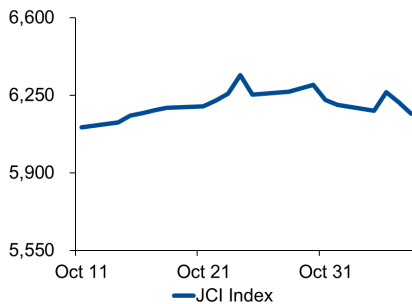


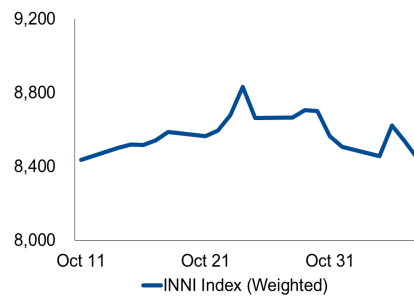
# Morning Brief

Daily | November 08 2019

## JCI Movement



## INNI Movement



## JCI Index

Nov. 07	6,165.54
Chg.	-51.92pts (-0.84%)
Volume (bn shares)	102.63
Value (IDR tn)	8.30
<b>Adv 99 Dec 323 Unc 241 Untr 116</b>	

## INNI Index

Last	8,447.41
Chg.	-91.48pts (-1.07%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
SILO	3.3%	KAEF	-4.8%
INTP	1.2%	BBRI	-3.8%
SMGR	1.2%	ICBP	-3.8%
INCO	1.1%	GGRM	-3.7%
BMRI	0.4%	UNTR	-3.5%

## Foreign Transaction

	(IDR bn)
Buy	2,197
Sell	3,556
Net Buy (Sell)	1,358

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	683.0	MNCN	35.2
TLKM	133.7	INKP	30.9
BBCA	125.2	SMGR	30.8
ASII	52.1	BNLI	26.7
BMRI	48.8	CPIN	20.0

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.00%	0.01%
USDIDR	13,998	-0.14%
KRWIDR	12.12	0.08%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	27,674.80	182.24	0.66%
S&P 500	3,085.18	8.40	0.27%
FTSE 100	7,406.41	9.76	0.13%
DAX	13,289.46	109.57	0.83%
Nikkei	23,330.32	26.50	0.11%
Hang Seng	27,847.23	158.59	0.57%
Shanghai	2,978.71	0.12	0.00%
KOSPI	2,144.29	0.14	0.01%
EIDO	25.04	(0.26)	-1.03%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,468.5	(22.1)	-1.48%
Crude Oil (USD / bbl)	57.15	0.80	1.42%
Coal Newcas(USD/ton)	67.05	0.15	0.22%
Nickel LME (USD / MT)	16,200	(45.0)	-0.28%
Tin LME (USD / MT)	16,575	10.0	0.06%
CPO (MYR/Ton)	2,528	(26.0)	-1.02%

## Market Recap

JCI edged down, held back by the banking sector. **JCI's Top Losers: Finance (-0.9%), Infrastructure (-0.9%), Mining (-0.9%).**

INNI index dipped as KAEF gave up a 4.8% gain. The government regulation (PP) No.76/2019 on the capital injected by the Indonesian Republic to PT Bio Farma subdued KAEF.

## Daily Foreign & Domestic Sector Movement

JCI gave up foreign capital of IDR1.3 trillion as the banking sector contributed to the largest capital outflows of IDR994 billion. Declines in prices of banking stocks categorized in BUKU IV, i.e., BBRI declining 3.85% after posting foreign outflows of IDR683 billion. Besides the declines were also underlined by Jokowi urging leaders of banking industry to lower their loan rates.

The rupiah exchange rate for USD advanced 0.18% to 13,999.

## Today's Outlook: Indonesia's Foreign Exchange Reserves Strengthen

Dow Jones nudged up 0.66% to 27,648 as China and the US agreed to gradually erase the tit-for-tat tariffs. In the domestic backdrop, Bank Indonesia announced Indonesia's Oct. forex reserves of USD 126.7 billion, increasing from Sept. reading of USD 124.4 billion and the highest reading since February 2018.

## Company News

- WSKT : Revises Its Contract Target
- BBCA : Facilitates Investment Loan to ASSA
- BBRI : Synergizes with Danareksa Sekuritas
- MAPI : MAP Boga Launches New Restaurants

## Domestic & Global News

- BI: Foreign Inflows Lowers 3Q19's BPO
- US Weekly Jobless Claims Fall More than Expected

## 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)	126.70	124.33	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

### **WSKT : Revises Its Contract Target**

PT Waskita Karya Tbk (WSKT) revises its contracts to fall short in the target range of IDR35-40 trillion after its initial target of IDR55 trillion. Until 3Q19, WSKT secured IDR15.2 trillion with net profits of IDR1.1 trillion and persistently targets tenders for infrastructure projects in Kalimantan and overseas countries. (Kontan)

### **BBCA : Facilitates Investment Loan to ASSA**

PT Bank Central Asia Tbk (BBCA), on Nov. 5th, signed a loan facility given to PT Adi Sarana Armada Tbk (ASSA). The loan facilities subsume IDR300 billion worth of loan facilities and an additional local loan of IDR100 billion from the prior amount loan of IDR30 billion. ASSA will spend loans on purchasing new vehicles. (Bisnis Indonesia)

### **BBRI : Synergizes with Danareksa Sekuritas**

PT Bank Rakyat Indonesia Tbk (BBRI) officially takes over PT Danareksa Sekuritas and injects intraday loan facilities of IDR600 billion to PT Danareksa Sekuritas. The loans will be spent on developing secondary markets. In the long run, BBRI expects that the acquisition boosts the performance of state-owned financial enterprises in the regional markets. (Bisnis Indonesia)

### **MAPI : MAP Boga Launches New Restaurants**

PT Map Boga Adiperkasa Tbk (MAPB) as the subsidiary of PT Mitra Adiperkasa Tbk (MAPI) officially launched Genki Sushi in Semarang as its first restaurant in Central Java after developing a number of restaurants in Jakarta and Bandung. MAPB is committed to serving fresh sushi for consumers in Semarang. (Bisnis Indonesia)

## Domestic & Global News

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### **BI: Foreign Inflows Lowers 3Q19's BPO**

Bank Indonesia (BI), on Friday (8/11), will announce Indonesia's balance of payments (BOP) in 3Q19. BI is optimistic that BOP's 3Q19 deficit is likely narrower than 2Q19's BOP of USD 4.3 billion. (Kontan)

### **US Weekly Jobless Claims Fall More than Expected**

The number of Americans filing applications for unemployment benefits fell more than expected last week, consistent with strong labor market conditions and continued job growth. Initial claims for state unemployment benefits decreased 8,000 to a seasonally adjusted 211,000 for the week ended Nov. 2, the Labor Department said on Thursday. Data for the prior week was revised to show 1,000 more applications received than previously reported. (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>						13.2	2,396.5							
BBCA	31,425	26,000	32,000	Hold	1.8	30.9	774.8	27.4x	4.6x	18.1	1.1	15.0	13.0	1.0
BBRI	4,000	3,660	4,950	Buy	23.8	15.9	493.4	14.5x	2.5x	18.2	3.3	10.8	5.6	1.4
BMRI	7,000	7,375	8,000	Hold	14.3	(6.7)	326.7	12.0x	1.7x	14.7	3.4	10.6	11.9	1.4
<b>Consumer</b>						(15.6)	1,170.6							
GGRM	52,725	83,625	110,000	Buy	108.6	(34.1)	101.4	10.9x	2.1x	20.5	4.9	16.9	25.8	1.0
UNVR	43,350	45,400	59,000	Buy	36.1	2.5	330.8	45.2x	48.0x	92.3	2.7	2.6	(24.4)	1.0
ICBP	10,800	10,450	11,800	Hold	9.3	23.4	125.9	25.3x	5.3x	22.2	1.3	11.2	11.4	0.7
INDF	7,750	7,450	8,700	Hold	12.3	29.7	68.0	13.9x	1.9x	14.2	2.2	5.7	25.2	1.1
KAFF	2,400	2,600	4,100	Buy	70.8	(8.4)	13.3	57.4x	5.9x	16.6	0.6	29.6	(81.4)	1.0
KLBF	1,585	1,520	1,870	Buy	18.0	12.8	74.3	28.9x	4.8x	17.6	1.6	7.3	6.2	1.3
<b>Infrastructure</b>						8.7	806.44							
TLKM	4,070	3,698	4,350	Hold	6.9	3.2	403.2	19.9x	4.0x	21.3	4.0	3.5	15.6	0.9
JSMR	5,200	4,280	6,000	Buy	15.4	27.1	37.7	19.5x	2.1x	11.3	0.9	(22.8)	(15.2)	1.1
<b>Trade</b>						0.3	723.8							
UNTR	22,050	27,350	35,000	Buy	58.7	(36.5)	82.2	7.7x	1.5x	19.8	5.6	#N/A	N/A	(4.8)
SILO	7,100	3,590	7,230	Hold	1.8	162.0	11.5	205.9x	1.8x	0.9	N/A	18.6	1333.7	0.7
MIKA	2,660	1,575	2,300	Hold	(13.5)	86.0	37.9	57.6x	9.1x	16.4	0.7	17.2	12.1	0.4
LPPF	3,610	5,600	5,500	Buy	52.4	(30.6)	10.1	13.0x	5.7x	37.8	9.2	0.7	(18.7)	0.7
RALS	1,165	1,420	2,050	Buy	76.0	(8.3)	8.3	11.7x	1.9x	17.1	4.3	(2.0)	15.8	0.7
MAPI	1,070	805	1,300	Buy	21.5	28.9	17.8	21.7x	3.0x	14.8	0.9	11.4	14.7	0.9
<b>Property</b>						19.7	473.2							
PWON	580	620	725	Buy	25.0	4.5	27.9	9.6x	1.9x	22.2	1.2	0.2	20.8	1.3
CTRA	1,090	1,010	1,080	Hold	(0.9)	20.4	20.2	20.0x	1.4x	7.2	0.9	(0.7)	(28.9)	1.7
PTPP	1,590	1,805	2,450	Buy	54.1	(0.3)	9.9	8.4x	0.8x	9.4	3.0	8.6	(37.6)	1.6
WSKT	1,480	1,680	2,600	Buy	75.7	(11.4)	20.1	14.5x	1.1x	7.8	4.9	(39.2)	(69.4)	1.5
WIKA	1,975	1,655	2,500	Buy	26.6	54.9	17.7	8.0x	1.1x	15.3	2.0	#N/A	N/A	57.3
<b>Basic Ind.</b>						26.7	754.5							
JPFA	1,755	2,150	1,940	Hold	10.5	(16.4)	20.6	13.3x	2.0x	16.1	2.8	7.3	(38.6)	1.1
SMGR	12,800	11,500	13,600	Hold	6.3	30.3	75.9	33.2x	2.4x	7.5	1.6	31.1	(38.1)	1.4
INTP	20,900	18,450	19,000	Hold	(9.1)	17.7	76.9	45.2x	3.4x	7.6	2.6	5.3	90.4	1.5
<b>Misc Ind.</b>						(13.3)	354.2							
ASII	6,725	8,225	8,600	Buy	27.9	(18.0)	272.3	13.3x	1.9x	14.9	3.1	1.2	(7.1)	1.2
<b>Mining</b>						(19.3)	350.7							
ADRO	1,385	1,215	1,750	Buy	26.4	(14.0)	44.3	6.1x	0.8x	14.2	6.5	10.2	51.9	1.3
PTBA	2,390	4,300	5,100	Buy	113.4	(46.5)	27.5	6.1x	1.5x	26.4	14.2	1.4	(24.9)	1.2
INCO	3,650	3,260	4,400	Buy	20.5	10.9	36.3	448.6x	1.4x	0.3	N/A	(12.6)	N/A	1.5
ANTM	845	765	1,200	Buy	42.0	19.0	20.3	25.2x	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	16.3%
YTD Change Gap (vs JCI)	16.8%
Weekly Change	-1.4%
Weekly Change Gap (vs JCI)	-0.3%

### 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
<b>Monday</b>	GER	15:55	Germany Manufacturing PMI	Oct	42.1	41.9	41.9
<i>04 - Nov</i>	EU	16:00	Markit Eurozone Manufacturing PMI	Oct	45.9	45.7	45.7
	UK	16:30	Markit UK Construction PMI	Oct	44.2	44.1	43.3
	USA	22:00	Durable Goods Orders	Sep	-1.20%	-1.10%	-1.10%
	USA	22:00	Factory Orders	Sep	-0.60%	-0.40%	-0.10%
<b>Tuesday</b>	USA	20:30	Trade Balance	Sep	-\$52.5b	-\$52.5b	-\$54.9b
<i>05 - Nov</i>	USA	22:00	ISM Non-Manufacturing Index	Oct	54.7	53.4	52.6
<b>Wednesday</b>	GER	14:00	Factory Orders MoM	Sep	1.30%	0.10%	-0.60%
<i>06 - Nov</i>	USA	19:00	MBA Mortgage Applications	Nov	-0.10%	--	0.60%
<b>Thursday</b>	GER	14:00	Industrial Production SA MoM	Sep	-0.60%	-0.30%	0.30%
<i>07 - Nov</i>	UK	19:00	Bank of England Bank Rate	Nov	0.75%	0.75%	0.75%
	USA	20:30	Initial Jobless Claims	Nov	211k	215k	218k
<b>Friday</b>	USA	22:00	Wholesale Inventories MoM	Sep		-0.30%	-0.30%
<i>08 - Nov</i>	USA	22:00	U. of Mich. Sentiment	Nov		95.5	95.5
	CHN	Tentative	Exports YoY	Oct		-4.50%	-3.20%
	CHN	Tentative	Trade Balance	Oct		\$40.10b	\$39.65b

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Tuesday</b>	11:00	GDP YoY	3Q	5.02%	5.00%	5.05%
<i>05 - Nov</i>	11:00	GDP QoQ	3Q	3.06%	3.05%	4.20%
	11:00	Consumer Confidence Index	Oct	118.4	--	121.8
<b>Thursday</b>	10:00	Net Foreign Assets IDR	Oct	1737.9t	--	1725.5t
<i>07 - Nov</i>	10:00	Foreign Reserves	Oct	\$126.70b	--	\$124.33b
<b>Friday</b>	Tentative	BoP Current Account Balance	3Q		-\$7000m	-\$8400m
<i>08 - Nov</i>						

Source: Bloomberg

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