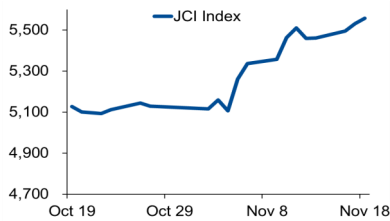


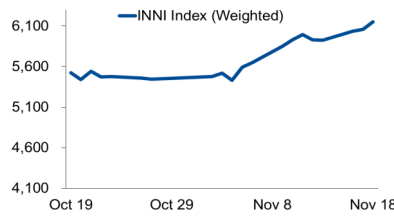
Morning Brief

Daily | 19 November, 2020

JCI Movement



INNI Movement



Today's Outlook:

Result of Bank Indonesia RDG

Wall Street resumed its decline in trading (19/11/2020), after touching a record high earlier this week. Investors are starting to refocus on the high number of Covid-19 cases which will be a big challenge until a vaccine can be realized.

In the domestic market, investors will observe the results of today's Board of Governors Meeting (RDG). The upward trend in the JCI was also driven by net buying from foreign investors. Technically, the space for the JCI to increase tends to be limited with movement ranging in 5,498 - 5,613.

Company News

- JPFA : Poultry Industry May Potentially Grow 10-15% Next Year
- INKP : Revenue Declines, Net Profit Soars 20.75%
- SHIP : Purchases a New Tanker Ship Worth USD18.5 Million
- TRIO : Q3/20 Revenue Improves on Support of Online Sales

Domestic & Global News

- High Price and Lack of Electric Vehicle Infrastructure
- Sovereign Wealth Funds Rotate from US Stocks to Bonds

Sectors

	Last	Chg.	%
Mining	1560,07	20,90	1,36%
Finance	1273,59	11,89	0,94%
Infrastructure, Utilities, Transportation	924,91	4,77	0,52%
Basic Industries	832,47	3,01	0,36%
Consumer Goods	1853,96	5,14	0,28%
Property, Real Estate, and Construction	347,52	-0,17	-0,05%
Miscellaneous Industry	1011,45	-2,44	-0,24%
Trade, Services, and Investment	659,61	-2,26	-0,34%
Agriculture	1226,76	-11,91	-0,96%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.00%	Real GDP	-3.49%	-5.32%
FX Reserve (USD bn)	133.66	135.15	Current Acc (USD bn)	(2.90)	(3.75)
Trd Balance (USD bn)	3.61	2.44	Govt. Spending Yoy	9.76%	-6.90%
Exports Yoy	-3.29%	-0.51%	FDI (USD bn)	4.07	5.00
Imports Yoy	-26.93%	-18.88%	Business Confidence	104.82	105.33
Inflation Yoy	1.44%	1.42%	Cons. Confidence*	79.00	83.40

JCI Index

Nov. 18	5,557.51
Chg.	+27.57pts (+0.50%)
Volume (bn shares)	169.68
Value (IDR tn)	12.25
Adv 232 Dec 210 Unc 275 Untr 99	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
ANTM	1,066.8	BMRI	393.3
TLKM	763.7	HMSP	303.1
BBRI	733.7	BRIS	290.5
BBCA	655.2	GIAA	290.5
PGAS	640.7	TINS	284.0

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
ANTM	1,066.8	BMRI	393.3
TLKM	763.7	HMSP	303.1
BBRI	733.7	BRIS	290.5
BBCA	655.2	GIAA	290.5
PGAS	640.7	TINS	284.0

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.16%	0.01%
USDIDR	14,070	0.11%
KRWIDR	12.76	0.43%

Global Indices

Index	Last	Chg.	%
Dow Jones	29,438.42	(344.93)	-1.16%
S&P 500	3,567.79	(41.74)	-1.16%
FTSE 100	6,385.24	19.91	0.31%
DAX	13,201.89	68.42	0.52%
Nikkei	25,728.14	(286.48)	-1.10%
Hang Seng	26,544.29	129.20	0.49%
Shanghai	3,347.30	7.41	0.22%
KOSPI	2,545.64	6.49	0.26%
EIDO	21.67	(0.15)	-0.69%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,872.2	(8.1)	-0.43%
Crude Oil (USD/B)	41.82	0.39	0.94%
ICE NewCastle (USD/ton)	63.30	0.60	0.96%
LME Nickel (USD/MT)	15,809	(130.0)	-0.82%
LME Tin (USD/MT)	18,845	(180.0)	-0.95%
CPO (MYR/ton)	3,364	85.0	2.59%

JPFA : Poultry Industry May Potentially Grow 10-15% Next Year

PT Japfa Comfeed Indonesia Tbk (JPFA) is optimistic that the poultry industry will recover in line with economic improvements after being suppressed by the Covid-19 pandemic. With this revival of the economy, Japfa Indonesia believes that the poultry industry will recover quickly with a potential growth of 10% to 15% next year. (Kontan)

SHIP : Purchases a New Tanker Ship Worth USD18.5 Million

PT Sillo Maritime Perdana Tbk (SHIP) reported the purchase of a ship aka oil tanker worth around USD18.5 million. This transaction was carried out by a subsidiary of Sillo Maritime (SHIP), PT Petrocean Indo Pasifik on November 16, 2020. Petrocean Indo Pasifik bought ships belonging to Sembrani Maritime Ltd. (Kontan)

INKP : Revenue Declines, Net Profit Soars 20.75%

PT Indah Kiat Pulp & Paper Tbk (INKP) was able to record net profit growth amidst declining revenues. From January to September 2020 the paper company's net income has eroded 11.15% on an annual basis or yoy. Although the top line performance was not satisfactory, the bottom line was still able to grow. INKP's net profit shot up 20.75% yoy. INKP now has a profit of up to USD287.46 million. (Kontan)

TRIO : Q3/20 Revenue Improves on Support of Online Sales

PT Trikonsel Oke Tbk (TRIO), recorded an revenue increase in the third quarter of 2020 or shot up by 103.12% QoQ to IDR151.81 billion. In the second quarter, Trikonsel's revenue had slumped 67.6% qoq, from IDR230.53 billion to IDR74.74 billion. The revenue improvement recorded in the third quarter of 2020 was also driven by TRIO's steps in increasing online sales through marketplaces, social media, and offering TRIO products to previous customers. (Kontan)

Domestic & Global News

High Price and Lack of Electric Vehicle Infrastructure

The government targets 20% automotive production in Indonesia by 2025, to be electric vehicle such as hybrid, plug in hybrid, and battery-based EV cars. The government has also completed the regulation which is a derivative of Presidential Decree 55/2019, supported by an abundant nickel, cobalt and manganese raw materials. On the other hand, electric vehicles in Indonesia still face challenges such as high prices and the existence of infrastructure such as battery charging (SPKLU). (Kontan)

Sovereign Wealth Funds Rotate from US Stocks to Bonds

Sovereign wealth funds pulled USD4.1 billion from US stocks in the third quarter, while adding to their US bond holdings by the most in at least three years, data showed on Wednesday. Around USD4.5 billion was sucked into US fixed income, with the bulk into short-duration instruments, according to the eVestment data on strategies managed by third-party fund managers. The activity came ahead of the US presidential election in November, which sparked volatility on Wall Street. (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						(0.4)	2,358.3							
BBCA	32,850	33,425	34,000	Hold	3.5	4.0	809.9	29.3x	4.5x	16.0	1.7	3.4	(4.2)	1.1
BBRI	4,040	4,400	4,000	Hold	(1.0)	(3.6)	498.3	20.9x	2.6x	12.2	4.2	(3.1)	(43.3)	1.3
BBNI	5,725	7,850	6,000	Hold	4.8	(24.7)	106.8	13.8x	1.0x	6.7	3.6	(2.4)	(63.9)	1.5
BMRI	6,350	7,675	7,000	Hold	10.2	(11.2)	296.3	13.9x	1.6x	11.1	5.6	(0.7)	(30.7)	1.4
Consumer						(10.4)	1,067.0							
GGRM	42,875	53,000	59,600	Buy	39.0	(20.1)	82.5	8.9x	1.5x	17.9	N/A	2.0	(22.0)	0.9
KINO	2,930	3,430	2,950	Hold	0.7	(20.8)	4.2	17.9x	1.6x	9.0	3.5	(10.7)	(63.9)	0.8
ICBP	10,275	11,150	12,150	Buy	18.2	(10.1)	119.8	20.5x	4.2x	22.7	2.1	4.1	31.2	0.7
KLBF	1,505	1,620	1,750	Buy	16.3	(1.0)	70.5	26.9x	4.1x	16.2	1.3	1.6	5.8	0.9
SIDO	810	638	930	Hold	14.8	33.3	24.3	31.9x	7.3x	26.9	3.2	6.0	10.8	0.9
UNVR	7,800	8,400	8,600	Hold	10.3	(8.9)	297.6	40.6x	45.9x	109.5	2.5	0.3	(1.0)	0.8
Infrastructure						(18.4)	650.65							
TLKM	3,180	3,917	3,800	Buy	19.5	(19.8)	315.0	16.7x	3.1x	18.8	4.8	(2.6)	1.3	1.0
JSMR	4,410	5,175	4,550	Hold	3.2	(15.2)	32.0	25.5x	1.7x	6.9	0.3	(51.0)	(90.0)	1.4
EXCL	2,300	3,150	3,350	Buy	45.7	(34.8)	24.6	10.7x	1.2x	11.5	0.9	5.0	312.8	1.2
TOWR	1,035	805	1,310	Buy	26.6	56.8	52.8	19.6x	5.4x	29.5	2.3	19.3	22.6	0.9
PGAS	1,365	2,170	1,400	Hold	2.6	(32.1)	33.1	116.1x	0.9x	0.8	3.0	(17.9)	(85.0)	1.7
TBIG	1,390	1,230	1,565	Hold	12.6	28.1	31.5	30.4x	5.0x	20.0	2.0	13.5	22.3	1.0
Trade						(15.7)	587.9							
UNTR	21,000	21,525	19,000	Hold	(9.5)	(6.5)	78.3	9.8x	1.3x	13.7	4.6	(29.2)	(38.2)	0.9
MAPI	775	1,055	870	Hold	12.3	(26.5)	12.9	488.3x	2.3x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,805	1,795	2,000	Hold	10.8	15.3	5.8	13.6x	1.1x	8.7	N/A	(1.9)	78.8	1.5
Property						(31.2)	334.1							
CTRA	915	1,040	780	Hold	(14.8)	(15.3)	17.0	16.3x	1.1x	7.0	0.9	(10.8)	(43.8)	1.4
WSKT	1,025	1,485	820	Sell	(20.0)	(29.3)	13.9	N/A	0.9x	(7.0)	0.3	(45.7)	N/A	1.9
WIKA	1,460	1,990	1,310	Hold	(10.3)	(27.0)	13.1	13.3x	1.0x	6.7	3.5	(43.3)	(96.3)	1.8
PTPP	1,150	1,585	1,140	Hold	(0.9)	(27.7)	7.1	17.3x	0.7x	3.4	2.9	(37.0)	(95.2)	1.8
PWON	494	570	440	Hold	(10.9)	(17.0)	23.8	20.3x	1.7x	8.1	N/A	(41.9)	(72.1)	1.5
Basic Ind.						(13.9)	669.3							
SMGR	11,150	12,000	13,325	Buy	19.5	(10.3)	66.1	25.1x	2.0x	8.1	0.4	(8.9)	19.3	1.3
CPIN	6,525	6,500	6,660	Hold	2.1	(8.7)	107.0	32.0x	4.9x	15.9	1.2	(1.4)	(10.9)	1.5
Misc Ind.						(14.3)	308.3							
ASII	5,775	6,925	5,800	Hold	0.4	(13.2)	233.8	11.8x	1.5x	13.4	3.2	(26.4)	(11.5)	1.3
Mining						5.0	362.4							
TINS	1,140	825	1,200	Hold	5.3	42.5	8.5	N/A	1.7x	(19.7)	N/A	(18.7)	(43.0)	1.6
PTBA	2,110	2,660	2,900	Buy	37.4	(14.9)	24.3	8.9x	1.4x	16.0	15.5	(20.9)	(44.6)	1.1
INCO	4,670	3,640	4,530	Hold	(3.0)	41.5	46.4	24.6x	1.6x	6.9	N/A	12.7	N/A	1.6
ANTM	1,240	840	1,100	Hold	(11.3)	48.5	29.8	63.6x	1.6x	2.4	0.2	(26.5)	30.3	1.6
ITMG	9,200	11,475	12,000	Buy	30.4	(23.7)	10.4	10.5x	0.8x	7.6	9.5	(33.2)	(55.6)	1.2
ADRO	1,190	1,555	1,700	Buy	42.9	(9.8)	38.1	25.1x	0.7x	2.9	9.2	(26.4)	(73.0)	1.4
MEDC	418	732	931	Buy	122.7	(24.6)	10.5	N/A	0.6x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(11.1)	78.6							
AALI	10,950	14,575	14,200	Buy	29.7	(13.1)	21.1	30.9x	1.1x	3.6	0.8	7.6	423.9	1.4
LSIP	1,090	1,485	1,200	Hold	10.1	(16.8)	7.4	22.1x	0.9x	4.0	1.4	(1.9)	550.0	1.7

* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH	09:00	Industrial Production YoY	Oct	6.9%	6.7%	6.9%
<i>16 - Nov</i>	CH	09:00	Retail Sales YoY	Oct	4.3%	5.0%	3.3%
	ID	11:00	Trade Balance	Oct	\$3607m	\$2192m	\$2438m
	US	20:30	Empire Manufacturing	Nov	6.3	13.8	10.5
Tuesday	US	20:30	Retail Sales Advance MoM	Oct	0.30%	0.50%	1.90%
<i>17 - Nov</i>	US	21:15	Industrial Production MoM	Oct	1.10%	1.00%	-0.60%
Wednesday	UK	14:00	CPI MoM	Oct	0.00%	0.10%	0.40%
<i>18 - Nov</i>	UK	14:00	CPI YoY	Oct	0.70%	0.60%	0.50%
	EC	17:00	CPI YoY	Oct	-0.3%	-0.30%	-0.30%
	US	19:00	MBA Mortgage Applications	Nov	-0.3%	--	-0.50%
	US	20:30	Housing Starts	Oct	1530k	1445k	1415k
Thursday	ID	14:20	Bank Indonesia 7D Reverse Repo	Nov		4.00%	4.00%
<i>19 - Nov</i>	US	20:30	Initial Jobless Claims	Nov		--	709k
	US	22:00	Leading Index	Oct		0.70%	0.70%
	US	22:00	Existing Home Sales	Oct		6.44m	6.54m

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividen	KINO, XISB
<i>16 - Nov</i>		
Tuesday	RUPS	CPRO, SAMF
<i>17 - Nov</i>		
Wednesday	Stock Split	DIGI
<i>18 - Nov</i>	RUPS	TRIO, BTPN, RIGS
Thursday	RUPS	PZZA, TRJA
<i>19 - Nov</i>		
Friday	RUPS	GIAA, SKLT
<i>20 - Nov</i>		

Source: NHKSI Research

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