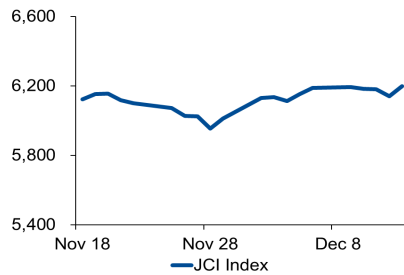


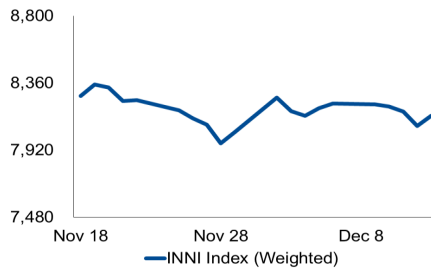
# Morning Brief

Daily | December 16 2019

## JCI Movement



## INNI Movement



## Market Recap

JCI rose on Friday's trading session of Dec. 13 as the miscellaneous industry rallied. **JCI's Top Gainers: Misc. Ind. (+3.6%), Mining (+1.7%), Basic Ind. (+1.6%).**

INNI closed higher backed by coal miners, ADRO and PTBA.

## Daily Foreign & Domestic Sector Movement

Friday's foreign inflows of IDR517 billion came to the rescue, to set JCI free from Thursday's red zone trap. Likewise, JCI, Asia stocks rose as the victory of conservative party over the UK's general election to soothe their jitters of Sunday's penalty tariff deadline. Boris Johnson's conservative secured 364 of 650 seats in the House of Commons on grounds of his pledge of getting Brexit done.

The rupiah exchange rate for USD rose 0.31% to 13,990.

## Today's Outlook: The US and China Strike I Phase of Trade Deals

The Dow Jones rose little at 0.01% to 28,153 after the US and China strike phase I trade deals on Dec. 14. The trade deals comprised China's willingness to spend USD32 billion on the US agricultural and the US delay on Sunday's penalty deadline. The resolved trade disputes also brought prices of crude oil to soar. In the domestic backdrop, investors are awaiting Nov. trade balance as a number of economists estimate surplus in Nov. trade balance likewise Oct. figures.

## Company News

- BBCA : Is Committed to IT Efficiencies
- SMGR : SMCB Obtains Loans
- PTBA : Cooperates with Pertamina to Calculate Prices of DME

## Domestic & Global News

- Nov. Trade Balance to Post Surpluses: A Projection
- South Korea's Nov. U.S. Crude Imports Edged Up 80.4%

## Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.00%	5.00%	Real GDP	5.02%	5.02%
FX Reserve (USD bn)	126.63	126.70	Current Acc (USD bn)	(7.67)	(7.67)
Trd Balance (USD bn)	0.16	(0.16)	Govt. Spending Yoy	0.98%	0.98%
Exports Yoy	-6.13%	-5.74%	FDI (USD bn)	5.70	5.70
Imports Yoy	-16.39%	-2.41%	Business Confidence	105.33	105.33
Inflation Yoy	3.00%	3.13%	Cons. Confidence*	124.20	118.40

## JCI Index

Dec. 10	6,197.31
Chg.	+57.92pts (+0.94%)
Volume (bn shares)	94.42
Value (IDR tn)	8.37
<b>Adv 201 Dec 192 Unc 280 Untr 130</b>	

## INNI Index

Last	8,144.50
Chg.	+65.34pts (+0.81%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
ADRO	7.8%	KAEF	-10.9%
ASII	4.6%	MAPI	-1.9%
PTBA	4.5%	SIL0	-0.7%
INCO	3.9%	LPPF	-0.3%
UNTR	3.5%		

## Foreign Transaction

	(IDR bn)
Buy	2,906
Sell	2,392
Net Buy (Sell)	513

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	451.8	TLKM	55.4
BNLI	124.6	UNVR	26.2
ASII	24.8	MNCN	15.8
UNTR	16.4	EXCL	15.1
BIRD	14.8	HMSP	13.3

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.23%	0.02%
USDIDR	13,990	-0.31%
KRWIDR	11.95	1.14%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	28,135.38	3.33	0.01%
S&P 500	3,168.80	0.23	0.01%
FTSE 100	7,353.44	79.97	1.10%
DAX	13,282.72	61.08	0.46%
Nikkei	24,023.10	598.29	2.55%
Hang Seng	27,687.76	693.62	2.57%
Shanghai	2,967.68	51.98	1.78%
KOSPI	2,170.25	32.90	1.54%
EIDO	25.07	(0.03)	-0.12%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,476.3	6.5	0.44%
Crude Oil (USD / bbl)	60.07	0.89	1.50%
Coal Newcas(USD/ton)	67.00	(0.50)	-0.74%
Nickel LME (USD / MT)	14,170	70.0	0.50%
Tin LME (USD / MT)	17,225	(25.0)	-0.14%
CPO (MYR/Ton)	2,852	(39.0)	-1.35%

### **BBCA : Is Committed to IT Efficiencies**

PT Bank Central Asia Tbk (BBCA) is committed to keeping its outstanding performance by means of IT efficiencies, leading to a 4% YoY decline in the 9M19 operational expenses operating income (BOPO) and a 8.91% YoY increase in operational interest. (Bisnis Indonesia)

### **SMGR : SMCB Obtains Loans**

PT Solusi Bangun Indonesia Tbk (SMCB), the subsidiary of PT Semen Indonesia (SMGR) obtains IDR6.35 trillion worth of syndication loans, facilitated by CIMB, BNI, BTPN, DBS, and Permata Bank. The loans are spent on refinancing loans to be mature in 2021 and have tenor until December 2025. (CNBC Indonesia)

### **PTBA : Cooperates with Pertamina to Calculate Prices of DME**

PT Pertamina (Persero) and PT Bukit Asam Tbk cooperate while PTBA is calculating prices of dimethyl ether (DME) products. The products are generated from coal gasification and will substitute products for imported Liquefied Petroleum Gas (LPG). The President Director of Pertamina Nicke Widyawati stated that both parties had calculated prices of DME products. (Kontan)

## Domestic & Global News

---

### **Nov. Trade Balance to Post Surpluses: A Projection**

Prior to Nov. trade balance reading, Permata Bank's economist Josua Pardede estimates Nov. figures to come in surplus as Nov. exports are likely to surpass Oct. figures thanks to increases in both prices of exported commodities and export volumes. (Kontan)

### **South Korea's Nov. U.S. Crude Imports Edged Up 80.4%**

South Korea's U.S. crude oil imports rose 80.4% in November from a year earlier, with imports in the first 11 months soaring 165.3%, customs data showed on Sunday. South Korea, the world's fifth-largest crude oil importer, shipped in 1.56 million tonnes of U.S. crude oil in November, or 382,357 barrels per day (bpd), according to the customs data. (Reuters)

	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
<b>Finance</b>						11.9	2,477.2							
BBCA	31,800	26,000	32,000	Hold	0.6	23.1	784.0	27.7x	4.7x	18.1	1.1	15.0	13.0	1.0
BBRI	4,280	3,660	4,950	Buy	15.7	16.3	527.9	15.5x	2.7x	18.2	3.1	10.8	5.6	1.4
BMRI	7,375	7,375	8,000	Hold	8.5	(2.6)	344.2	12.7x	1.7x	14.7	3.3	10.6	11.9	1.4
<b>Consumer</b>						(20.0)	1,154.4							
GGRM	52,025	83,625	110,000	Buy	111.4	(37.2)	100.1	10.8x	2.1x	20.5	5.0	16.9	25.8	1.0
UNVR	41,225	45,400	59,000	Buy	43.1	(7.4)	314.5	43.0x	45.7x	92.3	2.9	2.6	(24.4)	1.0
ICBP	11,450	10,450	11,800	Hold	3.1	13.4	133.5	26.8x	5.6x	22.2	1.2	11.2	11.4	0.7
INDF	7,750	7,450	8,700	Hold	12.3	9.5	68.0	13.9x	1.9x	14.2	2.2	5.7	25.2	1.1
KAEF	1,065	2,600	4,100	Buy	285.0	(61.0)	5.9	25.5x	0.8x	4.7	1.4	14.6	(81.4)	1.0
KLBF	1,600	1,520	1,870	Buy	16.9	7.4	75.0	29.2x	4.9x	17.6	1.6	7.3	6.2	1.3
<b>Infrastructure</b>						6.3	784.96							
TLKM	3,990	3,698	4,350	Hold	9.0	8.5	395.3	19.5x	4.0x	21.3	4.1	3.5	15.6	0.9
JSMR	5,225	4,280	6,000	Hold	14.8	14.3	37.9	19.6x	2.1x	11.3	0.9	(22.8)	(15.2)	1.1
<b>Trade</b>						(3.0)	694.0							
UNTR	21,175	27,350	35,000	Buy	65.3	(28.0)	79.0	7.4x	1.4x	19.8	5.8	#N/A	N/A	(4.8)
SILO	6,925	3,590	7,230	Hold	4.4	89.2	11.3	200.8x	1.8x	0.9	N/A	18.6	1333.7	0.8
MIKA	2,680	1,575	2,300	Hold	(14.2)	79.3	38.2	58.0x	9.2x	16.4	0.7	17.2	12.1	0.4
LPPF	3,700	5,600	5,500	Buy	48.6	(34.2)	10.4	13.3x	5.8x	37.8	9.0	0.7	(18.7)	0.7
RALS	1,035	1,420	2,050	Buy	98.1	(23.6)	7.3	10.4x	1.7x	17.1	4.8	(2.0)	15.8	0.7
MAPI	1,030	805	1,300	Buy	26.2	30.4	17.1	20.9x	2.9x	14.8	1.0	11.4	14.7	1.0
<b>Property</b>						11.5	473.7							
PWON	570	620	725	Buy	27.2	(9.5)	27.5	9.4x	1.9x	22.2	1.2	0.2	20.8	1.2
CTRA	1,060	1,010	1,080	Hold	1.9	5.0	19.7	19.4x	1.3x	7.2	0.9	(0.7)	(28.9)	1.7
PTPP	1,650	1,805	2,450	Buy	48.5	(17.3)	10.2	8.7x	0.8x	9.4	2.9	8.6	(37.6)	1.7
WSKT	1,445	1,680	2,600	Buy	79.9	(21.3)	19.6	14.1x	1.1x	7.8	5.1	(39.2)	(69.4)	1.6
WIKA	2,050	1,655	2,500	Buy	22.0	20.2	18.4	8.3x	1.2x	15.3	1.9	(12.9)	57.3	1.5
<b>Basic Ind.</b>						16.0	773.5							
JPFA	1,575	2,150	1,940	Buy	23.2	(27.1)	18.5	11.9x	1.8x	16.1	3.2	7.3	(38.6)	1.1
SMGR	12,300	11,500	13,600	Hold	10.6	7.7	73.0	31.9x	2.3x	7.5	1.7	31.1	(38.1)	1.4
INTP	20,000	18,450	19,000	Hold	(5.0)	2.2	73.6	43.2x	3.3x	7.6	2.8	5.3	90.4	1.5
<b>Misc Ind.</b>						(14.3)	361.9							
ASII	6,850	8,225	8,600	Buy	25.5	(18.9)	277.3	13.5x	1.9x	14.9	3.1	1.2	(7.1)	1.2
<b>Mining</b>						(13.4)	355.3							
ADRO	1,590	1,215	1,750	Hold	10.1	23.7	50.9	7.1x	0.9x	13.6	5.7	(0.5)	29.8	1.3
PTBA	2,580	4,300	5,100	Buy	97.7	(42.2)	29.7	6.6x	1.7x	26.4	13.2	1.4	(24.9)	1.2
INCO	3,490	3,260	4,400	Buy	26.1	13.3	34.7	429.9x	1.3x	0.3	N/A	(12.6)	N/A	1.5
ANTM	850	765	1,200	Buy	41.2	12.6	20.4	25.4x	1.0x	4.1	1.5	23.0	(11.1)	1.6

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

### INNI Index Movement

YTD Change	12.1%
YTD Change Gap (vs JCI)	12.1%
Weekly Change	-1.0%
Weekly Change Gap (vs JCI)	-1.1%

### INNI Market Capitalization

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

### INNI Index



Source: Bloomberg, NHKS Research

1Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Tuesday</b> 10- Dec	CHN	08:30	CPI YoY	Nov	4.50%	4.40%	3.80%
	CHN	08:30	PPI YoY	Nov	-1.40%	-1.50%	-1.60%
	UK	16:30	Industrial Production MoM	Oct	0.10%	0.20%	-0.30%
	UK	16:30	Manufacturing Production MoM	Oct	0.20%	0.00%	-0.40%
	GER	17:00	ZEW Survey Current Situation	Dec	-19.9	-22.1	-24.7
	GER	17:00	ZEW Survey Expectations	Dec	10.7	0	-2.1
<b>Wednesday</b> 11 - Dec	USA	19:00	MBA Mortgage Applications	Dec	3.80%	--	-9.20%
	USA	20:30	CPI MoM	Nov	0.30%	0.20%	0.40%
	USA	20:30	CPI Ex Food and Energy MoM	Nov	2.30%	0.20%	0.20%
<b>Thursday</b> 12 - Dec	USA	02:00	FOMC Rate Decision (Upper Bound)	Dec	1.75%	1.75%	1.75%
	GER	14:00	CPI MoM	Nov	-0.80%	-0.80%	-0.80%
	GER	14:00	CPI YoY	Nov	1.10%	1.10%	1.10%
	GER	14:00	CPI EU Harmonized YoY	Nov	-0.80%	1.20%	1.20%
	EU	19:45	ECB Main Refinancing Rate	Dec	0.00%	0.00%	0.00%
	EU	19:45	ECB Marginal Lending Facility	Dec	0.25%	0.25%	0.25%
	EU	19:45	ECB Deposit Facility Rate	Dec	-0.50%	-0.50%	-0.50%
	USA	20:30	PPI Final Demand MoM	Nov	0.00%	0.20%	0.40%
	USA	20:30	Initial Jobless Claims	Dec	252K	212k	203k
<b>Friday</b> 13 - Dec	USA	20:30	Import Price Index MoM	Nov	0.20%	0.20%	-0.50%
	USA	20:30	Retail Sales Advance MoM	Nov	0.20%	0.40%	0.30%

Source: Bloomberg

### DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



## PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

**Head Office :**

Wisma Korindo 7<sup>th</sup> Floor  
Jl. M.T. Haryono Kav. 62  
Pancoran, Jakarta 12780  
Indonesia  
Telp: +62 21 7976202  
Fax : +62 21 7976206

**Branch Office BSD:**

ITC BSD Blok R No.48  
Jl. Pahlawan Seribu Serpong  
Tangerang Selatan 15322  
Indonesia  
Telp : +62 21 5316 2049  
Fax : +62 21 5316 1687

**Branch Office Medan :**

Jl. Timor No 147  
Medan, Sumatera Utara  
20234  
Indonesia  
Telp : +62 614 156500  
Fax : +62 614 568560

### A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |  
Jakarta