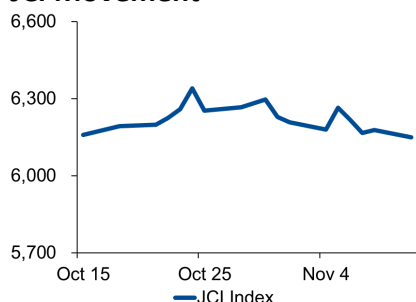


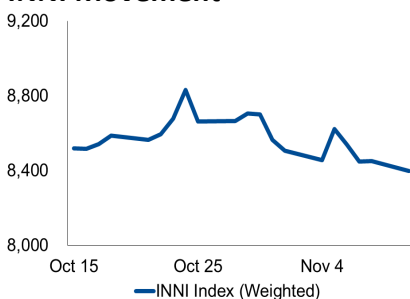
Morning Brief

Daily | November 12 2019

JCI Movement



INNI Movement



Market Recap

JCI closed lower, held back by the banking and mining sectors. **JCI's Top Losers: Mining (-2.8%), Infrastructure (-0.8%), Basic. Industry (-0.8%).**

INNI index weakened, pressured by INCO (-3.4%) after the government calls the nickel ore exports pursuant to the issuance of the Directorate General of Customs and Excise official memorandum.

Daily Foreign & Domestic Sector Movement

Foreign money of IDR524 billion was withdrawn from JCI on Monday's trading session. Jokowi's call for declines in loans' rate is estimated to suppress more state-owned banks than commercial banks. A glance at commodities, crude oil WTI Dec'19 futures price dropped due to fears of no partial deals between the US and China. The rupiah exchange rate for USD was depreciated by 0.38% to 14,067.

Today's Outlook: Hong Kong Protests Exacerbate

The S&P 500 dropped 0.20% to 3,087 as Trump declared that the US will only enter into agreements properly standing for the US benefits. He also emphasized the prolonged partial deals between the US-China. Investors retained defensive stance as the demonstration in Hong Kong last until today rattle Asia markets.

Company News

- PTPP : Issues Bonds to Settle Debts
- BBCA : Cooperates with JCB to Launch New Products
- BBRI : Ties Exclusive Contract with Noah

Domestic & Global News

- BI Posts Sep. Higher Revenues
- Moody's Offers Bleak Outlook for Government Debts

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

JCI Index

Nov. 11	6,148.74
Chg.	-29.24pts (-0.47%)
Volume (bn shares)	64.14
Value (IDR tn)	5.68
Adv 157 Dec 258 Unc 250 Untr 116	

INNI Index

Last	8,397.52
Chg.	-52.24pts (-0.62%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
INDF	2.3%	KAEF	-6.1%
ICBP	1.1%	INCO	-3.4%
PTBA	0.8%	MIKA	-3.0%
ASII	0.4%	WIKA	-2.8%
SILO	0.3%	PTPP	-2.2%

Foreign Transaction

	(IDR bn)
Buy	1,824
Sell	2,349
Net Buy (Sell)	524

Top Buy	NB Val.	Top Sell	NS Val.
ICBP	63.5	BBRI	182.5
SMGR	10.6	BBCA	62.4
UNTR	8.0	TLKM	37.7
TOWR	7.8	ASII	32.9
PTBA	5.4	BBNI	29.0

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.02%	0.05%
USDIDR	14,068	0.39%
KRWIDR	12.07	-0.33%

Global Indexes

Index	Last	Chg.	%
Dow Jones	27,691.49	10.25	0.04%
S&P 500	3,087.01	(6.07)	-0.20%
FTSE 100	7,328.54	(30.84)	-0.42%
DAX	13,198.37	(30.19)	-0.23%
Nikkei	23,331.84	(60.03)	-0.26%
Hang Seng	26,926.55	(724.59)	-2.62%
Shanghai	2,909.98	(54.21)	-1.83%
KOSPI	2,124.09	(13.14)	-0.61%
EIDO	24.95	(0.19)	-0.76%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,455.9	(3.1)	-0.22%
Crude Oil (USD / bbl)	56.86	(0.38)	-0.66%
Coal Newcas(USD/ton)	66.50	(0.85)	-1.26%
Nickel LME (USD / MT)	15,565	(625.0)	-3.86%
Tin LME (USD / MT)	16,575	(125.0)	-0.75%
CPO (MYR/Ton)	2,627	54.0	2.10%

PTPP : Issues Bonds to Settle Debts

PT PP Tbk (PTPP) will issue PTPP II Phase Bonds whose principal amounted to Rp1.25 trillion. It is the part of PTPP II Phase Self Registration. PTPP targets to secure IDR3 trillion worth of bonds issuance after it successfully collected IDR1.5 trillion in 2018. The offering period will last from 21 to 22 November 2019 with the allotment date on November 25. (Kontan)

BBRI : Ties Exclusive Contract with Noah

PT Bank Rakyat Indonesia Tbk (BBRI) officially ties exclusive cooperation with band group Noah to market its products as BBRI is poised to launch Brizzi designed with the picture of Noah's personnel. It will give special discount for Brizzi's holders attending Noah concert and target to attain 50,000 new Brizzi's customers. (Bisnis Indonesia)

BBCA : Cooperates with JCB to Launch New Products

PT Bank Central Asia Tbk (BBCA) cooperates with JCB International Indonesia to launch BCA-JCB Black credit card targeting Indonesian travelers whose Japan is their preferred country to travel. The credit card gives double-reward for retail transactions in Japan, South Korea, and Singapore. (Kontan)

Domestic & Global News

BI Posts Sep. Higher Revenues

As of September 2019, Bank Indonesia (BI) posted revenues higher than the target set forth in 2019's Bank Indonesia Annual Budget (ATBI). As of September, BI posted revenues of Rp30.82 trillion or 113.5% of IDR27.15 trillion worth of 2019's ATBI. (Kontan)

Moody's Offers Bleak Outlook for Government Debts

Ratings agency Moody's has issued a negative outlook for sovereign creditworthiness in 2020, citing a "disruptive and unpredictable" political environment. In a report published Monday, Moody's said political and geopolitical turbulence is exacerbating a gradual slowdown in trend GDP growth, aggravating structural bottlenecks and increasing the risk of economic or financial shocks. This is likely to further threaten the security of government debt around the world. (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						16.6	2,393.4							
BBCA	31,475	26,000	32,000	Hold	1.7	32.8	776.0	27.4x	4.6x	18.1	1.1	15.0	13.0	1.0
BBRI	4,000	3,660	4,950	Buy	23.8	22.0	493.4	14.5x	2.5x	18.2	3.3	10.8	5.6	1.4
BMRI	7,050	7,375	8,000	Hold	13.5	1.1	329.0	12.1x	1.7x	14.7	3.4	10.6	11.9	1.4
Consumer						(8.2)	1,178.1							
GGRM	53,300	83,625	110,000	Buy	106.4	(29.6)	102.6	11.1x	2.2x	20.5	4.9	16.9	25.8	1.0
UNVR	43,275	45,400	59,000	Buy	36.3	9.9	330.2	45.1x	47.9x	92.3	2.7	2.6	(24.4)	1.0
ICBP	11,400	10,450	11,800	Hold	3.5	35.3	132.9	26.7x	5.6x	22.2	1.2	11.2	11.4	0.7
INDF	7,925	7,450	8,700	Hold	9.8	42.2	69.6	14.3x	1.9x	14.2	2.2	5.7	25.2	1.1
KAEF	2,300	2,600	4,100	Buy	78.3	(9.8)	12.8	55.0x	5.7x	16.6	0.7	29.6	(81.4)	1.0
KLBF	1,555	1,520	1,870	Buy	20.3	16.5	72.9	28.4x	4.8x	17.6	1.7	7.3	6.2	1.3
Infrastructure						8.6	800.14							
TLKM	4,100	3,698	4,350	Hold	6.1	7.7	406.2	20.0x	4.1x	21.3	4.0	3.5	15.6	0.9
JSMR	5,050	4,280	6,000	Buy	18.8	28.5	36.7	19.0x	2.0x	11.3	0.9	(22.8)	(15.2)	1.1
Trade						1.8	721.9							
UNTR	23,325	27,350	35,000	Buy	50.1	(29.5)	87.0	8.1x	1.6x	19.8	5.3	#N/A	N/A	(4.8)
SILO	7,175	3,590	7,230	Hold	0.8	171.8	11.7	208.0x	1.8x	0.9	N/A	18.6	1333.7	0.7
MIKA	2,630	1,575	2,300	Hold	(12.5)	82.6	37.5	56.9x	9.0x	16.4	0.7	17.2	12.1	0.4
LPPF	3,600	5,600	5,500	Buy	52.8	(24.4)	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	(10.2)	8.1	11.5x	1.9x	17.1	4.4	(2.0)	15.8	0.7
MAPI	1,045	805	1,300	Buy	24.4	29.0	17.3	21.2x	2.9x	14.8	1.0	11.4	14.7	0.9
Property						24.0	475.4							
PWON	570	620	725	Buy	27.2	7.5	27.5	9.4x	1.9x	22.2	1.2	0.2	20.8	1.3
CTRA	1,065	1,010	1,080	Hold	1.4	23.1	19.8	19.5x	1.3x	7.2	0.9	(0.7)	(28.9)	1.7
PTPP	1,545	1,805	2,450	Buy	58.6	5.8	9.6	8.2x	0.7x	9.4	3.1	8.6	(37.6)	1.6
WSKT	1,475	1,680	2,600	Buy	76.3	(2.6)	20.0	14.4x	1.1x	7.8	4.9	(39.2)	(69.4)	1.5
WIKA	1,890	1,655	2,500	Buy	32.3	61.5	17.0	7.6x	1.1x	15.3	2.0	#N/A	N/A	57.3
Basic Ind.						27.0	745.0							
JPFA	1,720	2,150	1,940	Hold	12.8	(17.7)	20.2	13.0x	2.0x	16.1	2.9	7.3	(38.6)	1.1
SMGR	12,700	11,500	13,600	Hold	7.1	38.8	75.3	33.0x	2.4x	7.5	1.6	31.1	(38.1)	1.4
INTP	20,325	18,450	19,000	Hold	(6.5)	22.4	74.8	43.9x	3.3x	7.6	2.7	5.3	90.4	1.5
Misc Ind.						(10.5)	352.6							
ASII	6,650	8,225	8,600	Buy	29.3	(15.6)	269.2	13.1x	1.9x	14.9	3.2	1.2	(7.1)	1.2
Mining						(19.9)	343.3							
ADRO	1,415	1,215	1,750	Buy	23.7	(6.3)	45.3	6.2x	0.9x	14.2	6.4	10.2	51.9	1.3
PTBA	2,600	4,300	5,100	Buy	96.2	(41.2)	30.0	6.6x	1.7x	26.4	13.1	1.4	(24.9)	1.2
INCO	3,440	3,260	4,400	Buy	27.9	5.8	34.2	421.7x	1.3x	0.3	N/A	(12.6)	N/A	1.5
ANTM	830	765	1,200	Buy	44.6	21.2	19.9	24.8x	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	15.6%
YTD Change Gap (vs JCI)	16.3%
Weekly Change	-0.7%
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
Monday	UK	16:30	GDP QoQ	3Q	0.30%	0.40%	-0.20%
<i>11- Nov</i>	UK	16:30	GDP YoY	3Q	1.00%	1.10%	1.30%
	UK	16:30	Industrial Production MoM	Sep	-0.30%	-0.10%	-0.60%
	UK	16:30	Manufacturing Production MoM	Sep	-0.40%	-0.20%	-0.70%
Tuesday	UK	16:30	Jobless Claims Change	Oct		--	21.1k
<i>12- Nov</i>	UK	16:30	ILO Unemployment Rate 3Mths	Sep		3.90%	3.90%
	GER	17:00	ZEW Survey Current Situation	Nov		-22	-25.3
	GER	17:00	ZEW Survey Expectations	Nov		-13	-22.8
Wednesday	GER	14:00	CPI MoM	Oct		0.10%	0.10%
<i>13 - Nov</i>	GER	14:00	CPI YoY	Oct		1.10%	1.10%
	UK	16:30	CPI MoM	Oct		-0.10%	0.10%
	UK	16:30	CPI YoY	Oct		1.60%	1.70%
	UK	16:30	CPI Core YoY	Oct		1.70%	1.70%
	UK	16:30	PPI Output NSA MoM	Oct		0.00%	-0.10%
	USA	19:00	MBA Mortgage Applications	Nov		--	-0.10%
	USA	20:30	CPI MoM	Oct		0.30%	0.00%
Thursday	EU	17:00	GDP SA YoY	3Q		1.10%	1.10%
<i>14 - Nov</i>	USA	20:30	PPI Final Demand MoM	Oct		0.30%	-0.30%
	USA	20:30	Initial Jobless Claims	Nov		215k	211k
Friday	EU	17:00	CPI YoY	Oct		0.70%	0.70%
<i>15 - Nov</i>	USA	20:30	Retail Sales Advance MoM	Oct		0.20%	-0.30%
	USA	21:15	Industrial Production MoM	Oct		-0.40%	-0.40%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	11:00	Exports YoY	Oct		-7.00%	-5.74%
<i>15- Nov</i>	11:00	Imports YoY	Oct		-13.00%	-2.41%
	11:00	Trade Balance	Oct		-\$500m	-\$161m
	Tentative	Local Auto Sales	Oct		--	92943

Source: Bloomberg

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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

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