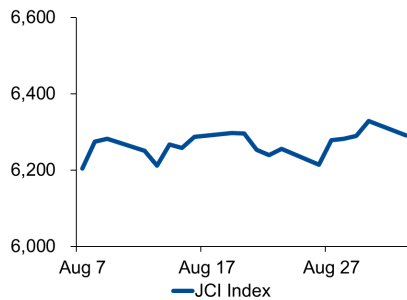
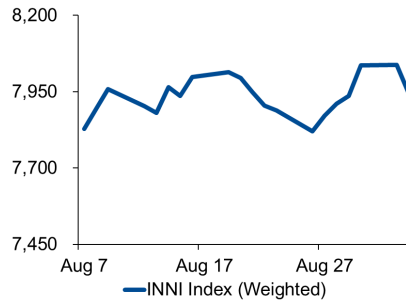


Morning Brief

JCI Movement



INNI Movement



JCI Index

Sept. 03	6,261.59
Chg.	-28.95pts (-0.46%)
Volume (bn shares)	150.60
Value (IDR tn)	7.86
Adv 172 Dec 246 Unc 236 Untr 113	

INNI Index

Last	8,613.39
Chg.	-95.17pts (-1.09%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
ADRO	3.0%	ANTM	-5.1%
GGRM	1.7%	BMRI	-3.8%
BBCA	0.9%	INCO	-3.5%
PTBA	0.8%	MIKA	-2.8%
SILO	0.7%	CTRA	-2.4%

Foreign Transaction

	(IDR bn)
Buy	1,613
Sell	2,012
Net Buy (Sell)	399

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	22.2	GGRM	76.3
BRPT	21.3	BMRI	39.5
HMSP	18.8	ASII	28.7
EXCL	16.6	BBNI	28.3
ACES	15.9	KLBF	25.3

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.35%	0.02%
USDIDR	14,228	0.24%
KRWIDR	11.71	0.00%

Global Indexes

Index	Last	Chg.	%
Dow Jones	26,118.02	(285.26)	-1.08%
S&P 500	2,906.27	(20.19)	-0.69%
FTSE 100	7,268.19	(13.75)	-0.19%
DAX	11,910.86	(42.92)	-0.36%
Nikkei	20,625.16	4.97	0.02%
Hang Seng	25,527.85	(98.70)	-0.39%
Shanghai	2,930.15	6.05	0.21%
KOSPI	1,965.69	(3.50)	-0.18%
EIDO	24.93	(0.26)	-1.03%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,547.1	17.8	1.16%
Crude Oil (USD /bbl)	53.94	(1.16)	-2.11%
Coal Newcas(USD/ton)	67.85	2.10	3.19%
Nickel LME (USD /MT)	17,985	(75.0)	-0.42%
Tin LME (USD /MT)	16,710	(90.0)	-0.54%
CPO (MYR/Ton)	2,181	(53.0)	-2.37%

Market Recap

JCI was at a tepid close as the banking sector dived and massive foreign outflows. **JCI's Top Losers: Infrastruktur (-1.3%), Misc. Industry (-1.0%), Finance (-0.8%).**

INNI index posted worse performance than JCI as markets retained profit-taking over a week bullish mining stocks, i.e. ANTM and INCO.

Daily Foreign & Domestic Sector Movement

JCI plunged deeper into foreign capital outflows of IDR399 billion, with the subsector of cigarette makers hit hardest by IDR64 billion worth of outflows. Meanwhile, the rupiah was still depreciated at 0.17% to 14,128 against the US dollar.

A glance at global highlights, most of Asia markets were at bullish mood: a stark contrast to JCI's bearish state. That was attributable to China's sound PMI data at 50.4, higher than the estimate.

Today's Outlook: Prices of Global Crude Oil Tumble

Dow Jones dived at 1.08% to 26,118 as China imposed tariffs of USD75 billion on the US goods. The US PMI underperformed at 49.1, lower than the consensus of 51.3; that had been a drag on prices of global crude oil.

Company News

- BMRI : Awaits Decisions on Restructuring Funds for KRAS
- BBCA : Appoints A New Corporate Secretary
- BBRI : Performs Changes in Corporate Structures
- WIKA : Targets to Develop the New Seat of Power

Domestic & Global News

- Indef: Revokes 900 VA Electricity Subsidies
- 10-Year Treasury Yield Dives to 3-Year Low after PMI Contraction

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.50%	5.75%	Real GDP	5.05%	5.07%
FX Reserve (USD bn)	125.90	123.80	Current Acc (USD bn)	(8.40)	(6.97)
Trd Balance (USD bn)	(0.06)	0.20	Govt. Spending Yoy	8.23%	5.21%
Exports Yoy	-5.12%	-8.98%	FDI (USD bn)	5.78	6.04
Imports Yoy	-15.21%	2.80%	Business Confidence	108.05	108.05
Inflation Yoy	3.32%	3.28%	Cons. Confidence*	124.80	128.10

BMRI : Awaits Decisions on Restructuring Funds for KRAS

PT Bank Mandiri Tbk (BMRI) is one of the creditors facilitating restructuring funds for KRAS; the signing of restructuring credits, facilitated by BMRI and other creditors is held in September. BMRI currently await the decision on restructuring funds from foreign creditors. Of note, BMRI has facilitated IDR7 trillion worth of credit to KRAS. (Kontan)

BBRI : Performs Changes in Corporate Structures

PT Bank Rakyat Indonesia Tbk (BBRI) officially appointed Hari Purnomo as the corporate secretary. Bambang Tribaboto the former corporate secretary carried out the appointment of Hari Purnomo. The appointment of new corporate secretary completed the changes in board of directors decided in EGM. In years ahead, BBRI will optimized the role of corporate secretary in the digital era. (Bisnis Indonesia)

BBCA : Appoints A New Corporate Secretary

PT Bank Central Asia Tbk (BBCA) appointed Raymon Yonarto as corporate secretary, replacing the former secretary Jan Hendra. His administration took into effects on Sep.1, 2019. Of note, he has 4-year experiences as BCA's investor relation office from 2007 to 2011, had responsibilities for the head of the financial division, and assigned for the current position as the corporate secretary. (Kontan)

WIKA : Targets to Develop the New Seat of Power

PT Wijaya Karya Tbk (WIKA) is targeting leading sectors dominating the development of the new capital city in East Kalimantan. WIKA will invest IDR20 trillion in the energy, property, and infrastructure sectors. It currently secures contracts of infrastructure projects, contributing 54% to its total revenues. (Investor Daily)

Domestic & Global News

Indef: Revokes 900 VA Electricity Subsidies

The Government and the Budget Banggar (Banggar) of the Indonesian House of Representatives decided to revoke electricity subsidies given to 900 VA Capable Household (RTM) customers in 2020. The Institute of Economic Economist for Development of Economics and Finance (Indef) Bhima Yudhistira predicts that the removal of electricity subsidies given to 24.4 million customers is likely to lower household consumption and slows economic growth. (Cash)

10-Year Treasury Yield Dives to 3-Year Low after PMI Contraction

The yield on the benchmark 10-year Treasury note dived on Tuesday to its lowest level since 2016 after a report on the U.S. manufacturing sector showed a contraction in August. The Institute for Supply Management said U.S. manufacturing activity declined last month for the first time since early 2016. The yield on the 10-year note fell to its lowest level since July 2016 at 1.441%, while the yield on the 30-year Treasury bond was also lower at 1.925%. (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						16.1	2,349.9							
BBCA	30,275	26,000	32,000	Hold	5.7	22.3	746.4	27.3x	4.7x	18.4	1.1	16.8	12.7	1.0
BBRI	4,150	3,660	4,950	Buy	19.3	33.4	511.9	15.1x	2.7x	19.0	3.2	12.5	8.5	1.4
BMRI	6,900	7,375	8,000	Buy	15.9	4.9	322.0	12.2x	1.7x	15.0	3.5	9.1	11.1	1.4
Consumer						(2.5)	1,339.4							
GGRM	67,550	83,625	110,000	Buy	62.8	(7.3)	130.0	15.3x	2.9x	20.0	3.8	16.4	20.5	1.0
UNVR	47,475	45,400	59,000	Buy	24.3	8.0	362.2	39.1x	71.4x	183.9	2.5	1.3	5.2	1.0
ICBP	12,000	10,450	11,800	Hold	(1.7)	38.7	139.9	28.8x	6.1x	22.9	1.6	13.7	12.8	0.7
INDF	8,000	7,450	8,700	Hold	8.7	26.0	70.2	14.8x	2.0x	14.4	3.0	7.2	30.0	1.2
KAEF	2,930	2,600	4,100	Buy	39.9	27.4	16.3	47.6x	7.2x	16.6	0.5	33.0	(60.9)	1.0
KLBF	1,650	1,520	1,870	Hold	13.3	29.9	77.3	30.9x	5.3x	17.9	1.6	7.7	3.5	1.3
Infrastructure						19.3	840.14							
TLKM	4,350	3,698	4,350	Hold	-	29.0	430.9	21.1x	4.6x	22.8	3.8	7.7	27.4	0.9
JSMR	5,350	4,280	6,000	Hold	12.1	17.8	38.8	17.5x	2.2x	13.3	0.9	(25.9)	1.4	1.1
Trade						(4.5)	717.5							
UNTR	20,400	27,350	35,000	Buy	71.6	(39.1)	76.1	6.8x	1.4x	21.6	5.8	11.2	1.8	1.0
SILO	6,825	3,590	4,350	Sell	(36.3)	129.8	11.1	240.5x	1.8x	0.7	N/A	#N/A	N/A	0.8
MIKA	2,450	1,575	2,300	Hold	(6.1)	41.2	35.6	53.8x	8.3x	16.3	0.7	#N/A	N/A	0.5
LPPF	3,020	5,600	5,500	Buy	82.1	(57.3)	8.5	9.4x	4.7x	45.2	11.0	0.6	(11.5)	0.8
RALS	1,205	1,420	2,050	Buy	70.1	(2.4)	8.6	11.8x	2.0x	17.7	4.1	(0.2)	21.1	0.7
MAPI	990	805	1,300	Buy	31.3	21.5	16.4	22.2x	2.8x	14.5	1.0	10.2	25.0	0.8
Property						12.0	460.9							
PWON	620	620	725	Buy	16.9	20.4	29.9	10.7x	2.2x	22.4	1.1	3.8	20.9	1.3
CTRA	1,025	1,010	1,080	Hold	5.4	26.5	19.0	14.6x	1.3x	9.4	1.0	12.1	74.3	1.7
PTPP	1,760	1,805	2,450	Buy	39.2	(2.5)	10.9	7.9x	0.9x	11.3	2.8	12.8	(23.4)	1.6
WSKT	1,690	1,680	2,600	Buy	53.8	(9.4)	22.9	11.6x	1.3x	11.3	4.3	(35.4)	(66.8)	1.4
WIKA	1,955	1,655	2,500	Buy	27.9	25.7	17.5	8.3x	1.1x	14.9	2.0	#N/A	N/A	1.3
Basic Ind.						10.8	689.1							
JPFA	1,520	2,150	1,940	Buy	27.6	(29.0)	17.8	9.4x	1.8x	20.2	6.6	9.2	(26.8)	1.1
SMGR	13,300	11,500	13,600	Hold	2.3	43.4	78.9	30.4x	2.6x	8.7	1.6	#N/A	N/A	1.4
INTP	21,225	18,450	19,000	Hold	(10.5)	27.7	78.1	54.6x	3.6x	6.5	2.6	7.7	80.2	1.5
Misc Ind.						(4.3)	344.5							
ASII	6,475	8,225	8,600	Buy	32.8	(8.5)	262.1	12.4x	1.9x	15.8	3.3	3.2	(5.8)	1.2
Mining						(15.2)	379.4							
ADRO	1,190	1,215	1,750	Buy	47.1	(34.1)	38.1	5.2x	0.7x	14.2	7.6	10.2	51.9	1.3
PTBA	2,440	4,300	5,100	Buy	109.0	(39.0)	28.1	5.5x	1.5x	29.2	13.9	(7.2)	(21.7)	1.2
INCO	3,830	3,260	4,400	Hold	14.9	9.7	38.1	511.5x	1.4x	0.3	N/A	(22.0)	N/A	1.6
ANTM	1,110	765	1,200	Hold	8.1	37.9	26.7	33.3x	1.3x	4.1	1.1	8.5	(30.1)	1.5

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	18.6%
YTD Change Gap (vs JCI)	17.5%
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
Monday	GER	15:00	IFO Business Climate	Aug	94.3	95.1	95.7
26 - Aug	USA	19:30	Durable Goods Orders	Jul P	2.10%	1.20%	1.90%
Tuesday	GER	13:00	GDP SA QoQ	2Q F	-0.10%	-0.10%	-0.10%
27 - Aug	USA	21:00	Conf. Board Consumer Confidence	Aug	135.1	129.3	135.7
Wednesday	UK	Tentative	Nationwide House PX MoM	Aug	--	0.10%	0.30%
28 - Aug	EU	15:00	M3 Money Supply YoY	Jul	5.20%	4.70%	4.50%
	USA	18:00	MBA Mortgage Applications	23-Aug	-6.20%	--	-0.90%
Thursday	GER	14:55	Unemployment Change (000's)	Aug	4.0k	3.5k	1.0k
29 - Aug	GER	19:00	CPI YoY	Aug P	1.40%	1.50%	1.70%
	USA	19:30	GDP Price Index	2Q S	2.40%	2.40%	2.40%
	USA	19:30	Wholesale Inventories MoM	Jul P	0.20%	0.20%	0.00%
	USA	19:30	GDP Annualized QoQ	2Q S	2.00%	2.00%	2.10%
	USA	19:30	Initial Jobless Claims	24-Aug	215k	215k	209k
Friday	JPN	06:30	Job-To-Applicant Ratio	Jul	1.59	1.61	1.61
30 - Aug	JPN	06:30	Tokyo CPI Ex-Fresh Food YoY	Aug	0.70%	0.80%	0.90%
	JPN	06:30	Jobless Rate	Jul	2.20%	2.30%	2.30%
	JPN	06:50	Industrial Production MoM	Jul P	1.30%	0.30%	-3.30%
	UK	15:30	Mortgage Approvals	Jul	67.3	66.1k	66.4k
	US	19:30	Personal Income	Jul	0.10%	0.30%	0.40%
	USA	19:30	Personal Spending	Jul	0.60%	0.50%	0.30%
	USA	20:45	MNI Chicago PMI	Aug	50.4	47.7	44.4
	USA	21:00	U. of Mich. Sentiment	Aug F	89.8	92.4	92.1

Source: Bloomberg

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