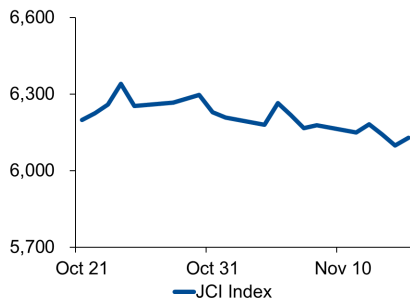
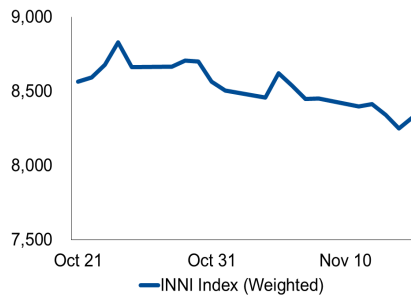


Morning Brief

JCI Movement



INNI Movement



JCI Index

| | |
|---|--------------------|
| Nov. 15 | 6,098.95 |
| Chg. | +43.55pts (+0.71%) |
| Volume (bn shares) | 110.11 |
| Value (IDR tn) | 6.18 |
| Adv 125 Dec 278 Unc 289 Untr 147 | |

INNI Index

| | |
|------|--------------------|
| Last | 8,320.60 |
| Chg. | +72.42pts (+0.88%) |

INNI Top Gainers & Losers

| Gainers | % | Losers | % |
|---------|------|--------|-------|
| CTRA | 3.9% | LPPF | -2.8% |
| WIKA | 3.9% | UNVR | -1.3% |
| BBRI | 3.8% | GGRM | -0.9% |
| JSMR | 3.6% | RALS | -0.9% |
| PWON | 3.5% | ASII | -0.8% |

Foreign Transaction

| | (IDR bn) |
|----------------|----------|
| Buy | 2,066 |
| Sell | 2,001 |
| Net Buy (Sell) | 64 |

| Top Buy | NB Val. | Top Sell | NS Val. |
|---------|---------|----------|---------|
| BBRI | 155.4 | ASII | 100.5 |
| BBCA | 82.6 | TLKM | 74.4 |
| ICBP | 58.4 | UNVR | 41.2 |
| BBNI | 34.8 | GGRM | 23.9 |
| MIKA | 12.3 | JSMR | 13.7 |

Government Bond Yield & FX

| | Last | Chg. |
|----------------|--------|--------|
| Tenor: 10 year | 7.03% | -0.04% |
| USDIDR | 14,077 | -0.09% |
| KRWIDR | 12.07 | 0.17% |

Global Indexes

| Index | Last | Chg. | % |
|-----------|-----------|---------|--------|
| Dow Jones | 28,004.89 | 222.93 | 0.80% |
| S&P 500 | 3,120.46 | 23.83 | 0.77% |
| FTSE 100 | 7,302.94 | 10.18 | 0.14% |
| DAX | 13,241.75 | 61.52 | 0.47% |
| Nikkei | 23,303.32 | 161.77 | 0.70% |
| Hang Seng | 26,326.66 | 2.97 | 0.01% |
| Shanghai | 2,891.34 | (18.53) | -0.64% |
| KOSPI | 2,162.18 | 22.95 | 1.07% |
| EIDO | 24.87 | 0.38 | 1.55% |

Commodities

| Commodity | Last | Chg. | % |
|-----------------------|---------|---------|--------|
| Gold (USD / troy oz.) | 1,468.2 | (3.2) | -0.22% |
| Crude Oil (USD / bbl) | 57.72 | 0.95 | 1.67% |
| Coal Newcas(USD/ton) | 70.10 | 0.85 | 1.23% |
| Nickel LME (USD / MT) | 14,975 | (175.0) | -1.16% |
| Tin LME (USD / MT) | 16,100 | (100.0) | -0.62% |
| CPO (MYR/Ton) | 2,571 | (35.0) | -1.34% |

Market Recap

On Friday, (15/11), JCI advanced, backed by the mining sector. **JCI's Top Gainers: Mining (+1.8%), Basic Ind. (+1.6%), Finance (+1.0%).**

Like JCI, INNI picked up as property stocks rallied, i.e., CTRA and PWON. Fitch Ratings reported that Indonesian property developers succeeded in posting 3Q19's higher presales than 2Q19's sales, and that drove property stocks up.

Daily Foreign & Domestic Sector Movement

On Friday (15/11), JCI cheered foreign outflows of IDR64 billion after banking stocks, BBRI, a large-cap. stocks, secured IDR155 billion worth of transactions. A glance at commodities, global rubber prices rallied because the International Tripartite Rubber Council (ITRC) estimates rubber production by Thailand, Indonesia, and Malaysia to decrease 800,000 tons.

The rupiah exchange rate for USD strengthened 0.09% to 14,065.

Today's Outlook: Oct. Trade Balance Accounts for Surplus

Dow Jones surged 0.80% to 28,004 after Donald Trump insisted that hospitals disclose fair prices of healthcare services. Apart from the US markets, Statistics Indonesia posted Oct. trade balance to be in surplus of USD161.3 million, better than September's deficit of USD163.9 million. But, from Jan. to Oct., the trade balance deficit accounted for USD1.79 billion.

Company News

- PTPP : PP Urban Is Optimistic about 30 Contribution to Marketing Sales
- TLKM : TMI Injects Funds to Two Startups
- PTBA : Finalizes JV

Domestic & Global News

- Oct. Tax Revenues Grow only at 1.6%
- U.S. Retail Sales Rise Modestly; Factory Output Tumbles

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 | (0.16) | Govt. Spending Yoy | 8.23% | 8.23% |
| Exports Yoy | -6.13% | -5.74% | FDI (USD bn) | 5.78 | 5.78 |
| Imports Yoy | -16.39% | -2.41% | Business Confidence | 108.05 | 108.05 |
| Inflation Yoy | 3.13% | 3.39% | Cons. Confidence* | 121.80 | 123.10 |

PTPP : PP Urban Is Optimistic about 30 Contribution to Marketing Sales

The subsidiary of PT PP Tbk (PTPP), namely PP Urban, is optimistic about its realty business to contribute 30% to its overall business line until the end of 2019. PP Urban is aggressively expanding its 3 projects located in Karawang, Serpong, and Sudimara. PTPP is still reliant on Serpong-based project to be completed in November with Milenia Tower topping off. (Kontan)

PTBA : Finalizes JV

PT Bukit Asam Tbk (PTBA) and PT Aneka Tambang Tbk (ANTM) is running the finalization of their JV as both companies have signed HoA. The HoA agrees that PTBA has 75% stocks-ownership, while the remaining stocks are owned by ANTM. The JV will be completed at the end of 2019, and the two companies will collaborate to operate a 2x45 MW coal-fired power plant in Halmahera whose investment values amount to USD185 million. (Bisnis Indonesia)

TLKM : TMI Injects Funds to Two Startups

The subsidiary of PT Telekomunikasi Indonesia Tbk (TLKM), namely Telkomsel Mitra Inovasi (TMI), per Nov. has injected USD1-3 million for two startups. TMI prefers to target level A fin.tech. startups or mature startups and applies the strategy because loan facilities in Indonesia still occupy more room to growth. (Kontan)

Domestic & Global News

Oct. Tax Revenues Grow only at 1.6%

Tax revenues from January to October 2019 slowed. Head of the Center for Macroeconomic Policy (PKEM) Fiscal Policy Agency (BKF) Ministry of Finance (Ministry of Finance) Hidayat Amir admitted that until the end of Oct. tax revenues grew at 1.6% compared to the tax revenues in Oct. 2018. (Kontan)

U.S. Retail Sales Rise Modestly; Factory Output Tumbles

U.S. retail sales rebounded moderately in October although consumers did cut back on purchases of big-ticket household items like furniture and discretionary spending, which could temper expectations for a strong holiday shopping season. "The consumer is still spending, but not robustly enough to support other sectors, especially business investment," said Joel Naroff, chief economist at Naroff Economic Advisors in Holland, Pennsylvania. (Reuters)

| | 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 | | | | | | 11.1 | 2,386.9 | | | | | | | |
| BBCA | 31,375 | 26,000 | 32,000 | Hold | 2.0 | 26.4 | 773.6 | 27.4x | 4.6x | 18.1 | 1.1 | 15.0 | 13.0 | 1.0 |
| BBRI | 4,090 | 3,660 | 4,950 | Buy | 21.0 | 17.2 | 504.5 | 14.9x | 2.5x | 18.2 | 3.2 | 10.8 | 5.6 | 1.4 |
| BMRI | 6,950 | 7,375 | 8,000 | Buy | 15.1 | (6.7) | 324.3 | 11.9x | 1.6x | 14.7 | 3.5 | 10.6 | 11.9 | 1.4 |
| Consumer | | | | | | (11.9) | 1,176.0 | | | | | | | |
| GGRM | 53,500 | 83,625 | 110,000 | Buy | 105.6 | (31.9) | 102.9 | 11.1x | 2.2x | 20.5 | 4.9 | 16.9 | 25.8 | 1.0 |
| UNVR | 42,225 | 45,400 | 59,000 | Buy | 39.7 | 1.8 | 322.2 | 44.0x | 46.8x | 92.3 | 2.8 | 2.6 | (24.4) | 1.0 |
| ICBP | 11,400 | 10,450 | 11,800 | Hold | 3.5 | 29.9 | 132.9 | 26.7x | 5.6x | 22.2 | 1.2 | 11.2 | 11.4 | 0.7 |
| INDF | 7,875 | 7,450 | 8,700 | Hold | 10.5 | 32.4 | 69.1 | 14.2x | 1.9x | 14.2 | 2.2 | 5.7 | 25.2 | 1.1 |
| KAEF | 2,260 | 2,600 | 4,100 | Buy | 81.4 | (10.7) | 12.6 | 54.0x | 5.6x | 16.6 | 0.7 | 29.6 | (81.4) | 1.0 |
| KLBF | 1,510 | 1,520 | 1,870 | Buy | 23.8 | (1.6) | 70.8 | 27.6x | 4.6x | 17.6 | 1.7 | 7.3 | 6.2 | 1.3 |
| Infrastructure | | | | | | 4.5 | 796.40 | | | | | | | |
| TLKM | 4,080 | 3,698 | 4,350 | Hold | 6.6 | 2.2 | 404.2 | 20.0x | 4.1x | 21.3 | 4.0 | 3.5 | 15.6 | 0.9 |
| JSMR | 5,075 | 4,280 | 6,000 | Buy | 18.2 | 26.9 | 36.8 | 19.0x | 2.0x | 11.3 | 0.9 | (22.8) | (15.2) | 1.1 |
| Trade | | | | | | (3.0) | 707.2 | | | | | | | |
| UNTR | 22,375 | 27,350 | 35,000 | Buy | 56.4 | (35.7) | 83.5 | 7.8x | 1.5x | 19.8 | 5.5 | #N/A | N/A | (4.8) |
| SILO | 7,050 | 3,590 | 7,230 | Hold | 2.6 | 146.5 | 11.5 | 204.4x | 1.8x | 0.9 | N/A | 18.6 | 1333.7 | 0.8 |
| MIKA | 2,660 | 1,575 | 2,300 | Hold | (13.5) | 81.0 | 37.9 | 57.6x | 9.1x | 16.4 | 0.7 | 17.2 | 12.1 | 0.4 |
| LPPF | 3,500 | 5,600 | 5,500 | Buy | 57.1 | (22.2) | 9.8 | 12.6x | 5.5x | 37.8 | 9.5 | 0.7 | (18.7) | 0.7 |
| RALS | 1,110 | 1,420 | 2,050 | Buy | 84.7 | (16.5) | 7.9 | 11.1x | 1.8x | 17.1 | 4.5 | (2.0) | 15.8 | 0.7 |
| MAPI | 1,065 | 805 | 1,300 | Buy | 22.1 | 32.3 | 17.7 | 21.6x | 3.0x | 14.8 | 0.9 | 11.4 | 14.7 | 0.9 |
| Property | | | | | | 20.9 | 474.6 | | | | | | | |
| PWON | 585 | 620 | 725 | Buy | 23.9 | (4.9) | 28.2 | 9.7x | 2.0x | 22.2 | 1.2 | 0.2 | 20.8 | 1.3 |
| CTRA | 1,065 | 1,010 | 1,080 | Hold | 1.4 | 15.1 | 19.8 | 19.5x | 1.3x | 7.2 | 0.9 | (0.7) | (28.9) | 1.7 |
| PTPP | 1,580 | 1,805 | 2,450 | Buy | 55.1 | 3.9 | 9.8 | 8.4x | 0.8x | 9.4 | 3.1 | 8.6 | (37.6) | 1.6 |
| WSKT | 1,465 | 1,680 | 2,600 | Buy | 77.5 | (4.2) | 19.9 | 14.3x | 1.1x | 7.8 | 5.0 | (39.2) | (69.4) | 1.5 |
| WIKA | 2,010 | 1,655 | 2,500 | Buy | 24.4 | 64.1 | 18.0 | 8.1x | 1.1x | 15.3 | 1.9 | #N/A | N/A | 57.3 |
| Basic Ind. | | | | | | 20.5 | 755.2 | | | | | | | |
| JPFA | 1,675 | 2,150 | 1,940 | Buy | 15.8 | (18.7) | 19.6 | 12.7x | 2.0x | 16.1 | 3.0 | 7.3 | (38.6) | 1.1 |
| SMGR | 12,750 | 11,500 | 13,600 | Hold | 6.7 | 15.9 | 75.6 | 33.1x | 2.4x | 7.5 | 1.6 | 31.1 | (38.1) | 1.4 |
| INTP | 19,950 | 18,450 | 19,000 | Hold | (4.8) | (0.3) | 73.4 | 43.1x | 3.3x | 7.6 | 2.8 | 5.3 | 90.4 | 1.5 |
| Misc Ind. | | | | | | (16.9) | 350.8 | | | | | | | |
| ASII | 6,525 | 8,225 | 8,600 | Buy | 31.8 | (23.7) | 264.2 | 12.9x | 1.8x | 14.9 | 3.2 | 1.2 | (7.1) | 1.2 |
| Mining | | | | | | (20.7) | 342.7 | | | | | | | |
| ADRO | 1,340 | 1,215 | 1,750 | Buy | 30.6 | (13.3) | 42.9 | 5.9x | 0.8x | 14.2 | 6.7 | 10.2 | 51.9 | 1.3 |
| PTBA | 2,510 | 4,300 | 5,100 | Buy | 103.2 | (47.0) | 28.9 | 6.4x | 1.6x | 26.4 | 13.5 | 1.4 | (24.9) | 1.2 |
| INCO | 3,360 | 3,260 | 4,400 | Buy | 31.0 | 2.4 | 33.4 | 411.5x | 1.3x | 0.3 | N/A | (12.6) | N/A | 1.5 |
| ANTM | 825 | 765 | 1,200 | Buy | 45.5 | 21.3 | 19.8 | 24.6x | 1.0x | 4.1 | 1.5 | 23.0 | (11.1) | 1.5 |

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

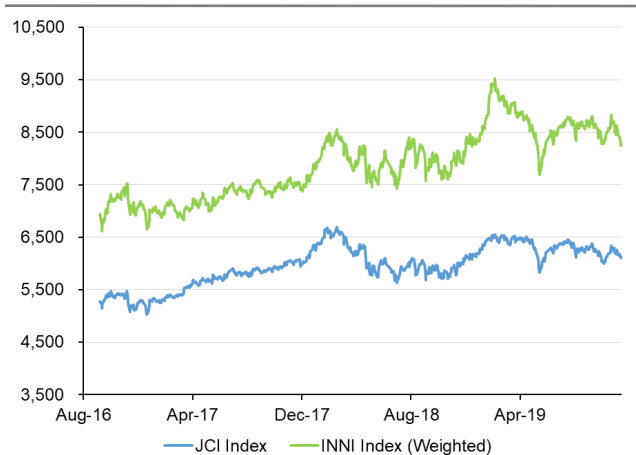
INNI Index Movement

| | |
|----------------------------|-------|
| YTD Change | 14.6% |
| YTD Change Gap (vs JCI) | 15.1% |
| Weekly Change | -1.5% |
| Weekly Change Gap (vs JCI) | -0.7% |

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 | 33.0k | -- | 21.1k |
| <i>12 - Nov</i> | UK | 16:30 | ILO Unemployment Rate 3Mths | Sep | 3.80% | 3.90% | 3.90% |
| | GER | 17:00 | ZEW Survey Current Situation | Nov | -24.7 | -22 | -25.3 |
| | GER | 17:00 | ZEW Survey Expectations | Nov | -2.1 | -13 | -22.8 |
| Wednesday | GER | 14:00 | CPI MoM | Oct | 0.10% | 0.10% | 0.10% |
| <i>13 - Nov</i> | GER | 14:00 | CPI YoY | Oct | 1.10% | 1.10% | 1.10% |
| | UK | 16:30 | CPI MoM | Oct | -0.20% | -0.10% | 0.10% |
| | UK | 16:30 | CPI YoY | Oct | 1.50% | 1.60% | 1.70% |
| | UK | 16:30 | CPI Core YoY | Oct | 1.70% | 1.70% | 1.70% |
| | UK | 16:30 | PPI Output NSA MoM | Oct | -0.10% | 0.00% | -0.10% |
| | USA | 19:00 | MBA Mortgage Applications | Nov | 9.60% | -- | -0.10% |
| | USA | 20:30 | CPI MoM | Oct | 0.40% | 0.30% | 0.00% |
| Thursday | EU | 17:00 | GDP SA YoY | 3Q | 1.10% | 1.10% | 1.10% |
| <i>14 - Nov</i> | USA | 20:30 | PPI Final Demand MoM | Oct | 0.40% | 0.30% | -0.30% |
| | USA | 20:30 | Initial Jobless Claims | Nov | 225k | 215k | 211k |
| Friday | EU | 17:00 | CPI YoY | Oct | 0.60% | 0.70% | 0.70% |
| <i>15 - Nov</i> | USA | 20:30 | Retail Sales Advance MoM | Oct | 0.30% | 0.20% | -0.30% |
| | USA | 21:15 | Industrial Production MoM | Oct | -0.80% | -0.40% | -0.40% |

Source: Bloomberg

Domestic Economic Calendar

| Date | Hour Jakarta | Event | Period | Actual | Consensus | Previous |
|-----------------|--------------|------------------|--------|---------|-----------|----------|
| Friday | 11:00 | Exports YoY | Oct | -6.13% | -7.00% | -5.74% |
| <i>15 - Nov</i> | 11:00 | Imports YoY | Oct | -16.39% | -13.00% | -2.41% |
| | 11:00 | Trade Balance | Oct | \$161m | -\$500m | -\$161m |
| | Tentative | Local Auto Sales | Oct | 96030 | -- | 92943 |

Source: Bloomberg

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