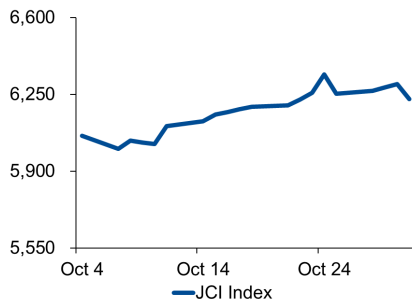


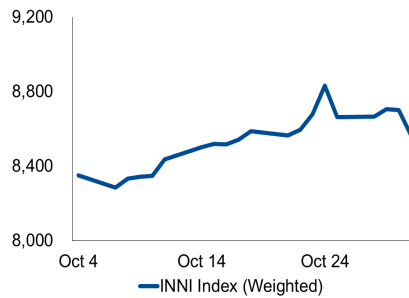
Morning Brief

Daily | November 01 2019

JCI Movement



INNI Movement



JCI Index

Oct. 31	6,228.31
Chg.	+67.43pts (-1.07%)
Volume (bn shares)	225.60
Value (IDR tn)	11.67
Adv 131 Dec 293 Unc 239 Untr 109	

INNI Index

Last	8,536.32
Chg.	-137.28pts (-1.58%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
INDF	1.3%	MAPI	-10.7%
BBCA	0.4%	WIKA	-5.7%
ADRO	0.4%	SMGR	-5.1%
SILO	0.3%	CTRA	-4.3%
UNVR	0.3%	ANTM	-4.3%

Foreign Transaction

	(IDR bn)
Buy	2,984
Sell	3,583
Net Buy (Sell)	599

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	37.6	TLKM	302.9
BBCA	34.7	PGAS	145.8
ICBP	22.5	ACES	28.0
UNTR	21.3	PTBA	25.0
INDF	12.7	BBRI	16.6

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.01%	-0.01%
USDIDR	14,041	0.06%
KRWIDR	12.07	0.25%

Global Indexes

Index	Last	Chg.	%
Dow Jones	27,046.23	(140.46)	-0.52%
S&P 500	3,037.56	(9.21)	-0.30%
FTSE 100	7,248.38	(82.40)	-1.12%
DAX	12,866.79	(43.44)	-0.34%
Nikkei	22,927.04	83.92	0.37%
Hang Seng	26,906.72	239.01	0.90%
Shanghai	2,929.06	(10.27)	-0.35%
KOSPI	2,083.48	3.21	0.15%
EIDO	24.96	(0.70)	-2.73%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,513.0	17.3	1.16%
Crude Oil (USD / bbl)	54.18	(0.88)	-1.60%
Coal Newcas(USD/ton)	68.30	(0.30)	-0.44%
Nickel LME (USD / MT)	16,645	(135.0)	-0.80%
Tin LME (USD / MT)	16,525	(275.0)	-1.64%
CPO (MYR/Ton)	2,485	(11.0)	-0.44%

Market Recap

JCI closed lower, subdued by the mining sector. **JCI's Top Losers: Mining (-3.6%), Infrastructure (-3.2%), Basic Ind (-1.3%).**

Aligning with JCI, INNI index closed lower due to SMGR's 5.1% decline. In 3Q19, SMGR posted a 32.28% y-y decline in net profits to IDR1.29 trillion.

Daily Foreign & Domestic Sector Movement

Foreign investors pulled their money of IDR599 billion out from JCI on Thursday, Oct. 31. Asia markets, in contrast to JCI, closed higher after the Fed decided to cut FFR. Aside from JCI, Hong Kong protest against the anti-extradition law bill contracted the country's economic growth by 3.2% q-q. Another to the protest, INDF strengthened 1.32% after posting sales growth and profits.

The rupiah exchange rate for USD nudged up 0.16% to 14,008.

Today's Outlook: Anticipate Inflation Data

Dow Jones dipped 0.52% to 27,046 due to the optimism for partial deals between the US and China dimmed after Chile pulled out of hosting APEC summit in November. In the domestic backdrop, markets anticipated inflation data, to be released today by Statistics Indonesia.

Company News

CTRA : Secures Marketing Sales of IDR4.15 Trillion
 PWON : Net Profits Grow 20.78%
 WIKA : Enjoys Net Profits of IDR1.57 Trillion

Domestic & Global News

3Q19 Capital Investment Grows 18.4%
 The US Slaps Tariffs on EU

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.00%	5.25%	Real GDP	5.05%	5.05%
FX Reserve (USD bn)	124.33	126.40	Current Acc (USD bn)	(8.40)	(8.40)
Trd Balance (USD bn)	(0.16)	0.09	Govt. Spending Yoy	8.23%	8.23%
Exports Yoy	-5.74%	-9.99%	FDI (USD bn)	5.78	5.78
Imports Yoy	-2.41%	-15.60%	Business Confidence	108.05	108.05
Inflation Yoy	3.39%	3.49%	Cons. Confidence*	121.80	123.10

CTRA : Secures Marketing Sales of IDR4.15 Trillion

PT Ciputra Development Tbk (CTRA) until September posted marketing sales of IDR4.1 trillion or a 0.85% y-y decline. The performance was contributed by shop-house sales of IDR2.24 trillion, apartment sales of IDR530 billion, and office sales of IDR4.6 trillion. CTRA still has 4 new projects to be launched in order to increase 2H19 marketing sales. (Kontan)

PWON : Net Profits Grow 20.78%

PT Pakuwon Jati Tbk (PWON) until September posted net profits of IDR2.1 trillion or a 20.7% y-y increase. The sound performance was backed by rental & maintenance services revenues of IDR1.8 trillion, and condominium & office sales of IDR2.18 trillion. PWON still targets to boost marketing sales to reach IDR2.2 trillion until the end of 2019. (Kontan)

WIKA : Enjoys Net Profits of IDR1.57 Trillion

PT Wijaya Karya Tbk (WIKA) until September posted net profits of IDR1.5 trillion or a 48.3% y-y growth. The infrastructure & building; energy& industrial plant; industry, and property are some of its business segments giving the largest contribution to September performance. The businesses also gave WIKA new contracts amounted to IDR25 trillion; thus, WIKA is optimistic about further expansion. (Kontan)

Domestic & Global News

3Q19 Capital Investment Grows 18.4%

The Investment Coordinating Board (BKPM) posted 3Q19 investment to reach Rp 205.7 trillion or an 18.4% y-y increase compared with 3Q18 growth of Rp 173.8 billion. Meanwhile, from Jan. to Sept. 2019, investment was at Rp 601.3 trillion. (Kontan)

The US Slaps Tariffs on EU

The early signs of an intense trade conflict between the U.S. and the EU may have appeared this month, but the two sides have also quietly started talking in a bid to resolve certain issues. The European Commission confirmed the phone call saying the two spoke regarding the Airbus and Boeing cases at the World Trade Organization (WTO). "Commissioner Malmström reiterated the EU's desire to find a negotiated solution," a spokesperson for the Commission said (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						17.6	2,414.6							
BBCA	31,450	26,000	32,000	Hold	1.7	32.1	775.4	27.4x	4.6x	18.1	1.1	15.0	13.0	1.0
BBRI	4,210	3,660	4,950	Buy	17.6	31.6	519.3	15.3x	2.6x	18.2	3.1	10.8	5.6	1.4
BMRI	7,025	7,375	8,000	Hold	13.9	(2.8)	327.8	12.1x	1.7x	14.7	3.4	10.5	11.9	1.4
Consumer						(10.5)	1,207.6							
GGRM	56,100	83,625	110,000	Buy	96.1	(22.4)	107.9	11.6x	2.3x	20.5	4.6	16.9	25.8	1.0
UNVR	43,725	45,400	59,000	Buy	34.9	3.6	333.6	45.6x	48.4x	92.3	2.7	2.6	(24.4)	1.0
ICBP	11,625	10,450	11,800	Hold	1.5	30.3	135.6	27.2x	5.7x	22.2	1.7	11.2	11.4	0.7
INDF	7,700	7,450	8,700	Hold	13.0	30.0	67.6	13.9x	1.9x	14.4	3.1	5.7	25.2	1.1
KAEF	2,770	2,600	4,100	Buy	48.0	12.1	15.4	45.0x	6.8x	16.6	0.5	#N/A	N/A	1.0
KLBF	1,595	1,520	1,870	Buy	17.2	19.0	74.8	29.1x	5.1x	17.9	1.6	7.3	6.2	1.3
Infrastructure						11.3	822.98							
TLKM	4,110	3,698	4,350	Hold	5.8	7.4	407.1	20.1x	4.1x	21.3	4.0	3.5	15.6	0.9
JSMR	5,450	4,280	6,000	Hold	10.1	32.3	39.6	20.5x	2.2x	11.3	0.8	(22.8)	(15.2)	1.1
Trade						2.5	720.8							
UNTR	21,675	27,350	35,000	Buy	61.5	(35.3)	80.9	7.6x	1.5x	21.6	5.7	7.3	(4.8)	1.0
SILO	7,200	3,590	7,230	Hold	0.4	207.7	11.7	208.8x	1.9x	0.7	N/A	18.6	1333.7	0.8
MIKA	2,600	1,575	2,300	Hold	(11.5)	80.6	37.0	56.3x	8.8x	16.3	0.7	17.2	12.1	0.4
LPPF	3,640	5,600	5,500	Buy	51.1	(24.6)	10.2	13.1x	5.7x	37.8	9.2	0.7	(18.7)	0.7
RALS	1,170	1,420	2,050	Buy	75.2	(2.5)	8.3	11.4x	1.9x	17.7	4.3	(0.2)	21.1	0.7
MAPI	1,000	805	1,300	Buy	30.0	25.0	16.6	20.3x	2.9x	14.5	1.0	4.0	14.7	0.9
Property						30.4	489.8							
PWON	625	620	725	Buy	16.0	26.5	30.1	10.3x	2.1x	22.2	1.1	0.2	20.8	1.3
CTRA	1,110	1,010	1,080	Hold	(2.7)	37.9	20.6	20.4x	1.4x	7.2	0.9	(0.7)	(28.9)	1.7
PTPP	1,775	1,805	2,450	Buy	38.0	32.5	11.0	8.0x	0.9x	11.3	2.7	12.8	(23.4)	1.6
WSKT	1,555	1,680	2,600	Buy	67.2	4.7	21.1	15.2x	1.2x	11.3	4.7	(39.1)	(69.4)	1.5
WIKA	1,980	1,655	2,500	Buy	26.3	70.0	17.8	8.4x	1.2x	14.9	1.9	#N/A	N/A	1.4
Basic Ind.						23.8	725.5							
JPFA	1,720	2,150	1,940	Hold	12.8	(14.9)	20.2	13.0x	2.0x	16.1	2.9	7.3	(38.6)	1.1
SMGR	12,650	11,500	13,600	Hold	7.5	36.8	75.0	32.8x	2.4x	7.5	1.6	31.1	(38.1)	1.4
INTP	20,000	18,450	19,000	Hold	(5.0)	18.5	73.6	43.2x	3.3x	7.6	2.8	5.3	90.4	1.5
Misc Ind.						(8.9)	365.6							
ASII	6,950	8,225	8,600	Buy	23.7	(13.7)	281.4	13.7x	2.0x	15.8	3.0	1.2	(7.1)	1.2
Mining						(16.6)	357.0							
ADRO	1,310	1,215	1,750	Buy	33.6	(20.4)	41.9	5.7x	0.8x	14.2	6.9	10.2	51.9	1.3
PTBA	2,250	4,300	5,100	Buy	126.7	(46.8)	25.9	5.7x	1.5x	26.4	15.1	1.4	(24.9)	1.2
INCO	3,710	3,260	4,400	Buy	18.6	21.2	36.9	454.0x	1.4x	0.3	N/A	(12.6)	N/A	1.5
ANTM	890	765	1,200	Buy	34.8	29.9	21.4	26.6x	1.1x	4.1	1.4	#N/A	N/A	(11.1)

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	17.9%
YTD Change Gap (vs JCI)	17.3%
Weekly Change	-3.0%
Weekly Change Gap (vs JCI)	-1.3%

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 28- Oct	EU	16:00	M3 Money Supply YoY	Sep	5.50%	5.70%	5.70%
Tuesday 29- Oct	UK	14:00	Nationwide House Px NSA YoY	Oct	0.40%	0.30%	0.20%
	UK	14:00	Nationwide House PX MoM	Oct	0.20%	0.00%	-0.20%
	USA	21:00	Conf. Board Consumer Confidence	Oct	125.9	127.7	125.1
Wednesday 30 - Oct	GER	15:55	Unemployment Change	Oct	6.0k	2.0k	-10.0k
	USA	18:00	MBA Mortgage Applications	Oct	0.6k	--	-11.90%
	USA	19:15	ADP Employment Change	Oct	125k	110k	135k
	USA	19:30	GDP Annualized QoQ	Oct	1.9k	1.60%	2.00%
	GER	20:00	CPI MoM	Oct	0.1%	0.00%	0.00%
	GER	20:00	CPI YoY	Oct	1.1%	1.10%	1.20%
Thursday 31 - Oct	USA	01:00	FOMC Rate Decision (Upper Bound)	Oct	1.75%	1.75%	2.00%
	CHN	08:00	Manufacturing PMI	Oct	49.3	49.8	49.8
	EU	17:00	GDP SA QoQ	Oct	0.40%	0.10%	0.20%
	EU	17:00	GDP SA YoY	Nov	1.60%	1.10%	1.20%
	USA	19:30	Personal Income	Sep	0.30%	0.30%	0.40%
	USA	19:30	Personal Spending	Sep	0.20%	0.30%	0.10%
	USA	19:30	Initial Jobless Claims	Oct	218k	215k	212k
Friday 01 - Nov	CHN	08:45	Caixin China PMI Mfg	Oct		51	51.4
	UK	16:30	Markit UK PMI Manufacturing SA	Oct		48.3	48.3
	US	19:30	Change in Nonfarm Payrolls	Oct		90k	136k
	USA	19:30	Unemployment Rate	Oct		3.60%	3.50%
	USA	20:45	Markit US Manufacturing PMI	Oct		51.5	51.5
	USA	21:00	ISM Manufacturing	Oct		49	47.8

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday 01- Nov	07:30	Markit Indonesia PMI Mfg	Oct		--	49.1
	Tentative	CPI YoY	Oct		3.30%	3.39%
	Tentative	CPI NSA MoM	Oct		0.19%	-0.27%
	Tentative	CPI Core YoY	Oct		3.39%	3.32%

Source: Bloomberg

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