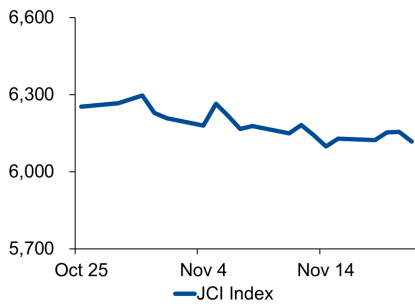


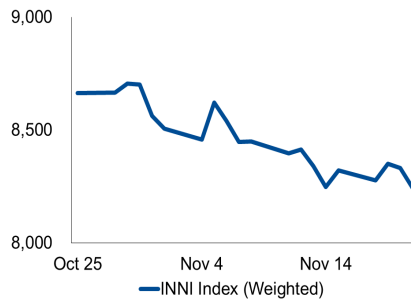
# Morning Brief

Daily | November 22 2019

## JCI Movement



## INNI Movement



## JCI Index

Nov. 21	6,117.36
Chg.	-37.74pts (-0.61%)
Volume (bn shares)	82.55
Value (IDR tn)	5.89
<b>Adv 139 Dec 257 Unc 271 Untr 142</b>	

## INNI Index

Last	8,242.41
Chg.	-88.27pts (-1.06%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
INCO	3.1%	KAEF	-3.8%
BMRI	1.1%	PWON	-3.3%
SILO	0.7%	JPFA	-3.0%
SMGR	0.4%	PTBA	-2.9%
		RALS	-2.8%

## Foreign Transaction

	(IDR bn)
Buy	1,734
Sell	2,138
Net Buy (Sell)	404

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	32.8	TLKM	139.9
BBRI	18.2	UNVR	52.9
BRPT	10.2	ICBP	28.3
MAMI	7.7	AKRA	27.1
MNCN	6.4	SMGR	26.7

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.09%	0.03%
USDIDR	14,090	-0.04%
KRWIDR	11.98	-0.54%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	27,766.29	(54.80)	-0.20%
S&P 500	3,103.54	(4.92)	-0.16%
FTSE 100	7,238.55	(23.94)	-0.33%
DAX	13,137.70	(20.44)	-0.16%
Nikkei	23,038.58	(109.99)	-0.48%
Hang Seng	26,466.88	(422.73)	-1.57%
Shanghai	2,903.64	(7.42)	-0.26%
KOSPI	2,096.60	(28.72)	-1.35%
EIDO	24.71	(0.15)	-0.60%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,464.4	(7.2)	-0.49%
Crude Oil (USD / bbl)	58.58	1.57	2.75%
Coal Newcas(USD/ton)	72.45	0.55	0.76%
Nickel LME (USD / MT)	14,485	125.0	0.87%
Tin LME (USD / MT)	16,400	370.0	2.31%
CPO (MYR/Ton)	2,667	(18.0)	-0.67%

## Market Recap

JCI slipped as the basic industry and consumers goods sectors were weak. **JCI's Top Losers: Basic Ind. (-2.1%), Consumer (-1.0%), Trade (-0.6%).**

INNI, as did JCI, dipped as KAEF giving up a 3.8% gain was INNI's top loser on Thursday's trading session. Besides, it posted 3Q19's disappointing performance.

## Daily Foreign & Domestic Sector Movement

JCI lost IDR404 billion worth of foreign outflows the largest portion of which was IDR105 billion pulled out from the telecommunication sector. Like JCI, most Asia stocks ebbed on Thursday after the Fed's signals of no more FFR cut, appropriate for the remaining 2019 and a report citing that the I phase of the US-China partial trade deals will be signed in 2020. The underlining reason for the delay was greater tariff cuts anticipated by China.

The rupiah exchange rate for USD edged up 0.02% to 14,092.

## Today's Outlook: BI Holds BI 7-DRRR Unchanged

The Dow Jones ebbed 0.20% to 27,766, subdued a 1.4% decline in the property sector. In contrast to the property sector, the energy sector rose 1.6% after OPEC will extend output curbs until 2020. In the domestic backdrop, BI decided to leave BI 7-DRRR unchanged at 5% following BI's two-day Board of Governors Meeting.

## Company News

- TLKM : 2019's Telkomtelstra Digital Summit
- PTPP : PP Presisi Targets New Contracts in 2020
- WSKT : Its Fabricated Steel Factory Is Poised to Run

## Domestic & Global News

- BI Projects 2019's Inflation of 3.1%
- U.S. Labor Market Slowing

## Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.00%	5.00%	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

### **TLKM : 2019's Telkomtelstra Digital Summit**

Telkomtelstra as a JV from PT Telkom Indonesia Tbk (TLKM) held the 2019 Digital Summit on Nov. 21, 2019. The event emphasized a digital transformation, fundamental to corporate performance and larger investments in the tech. sector. Telkomtelstra offers services of business value identification to companies. (Bisnis Indonesia)

### **PTPP : PP Presisi Targets New Contracts in 2020**

PT PP Presisi Tbk (PPRE), a subsidiary of PT PP Tbk (PTPP), targets its contracts to attain a 30% YoY growth as the largest contract proportion is contributed by the construction sector. In 2020, it will penetrate the nickel mining sector as a nickel, smelter, and infrastructure contractor on grounds of nickel's promising outlook. (Kontan)

### **WSKT : Its Fabricated Steel Factory Is Poised to Run**

PT Waskita Karya Tbk (WSKT) continuously expands its manufacturing business industry by producing fabricated steel products and builds fabricated steel factory in ModernCikande Industrial Estate, Banten. The factory manufactures European CNC-tech. applied guardrails functioning as toll-road safety barriers. WSKT spent IDR230 billion to construct the factory to run its operation in the early of Dec. 2019. (Kontan)

## Domestic & Global News

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### **BI Projects 2019's Inflation of 3.1%**

Inflation is likely to be benign, appropriate for 2019. Bank Indonesia (BI) projects the 2019 inflation to fall short in the range of 3.1%. The projection is based on Oct. inflation of 0.02% (mom) after Sept. deflation of 0.27% (mom). BI, in years ahead, is committed to maintaining stable prices and strengthening the coordination with central and regional governments. (Kontan)

### **U.S. Labor Market Slowing**

The number of Americans filing applications for unemployment benefits was unexpectedly unchanged at a five-month high last week, suggesting some softening in the labor market. While other data on Thursday showed a mild pick up in factory activity in the mid-Atlantic region this month, manufacturers reported a sharp slowdown in new orders, shipments and unfilled orders. (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
<b>Finance</b>						12.1	2,422.0							
BBCA	31,500	26,000	32,000	Hold	1.6	25.5	776.6	27.5x	4.6x	18.1	1.1	15.0	13.0	1.0
BBRI	4,220	3,660	4,950	Buy	17.3	18.9	520.5	15.3x	2.6x	18.2	3.1	10.8	5.6	1.4
BMRI	7,175	7,375	8,000	Hold	11.5	(2.0)	334.8	12.3x	1.7x	14.7	3.4	10.6	11.9	1.4
<b>Consumer</b>						(13.3)	1,164.8							
GGRM	53,175	83,625	110,000	Buy	106.9	(33.7)	102.3	11.0x	2.2x	20.5	4.9	16.9	25.8	1.0
UNVR	42,025	45,400	59,000	Buy	40.4	2.2	320.7	43.8x	46.6x	92.3	2.8	2.6	(24.4)	1.0
ICBP	11,400	10,450	11,800	Hold	3.5	27.4	132.9	26.7x	5.6x	22.2	1.2	11.2	11.4	0.7
INDF	7,950	7,450	8,700	Hold	9.4	27.2	69.8	14.3x	1.9x	14.2	2.2	5.7	25.2	1.1
KAEF	2,000	2,600	4,100	Buy	105.0	(22.5)	11.1	47.8x	4.9x	16.6	0.7	29.6	(81.4)	1.0
KLBF	1,525	1,520	1,870	Buy	22.6	(4.1)	71.5	27.8x	4.7x	17.6	1.7	7.3	6.2	1.3
<b>Infrastructure</b>						5.5	788.84							
TLKM	4,020	3,698	4,350	Hold	8.2	2.4	398.2	19.7x	4.0x	21.3	4.1	3.5	15.6	0.9
JSMR	5,150	4,280	6,000	Buy	16.5	29.4	37.4	19.3x	2.1x	11.3	0.9	(22.8)	(15.2)	1.1
<b>Trade</b>						(2.1)	700.0							
UNTR	22,100	27,350	35,000	Buy	58.4	(30.5)	82.4	7.7x	1.5x	19.8	5.6	#N/A	N/A	(4.8)
SILO	7,150	3,590	7,230	Hold	1.1	149.1	11.6	207.3x	1.8x	0.9	N/A	18.6	1333.7	0.8
MIKA	2,750	1,575	2,300	Sell	(16.4)	86.4	39.2	59.5x	9.4x	16.4	0.7	17.2	12.1	0.4
LPPF	3,550	5,600	5,500	Buy	54.9	(17.4)	10.0	12.8x	5.6x	37.8	9.4	0.7	(18.7)	0.7
RALS	1,060	1,420	2,050	Buy	93.4	(18.1)	7.5	10.6x	1.7x	17.1	4.7	(2.0)	15.8	0.7
MAPI	1,050	805	1,300	Buy	23.8	32.1	17.4	21.3x	2.9x	14.8	1.0	11.4	14.7	0.9
<b>Property</b>						14.9	465.2							
PWON	585	620	725	Buy	23.9	(6.4)	28.2	9.7x	2.0x	22.2	1.2	0.2	20.8	1.3
CTRA	1,050	1,010	1,080	Hold	2.9	4.0	19.5	19.3x	1.3x	7.2	1.0	(0.7)	(28.9)	1.7
PTPP	1,545	1,805	2,450	Buy	58.6	(4.6)	9.6	8.2x	0.7x	9.4	3.1	8.6	(37.6)	1.6
WSKT	1,425	1,680	2,600	Buy	82.5	(12.8)	19.3	13.9x	1.1x	7.8	5.1	(39.2)	(69.4)	1.5
WIKA	1,980	1,655	2,500	Buy	26.3	44.5	17.8	8.0x	1.1x	15.3	1.9	#N/A	N/A	57.3
<b>Basic Ind.</b>						16.6	742.3							
JPFA	1,600	2,150	1,940	Buy	21.3	(16.4)	18.8	12.1x	1.9x	16.1	3.1	7.3	(38.6)	1.1
SMGR	12,450	11,500	13,600	Hold	9.2	4.8	73.8	32.3x	2.4x	7.5	1.7	31.1	(38.1)	1.4
INTP	19,675	18,450	19,000	Hold	(3.4)	(3.1)	72.4	42.5x	3.2x	7.6	2.8	5.3	90.4	1.5
<b>Misc Ind.</b>						(16.1)	350.6							
ASII	6,600	8,225	8,600	Buy	30.3	(21.9)	267.2	13.0x	1.9x	14.9	3.2	1.2	(7.1)	1.2
<b>Mining</b>						(14.2)	343.0							
ADRO	1,310	1,215	1,750	Buy	33.6	1.9	41.9	5.8x	0.8x	14.2	6.9	(0.5)	29.8	1.3
PTBA	2,380	4,300	5,100	Buy	114.3	(43.6)	27.4	6.1x	1.5x	26.4	14.3	1.4	(24.9)	1.2
INCO	3,330	3,260	4,400	Buy	32.1	15.6	33.1	407.4x	1.2x	0.3	N/A	(12.6)	N/A	1.5
ANTM	815	765	1,200	Buy	47.2	30.4	19.6	24.3x	1.0x	4.1	1.6	23.0	(11.1)	1.5

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

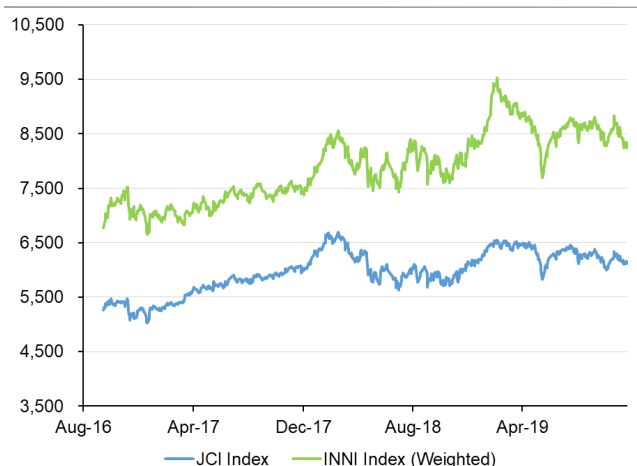
### INNI Index Movement

YTD Change	13.5%
YTD Change Gap (vs JCI)	14.7%
Weekly Change	-0.1%
Weekly Change Gap (vs JCI)	-0.4%

### 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>Tuesday</b> 19- Nov	USA	20:30	Housing Starts	Oct	1314k	1320k	1256k
<b>Wednesday</b> 20- Nov	USA	19:00	MBA Mortgage Applications	Nov	-2.20%	--	9.60%
<b>Thursday</b> 21 - Nov	USA	20:30	Philadelphia Fed Business Outlook	Nov	10.4	6	5.6
	USA	20:30	Initial Jobless Claims	Nov	227k	218k	225k
	USA	22:00	Leading Index	Oct	-0.10%	-0.20%	-0.10%
	EU	22:00	Consumer Confidence	Nov	-7.2	-7.2	-7.6
	USA	22:00	Existing Home Sales	Oct	5.46m	5.49m	5.38m
<b>Friday</b> 22 - Nov	GER	14:00	GDP SA QoQ	3Q		0.10%	0.10%
	GER	15:30	Markit/BME Germany Manufacturing PMI	Nov		42.9	42.1
	GER	15:30	Markit Germany Services PMI	Nov		52	51.6
	EU	16:00	Markit Eurozone Manufacturing PMI	Nov		46.4	45.9
	UK	16:30	Markit UK PMI Manufacturing SA	Nov		48.8	49.6
	USA	21:45	Markit US Manufacturing PMI	Nov		51.5	51.3
	USA	22:00	U. of Mich. Sentiment	Nov		95.7	95.7

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Thursday</b> 21- Nov	Tentative	Bank Indonesia 7D Reverse Repo	Nov	5.00%	5.00%	5.00%

Source: Bloomberg

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