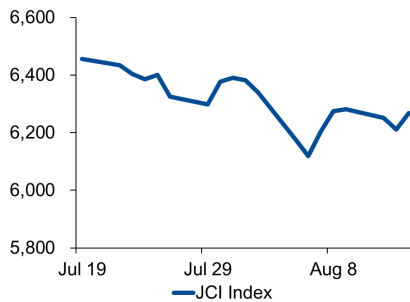


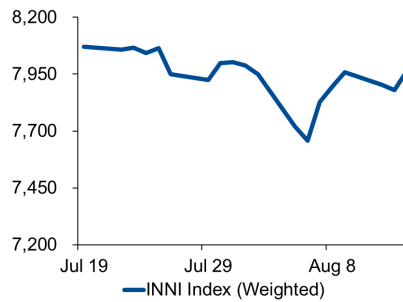
Morning Brief

Daily | August 16 2019

JCI Movement



INNI Movement



JCI Index

Aug. 15	6,267.33
Chg.	+56.37pts (+0.91%)
Volume (bn shares)	156.71
Value (IDR tn)	8.35
Adv 246 Dec 148 Unc 275 Untr 142	

INNI Index

Last	7,938.80
Chg.	-29.64pts (-0.37%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
JSMR	2.2%	UNTR	-3.8%
INDF	1.7%	ADRO	-2.4%
GGRM	1.4%	ASII	-2.2%
MIKA	1.4%	PTBA	-2.1%
ICBP	1.3%	BBRI	-1.8%

Foreign Transaction

	(IDR bn)
Buy	1,967
Sell	2,254
Net Buy (Sell)	287

Top Buy	NB Val.	Top Sell	NS Val.
TLKM	225.9	BBRI	230.9
BNLI	49.4	BBCA	97.2
ICBP	30.3	ASII	56.7
MDKA	25.2	UNTR	47.6
MNCN	22.3	BMRI	34.5

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.49%	0.03%
USDIDR	14,273	0.17%
KRWIDR	11.75	0.04%

Global Indexes

Index	Last	Chg.	%
Dow Jones	25,579.39	99.97	0.39%
S&P 500	2,847.60	7.00	0.25%
FTSE 100	7,067.01	(80.87)	-1.13%
DAX	11,412.67	(79.99)	-0.70%
Nikkei	20,405.65	(249.48)	-1.21%
Hang Seng	25,495.46	193.18	0.76%
Shanghai	2,815.80	6.88	0.25%
KOSPI	1,938.37	12.54	0.65%
EIDO	24.53	0.18	0.74%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,523.3	6.9	0.46%
Crude Oil (USD / bbl)	54.47	(0.76)	-1.38%
Coal Newcas(USD/ton)	67.20	(2.85)	-4.07%
Nickel LME (USD / MT)	16,250	280.0	1.75%
Tin LME (USD / MT)	17,145	20.0	0.12%
CPO (MYR/Ton)	2,174	(45.0)	-2.03%

Market Recap

JCI pared down as the banking and miscellaneous sectors lagged. **JCI's Top Losers: Misc. Industry (-2.0%), Mining (-0.7%), Finance (-0.6%).**

INNI index, as did JCI, slipped 0.37% because headwinds of low coal prices left miners, UNTR and ADRO, loss.

Daily Foreign & Domestic Sector Movement

Foreign money of IDR287 billion had been pulled out from JCI, with the banking sector witnessing the largest outflows of IDR272 billion. Most of Asia markets were bearish as investors remained to pull out their money. A glance at the US market, the Dow Jones plunged on Wednesday's trading session due to the worrying signal on the US recession. From global highlights, adding to the US gloomy outlook is the unrest in Hong Kong worsening the broader volatility.

Back in domestic highlights, the Indonesia rupiah's exchange rate for USD bottomed, and domestic investors fled their money of IDR185 billion and IDR37 billion, respectively from the infrastructure and consumer sectors.

Today's Outlook: July Trade Balance Was in Deficit

The Dow Jones nudged up 0.39% after the rising retail sales reading regardless of growing anxieties on the US recession after an inverted yield curve—10-year yields bottoming 2-year yield. In domestic highlights, July's trade deficit was at USD63.5 million, with exports of USD15.45 billion and imports of USD15.51 billion.

Company News

- UNVR : Spent Roughly 60% of Capex
- PTBA : Penetrates New Business
- ANTM : Gold Sales Buoyed
- BBCA : Becomes Payment Option on Ralali.com

Domestic & Global News

- January-July Deficit of USD1.9 Billion
- US Retail Sales Rose Solidly in July

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	6.00%	Real GDP	5.05%	5.07%
FX Reserve (USD bn)	125.90	123.80	Current Acc (USD bn)	(8.40)	(6.97)
Trd Balance (USD bn)	(0.06)	0.20	Govt. Spending Yoy	8.23%	5.21%
Exports Yoy	-5.12%	-8.98%	FDI (USD bn)	5.78	6.04
Imports Yoy	-15.21%	2.80%	Business Confidence	108.05	108.05
Inflation Yoy	3.32%	3.28%	Cons. Confidence*	124.80	128.10

UNVR : Spent Roughly 60% of Capex

PT Unilever Indonesia Tbk (UNVR) absorbed capex of IDR650 billion from the total capex allocation of IDR1.1 trillion. The capex absorbed was spent on business expansion as UNTR launched a number of new products such as Juara ice cream, Rexona deodorant, and other variant deodorants. (Kontan)

PTBA : Penetrates New Business

PT Bukit Asam Tbk (PTBA) through its subsidiary PT Bukit Mulia Properti penetrates the construction business, ranging from housing, office, industrial real estate, schools, and real estate. PT Bukit Multi Properti obtained NIB on August 13, 2019, with PT Bukit Multi Investama as the majority stockholders. (Kontan)

ANTM : Gold Sales Buoyed

PT Aneka Tambang Tbk (ANTM) posted the IH19 gold sales of 15.7 tons or a 14.60% YoY increase. Because sales of gold contributed 65% to the total sales in IH19, ANTM has yet to revise the target of gold sales. In the meantime, ANTM focuses on expanding gold distribution through its gold boutiques and channels. (Kontan)

BBCA : Becomes Payment Option on Ralali.com

PT Bank Central Asia Tbk (BCA) cooperates with B2B Ralali.com to provide BCA Klikpay: a practical, easy payment for SMEs. The collaboration aims to facilitate transactions performed by SMEs. (Bisnis Indonesia)

Domestic & Global News

January-July Deficit of USD1.9 Billion

Statistics Indonesia (BPS) stated that the accumulative deficit from January to July 2019 amounted to USD 1.9 billion. The accumulative deficits from January to July narrowed compared to the deficit of USD 1.93 billion from January to June 2019. BPS stated that the trade balance deficit from January 2019 to June 2019 was due to global volatility and struggling prices of commodities. (Bisnis Indonesia)

US Retail Sales Rose Solidly in July

U.S. consumers spent more at retail stores and restaurants in July, a sign that concerns over slower global growth that have roiled financial markets haven't dampened consumer confidence. The Commerce Department says retail sales rose a healthy 0.7% last month, after a 0.3% gain in June. Online retailers, grocery stores, clothing retailers and electronics and appliance stores all reported strong gains. (CNBC)

	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 (%)	Adjusted Beta
Finance						21.9	2,395.5							
BBCA	30,000	26,000	32,000	Hold	6.7	28.3	739.7	27.1x	4.6x	18.4	1.1	16.8	12.7	1.0
BBRI	4,250	3,660	4,950	Buy	16.5	39.3	524.2	15.4x	2.8x	19.0	3.1	17.3	8.6	1.4
BMRI	7,400	7,375	8,000	Hold	8.1	10.4	345.3	13.1x	1.9x	15.0	3.3	9.1	11.1	1.4
Consumer						1.0	1,334.2							
GGRM	73,825	83,625	110,000	Buy	49.0	3.1	142.0	16.7x	3.2x	20.0	3.5	16.4	20.5	1.0
UNVR	44,700	45,400	59,000	Buy	32.0	5.1	341.1	36.8x	67.2x	183.9	2.7	1.3	5.2	1.0
ICBP	11,500	10,450	11,800	Hold	2.6	32.9	134.1	27.6x	5.9x	22.9	1.7	13.7	12.8	0.8
INDF	7,575	7,450	8,700	Hold	14.9	24.2	66.5	14.0x	1.9x	14.4	3.1	7.2	30.0	1.2
KAEF	3,060	2,600	4,100	Buy	34.0	32.5	17.0	42.6x	7.5x	16.6	0.5	21.8	(44.6)	1.0
KLBF	1,490	1,520	1,870	Buy	25.5	23.1	69.8	27.9x	4.8x	17.9	1.7	7.7	3.5	1.3
Infrastructure						20.8	836.42							
TLKM	4,290	3,698	4,350	Hold	1.4	29.9	425.0	20.8x	4.5x	22.8	3.8	7.7	27.4	0.9
JSMR	5,850	4,280	6,000	Hold	2.6	31.2	42.5	19.2x	2.4x	13.3	0.8	(25.9)	1.4	1.1
Trade						(4.4)	710.8							
UNTR	20,750	27,350	35,000	Buy	68.7	(37.9)	77.4	6.9x	1.4x	21.6	5.7	11.2	1.8	0.9
SILO	6,300	3,590	4,350	Sell	(31.0)	138.6	10.2	222.0x	1.6x	0.7	N/A	#N/A	N/A	0.8
MIKA	2,210	1,575	2,300	Hold	4.1	17.9	32.2	48.6x	7.5x	16.3	0.8	#N/A	N/A	0.5
LPPF	3,270	5,600	5,500	Buy	68.2	(49.1)	9.2	10.2x	5.1x	45.2	10.2	0.6	(11.5)	0.8
RALS	1,305	1,420	2,050	Buy	57.1	9.7	9.3	12.7x	2.1x	17.7	3.8	(0.2)	21.1	0.7
MAPI	1,015	805	1,300	Buy	28.1	27.7	16.8	22.7x	2.9x	14.5	1.0	10.2	25.0	0.8
Property						13.7	458.6							
PWON	695	620	725	Hold	4.3	37.6	33.5	12.0x	2.5x	22.4	1.0	3.8	20.9	1.3
CTRA	1,200	1,010	1,080	Hold	(10.0)	43.7	22.3	17.1x	1.5x	9.4	0.8	12.1	74.3	1.7
PTPP	1,920	1,805	2,450	Buy	27.6	6.7	11.9	8.6x	0.9x	12.4	2.5	12.8	(23.4)	1.6
WSKT	1,845	1,680	2,600	Buy	40.9	0.3	25.0	12.7x	1.4x	11.3	4.0	(35.4)	(66.8)	1.5
WIKA	2,330	1,655	2,500	Hold	7.3	51.3	20.9	9.9x	1.4x	14.9	1.7	#N/A	N/A	1.4
Basic Ind.						7.4	654.5							
KRAS	326	402	600	Buy	84.0	(18.5)	6.3	N/A	0.2x	(7.3)	N/A	(17.8)	(775.0)	1.3
SMGR	12,950	11,500	13,600	Hold	5.0	58.9	76.8	29.6x	2.5x	8.7	1.6	#N/A	N/A	1.4
INTP	21,875	18,450	19,000	Hold	(13.1)	51.6	80.5	56.3x	3.7x	6.5	2.5	7.7	80.2	1.5
Misc Ind.						(4.1)	348.2							
ASII	6,525	8,225	8,600	Buy	31.8	(8.1)	264.2	12.5x	1.9x	16.2	3.3	3.2	(5.8)	1.2
Mining						(18.4)	371.7							
ADRO	1,025	1,215	1,750	Buy	70.7	(42.4)	32.8	5.0x	0.6x	12.6	8.8	10.8	59.2	1.3
PTBA	2,380	4,300	5,100	Buy	114.3	(42.2)	27.4	5.3x	1.5x	29.2	14.3	(7.2)	(21.7)	1.2
INCO	3,440	3,260	4,400	Buy	27.9	(9.2)	34.2	456.6x	1.3x	0.3	N/A	(22.0)	N/A	1.6
ANTM	1,120	765	1,200	Hold	7.1	34.9	26.9	33.6x	1.4x	4.1	1.1	8.5	(30.1)	1.5

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

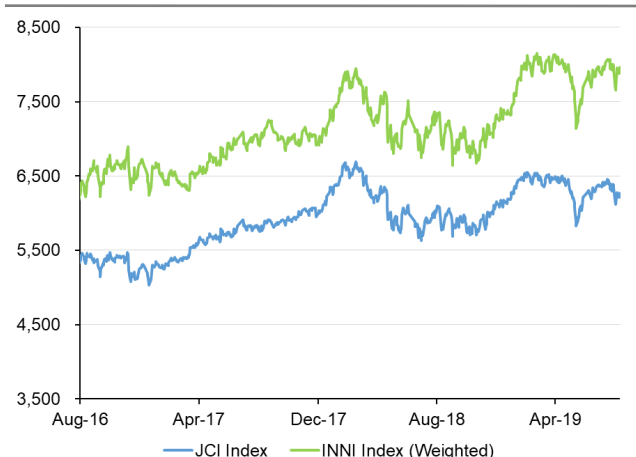
INNI Index Movement

YTD Change	9.3%
YTD Change Gap (vs JCI)	8.2%
Weekly Change	0.5%
Weekly Change Gap (vs JCI)	0.8%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 12 - Aug	CHN	Tentative	Money Supply M2 YoY	Jul	8.10%	8.40%	0.085
Tuesday 13 - Aug	JPN	06:50	PPI YoY	Jul	-0.60%	-0.50%	-0.001
	JPN	11:30	Tertiary Industry Index MoM	Jun	-0.10%	-0.10%	-0.002
	GER	13:00	CPI YoY	Jul F	1.70%	1.70%	1.70%
	UK	15:30	Claimant Count Rate	Jul	3.20%	--	3.20%
	UK	15:30	ILO Unemployment Rate 3Mths	Jun	3.90%	3.80%	3.80%
	UK	15:30	Jobless Claims Change	Jul	28.0k	--	38.0k
	GER	16:00	ZEW Survey Current Situation	Aug	-13.5	-6.5	-1.1
	GER	16:00	ZEW Survey Expectations	Aug	-44.1	-28	-24.5
	USA	19:30	CPI MoM	Jul	0.30%	0.30%	0.001
Wednesday 14 - Aug	JPN	06:50	Core Machine Orders MoM	Jun	13.9%	-1.00%	-7.80%
	CHN	09:00	Industrial Production YoY	Jul	4.80%	6.00%	6.30%
	GER	13:00	GDP SA QoQ	2Q P	-0.10%	-0.10%	0.40%
	UK	15:30	PPI Output NSA MoM	Jul	0.30%	0.10%	-0.10%
	UK	15:30	CPI YoY	Jul	2.10%	1.90%	2.00%
	EU	16:00	GDP SA QoQ	2Q P	0.20%	0.20%	0.20%
	USA	18:00	MBA Mortgage Applications	9-Aug	21.7%	--	5.30%
Thursday 15 - Aug	JPN	11:30	Industrial Production MoM	Jun F	-3.30%	--	-3.60%
	UK	15:30	Retail Sales Inc Auto Fuel MoM	Jul	0.20%	-0.20%	1.00%
	USA	19:30	Empire Manufacturing	Aug	4.8	2.0	4.3
	USA	19:30	Retail Sales Advance MoM	Jul	0.70%	0.30%	0.40%
	USA	19:30	Initial Jobless Claims	10-Aug	220k	212k	209k
	USA	20:15	Industrial Production MoM	Jul	-0.20%	0.10%	0
Friday 16 - Aug	USA	19:30	Housing Starts	Jul		1253k	1253k
	USA	21:00	U. of Mich. Sentiment	Aug P		97.4	98.4

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Thursday 15 - Aug	Tentative	Local Auto Sales	Jul		--	59539
	11:00	Imports YoY	Jul	-15.21%	-16.20%	2.80%
	11:00	Trade Balance	Jul	-\$64m	-\$420m	\$196m
	11:00	Exports YoY	Jul	-5.12%	-9.50%	-8.98%

Source: Bloomberg

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