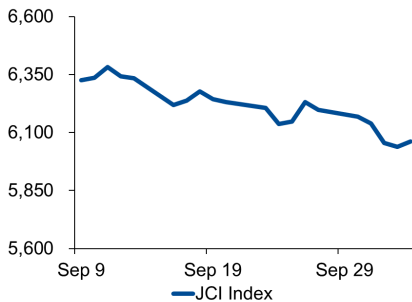


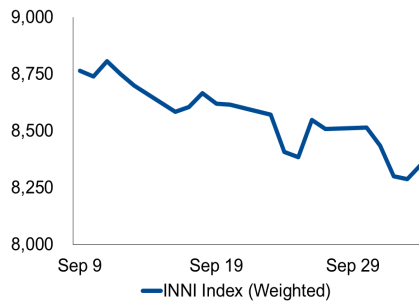
Morning Brief

Daily | October 07 2019

JCI Movement



INNI Movement



JCI Index

Oct. 04	6,061.25
Chg.	+22.72pts (+0.38%)
Volume (bn shares)	138.02
Value (IDR tn)	7.18
Adv 188 Dec 199 Unc 272 Untr 123	

INNI Index

Last	8,287.32
Chg.	-13.15pts (-0.16%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
SMGR	6.5%	GRRM	-3.6%
LPPF	6.1%	PTPP	-2.9%
INTP	5.5%	WIKA	-2.4%
MIKA	3.9%	WSKT	-1.9%
BBRI	3.7%	PTBA	-1.8%

Foreign Transaction

	(IDR bn)
Buy	1,786
Sell	1,311
Net Buy (Sell)	474

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	193.2	LPPF	22.4
BBCA	153.1	ASII	18.7
BMRI	81.1	INCO	17.7
TBIG	68.8	INTP	14.3
SSIA	13.5	TINS	12.4

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.23%	-0.03%
USDIDR	14,138	-0.25%
KRWIDR	11.82	0.34%

Global Indexes

Index	Last	Chg.	%
Dow Jones	26,573.72	372.68	1.42%
S&P 500	2,952.01	41.38	1.42%
FTSE 100	7,155.38	77.74	1.10%
DAX	12,012.81	87.56	0.73%
Nikkei	21,410.20	68.46	0.32%
Hang Seng	25,821.03	(289.28)	-1.11%
Shanghai	2,905.19	(26.98)	-0.92%
KOSPI	2,020.69	(11.22)	-0.55%
EIDO	24.15	0.21	0.88%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,504.7	(0.5)	-0.04%
Crude Oil (USD / bbl)	52.81	0.36	0.69%
Coal Newcas(USD/ton)	71.25	1.00	1.42%
Nickel LME (USD / MT)	17,790	165.0	0.94%
Tin LME (USD / MT)	16,475	0.0	0.00%
CPO (MYR/Ton)	2,149	12.0	0.56%

Market Recap

JCI was rebound after a 4-day losing streak. The rebound was backed by the banking sector. **JCI's Top Gainers: Basic Ind. (+1.5%), Finance (+1.0%), Trade (+0.9%).**

INNI index was rebound, backed by retail stocks, e.g. LPPF (+6.1%) and MIKA (+3.9%).

Daily Foreign & Domestic Sector Movement

On Friday (10/04), JCI cheered foreign inflows of IDR474 billion after large-cap. banking stocks (BBRI, BBCA, and BMRI) posted inflows of IDR427 billion. Adding to the buoyant banking stocks was a 0.20% growth in ICBP after Pepsi Co. terminated cooperation with PT Anugerah Indofood Barokah Makmur (AIBM) on grounds of the instant noodle as the greatest contributor to ICBP's sales. A glance at commodities, Dec. Comex gold prices strengthen 0.09% after a slowdown in the US economic data fuel investors' fear.

The rupiah exchange rate against USD was appreciated at 0.4% to 14,135.

Today's Outlook: Sept. CCI Slows

Dow Jones advanced 1.42% to 26, 573 as the US jobs reported an additional 136,000 jobs in September. In the domestic backdrop, Sept. consumer confidence index (CCI) of 121.8 was lower than August's 123.1 on grounds of a slowdown in the current economic condition index.

Company News

- UNVR : Strategies to Counter Global Recession
- MAPI : Launches 10 New Stores
- BBCA : Wins Asiamoney Awards

Domestic & Global News

- BI's Survey: Oct. Inflation Is Likely to Reach 0.02%
- India Bans Onion Exports after Monsoon Rains Damage Crops and Prices Soar

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.25%	5.50%	Real GDP	5.05%	5.05%
FX Reserve (USD bn)	126.40	125.90	Current Acc (USD bn)	(8.40)	(8.40)
Trd Balance (USD bn)	0.09	(0.06)	Govt. Spending Yoy	8.23%	8.23%
Exports Yoy	-9.99%	-5.12%	FDI (USD bn)	5.78	5.78
Imports Yoy	-15.60%	-15.21%	Business Confidence	108.05	108.05
Inflation Yoy	3.39%	3.49%	Cons. Confidence*	123.10	124.80

UNVR : Strategies to Counter Global Recession

The President Director of PT Unilever Indonesia Tbk (UNVR) Hemant Bakshi, is optimistic that UNVR business is still robust should a recession hit Indonesia. The key to Indonesia's resilience is Indonesia's large population. Thus, UNTR is poised to integrate consumer goods and personal care and banks on popular products. (Kontan)

MAPI : Launches 10 New Stores

PT Mitra Adiperkasa Tbk (MAPI) will expand its stores by launching Digimap, the Apple authorized distributor. Digimap is MAPI's first lifestyle store, selling Apple's products and currently has 18 stores across Jabodetabek, Bandung, Surabaya, and Medan. Until the end of 2019, MAPI will launch another 5-10 new Digimap stores. (Kontan)

BBCA : Wins Asiamoney Awards

PT Bank Central Asia Tbk (BBCA) achieved two awards in the 2019 Asiamoney Awards, namely Best Digital Bank and Best Domestic Bank. The Awards are given for BBCA's concerted endeavors to improve its digital-based products and services. BBCA currently has 98% digital transaction, supported by BCA Mobile, Flazz, Sakuku features. (Bisnis Indonesia)

Domestic & Global News

BI's Survey: Oct. Inflation Is Likely to Reach 0.02%

Bank Indonesia projected Oct. inflation to hike. Based on the result of the price monitoring survey by Bank Indonesia (BI) in the first week, the inflation rate is estimated at 0.02% m-m or 3.13% y-y. (Kontan)

India Bans Onion Exports after Monsoon Rains Damage Crops and Prices Soar

India banned the export of onions after excessive rainfall damaged crops and reduced harvest, which sent prices soaring at a time when slowing consumer demand has dragged down growth in Asia's third-largest economy. The ban took effect on Sunday and will last "till further orders," according to a government notice. Several media reports said prices of onions — a common ingredient in Indian cooking — have doubled since July. (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						18.1	2,301.9							
BBCA	30,225	26,000	32,000	Hold	5.9	31.1	745.2	27.3x	4.7x	18.4	1.1	16.8	12.7	1.0
BBRI	3,950	3,660	4,950	Buy	25.3	32.6	487.2	14.4x	2.6x	19.0	3.3	12.5	8.5	1.4
BMRI	6,400	7,375	8,000	Buy	25.0	2.0	298.7	11.3x	1.6x	15.0	3.8	9.1	11.1	1.4
Consumer						(9.6)	1,224.8							
GGRM	49,500	83,625	110,000	Buy	122.2	(31.0)	95.2	11.2x	2.1x	20.0	5.3	16.4	20.5	1.0
UNVR	45,425	45,400	59,000	Buy	29.9	6.4	346.6	37.4x	68.3x	183.9	2.6	1.3	5.2	1.0
ICBP	12,225	10,450	11,800	Hold	(3.5)	38.9	142.6	29.3x	6.3x	22.9	1.6	13.7	12.8	0.7
INDF	7,850	7,450	8,700	Hold	10.8	35.9	68.9	14.5x	2.0x	14.4	3.0	7.2	30.0	1.1
KAEF	2,840	2,600	4,100	Buy	44.4	20.9	15.8	46.2x	7.0x	16.6	0.5	#N/A	N/A	1.0
KLBF	1,650	1,520	1,870	Hold	13.3	30.4	77.3	30.9x	5.3x	17.9	1.6	7.7	3.5	1.3
Infrastructure							18.5	837.80						
TLKM	4,190	3,698	4,350	Hold	3.8	20.4	415.1	20.3x	4.4x	22.8	3.9	7.7	27.4	0.9
JSMR	5,550	4,280	6,000	Hold	8.1	27.6	40.3	18.2x	2.3x	13.3	0.8	(25.9)	1.4	1.1
Trade						(1.0)	713.6							
UNTR	20,200	27,350	35,000	Buy	73.3	(38.0)	75.3	6.7x	1.4x	21.6	5.9	11.2	1.8	1.0
SILO	7,400	3,590	7,230	Hold	(2.3)	163.3	12.0	260.8x	1.9x	0.7	N/A	18.5	N/A	0.8
MIKA	2,930	1,575	2,300	Sell	(21.5)	76.5	42.6	64.4x	9.9x	16.3	0.6	#N/A	N/A	0.4
LPPF	3,800	5,600	5,500	Buy	44.7	(41.3)	10.7	11.8x	5.9x	45.2	8.8	0.6	(11.5)	0.7
RALS	1,225	1,420	2,050	Buy	67.3	(1.2)	8.7	11.9x	2.0x	17.7	4.1	(0.2)	21.1	0.7
MAPI	990	805	1,300	Buy	31.3	26.9	16.4	22.2x	2.8x	14.5	1.0	10.2	25.0	0.8
Property							21.4	460.3						
PWON	600	620	725	Buy	20.8	23.5	28.9	10.4x	2.1x	22.4	1.2	3.8	20.9	1.3
CTRA	1,065	1,010	1,080	Hold	1.4	38.3	19.8	15.2x	1.4x	9.4	0.9	12.1	74.3	1.7
PTPP	1,670	1,805	2,450	Buy	46.7	8.1	10.4	7.5x	0.8x	11.3	2.9	12.8	(23.4)	1.6
WSKT	1,545	1,680	2,600	Buy	68.3	(6.1)	21.0	10.6x	1.2x	11.3	4.7	(35.4)	(66.8)	1.5
WIKA	1,855	1,655	2,500	Buy	34.8	41.6	16.6	7.9x	1.1x	14.9	2.1	#N/A	N/A	1.4
Basic Ind.							13.1	668.0						
JPFA	1,505	2,150	1,940	Buy	28.9	(23.6)	17.6	9.3x	1.8x	20.2	6.6	9.2	(26.8)	1.1
SMGR	11,525	11,500	13,600	Buy	18.0	29.1	68.4	26.4x	2.3x	8.7	1.8	#N/A	N/A	1.4
INTP	19,200	18,450	19,000	Hold	(1.0)	21.1	70.7	49.4x	3.2x	6.5	2.9	7.7	80.2	1.5
Misc Ind.						(5.3)	338.6							
ASII	6,425	8,225	8,600	Buy	33.9	(7.6)	260.1	12.3x	1.9x	15.8	3.3	3.2	(5.8)	1.2
Mining						(20.3)	363.6							
ADRO	1,265	1,215	1,750	Buy	38.3	(30.1)	40.5	5.5x	0.8x	14.2	7.1	10.2	51.9	1.3
PTBA	2,200	4,300	5,100	Buy	131.8	(53.6)	25.3	5.3x	1.5x	29.7	15.4	1.2	(25.8)	1.2
INCO	3,630	3,260	4,400	Buy	21.2	2.5	36.1	485.8x	1.4x	0.3	N/A	(22.0)	N/A	1.5
ANTM	960	765	1,200	Buy	25.0	20.0	23.1	25.8x	1.2x	4.6	1.3	22.1	6.2	1.5

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	15.0%
YTD Change Gap (vs JCI)	17.1%
Weekly Change	-1.9%
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
Monday 30 - Sep	CHN	08:00	Manufacturing PMI	Sep	49.8	49.6	49.5
	CHN	08:45	Caixin China PMI Mfg	Sep	51.4	50.2	50.4
	GER	14:55	Unemployment Change (000's)	Sep	-10.0k	5.0k	4.0k
	UK	15:30	GDP QoQ	2Q F	-0.20%	-0.20%	-0.20%
	UK	15:30	GDP YoY	2Q F	1.30%	1.20%	1.20%
	GER	19:00	CPI MoM	Sep	0.00%	0.00%	-0.20%
	GER	19:00	CPI YoY	Sep	1.20%	1.30%	1.40%
Tuesday 01 - Oct	UK	13:00	Nationwide House Px NSA YoY	Sep	0.20%	0.50%	0.60%
	UK	13:00	Nationwide House PX MoM	Sep	-0.20%	0.10%	0.00%
	GER	14:55	Markit Germany Manufacturing PMI	Sep	41.7	41.4	41.4
	EU	15:00	Markit Eurozone Manufacturing PMI	Sep	45.7	45.6	45.6
	UK	15:30	Markit UK PMI Manufacturing SA	Sep	48.3	47	47.4
	USA	20:45	Markit US Manufacturing PMI	Sep	51.1	51	51
	USA	21:00	ISM Manufacturing	Sep	47.8	50.1	49.1
Wednesday 02 - Oct	USA	18:00	MBA Mortgage Applications	27-Sep	8.1%	--	-10.10%
	USA	19:15	ADP Employment Change	Sep	135k	140k	195k
Thursday 03 - Oct	USA	19:30	Initial Jobless Claims	28-Sep	219k	215k	213k
	USA	21:00	Factory Orders	Aug	-0.10%	-0.40%	1.40%
	USA	21:00	Durable Goods Orders	Aug	0.20%	--	0.20%
Friday 04 - Oct	USA	19:30	Change in Nonfarm Payrolls	Sep	136k	145k	130k
	USA	19:30	Unemployment Rate	Sep	3.5%	3.70%	3.70%
	USA	19:30	Trade Balance	Aug	-\$54.9b	-\$54.5b	-\$54.0b

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 30 - Sep	Tentative	Danareksa Consumer Confidence	Sep	98.9	--	101.3
Tuesday 01 - Oct	07:30	Markit Indonesia PMI Mfg	Sep	49.1	--	49
	Tentative	CPI YoY	Sep	3.39	3.52%	3.49%
	Tentative	CPI NSA MoM	Sep	-0.27%	-0.15%	0.12%
	Tentative	CPI Core YoY	Sep	3.32%	3.30%	3.30%
Friday 04 - Oct	Tentative	Consumer Confidence Index	Sep	121.8	--	123.1

Source: Bloomberg

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