

Weekly Brief (Nov 23rd – Nov 27th)

Summary:

Last week review: JCI's movement was influenced by domestic sentiments from the release of trade balance and balance of payment data, to BI's decision to cut BI-7DRRR. Meanwhile, global markets were influenced by the development of covid-19 vaccine by Moderna.

This week's outlook: Property sector received some positive sentiments, such as the decrease of BI-7DRRR rate. The recently signed Regional Comprehensive Economic Partnership (RCEP) agreement also has the potential to increase foreign investment inflow which will positively impact industrial estate stocks.

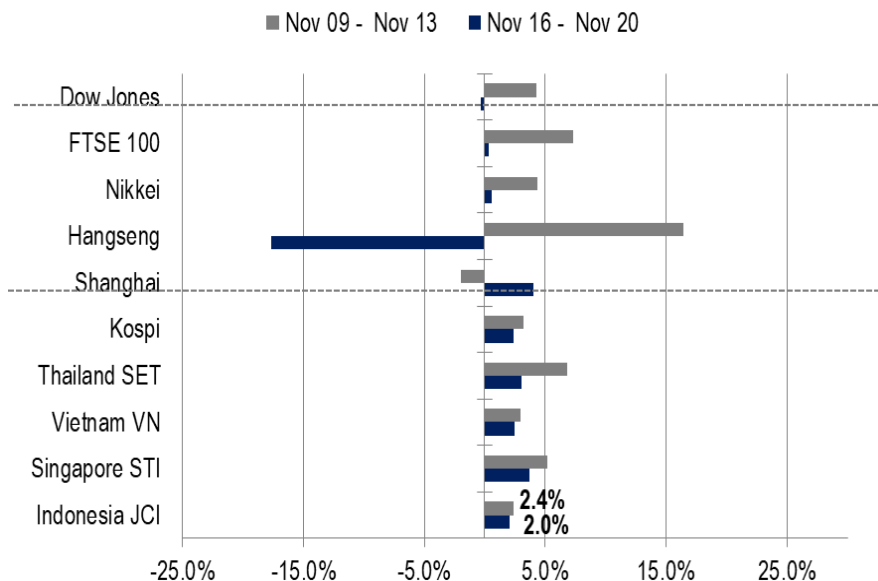
Last Week's JCI Movement

• JCI Index : 5,571.65 (+2.0%)
 Foreign Flow : Net buy of IDR1.1 trillion (vs. last week's net buy of IDR4.4 trillion)
 USD/IDR : 14,165 (+0.04%)

JCI Closed on High

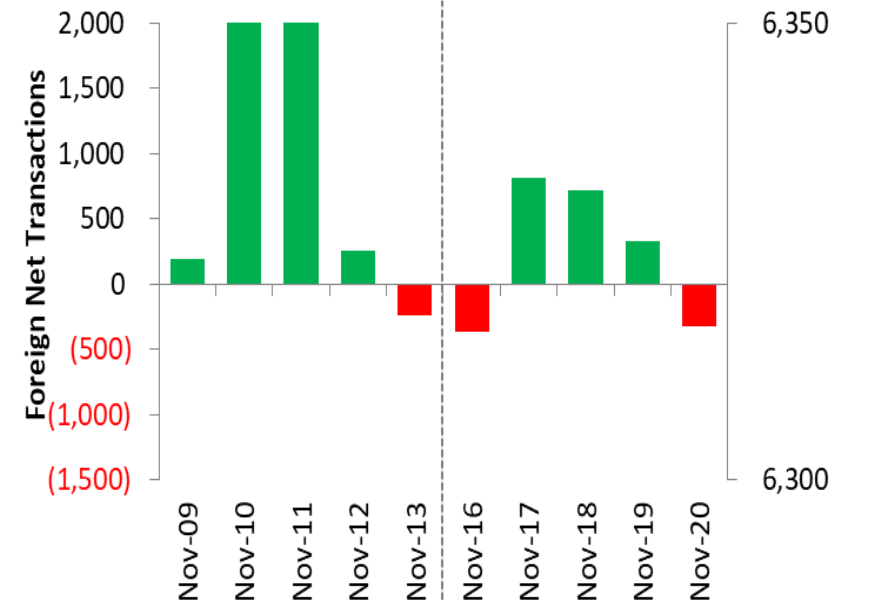
- 16 November - At the start of the week, JCI closed higher amid the release of trade balance data by Statistics Indonesia (BPS) that booked a surplus of USD3.61 billion with export value amounting to USD14.39 billion and import value of USD10.78 billion. Meanwhile globally, the effectivity of Moderna vaccine that reached 94% in its third testing (higher than Pfizer at 90%) became a positive sentiment for the Asia and global market.
- 19 November - JCI continued rally triggered by the decision of Board of Governors (RDG) meeting to cut the BI-7DRRR benchmark interest rate by 25bps from 4% to 3.75%. Deposit facility and lending facility each had 25bps cuts to 3% and 4.5%.
- 20 November - JCI closed on the red amid the release of Indonesia Payment Balance in 3Q20 that booked surplus of USD2.1 billion. Thus, the foreign exchange reserves position in 3Q20 increased to USD135.2 billion.

Global Market Movement



Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

Last Week's Sector Movement

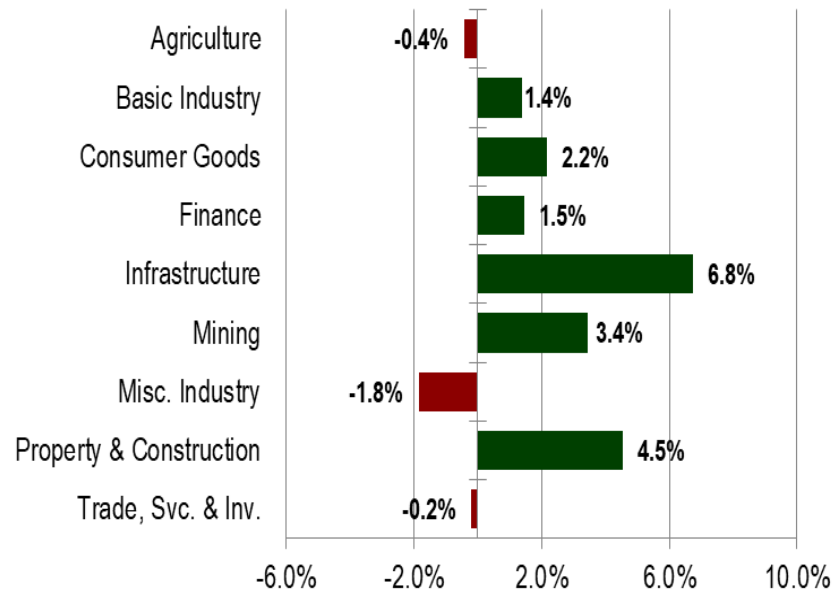
- Infrastructure Sector**

The infrastructure sector had a weekly increase of 6.8%. The gain was caused by rally in TLKM (+7.7%) which had a foreign net buy of IDR761 billion.

- Miscellaneous Industry Sector**

The miscellaneous industry sector recorded a decline of -1.8% in the past week. This was caused by drop in ASII (-2.9%). As a note, ASII has continued to strengthen its financial business line by taking corporate actions through PT Sedaya Multi Investama acquiring a 49.99% stake in PT Astra Aviva Life. Astra Life is a life insurance company that offer products such as life protection, health, accidents, life insurance linked to investment, sharia life insurance, and corporate customers in the form of employee health programs and pension funds.

JCI Sector Movement



Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val.	Top Sell (RG)	NS Val.
BBCA	1,280.5	BBNI	-362.8
TLKM	765.1	HMSP	-210.8
MDKA	244.0	ASII	-164.4
TOWR	110.8	INKP	-150.8
INCO	58.9	PTBA	-146.3

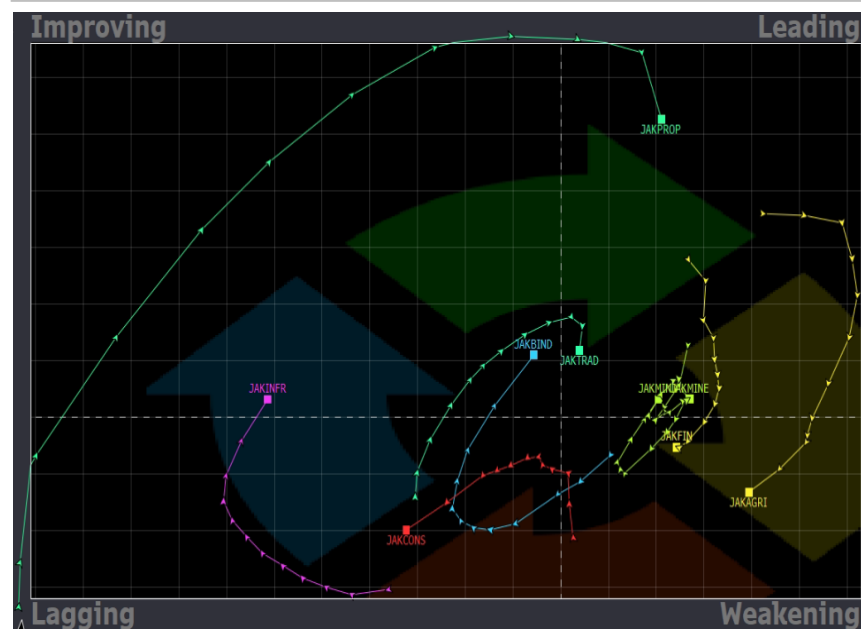
Source: NHKSI Research

Outlook This Week

- **Prospect of Property Sector**

Bank Indonesia's decision to cut its BI-7DRRR (4% to 3.75%) has potential to be a good sentiment for Property and Construction Sector. Based on the Relative Rotation Graph (RRG), the property sector has entered into leading territory. Our main picks for this sector are: PWON, CTRA, and BSDE. Meanwhile, the recently signed Regional Comprehensive Economic Partnership (RCEP) might also benefit industrial estate stocks such as: BEST, DMAS, and KIJA. Combined with the Omnibus Law, these regulations have created expectations that more foreign investments can be brought in to Indonesia.

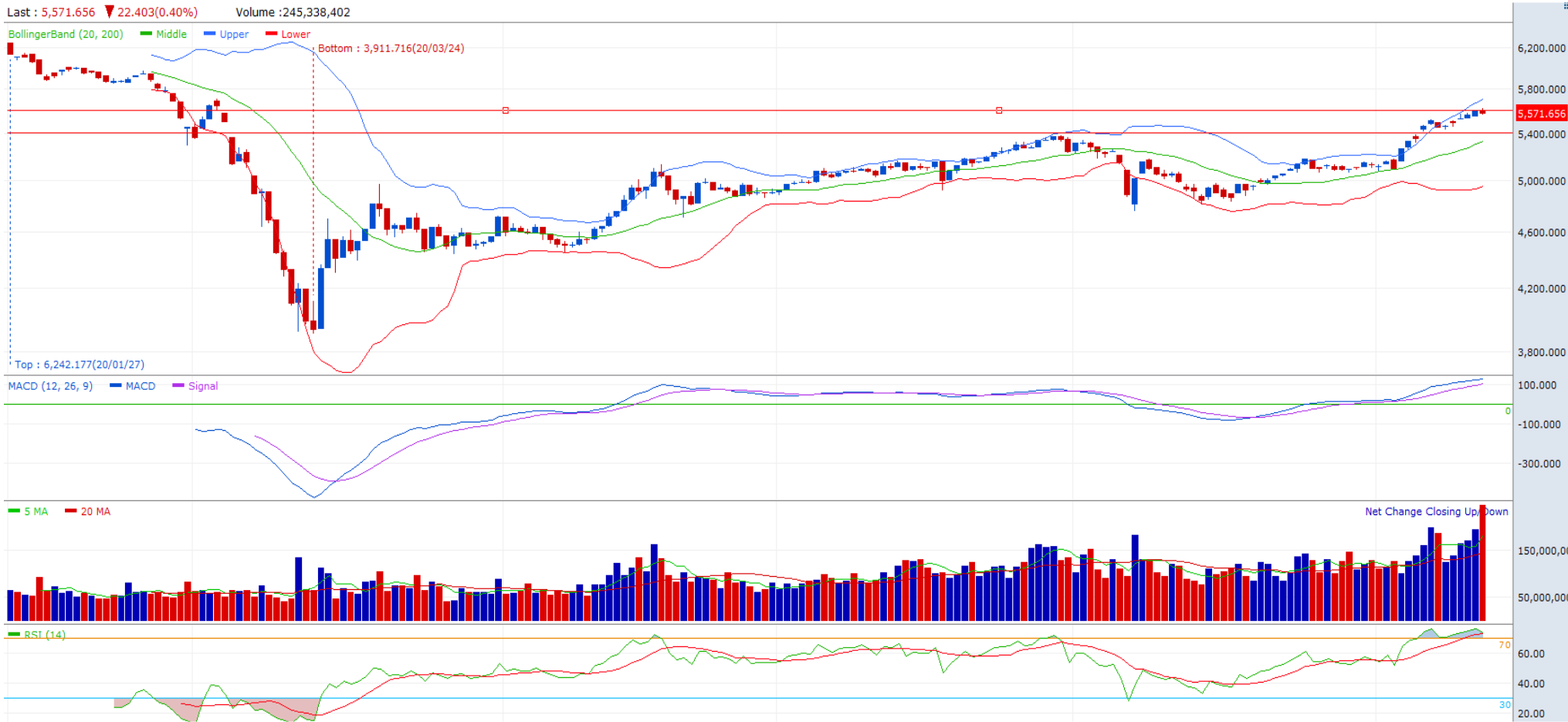
PMI Manufacture Indonesia



Source: Bloomberg, NHKSI Research

JCI Index

Close	5571,656	Upper Limit	5700,262	Lower Limit	4954,17	MACD	127,828
Signal	104,494	RSI	73,56	Signal	73,26	Support	5410
Resistance	5613						



Source: NHKSI Research

Kalender Ekonomi

Date	Country	Hour JKT	Event	Period	Consensus	Previous
Tuesday, 23-Nov	EC	16:00	Markit Eurozone Manufacturing PMI	Nov	--	54.8
	EC	16:00	Markit Eurozone Composite PMI	Nov	--	50
	UK	16:30	Markit UK PMI Manufacturing SA	Nov	--	53.7
	US	21:45	Markit US Manufacturing PMI	Nov	52.5	53.4
Wednesday, 24-Nov	GE	14:00	GDP SA QoQ	3Q20	--	8.20%
	GE	16:00	IFO Expectations	Nov	--	95
	US	22:00	Conf. Board Consumer Confidence	Nov	98	100.9
Thursday, 25-Nov	US	19:00	MBA Mortgage Applications	Nov	--	-0.30%
	US	20:30	GDP Annualized QoQ	3Q20	33.10%	33.10%
	US	20:30	GDP Price Index	3Q20	3.60%	3.60%
	US	20:30	Initial Jobless Claims	Nov	--	--
	US	20:30	Durable Goods Orders	Oct	1.30%	1.90%
	US	22:00	Personal Spending	Oct	0.60%	1.40%
	US	22:00	New Home Sales	Oct	968k	959k
Friday, 26-Nov	EC	16:00	M3 Money Supply YoY	Oct	--	10.40%

Source: Bloomberg, NHKSI Research

Kalender Aksi Korporasi

Date	Event	Company
Tuesday, 24-Nov	RUPS	SAME, BBSI, KRAS
Wednesday, 25-Nov	RUPS	UNVR, TDPM, SIDO, ESSA
Thursday, 26-Nov	RUPS	BDMN, COCO, INCF
Friday, 27-Nov	RUPS	JAWA, SMDM, FORU, SOCI, KEJU, BOSS

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						(0.6)	2,373.9							
BBCA	33,000	33,425	34,000	Hold	3.0	3.9	813.6	29.4x	4.5x	16.0	1.7	3.4	(4.2)	1.1
BBRI	4,020	4,400	4,000	Hold	(0.5)	(4.7)	495.9	20.8x	2.6x	12.2	4.2	(3.1)	(43.3)	1.3
BBNI	5,675	7,850	6,000	Hold	5.7	(25.8)	105.8	13.7x	1.0x	6.7	3.6	(2.4)	(63.9)	1.5
BMRI	6,300	7,675	7,000	Hold	11.1	(11.3)	294.0	13.8x	1.6x	11.1	5.6	(0.7)	(30.7)	1.4
Consumer						(10.3)	1,080.0							
GGRM	44,125	53,000	49,000	Hold	11.0	(18.0)	84.9	9.1x	1.5x	17.9	N/A	2.0	(22.0)	0.9
ICBP	10,100	11,150	12,150	Buy	20.3	(11.6)	117.8	20.2x	4.1x	22.7	2.1	4.1	31.2	0.7
KLBF	1,495	1,620	1,750	Buy	17.1	(2.0)	70.1	26.8x	4.1x	16.2	1.3	1.6	5.8	0.9
SIDO	800	638	930	Buy	16.3	31.7	24.0	31.5x	7.2x	26.9	3.3	6.0	10.8	0.9
UNVR	7,725	8,400	8,600	Hold	11.3	(9.2)	294.7	40.2x	45.4x	109.5	2.5	0.3	(1.0)	0.8
Infrastructure						(18.1)	652.14							
TLKM	3,220	3,917	3,800	Buy	18.0	(20.2)	319.0	16.9x	3.1x	18.8	4.8	(2.6)	1.3	1.0
JSMR	4,350	5,175	4,550	Hold	4.6	(15.9)	31.6	25.2x	1.7x	6.9	0.3	(51.0)	(90.0)	1.4
EXCL	2,300	3,150	3,350	Buy	45.7	(35.2)	24.6	10.7x	1.2x	11.5	0.9	5.0	312.8	1.2
TOWR	1,030	805	1,310	Buy	27.2	53.7	52.5	19.5x	5.3x	29.5	2.3	19.3	22.6	0.9
PGAS	1,405	2,170	1,400	Hold	(0.4)	(29.2)	34.1	118.6x	1.0x	0.8	3.0	(17.9)	(85.0)	1.7
TBIG	1,415	1,230	1,565	Hold	10.6	34.8	32.1	30.9x	5.1x	20.0	2.0	13.5	22.3	1.0
Trade						(15.9)	590.5							
UNTR	21,300	21,525	19,000	Hold	(10.8)	(6.1)	79.5	9.9x	1.3x	13.7	4.6	(29.2)	(38.2)	0.9
MAPI	785	1,055	870	Hold	10.8	(26.3)	13.0	494.6x	2.4x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,820	1,795	2,000	Hold	9.9	17.4	5.8	13.7x	1.1x	8.7	N/A	(1.9)	78.8	1.5
MIKA	2,430	2,670	2,180	Hold	(10.3)	(12.6)	34.6	46.8x	7.7x	16.7	0.9	(2.8)	0.0	0.2
Property						(29.5)	341.9							
CTRA	895	1,040	780	Hold	(12.8)	(16.7)	16.6	16.0x	1.1x	7.0	0.9	(10.8)	(43.8)	1.4
WSKT	1,025	1,485	820	Sell	(20.0)	(28.1)	13.9	N/A	0.9x	(7.0)	0.3	(45.7)	N/A	1.9
WIKA	1,425	1,990	1,310	Hold	(8.1)	(28.2)	12.8	13.0x	0.9x	6.7	3.6	(43.3)	(96.3)	1.8
PTPP	1,150	1,585	1,140	Hold	(0.9)	(26.5)	7.1	17.3x	0.7x	3.4	2.9	(37.0)	(95.2)	1.8
PWON	500	570	615	Buy	23.0	(17.4)	24.1	20.6x	1.7x	8.1	N/A	(41.9)	(72.1)	1.5
Basic Ind.						(12.8)	666.7							
SMGR	11,350	12,000	13,325	Buy	17.4	(8.5)	67.3	25.5x	2.0x	8.1	0.4	(8.9)	19.3	1.3
CPIN	6,475	6,500	6,660	Hold	2.9	(12.2)	106.2	31.7x	4.8x	15.9	1.3	(1.4)	(10.9)	1.5
Misc Ind.						(14.2)	306.8							
ASII	5,725	6,925	5,800	Hold	1.3	(13.6)	231.8	11.7x	1.5x	13.4	3.2	(26.4)	(11.5)	1.3
Mining						5.1	367.4							
TINS	1,105	825	1,200	Hold	8.6	40.8	8.2	N/A	1.7x	(19.7)	N/A	(18.7)	(43.0)	1.6
PTBA	2,190	2,660	2,900	Buy	32.4	(10.6)	25.2	9.2x	1.5x	16.0	14.9	(20.9)	(44.6)	1.1
INCO	4,560	3,640	4,530	Hold	(0.7)	41.2	45.3	23.9x	1.6x	6.9	N/A	12.7	N/A	1.6
ANTM	1,210	840	1,100	Hold	(9.1)	46.7	29.1	62.1x	1.5x	2.4	0.2	(26.5)	30.3	1.6
ITMG	10,150	11,475	12,000	Buy	18.2	(15.4)	11.5	11.5x	0.9x	7.6	8.6	(33.2)	(55.6)	1.2
ADRO	1,215	1,555	1,700	Buy	39.9	(9.0)	38.9	25.5x	0.8x	2.9	9.0	(26.4)	(73.0)	1.4
MEDC	426	732	931	Buy	118.5	(22.0)	10.7	N/A	0.6x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(12.0)	79.4							
AALI	11,000	14,575	14,200	Buy	29.1	(15.4)	21.2	31.0x	1.1x	3.6	0.8	7.6	423.9	1.4
LSIP	1,125	1,485	1,200	Hold	6.7	(18.8)	7.7	22.8x	0.9x	4.0	1.3	(1.9)	550.0	1.7

Source : Bloomberg, NHKSI Research

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