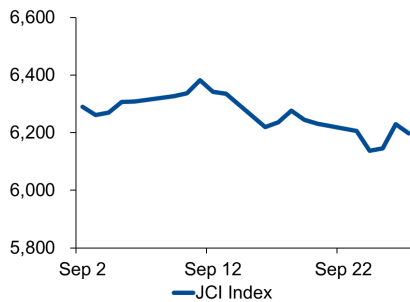


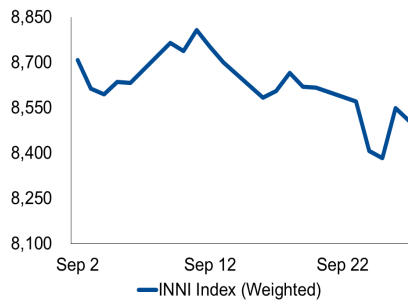
# Morning Brief

Daily | September 30 2019

## JCI Movement



## INNI Movement



## JCI Index

Sept. 27	6,196.88
Chg.	-33.44pts (-0.54%)
Volume (bn shares)	144.72
Value (IDR tn)	6.87
<b>Adv 136 Dec 257 Unc 266 Untr 131</b>	

## INNI Index

Last	7,728.94
Chg.	-44.15pts (-0.57%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
LPPF	5.9%	INCO	-3.5%
ADRO	2.3%	SMGR	-3.3%
INDF	1.3%	CTRA	-3.2%
JPFA	1.0%	GGRM	-2.8%
PTPP	0.6%	ANTM	-2.5%

## Foreign Transaction

	(IDR bn)
Buy	1,503
Sell	1,842
Net Buy (Sell)	338

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	144.8	TLKM	74.4
PGAS	24.7	UNTR	62.3
BBRI	19.0	BBNI	49.5
ASII	16.6	GGRM	22.1
ICBP	13.2	INTP	18.5

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.31%	-0.01%
USDIDR	14,173	0.06%
KRWIDR	11.82	0.08%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	26,820.25	(70.87)	-0.26%
S&P 500	2,961.79	(15.83)	-0.53%
FTSE 100	7,426.21	75.13	1.02%
DAX	12,380.94	92.40	0.75%
Nikkei	21,878.90	(169.34)	-0.77%
Hang Seng	25,954.81	(87.12)	-0.33%
Shanghai	2,932.17	3.08	0.11%
KOSPI	2,049.93	(24.59)	-1.19%
EIDO	24.41	(0.26)	-1.05%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,497.0	(7.8)	-0.52%
Crude Oil (USD / bbl)	55.91	(0.50)	-0.89%
Coal Newcas(USD/ton)	68.15	0.65	0.96%
Nickel LME (USD / MT)	17,205	(5.0)	-0.03%
Tin LME (USD / MT)	16,130	(170.0)	-1.04%
CPO (MYR/Ton)	2,149	(20.0)	-0.92%

## Market Recap

JCI gave up gains on trading sessions of Sept. 27 as declines in the agriculture sector had a drag on its moves. **JCI's Top Losers: Agriculture (-0.6%), Basic Ind. (-0.7%), Consumer (-0.3%).**

INNI index, likewise JCI, was vulnerable to a setback as INCO gave up gains of 3.5%. Chinese economic slowdown cut the demand for nickel ore.

## Daily Foreign & Domestic Sector Movement

JCI on Friday (09/27) gave up foreign funds of IDR338 billion as it subdues, like most of Asia markets. BBRI, unlike JCI's other portfolios, secured foreign funds of IDR19 billion. Based on information released by IDX, PT Bank Rakyat Indonesia Tbk (BBRI) officially took over PT Asuransi Bringin Sejahtera Artamakmur (BRINS) transaction values of which is IDR1.05 trillion. A glance at commodities, the global crude price slid after Saudi Aramco oil production has restored to the normal capacity.

The rupiah exchange rate for the US dollar is depreciated 0.24% to 14,197 per USD.

## Today's Outlook: Coal Prices Are Dim

Dow Jones closed lower 0.26% to 26,820.25, held back by the technology, industry, and health care sector. The policy on limitation of US investment in China was a drag on the Dow's moves. A glance at commodities, Chinese economic slowdown, tangled in prolonged trade wars throttle away demands for coal and leave coal prices dim.

## Company News

- ANTM : Cancels Acquisition of Nusa Halmahera Minerals
- KAEF : Launches Health & Beauty Stores
- UNVR : Plans for Stock Split
- MAPI : Welcomes 4Q19 with New Strategies

## Domestic & Global News

- BI Eases LTV for Boosting KPR
- White House Deliberates Block on All US Investments in China

## 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%	5.07%
FX Reserve (USD bn)	126.40	125.90	Current Acc (USD bn)	(8.40)	(6.97)
Trd Balance (USD bn)	0.09	(0.06)	Govt. Spending Yoy	8.23%	5.21%
Exports Yoy	-9.99%	-5.12%	FDI (USD bn)	5.78	6.04
Imports Yoy	-15.60%	-15.21%	Business Confidence	108.05	108.05
Inflation Yoy	3.49%	3.32%	Cons. Confidence*	124.80	128.10

### **ANTM : Cancels Acquisition of Nusa Halmahera Minerals**

PT Aneka Tambang Tbk (ANTM) canceled 26% acquisition of Nusa Halmahera Minerals stocks owned by Newcrest Mining Limited. The cancellation was on grounds of Nusa Halmahera Minerals Reserves less than 300,000 oz to only last for 2 years, contingent liabilities, and environmental issues. (Kontan)

### **UNVR : Plans for Stock Split**

PT Unilever Indonesia Tbk (UNVR) plans to perform stocks split so that it can reach retail consumers. The stock split percentage has yet to disclose to the public and is submitted to EGM prior to its issuance. Of note, the EGM will also discuss the changes in the Board of Directors. (Investor Daily)

### **KAEF : Launches Health & Beauty Stores**

PT Kimia Farma Tbk (KAEF) allocated funds of IDR100 billion to develop the health and beauty segment and launches 10 new stores, focusing on the segment, across big cities in Indonesia. KAEF until September 2019 launched 3 health & beauty stores and spent roughly IDR1 -2 billion worth of investment for each of store. (Kontan)

### **MAPI : Welcomes 4Q19 with New Strategies**

PT Mitra Adiperkasa Tbk (MAPI) to attract more buyers plans for giving promotion in 4Q19, e.g., year-end sale and clearance sale. The 4Q19 sales are MAPI's main sales driver; the last 3-month sales contributed 30%-40% to the total sales in 2019. (Bisnis Indonesia)

## Domestic & Global News

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### **BI Eases LTV for Boosting KPR**

Bank Indonesia (BI) rolled out looser macroprudential policies. BI loosened loan to value (LTV) ratio by 5% to boost the demand for mortgage loans (KPR); thus, the property industry may regain its strong footing. (Kontan)

### **White House Deliberates Block on All US Investments in China**

The White House is weighing some curbs on U.S. investments in China, a source familiar with the matter told CNBC. This discussion includes possibly blocking all U.S. financial investments in Chinese companies, the source said. Restricting financial investments in Chinese entities would be meant to protect U.S. investors from excessive risk due to lack of regulatory supervision, the source said. (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
<b>Finance</b>						16.7	2,363.8							
BBCA	30,350	26,000	32,000	Hold	5.4	25.7	740.8	27.4x	4.7x	18.4	1.1	16.8	12.7	1.0
BBRI	4,180	3,660	4,950	Buy	18.4	32.7	515.6	15.2x	2.7x	19.0	3.2	12.5	8.5	1.4
BMRI	6,975	7,375	8,000	Hold	14.7	3.7	325.5	12.3x	1.8x	15.0	3.5	9.1	11.1	1.4
<b>Consumer</b>						(11.6)	1,260.3							
GGRM	52,500	83,625	110,000	Buy	109.5	(29.1)	101.0	11.9x	2.3x	20.0	5.0	16.4	20.5	1.0
UNVR	47,000	45,400	59,000	Buy	25.5	(0.1)	358.6	38.7x	70.7x	183.9	2.5	1.3	5.2	1.0
ICBP	11,950	10,450	11,800	Hold	(1.3)	35.4	139.4	28.7x	6.1x	22.9	1.6	13.7	12.8	0.7
INDF	7,825	7,450	8,700	Hold	11.2	32.6	68.7	14.4x	2.0x	14.4	3.0	7.2	30.0	1.2
KAEF	2,920	2,600	4,100	Buy	40.4	14.5	16.2	47.5x	7.2x	16.6	0.5	#N/A	N/A	1.0
KLBF	1,675	1,520	1,870	Hold	11.6	21.4	78.5	31.4x	5.4x	17.9	1.6	7.7	3.5	1.3
<b>Infrastructure</b>							18.4	857.65						
TLKM	4,310	3,698	4,350	Hold	0.9	20.1	427.0	20.9x	4.5x	22.8	3.8	7.7	27.4	0.9
JSMR	5,775	4,280	6,000	Hold	3.9	29.2	41.9	18.9x	2.4x	13.3	0.8	(25.9)	1.4	1.1
<b>Trade</b>						(3.7)	713.8							
UNTR	20,475	27,350	35,000	Buy	70.9	(38.0)	76.4	6.8x	1.4x	21.6	5.8	11.2	1.8	1.0
SILO	7,025	3,590	7,230	Hold	2.9	140.6	11.4	247.6x	1.8x	0.7	N/A	18.5	N/A	0.8
MIKA	2,640	1,575	2,300	Hold	(12.9)	51.3	38.4	58.0x	8.9x	16.3	0.7	#N/A	N/A	0.5
LPPF	3,240	5,600	5,500	Buy	69.8	(53.2)	9.1	10.1x	5.0x	45.2	10.3	0.6	(11.5)	0.8
RALS	1,200	1,420	2,050	Buy	70.8	(7.7)	8.5	11.7x	2.0x	17.7	4.2	(0.2)	21.1	0.7
MAPI	1,025	805	1,300	Buy	26.8	24.2	17.0	23.0x	2.9x	14.5	1.0	10.2	25.0	0.8
<b>Property</b>						17.8	465.2							
PWON	645	620	725	Hold	12.4	25.2	31.1	11.2x	2.3x	22.4	1.1	3.8	20.9	1.3
CTRA	1,045	1,010	1,080	Hold	3.3	19.4	19.4	14.9x	1.3x	9.4	1.0	12.1	74.3	1.7
PTPP	1,745	1,805	2,450	Buy	40.4	14.4	10.8	7.8x	0.8x	11.3	2.8	12.8	(23.4)	1.6
WSKT	1,665	1,680	2,600	Buy	56.2	(2.1)	22.6	11.5x	1.3x	11.3	4.4	(35.4)	(66.8)	1.5
WIKA	1,940	1,655	2,500	Buy	28.9	42.1	17.4	8.3x	1.1x	14.9	2.0	#N/A	N/A	1.4
<b>Basic Ind.</b>						4.1	674.2							
JPFA	1,520	2,150	1,940	Buy	27.6	(25.9)	17.8	9.4x	1.8x	20.2	6.6	9.2	(26.8)	1.1
SMGR	11,850	11,500	13,600	Hold	14.8	19.4	70.3	27.1x	2.3x	8.7	1.8	#N/A	N/A	1.4
INTP	18,850	18,450	19,000	Hold	0.8	1.9	69.4	48.5x	3.2x	6.5	2.9	7.7	80.2	1.5
<b>Misc Ind.</b>						(6.2)	349.8							
ASII	6,650	8,225	8,600	Buy	29.3	(9.5)	269.2	12.8x	1.9x	15.8	3.2	3.2	(5.8)	1.2
<b>Mining</b>						(17.8)	373.6							
ADRO	1,315	1,215	1,750	Buy	33.1	(28.3)	42.1	5.7x	0.8x	14.2	6.9	10.2	51.9	1.3
PTBA	2,300	4,300	5,100	Buy	121.7	(46.8)	26.5	5.6x	1.6x	29.7	14.8	1.2	(25.8)	1.2
INCO	3,550	3,260	4,400	Buy	23.9	(4.3)	35.3	474.7x	1.3x	0.3	N/A	(22.0)	N/A	1.6
ANTM	990	765	1,200	Buy	21.2	17.2	23.8	29.7x	1.2x	4.1	1.3	8.5	(30.1)	1.5

\* Target Price for December 2019

Source: Bloomberg, NHKS Research

## INNI Summary

### INNI Index Movement

YTD Change	17.1%
YTD Change Gap (vs JCI)	17.1%
Weekly Change	-1.3%
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
<b>Tuesday</b>	GER	15:00	IFO Business Climate	Sep	94.6	94.5	94.3
<i>24- Sep</i>	JPN	07:30	Jibun Bank Japan PMI Mfg	Oct	48.9	--	49.3
	USA	21:00	Conf. Board Consumer Confidence	Sep	125.1	133	135.1
<b>Wednesday</b>	USA	18:00	MBA Mortgage Applications	20-Sep	-10.1%	--	-0.10%
<i>25 - Sep</i>							
<b>Thursday</b>	USA	19:30	GDP Annualized QoQ	2Q T	2.00%	2.00%	2.00%
<i>26- Sep</i>	USA	19:30	Initial Jobless Claims	21-Sep	213k	211k	208k
<b>Friday</b>	JPN	06:30	Tokyo CPI Ex-Fresh Food YoY	Sep	0.50%	0.60%	0.70%
<i>27 - Sep</i>	USA	19:30	Durable Goods Orders	Aug P	0.20%	-1.20%	2.00%
	USA	21:00	U. of Mich. Sentiment	Sep F	93.2	92.1	92

Source: Bloomberg

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