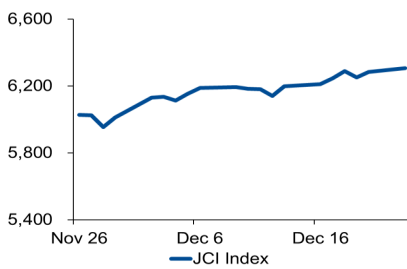


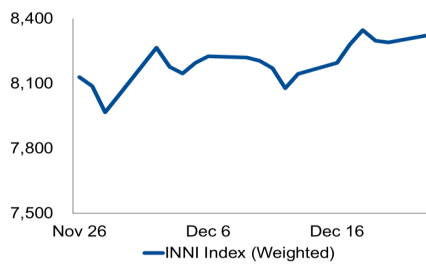
# Morning Brief

Daily | December 26 2019

## JCI Movement



## INNI Movement



## JCI Index

Dec. 23	6,305.91
Chg.	+21.53pts (+0.34%)
Volume (bn shares)	125.99
Value (IDR tn)	10.39
<b>Adv 173 Dec 211 Unc 292 Untr 127</b>	

## INNI Index

Last	8,323.07
Chg.	+32.35pts (+0.39%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
RALS	5.0%	KAEF	-9.1%
ADRO	2.6%	LPPF	-2.7%
BBRI	2.1%	SILO	-1.4%
JPFA	2.0%	CTRA	-1.4%
MAPI	1.5%	INTP	-1.1%

## Foreign Transaction

	(IDR bn)
Buy	3,213
Sell	2,789
Net Buy (Sell)	423

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	285.9	BBCA	57.6
BMRI	236.8	ASII	36.7
HMSP	36.8	MNCN	17.7
TLKM	20.4	SMGR	15.5
TOWR	19.4	UNTR	14.0

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.14%	-0.03%
USDIDR	13,979	-0.07%
KRWIDR	12.01	-0.46%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	28,515.45	(36.08)	-0.13%
S&P 500	3,223.38	(0.63)	-0.02%
FTSE 100	7,632.24	8.65	0.11%
DAX	13,300.98	(17.92)	-0.13%
Nikkei	23,830.58	9.47	0.04%
Hang Seng	27,864.21	(42.20)	-0.15%
Shanghai	2,982.68	19.93	0.67%
KOSPI	2,190.08	(13.63)	-0.62%
EIDO	25.64	(0.01)	-0.04%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,499.4	13.6	0.92%
Crude Oil (USD / bbl)	61.11	0.59	0.97%
Coal Newcas(USD/ton)	67.80	1.05	1.57%
Nickel LME (USD / MT)	14,340	(10.0)	-0.07%
Tin LME (USD / MT)	17,125	(175.0)	-1.01%
CPO (MYR/Ton)	2,923	16.0	0.55%

## Market Recap

On Monday (12/23), JCI snapped higher, backed by the mining sector. **JCI's Top Gainers: Mining (+3.1%), Consumer (+0.7%), Finance (+0.5%).**

Likewise JCI, INNI index pointed higher as BBRI posted a 2.1 % gain after securing foreign inflows.

## Daily Foreign & Domestic Sector Movement

Ahead to the Christmas holidays, JCI still booked foreign inflows of Rp423 billion with BBRI and BMRI posting the largest foreign inflows of Rp285 billion and Rp236 billion, respectively. In addition, such mining shares as BYAN (+ 18.84%), ADRO (+ 2.6%), INCO (+ 1.12%), ARII (+ 10.6%) rose amid weakening global coal prices. Unlike JCI, Asia stock markets closed lower due to a decrease in stock exchange transactions and limited foreign exchange market movements. The rupiah exchange rate against the US dollar depreciated slightly by 0.01% to the level of 13,979 per dollar.

## Today's Outlook: 2020 Forecast

Dow Jones closed lower 0.13% to 28,515 because few sentiments could move US exchanges ahead of Christmas. Ahead of 2020, investors will focus on trade deals between the US and China, Brexit's progress, and the US, Mexico and Canada agreements. They expect that aggressive interest rate cuts from the Fed and BI can sustain economic stability.

## Company News

CTRA : Marketing Sales Are at 93.4% of Target  
 PTBA : 90% of Next-Year Production Solds Out  
 ADRO : Distributes Dividend of USD150 Million

## Domestic & Global News

BI: Transaction Needs Affect Currency in Circulation  
 China to Lower Import Tariffs on Frozen Pork, Avocados from Jan.1

## 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)	(1.33)	0.16	Govt. Spending Yoy	0.98%	0.98%
Exports Yoy	-5.67%	-6.13%	FDI (USD bn)	5.70	5.70
Imports Yoy	-9.24%	-16.39%	Business Confidence	105.33	105.33
Inflation Yoy	3.00%	3.13%	Cons. Confidence*	124.20	118.40

### **CTRA : Marketing Sales Are at 93.4% of Target**

PT Ciputra Development Tbk (CTRA) managed to book marketing sales of Rp5.7 trillion, equivalent to 93.4% of the target set for 2019. CTRA feels that this year it will succeed in posting flat marketing sales, but for 2020 the company will set a growth target of 10 % -15%. As for 2020, CTRA has prepared a capital expenditure of Rp1.5 trillion to focus on end users. (Kontan)

### **PTBA : 90% of Next-Year Production Solds Out**

PT Bukit Asam Tbk (PTBA) plans to increase its coal production in 2020 to 30 million tons or increasing by 5.2% YoY. Around 90% of the production or ~16.2 million tons will be absorbed by PLN and the remaining will be exported. Its President Director said the company will maintain efficiencies to prevent the decline. (Kontan)

### **ADRO : Distributes Dividend of USD150 Million**

PT Adaro Energy Tbk (ADRO) plans to distribute the dividend of USD150 obtained from net profit as of September 2019. It will carry out cum dividends on the regular market and negotiate on Jan. 2, 2020, ex dividends on Jan. 3, 2020, while cum dividends on the cash market on Jan. 6, 2020, ex dividends on Jan. 7, 2020. Its revenues will actually deplete in September 2019. (Kontan)

## Domestic & Global News

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### **BI: Transactions Affect Currency Circulation**

Currencies outside of commercial banks and rural banks (BPR) in recent months has decreased. Bank Indonesia (BI) noted that until October 2019, currency circulating was Rp611.0 trillion. According to BI Governor Perry Warjiyo, the growth in the money supply was influenced by transaction needs. (Kontan)

### **China to Lower Import Tariffs on Frozen Pork, Avocados from Jan.1**

China will lower tariffs on products ranging from frozen pork and avocado to some types of semiconductors next year as Beijing looks to boost imports amid a slowing economy and a trade war with the United States. Next year, China will implement temporary import tariffs, which are lower than the most-favored-nation tariffs, on more than 850 products, the finance ministry said on Monday. (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
33,300	26,000	32,000	Hold	(3.9)	27.5	821.0	29.0x	4.9x	18.1	1.1	15.0	13.0	1.0
4,450	3,660	4,950	Hold	11.2	23.6	548.9	16.2x	2.8x	18.2	3.0	10.8	5.6	1.4
7,725	7,375	8,000	Hold	3.6	6.9	360.5	13.3x	1.8x	14.7	3.1	10.6	11.9	1.4
					(21.0)	1,174.7							
53,575	83,625	110,000	Buy	105.3	(36.3)	103.1	11.1x	2.2x	20.5	4.9	16.9	25.8	1.0
41,650	45,400	59,000	Buy	41.7	(8.5)	317.8	43.4x	46.1x	92.3	2.9	2.6	(24.4)	1.0
11,400	10,450	11,800	Hold	3.5	11.2	132.9	26.7x	5.6x	22.2	1.2	11.2	11.4	0.7
7,950	7,450	8,700	Hold	9.4	7.8	69.8	14.3x	1.9x	14.2	2.2	5.7	25.2	1.1
1,200	2,600	4,100	Buy	241.7	(55.6)	6.7	28.7x	0.9x	4.7	1.2	14.6	(81.4)	1.0
1,625	1,520	1,870	Buy	15.1	7.6	76.2	29.7x	5.0x	17.6	1.6	7.3	6.2	1.3
<b>ure</b>					7.6	796.58							
4,020	3,698	4,350	Hold	8.2	9.3	398.2	19.7x	4.0x	21.3	4.1	3.5	15.6	0.9
5,375	4,280	6,000	Hold	11.6	25.6	39.0	20.2x	2.2x	11.3	0.8	(22.8)	(15.2)	1.1
					(2.1)	694.2							
21,200	27,350	35,000	Buy	65.1	(21.9)	79.1	7.4x	1.4x	19.8	5.8	#N/A	N/A	(4.8)
6,875	3,590	7,230	Hold	5.2	97.6	11.2	199.3x	1.8x	0.9	N/A	18.6	1333.7	0.8
2,660	1,575	2,300	Hold	(13.5)	77.9	37.9	57.6x	9.1x	16.4	0.7	17.2	12.1	0.4
4,250	5,600	5,500	Buy	29.4	(27.0)	11.9	15.3x	6.7x	37.8	7.8	0.7	(18.7)	0.8
1,050	1,420	2,050	Buy	95.2	(26.6)	7.5	10.5x	1.7x	17.1	4.8	(2.0)	15.8	0.6
1,040	805	1,300	Buy	25.0	32.5	17.3	21.1x	2.9x	14.8	1.0	11.4	14.7	1.0
					12.2	465.8							
565	620	725	Buy	28.3	(4.2)	27.2	9.3x	1.9x	22.2	1.2	0.2	20.8	1.2
1,070	1,010	1,080	Hold	0.9	9.7	19.9	19.6x	1.4x	7.2	0.9	(0.7)	(28.9)	1.7
1,630	1,805	2,450	Buy	50.3	(9.4)	10.1	8.6x	0.8x	9.4	3.0	8.6	(37.6)	1.7
1,495	1,680	2,600	Buy	73.9	(11.0)	20.3	14.6x	1.1x	7.8	4.9	(39.2)	(69.4)	1.6
1,965	1,655	2,500	Buy	27.2	16.3	17.6	7.9x	1.1x	15.3	2.0	(12.9)	57.3	1.5
					19.1	787.8							
1,565	2,150	1,940	Buy	24.0	(24.0)	18.4	11.9x	1.8x	16.1	3.2	7.3	(38.6)	1.1
12,250	11,500	13,600	Hold	11.0	6.1	72.7	31.8x	2.3x	7.5	1.7	31.1	(38.1)	1.4
19,775	18,450	19,000	Hold	(3.9)	9.6	72.8	42.7x	3.3x	7.6	2.8	5.3	90.4	1.5
					(14.1)	369.6							
6,900	8,225	8,600	Buy	24.6	(15.1)	279.3	13.6x	2.0x	14.9	3.1	1.2	(7.1)	1.2
					(9.7)	361.8							
1,580	1,215	1,750	Hold	10.8	29.5	50.5	7.1x	0.9x	13.6	5.7	(0.5)	29.8	1.3
2,610	4,300	5,100	Buy	95.4	(39.2)	30.1	6.6x	1.7x	26.4	13.0	1.4	(24.9)	1.2
3,610	3,260	4,400	Buy	21.9	16.1	35.9	445.6x	1.4x	0.3	N/A	(12.6)	N/A	1.6
825	765	1,200	Buy	45.5	7.1	19.8	24.6x	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	14.6%
YTD Change Gap (vs JCI)	12.8%
Weekly Change	1.6%
Weekly Change Gap (vs JCI)	0.0%

### 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
<b>Monday</b> 23- Dec	USA	20:30	Durable Goods Orders	Nov P	-2.00%	1.50%	0.50%
	USA	20:30	Durables Ex Transportation	Nov P	0.00%	0.20%	0.50%
	USA	22:00	New Home Sales	Nov	719k	730k	733k
<b>Tuesday</b> 24 - Dec	USA	22:00	Richmond Fed Manufact. Index	Dec		1	-1
<b>Thursday</b> 26 - Dec	USA	19:00	MBA Mortgage Applications	Dec		--	-5.00%
	USA	20:30	Initial Jobless Claims	Dec		220k	234k

Source: Bloomberg

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