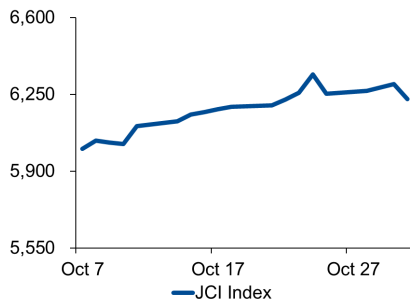


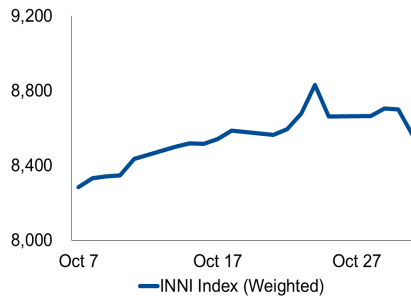
Morning Brief

Daily | November 04 2019

JCI Movement



INNI Movement



JCI Index

Nov. 01	6,207.19
Chg.	+21.12pts (-0.34%)
Volume (bn shares)	185.57
Value (IDR tn)	9.11
Adv 127 Dec 295 Unc 241 Untr 113	

INNI Index

Last	8,505.75
Chg.	-57.57pts (-0.67%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
INTP	2.6%	PTPP	-6.2%
MIKA	1.9%	GGRM	-4.4%
KLBF	1.9%	ANTM	-3.9%
SMGR	1.2%	WSKT	-3.9%
MAPI	1.0%	JSMR	-3.7%

Foreign Transaction

	(IDR bn)
Buy	2,527
Sell	2,743
Net Buy (Sell)	215

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	138.3	TLKM	166.8
SMGR	20.2	PGAS	132.3
MIKA	13.5	BBRI	51.5
INTP	12.8	GGRM	25.2
BNNI	12.7	ACES	22.3

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.02%	0.01%
USDIDR	14,039	-0.01%
KRWIDR	12.05	-0.17%

Global Indexes

Index	Last	Chg.	%
Dow Jones	27,347.36	301.13	1.11%
S&P 500	3,066.91	29.35	0.97%
FTSE 100	7,302.42	54.04	0.75%
DAX	12,961.05	94.26	0.73%
Nikkei	22,850.77	(76.27)	-0.33%
Hang Seng	27,100.76	194.04	0.72%
Shanghai	2,958.20	29.14	1.00%
KOSPI	2,100.20	16.72	0.80%
EIDO	25.24	0.28	1.12%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,514.3	1.4	0.09%
Crude Oil (USD / bbl)	56.20	2.02	3.73%
Coal Newcas(USD/ton)	67.70	0.60	0.89%
Nickel LME (USD / MT)	16,775	130.0	0.78%
Tin LME (USD / MT)	16,525	0.0	0.00%
CPO (MYR/Ton)	2,461	(24.0)	-0.97%

Market Recap

On Friday, (11/01), JCI closed lower, held back by the banking sector. **JCI's Top Losers: Misc. Ind. (-1.8%), Mining (-1.8%), Property (-1.0%).**

INNI index closed lower, subdued by construction stocks, i.e. PTPP (-6.25) and WSKT (-3.9%). PTPP posted comprehensive incomes attributable to the parent entity amounting to IDR544.47 billion or a 37.75% decline. Another to PTPP, WSKT also posted declines in 3Q19's revenues and profits

Daily Foreign & Domestic Sector Movement

JCI posted foreign outflows of IDR215 billion on Friday (11/01) and closed lower. Most of Asia markets closed higher after China Caixin Manufacturing PMI soared on data, higher than the estimate. In fact, the uncertainty about the US and China's partial deals failed to drag Asia markets lower. A glance at commodities, CPO prices are still in the rally trend, backed by mandatory B30 in 2020. The rupiah exchange rate for USD nudged up 0.03 to 14,039.

Today's Outlook: Oct. Low Inflation

Dow Jones edged up 1.11% to 27,347, backed by Oct. better-than-estimate job data. On Friday, (11/01), Statistics Indonesia announced Oct. inflation at 0.02% m-m, while Oct. annual inflation was at 3.13% y-y. Oct. inflation was attributable to a 45% increase in prices of processed food, beverages, cigarettes, and tobacco products.

Company News

KLBF	: Secures IDR1.9 Trillion in 3Q19
CTRA	: Revenues Likely Decline
INTP	: Profits Soars 90.3% in 3Q19
SMGR	: Revenues Hike 31%

Domestic & Global News

Oct. Manufacturing PMI Gets Weaker
US Manufacturing Contracts for Third Straight Months

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	3.13%	3.39%	Cons. Confidence*	121.80	123.10

KLBF : Secures IDR1.9 Trillion in 3Q19

PT Kalbe Farma Tbk (KLBF) succeeded to post positive performance as its net sales grew by 7.3% y-y to IDR16.8 trillion. The positive performance was backed by the distribution & logistics segment and the nutrition segment posted hiking sales of 13.8% y-y and 4.5% y-y, respectively. Of note, KLFB banks on domestic sales rising 8.01% y-y and is optimistic about Indonesia's economic backdrop. (Bisnis Indonesia)

INTP : Profits Soars 90.3% in 3Q19

PT Indocement Tunggal Prakarsa (INTP) posted excellent performance of IDR1.17 trillion or soaring 90.3% y-y from IDR617 billion in 3Q18. The excellent performance was attributable to cement sales of IDR10.5 trillion, precast sales of IDR1.2 trillion, and the aggregate mining posting revenues of IDR64 billion. Nevertheless, its 2019 cement sales declined by 1.9%. (Kontan)

CTRA : Revenues Likely Decline

PT Ciputra Development Tbk (CTRA)'s revenues are likely to be contracted by 15% until the end of 2019 due to the declining marketing sales for the last 2 years, but the declining interest rates have no impacts on CTRA's performance. CTRA is certain that in 2020, its performance is likely to get better, the decline in interest rate will positively impact its performance. (Bisnis Indonesia)

SMGR : Revenues Hike 31%

PT Semen Indonesia Tbk (SMGR) enjoyed a 31% increase in Jan. to Sept. revenues to IDR28.1 trillion, but its net profits declined 38% y-y attributable to the rising interest-rate expenses. Thus, it keeps optimizing utilizations in order to boost exports amid a 2.3% decline in demand for cement. (Investor Daily)

Domestic & Global News

Oct. Manufacturing PMI Gets Weaker

Indonesia's manufacturing activity is getting weaker as Manufacturing Purchasing Managers' Index (PMI) reported by IHS Markit on Friday (1/11) was at 47.7 in October 2019. This was due to the lower demand for manufactured goods. The demand for new goods declined for three consecutive months, accompanied by sluggish export sales in October. (Kontan)

US Manufacturing Contracts for Third Straight Months

A gauge of U.S. manufacturing showed the sector continued to contract in October, the third straight month of slowdown amid global trade uncertainties. The manufacturing purchasing managers index from the Institute for Supply Management came in at 48.3% last month, compared with a 47.8% reading in September. But it was below economists' expectations of 49.1%. (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						16.3	2,422.5							
BBCA	31,625	26,000	32,000	Hold	1.2	31.8	779.7	27.6x	4.6x	18.1	1.1	15.0	13.0	1.0
BBRI	4,180	3,660	4,950	Buy	18.4	27.4	515.6	15.2x	2.6x	18.2	3.2	10.8	5.6	1.4
BMRI	6,975	7,375	8,000	Hold	14.7	(6.1)	325.5	12.0x	1.7x	14.7	3.5	10.5	11.9	1.4
Consumer						(13.2)	1,200.4							
GGRM	53,650	83,625	110,000	Buy	105.0	(30.4)	103.2	11.1x	2.2x	20.5	4.8	16.9	25.8	1.0
UNVR	43,700	45,400	59,000	Buy	35.0	2.3	333.4	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	7,750	7,450	8,700	Hold	12.3	28.6	68.0	13.9x	1.9x	14.2	3.0	5.7	25.2	1.1
KAEF	2,720	2,600	4,100	Buy	50.7	6.3	15.1	65.0x	6.7x	16.6	0.6	29.6	(81.4)	1.0
KLBF	1,625	1,520	1,870	Buy	15.1	19.5	76.2	29.7x	5.0x	17.6	1.6	7.3	6.2	1.3
Infrastructure						9.3	809.98							
TLKM	4,080	3,698	4,350	Hold	6.6	5.0	404.2	20.0x	4.1x	21.3	4.0	3.5	15.6	0.9
JSMR	5,250	4,280	6,000	Hold	14.3	25.6	38.1	19.7x	2.1x	11.3	0.9	(22.8)	(15.2)	1.1
Trade						2.3	718.3							
UNTR	21,500	27,350	35,000	Buy	62.8	(34.6)	80.2	7.5x	1.4x	19.8	5.7	#N/A	N/A	(4.8)
SILO	7,200	3,590	7,230	Hold	0.4	200.0	11.7	208.8x	1.9x	0.7	N/A	18.6	1333.7	0.7
MIKA	2,650	1,575	2,300	Hold	(13.2)	86.0	37.8	57.4x	8.9x	16.3	0.7	17.2	12.1	0.4
LPPF	3,600	5,600	5,500	Buy	52.8	(25.5)	10.1	13.0x	5.6x	37.8	9.3	0.7	(18.7)	0.7
RALS	1,145	1,420	2,050	Buy	79.0	(0.4)	8.1	11.2x	1.9x	17.7	4.4	(0.2)	21.1	0.7
MAPI	1,010	805	1,300	Buy	28.7	26.3	16.8	20.5x	2.8x	14.8	1.0	11.4	14.7	0.9
Property						26.0	484.6							
PWON	620	620	725	Buy	16.9	14.8	29.9	10.3x	2.1x	22.2	1.1	0.2	20.8	1.3
CTRA	1,095	1,010	1,080	Hold	(1.4)	29.6	20.3	20.1x	1.4x	7.2	0.9	(0.7)	(28.9)	1.7
PTPP	1,665	1,805	2,450	Buy	47.1	19.8	10.3	7.5x	0.8x	11.3	2.9	12.8	(23.4)	1.6
WSKT	1,495	1,680	2,600	Buy	73.9	(0.7)	20.3	14.6x	1.1x	7.8	4.9	(39.2)	(69.4)	1.5
WIKA	1,940	1,655	2,500	Buy	28.9	63.7	17.4	7.8x	1.1x	15.3	2.0	#N/A	N/A	1.4
Basic Ind.						24.0	735.2							
JPFA	1,715	2,150	1,940	Hold	13.1	(17.1)	20.1	13.0x	2.0x	16.1	2.9	7.3	(38.6)	1.1
SMGR	12,800	11,500	13,600	Hold	6.3	31.6	75.9	33.2x	2.4x	7.5	1.6	31.1	(38.1)	1.4
INTP	20,525	18,450	19,000	Hold	(7.4)	18.3	75.6	44.3x	3.4x	7.6	2.7	5.3	90.4	1.5
Misc Ind.						(11.7)	358.8							
ASII	6,800	8,225	8,600	Buy	26.5	(16.8)	275.3	13.4x	1.9x	14.9	3.1	1.2	(7.1)	1.2
Mining						(17.7)	350.5							
ADRO	1,270	1,215	1,750	Buy	37.8	(19.9)	40.6	5.6x	0.8x	14.2	7.1	10.2	51.9	1.3
PTBA	2,190	4,300	5,100	Buy	132.9	(47.9)	25.2	5.6x	1.4x	26.4	15.5	1.4	(24.9)	1.2
INCO	3,610	3,260	4,400	Buy	21.9	11.4	35.9	447.1x	1.4x	0.3	N/A	(12.6)	N/A	1.5
ANTM	855	765	1,200	Buy	40.4	23.0	20.5	25.5x	1.0x	4.1	1.5	23.0	(11.1)	1.5

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	17.1%
YTD Change Gap (vs JCI)	16.9%
Weekly Change	-1.8%
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

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	51.7	51	51.4
	UK	16:30	Markit UK PMI Manufacturing SA	Oct	49.6	48.3	48.3
	USA	19:30	Change in Nonfarm Payrolls	Oct	128k	90k	136k
	USA	19:30	Unemployment Rate	Oct	3.60%	3.60%	3.50%
	USA	20:45	Markit US Manufacturing PMI	Oct	51.3	51.5	51.5
	USA	21:00	ISM Manufacturing	Oct	48.3	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	47.7	--	49.1
	Tentative	CPI YoY	Oct	3.13%	3.30%	3.39%
	Tentative	CPI NSA MoM	Oct	0.02%	0.19%	-0.27%
	Tentative	CPI Core YoY	Oct	3.20%	3.39%	3.32%

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 7th 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