelerate tax restitution in the PEN program. During January-September 2020, the realization of tax restitution amounted to IDR142.9 trillion. This figure is up 13.7% compared to the realization of tax restitution in the same period last year amounting to IDR123.5 trillion. (Kontan)

UK Mortgage Approvals Jump to 13-Year High

British lenders approved the highest number of mortgages since September 2007 last month, unexpectedly extending a post-lockdown surge, but there was a record drop in unsecured lending to consumers, Bank of England data showed on Thursday. Mortgage approvals for house purchase jumped to 91,454 in September from August's 85,530, exceeding all forecasts in a Reuters poll of economists that had pointed to a decline. (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						(11.2)	2,106.1							
BBCA	28,950	33,425	34,000	Buy	17.4	(8.5)	713.8	25.8x	4.0x	16.0	1.9	3.4	(4.2)	1.1
BBRI	3,360	4,400	4,000	Buy	19.0	(19.6)	414.4	14.5x	2.2x	15.2	5.0	(2.1)	(37.2)	1.3
BBNI	4,740	7,850	6,000	Buy	26.6	(38.2)	88.4	11.4x	0.8x	6.7	4.4	(2.4)	(63.9)	1.4
BMRI	5,775	7,675	7,000	Buy	21.2	(17.2)	269.5	12.7x	1.5x	11.1	6.1	(0.7)	(30.7)	1.4
Consumer						(15.5)	1,038.4							
GGRM	40,975	53,000	59,600	Buy	45.5	(23.6)	78.8	8.5x	1.4x	17.9	N/A	2.0	(22.0)	1.0
KINO	3,100	3,430	2,950	Hold	(4.8)	(20.5)	4.4	18.9x	1.7x	10.7	3.5	(10.7)	(63.9)	0.9
ICBP	9,650	11,150	12,150	Buy	25.9	(17.0)	112.5	19.3x	3.9x	22.7	2.2	4.1	31.2	0.8
KLBF	1,525	1,620	1,870	Buy	22.6	(6.2)	71.5	27.3x	4.2x	16.2	1.3	1.6	5.8	1.0
Infrastructure						(33.3)	569.04							
TLKM	2,620	3,917	3,800	Buy	45.0	(34.9)	259.5	14.0x	2.7x	19.6	5.9	(3.6)	(0.8)	1.0
JSMR	3,560	5,175	4,550	Buy	27.8	(32.2)	25.8	20.6x	1.4x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,030	3,150	3,350	Buy	65.0	(42.3)	21.7	10.0x	1.1x	11.1	1.0	6.7	526.9	1.2
TOWR	990	805	1,310	Buy	32.3	52.3	50.5	18.8x	5.4x	31.1	2.4	21.7	30.0	0.9
PGAS	1,075	2,170	1,400	Buy	30.2	(41.9)	26.1	88.0x	0.7x	0.8	3.9	(17.9)	(85.0)	1.7
TBIG	1,500	1,230	1,400	Hold	(6.7)	23.0	34.0	32.8x	5.4x	20.0	1.9	13.5	22.3	1.0
Trade						(20.1)	573.0							
UNTR	21,125	21,525	19,000	Hold	(10.1)	(1.7)	78.8	9.8x	1.3x	13.7	4.6	(29.2)	(38.2)	0.9
MAPI	655	1,055	870	Buy	32.8	(35.1)	10.9	412.7x	2.0x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,745	1,795	2,000	Hold	14.6	9.1	5.6	18.6x	1.1x	6.3	N/A	(6.3)	5.9	1.6
Property						(35.8)	318.2							
CTRA	825	1,040	780	Hold	(5.5)	(24.7)	15.3	14.7x	1.0x	7.0	1.0	(10.8)	(43.8)	1.4
WSKT	740	1,485	820	Hold	10.8	(50.5)	10.0	N/A	0.7x	(7.0)	0.5	(45.7)	N/A	1.9
WIKA	1,205	1,990	1,410	Buy	17.0	(37.9)	10.8	11.0x	0.8x	6.7	4.2	(43.3)	(96.3)	1.8
PTPP	915	1,585	1,250	Buy	36.6	(45.0)	5.7	13.8x	0.5x	3.4	3.7	(37.0)	(95.2)	1.8
PWON	414	570	440	Hold	6.3	(33.2)	19.9	10.9x	1.4x	13.2	N/A	(43.7)	(64.7)	1.6
Basic Ind.						(17.6)	612.8							
SMGR	9,575	12,000	11,500	Buy	20.1	(25.2)	56.8	22.6x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	5,850	6,500	6,660	Hold	13.8	(14.6)	95.9	28.7x	4.4x	15.9	1.4	(1.4)	(10.9)	1.5
Misc Ind.						(21.7)	292.0							
ASII	5,425	6,925	5,575	Hold	2.8	(20.2)	219.6	11.0x	1.4x	13.4	3.4	(26.4)	(11.5)	1.3
Mining						(9.5)	329.3							
TINS	830	825	1,200	Buy	44.6	1.8	6.2	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	1,960	2,660	2,900	Buy	48.0	(10.5)	22.6	6.5x	1.4x	21.0	16.7	(15.1)	(38.5)	1.1
INCO	4,050	3,640	4,500	Hold	11.1	12.2	40.2	20.6x	1.4x	6.9	N/A	12.7	N/A	1.6
ANTM	1,055	840	1,100	Hold	4.3	23.4	25.4	54.1x	1.3x	2.4	0.3	(26.5)	30.3	1.6
ITMG	8,125	11,475	12,000	Buy	47.7	(35.8)	9.2	6.9x	0.7x	10.1	15.7	(26.9)	(50.0)	1.2
ADRO	1,125	1,555	1,700	Buy	51.1	(11.4)	36.0	9.4x	0.7x	7.0	9.7	(23.2)	(47.7)	1.5
MEDC	382	732	931	Buy	143.7	(31.1)	9.6	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(11.8)	76.8							
AALI	10,875	14,575	14,200	Buy	30.6	(4.0)	20.9	30.7x	1.1x	3.6	0.8	7.6	423.9	1.5
LSIP	980	1,485	1,200	Buy	22.4	(24.6)	6.7	19.9x	0.8x	4.0	1.5	(1.9)	550.0	1.6

* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	07:30	Markit Indonesia PMI Mfg	Oct		--	47.2
<i>02 - Nov</i>	CH	08:45	Caixin China PMI Mfg	Oct		52.8	53
	ID	11:00	CPI YoY	Oct		--	1.42%
	EC	16:00	Markit Eurozone Manufacturing PMI	Oct		--	54.4
	UK	16:30	Markit UK PMI Manufacturing SA	Oct		--	53.3
	US	21:45	Markit US Manufacturing PMI	Oct		--	53.3
Tuesday	US	22:00	Factory Orders	Sep		0.3%	0.7%
<i>03 - Nov</i>	US	22:00	Durable Goods Orders	Sep		--	--
Wednesday	US	19:00	MBA Mortgage Applications	Oct		--	--
<i>04 - Nov</i>	US	20:15	ADP Employment Change	Oct		750k	749k
Thursday	ID	11:00	GDP YoY	3Q20		--	-5.32%
<i>05 - Nov</i>	UK	19:00	Bank of England Bank Rate	Nov		--	0.1%
Friday	ID	10:00	Foreign Reserves	Oct		--	\$135.15b
<i>06 - Nov</i>	GE	14:00	Industrial Production SA MoM	Sep		--	-0.2%
	US	20:30	Unemployment Rate	Oct		7.7%	7.9%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividen	SIDO
<i>02 - Nov</i>	RUPS	SCPI, BRAM, BBSI, ASJT
Tuesday	Cum Dividen	PALM, IMPC
<i>03 - Nov</i>		
Wednesday	Cum Dividen	XCID
<i>04 - Nov</i>		
Thursday	RUPS	BRIS
<i>05 - Nov</i>		
Friday	RUPS	PKPK
<i>06 - Nov</i>		

Source: NHKSI Research

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