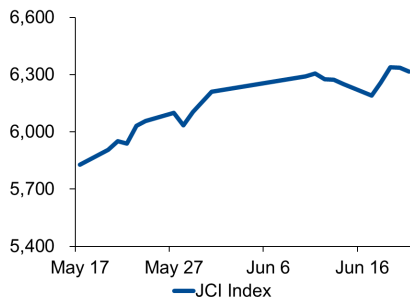


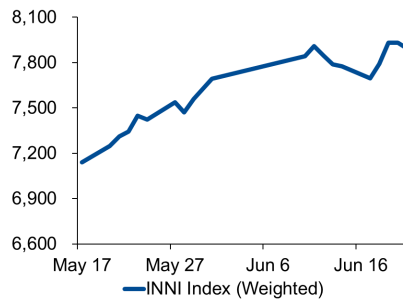
# Morning Brief

Daily | June 25 2019

## JCI Movement



## INNI Movement



## JCI Index

June 24	6,288.46
Chg.	-26.97pts (-0.43%)
Volume (bn shares)	193.57
Value (IDR tn)	12.16
Adv 179 Dec 218 Unc 256 Untr 129	

## INNI Index

Last	7,831.91
Chg.	-60.05pts (-0.76%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
GGRM	1.6%	CTRA	-4.7%
ADRO	1.6%	PWON	-3.9%
INCO	1.4%	RALS	-3.7%
PTPP	0.9%	KRAS	-3.7%
SILO	0.8%	MAPI	-3.1%

## Foreign Transaction

	(IDR bn)
Buy	1,468
Sell	1,570
Net Buy (Sell)	101

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	63.9	ASII	54.7
BBNI	31.2	INKP	32.6
BTSP	19.4	UNVR	21.7
WIKA	15.7	JSMR	20.2
GGRM	14.4	BBRI	19.1

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.45%	0.04%
USDIDR	14,158	-0.20%
KRWIDR	12.17	-0.41%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	26,727.54	8.41	0.03%
S&P 500	2,945.35	(5.11)	-0.17%
FTSE 100	7,416.69	9.19	0.12%
DAX	12,274.57	(65.35)	-0.53%
Nikkei	21,285.99	27.35	0.13%
Hang Seng	28,513.00	39.29	0.14%
Shanghai	3,008.15	6.17	0.21%
KOSPI	2,126.33	0.71	0.03%
EIDO	25.59	0.03	0.12%

## Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,419.7	20.1	1.44%
Crude Oil (USD /bbl)	57.90	0.47	0.82%
Coal Newcas(USD/ton)	75.40	(1.15)	-1.50%
Nickel LME (USD /MT)	12,140	50.0	0.41%
Tin LME (USD /MT)	19,075	50.0	0.26%
CPO (MYR/Ton)	1,998	(24.0)	-1.19%

## Market Recap

JCI finished its trading day at a tepid close, constrained by the banking and infrastructure sectors. **JCI's Top Losers: Basic Industry (-1.0%), Misc. Industry (-0.8%), Infrastructure (-0.7%)**

INNI dropped 0.76%, similar to JCI's modest performance, as declines in the retail stocks, i.e., (-3.7%) and MAPI (-3.1%) set its pace back.

## Daily Foreign & Domestic Sector Movement

Yesterday, JCI recorded the foreign outflows of IDR101 billion with the automotive sector posting the biggest outflows of IDR76 billion. From the global highlights, global crude supplies are disrupted as to the flare-up of tensions between the U.S. and Iran and one-fifth of oil supplies, passing the Strait of Hormuz—the world's major strategic lane of oil shipment—located near to Iran. The flare-up spikes oil prices are higher and possibly widens Indonesia's trade balance.

From domestic highlights, the banking subsector and the retail subsector recorded outflows of IDR104 billion and IDR14 billion, respectively.

## Today's Outlook: May's Trade Balance Cheers Surpluses of USD210 Million

Dow Jones nudged up 0.03% to close at 26,727. Investors retain the wait-and-see stance as they anticipate the outcome of G-20 meeting in the late of June. From the domestic highlights, May's trade balance posted surpluses of USD210 million with exports of USD14.74 billion, declining by 8.99% y-y, and imports of USD14.53 billion, declining by 17.71% y-y). Besides, the surpluses succeed in making a slight appreciation of rupiah.

## Company News

- BBCA : Outperforms Debit-Chip Implementation
- BMRI : Massively Distributes Debit-Chip Cards
- BBRI : Provides Bank Notes for the Hajj
- TLKM : Accelerates Digital-Based Development

## Domestic & Global News

- BPS: May's Surpluses, Growth of 12.42% in Exports
- President Trump Signs New Sanctions on Iran

## Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	6.00%	6.00%	Real GDP	5.07%	5.18%
FX Reserve (USD bn)	120.35	124.30	Current Acc (USD bn)	(6.97)	(9.15)
Trd Balance (USD bn)	(2.50)	0.54	Govt. Spending Yoy	5.21%	5.56%
Exports Yoy	-13.10%	-10.01%	FDI (USD bn)	6.04	3.62
Imports Yoy	-6.58%	-6.76%	Business Confidence	108.05	112.82
Inflation Yoy	3.32%	2.83%	Cons. Confidence*	128.10	125.10

### **BBCA : Outperforms Debit-Chip Implementation**

PT Bank Central Asia, Tbk (BBCA) is one of the BOOK IV banks, outpacing the target of debit-chip cards, the implementation of which is regulated by Bank Indonesia. It successfully distributes 58% of 10.6 million debit-chip cards. BBCA's consistent promotional programs to its customers are the key to its target. (Kontan)

### **BMRI : Massively Distributes Debit-Chip Cards**

PT Bank Mandiri (Persero), Tbk (BMRI) has distributed 5.8 million Mandiri debit-chip cards or roughly 41% of its debit-chip cards issued. Meanwhile, the number of its debit-chip cards with GPN logo are 2.2 million cards. The production accelerates, massive distribution to its branches and replacement of magnetic-stripe cards are the key for massive distribution. (Kontan)

### **BBRI : Provides Bank Notes for the Hajj**

PT Bank Rakyat Indonesia, Tbk (BBRI) re-wins a bank-notes bid for the 2019 hajj's living costs. The partnership between BRI and the Hajj Fund Management Agency (BPKH) is marked with the signing of an agreement stating the distribution of IDR1.21 trillion worth of bank-notes facilities via BRI's Money Changers in all the hajj embarkation. (Kontan)

### **TLKM : Accelerates Digital-Based Development**

Telkomsel—the subsidiary of PT Telekomunikasi Indonesia (Persero), Tbk (TLKM)—is committed to developing a digital-based ecosystem in Indonesia through its CSR programs subsuming Education, Digitally-Oriented Societies, Communities Empowerment, Philanthropy, and Varied Educational programs such as IndonesiaNEXT, Internet BAIK, Creative Millennials. (Kontan)

## Domestic & Global News

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### **BPS: May's Surpluses, Growth of 12.42% in Exports**

May's trade balance posted surpluses of USD207.6 million as exports were higher than imports. Statistics Indonesia (BPS) posted May's exports of USD14.74 billion, rising by 12.42% MoM. Meanwhile, imports declined to hit USD14.53 billion or 5.62% MoM. Exports, on a monthly basis, were boosted by growth respective growth in all sectors, excluding the mining sector with the oil&gas sector surging to attain USD1.11 billion or an increase of 50.19% MoM. (Kontan)

### **President Trump Signs New Sanctions on Iran**

President Trump signs an executive order imposing “hard-hitting” new sanctions on Iran in response to the downing of an unmanned U.S. drone last week. “We will continue to increase pressure on Tehran until the regime abandons its dangerous activities,” including its nuclear ambitions, Trump tells reporters in the Oval Office. (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
<b>Finance</b>						25.6	2,421.5							
BBCA	29,375	26,000	32,000	Hold	8.9	32.3	724.2	27.4x	4.6x	17.9	1.2	15.1	10.3	1.0
BBRI	4,310	3,660	4,650	Hold	7.9	49.1	531.6	15.9x	2.7x	18.8	3.1	11.2	10.3	1.4
BMRI	7,975	7,375	8,000	Hold	0.3	19.0	372.2	14.1x	2.0x	15.0	3.0	10.9	23.4	1.4
<b>Consumer</b>						(0.1)	1,360.8							
GGRM	77,250	83,625	110,000	Buy	42.4	7.7	148.6	18.0x	3.1x	18.0	3.4	19.2	24.5	1.0
UNVR	44,675	45,400	59,000	Buy	32.1	(0.7)	340.9	37.8x	37.6x	112.2	2.7	(0.8)	(4.6)	1.0
ICBP	9,950	10,450	11,800	Buy	18.6	13.7	116.0	24.7x	5.0x	21.6	2.0	13.9	10.6	0.8
INDF	7,050	7,450	8,700	Buy	23.4	6.4	61.9	14.3x	1.8x	12.8	3.3	8.7	14.1	1.2
KAEF	3,350	2,600	4,100	Buy	22.4	36.7	18.6	46.6x	8.2x	16.6	0.4	21.8	(44.6)	1.0
KLBF	1,465	1,520	1,870	Buy	27.6	13.1	68.7	27.9x	4.5x	16.9	1.8	7.0	1.0	1.3
<b>Infrastructure</b>						15.1	826.49							
TLKM	3,980	3,698	4,350	Hold	9.3	10.3	394.3	21.3x	3.8x	18.2	4.1	7.7	8.6	0.9
JSMR	5,850	4,280	6,000	Hold	2.6	36.7	42.5	19.3x	2.4x	13.3	0.8	(20.8)	0.3	1.0
<b>Trade</b>						(9.0)	709.0							
UNTR	27,450	27,350	35,000	Buy	27.5	(16.3)	102.4	8.8x	1.8x	22.3	4.3	19.0	20.6	0.9
SILO	4,850	3,590	4,350	Hold	(10.3)	(14.2)	7.9	414.5x	1.3x	0.3	N/A	18.2	583.3	0.9
MIKA	1,900	1,575	2,300	Buy	21.1	3.0	27.6	43.2x	6.5x	15.7	N/A	15.8	18.2	0.6
LPPF	3,390	5,600	5,500	Buy	62.2	(58.9)	9.9	10.0x	5.3x	45.6	9.8	(1.7)	(41.2)	0.9
RALS	1,430	1,420	2,050	Buy	43.4	2.1	10.1	14.8x	2.5x	17.5	3.5	(0.4)	428.0	0.7
MAPI	935	805	1,300	Buy	39.0	9.4	15.5	34.3x	2.8x	10.5	1.1	8.4	(62.3)	0.8
<b>Property</b>						7.9	428.5							
PWON	740	620	725	Hold	(2.0)	32.1	35.6	13.2x	2.7x	22.3	0.8	3.9	28.1	1.3
CTRA	1,125	1,010	1,080	Hold	(4.0)	(2.2)	20.9	15.6x	1.4x	9.5	0.8	21.3	114.3	1.8
PTPP	2,280	1,805	2,450	Hold	7.5	0.9	14.1	9.3x	1.1x	12.4	2.1	34.9	12.0	1.6
WSKT	1,980	1,680	2,600	Buy	31.3	(5.3)	26.9	8.5x	1.4x	18.5	3.7	(30.0)	(53.0)	1.4
WIKA	2,350	1,655	2,500	Hold	6.4	67.3	21.1	11.4x	1.4x	13.2	1.6	3.9	66.9	1.4
<b>Basic Ind.</b>						(4.0)	596.1							
KRAS	422	402	600	Buy	42.2	(9.1)	8.2	N/A	0.3x	(7.3)	N/A	(13.8)	(966.7)	1.2
<b>Misc Ind.</b>						7.2	378.7							
ASII	7,350	8,225	9,100	Buy	23.8	11.4	297.6	13.6x	2.1x	16.2	2.9	6.8	4.9	1.2
<b>Mining</b>						(16.2)	369.5							
ADRO	1,245	1,215	1,750	Buy	40.6	(33.4)	39.8	6.1x	0.7x	12.6	7.2	10.8	59.2	1.2
PTBA	2,880	4,300	5,100	Buy	77.1	(30.3)	33.2	6.4x	1.8x	29.2	11.8	(7.2)	(21.7)	1.1
INCO	2,920	3,260	4,400	Buy	50.7	(30.0)	29.0	60.6x	1.1x	1.8	N/A	(25.8)	N/A	1.6
ANTM	795	765	1,200	Buy	50.9	(10.7)	19.1	23.9x	1.0x	4.1	1.6	8.5	(30.1)	1.4
<b>Agriculture</b>						(1.0)	93.8							
AALI	10,275	11,825	16,000	Buy	55.7	(9.9)	19.8	17.6x	1.0x	6.0	3.3	9.3	(89.5)	0.6
LSIP	1,145	1,250	1,500	Buy	31.0	13.9	7.8	30.5x	0.9x	3.0	1.7	6.9	(64.7)	0.8

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

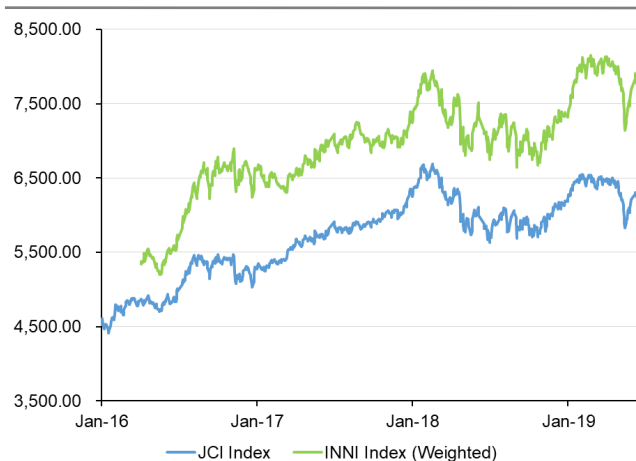
### INNI Index Movement

YTD Change	7.8%
YTD Change Gap (vs JCI)	6.3%
Weekly Change	1.8%
Weekly Change Gap (vs JCI)	0.2%

### 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>	GER	15:00	IFO Expectations	Jun		94.6	95.3
<i>24 - June</i>	GER	15:00	IFO Business Climate	Jun		97.4	97.9
<b>Tuesday</b>	USA	21:00	New Home Sales	May		685k	673k
<i>25 - June</i>	USA	21:00	Conf. Board Consumer Confidence	Jun		131	134.1
<b>Wednesday</b>	USA	18:00	MBA Mortgage Applications	21-Jun		--	-3.40%
<i>26 - June</i>	USA	19:30	Durable Goods Orders	May P		0.00%	-2.10%
<b>Thursday</b>	GER	19:00	CPI MoM	Jun P		0.20%	0.20%
<i>27 - June</i>	GER	19:00	CPI YoY	Jun P		1.40%	1.40%
	USA	19:30	GDP Annualized QoQ	1Q T		3.20%	3.10%
	USA	19:30	Initial Jobless Claims	22-Jun		218k	216k
<b>Friday</b>	JPN	06:30	Job-To-Applicant Ratio	May		1.63	1.63
<i>28 - June</i>	JPN	06:30	Tokyo CPI Ex-Fresh Food YoY	Jun		0.90%	1.10%
	JPN	06:30	Jobless Rate	May		2.40%	2.40%
	JPN	06:50	Industrial Production MoM	May P		0.70%	0.60%
	UK	07/03	Nationwide House Px NSA YoY	Jun		0.50%	0.60%
	UK	07/03	Nationwide House PX MoM	Jun		0.20%	-0.20%
	UK	15:30	GDP YoY	1Q F		1.80%	1.80%
	UK	15:30	GDP QoQ	1Q F		0.50%	0.50%
	USA	19:30	Personal Income	May		0.30%	0.50%
	USA	19:30	Personal Spending	May		0.50%	0.30%
	USA	21:00	U. of Mich. Sentiment	Jun F		98	97.9

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	11:00	Exports YoY	May		-14.50%	-13.10%
<i>24 - June</i>	11:00	Imports YoY	May		-13.90%	-6.58%
	11:00	Trade Balance	May		-\$1379m	-\$2502m

Source: Bloomberg

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