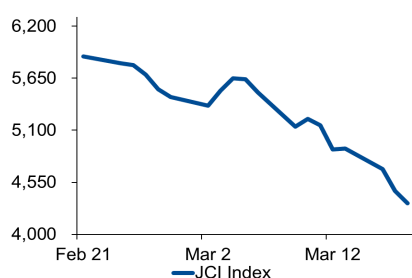


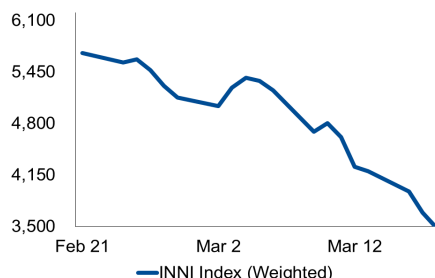
# Morning Brief

Daily | March 20 2020

## JCI Movement



## INNI Movement



## Market Recap

JCI tanked 5%. JCI's Top Losers: Misc. Ind. (-6.0%), Consumer (-5.9%), Basic Ind. (-5.9%).

INNI index retreated, held back by BBKA and ASSI prone to automatic rejection.

## Daily Foreign & Domestic Sector Movement

JCI recorded foreign outflows of IDR636 billion as BBKA accounted for the largest foreign outflows of IDR507 billion of Thursday's trading session of March 19, 2020. The Indonesian banking industry in 1Q20 is estimated to achieve moderate growth amid the deteriorated global state as the corona pandemic paralyzes the worldwide economies. Although markets are volatile, MDKA won the top foreign buy transactions of IDR95 billion because it made the stellar performance in FY19. Meanwhile, the rupiah exchange rate for USD was depreciated by 4.53% to 15,913.

## Today's Outlook: BI Patiently Holds Dovish Stance

The Dow Jones was rebound by 0.95% to 20,087 amid the worldwide fiscal and monetary stimuli to temper highly volatile markets. In the domestic realm, Bank Indonesia (BI) trimmed BI 7-DRRR by 25 bps to 4.5%. Its patient accommodative monetary tone aims to better stabilize financial markets and keep the economic growth momentum amid the devastating threats of COVID-19.

## Company News

- ANTM : Corona Is Not Setback in Expansion
- TLKM : Telkomsel's Data Tariffs Mount
- WSKT : Focuses on 2020's Two Goals

## Domestic & Global News

- Government Debts Surge to IDR5,000 Trillion
- Unemployment Claims Surge to 281,000 amid Corona Crisis

## Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	4.75%	5.00%	Real GDP	4.97%	4.97%
FX Reserve (USD bn)	130.40	131.70	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	2.34	(0.86)	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	11.00%	-3.71%	FDI (USD bn)	4.71	5.70
Imports Yoy	-5.11%	-4.78%	Business Confidence	105.33	105.33
Inflation Yoy	2.98%	2.68%	Cons. Confidence*	121.70	121.70

## JCI Index

Mar. 19	4,105.42
Chg.	-225.25pts (-5.20%)
Volume (bn shares)	45.82
Value (IDR tn)	5.17
<b>Adv 33 Dec 387 Unc 235 Untr 189</b>	

## INNI Index

Last	3,251.28
Chg.	-234.99pts (-6.74%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
BBKA	-7.0%		
ASII	-7.0%		
GGRM	-6.9%		
WSKT	-6.9%		
PTBA	-6.9%		

## Foreign Transaction

	(IDR bn)
Buy	1,885
Sell	2,521
Net Buy (Sell)	636

Top Buy	NB Val.	Top Sell	NS Val.
MDKA	95.6	BBKA	507.8
MYOR	23.8	BBRI	90.0
UNTR	17.2	TLKM	73.0
BBTN	12.5	BMRI	34.6
SCMA	11.0	TOWR	14.8

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	8.12%	0.49%
USDIDR	15,913	4.53%
KRWIDR	12.46	2.89%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	20,087.19	188.27	0.95%
S&P 500	2,409.39	11.29	0.47%
FTSE 100	5,151.61	71.03	1.40%
DAX	8,610.43	168.72	2.00%
Nikkei	16,552.83	(173.72)	-1.04%
Hang Seng	21,709.13	(582.69)	-2.61%
Shanghai	2,702.13	(26.63)	-0.98%
KOSPI	1,457.64	(133.56)	-8.39%
EIDO	13.30	(1.12)	-7.77%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,471.2	(14.8)	-1.00%
Crude Oil (USD / bbl)	25.22	4.85	23.81%
Coal Newcas(USD/ton)	66.40	(0.10)	-0.15%
Nickel LME (USD / MT)	11,250	(145.0)	-1.27%
Tin LME (USD / MT)	13,900	325.0	2.39%
CPO (MYR/Ton)	2,216	(23.0)	-1.03%

### **ANTM : Corona Is Not Setback in Expansion**

PT Aneka Tambang Tbk (ANTM) shows that the coronavirus crisis has little impact on the construction progress of East Halmahera-based ferronickel plant to show 97.75% completion progress. ANTM targets the plant to operate in 2020 and continues its business expansion. Indeed, ANTM benefits from the soaring gold prices; hence, it optimizes its Pongkor mine. (Kontan)

### **TLKM : Telkomsel's Data Tariffs Mount**

Telkomsel, a subsidiary of PT Telekomunikasi Indonesia Tbk (TLKM), recorded a 50% increase in data traffics after the urge of Work From Home (WFH). The increase occurred along with the payload growth of the online learning system (e-learning) to reach 236% and therefore Telkomsel continues to monitor telecommunications service traffics. (Investor Daily)

### **WSKT : Focuses on 2020's Two Goals**

PT Waskita Karya (Persero) Tbk (WSKT) in 2020 focuses on toll-road divestment and efforts to boost cash flows. After the success of two toll-road sections divestment in 2019, WSKT in 2020 targets the divestment of 6 toll roads under a direct release scheme and obtains IDR 10 trillion from turkey project payments. (Bisnis Indonesia)

## Domestic & Global News

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### **Government Debts Surge to IDR5,000 Trillion**

The Indonesian government until February 2020 recorded debts of IDR4,948.18 trillion or 30.82% of the Gross Domestic Product (GDP). The debts consisted of IDR4,151.3 trillion worth of government bonds and IDR796.88 trillion worth of loans. (Kontan)

### **Unemployment Claims Surge to 281,000 amid Corona Crisis**

The Labor Department reported that weekly unemployment claims had surged sharply from 211,000 to 281,000 last week, and that had been the highest number since September 2019 as well as a portrayal of devastating impacts of the corona crisis on the companies. (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>						(26.2)	1,741.7							
BBCA	23,250	33,425	32,000	Buy	37.6	(15.7)	573.2	20.1x	3.3x	17.5	1.5	13.7	10.5	1.0
BBRI	2,930	4,400	4,950	Buy	68.9	(26.4)	361.4	10.4x	1.7x	17.7	5.7	11.1	6.3	1.2
<b>Consumer</b>						(48.4)	789.0							
GGRM	32,900	53,000	61,800	Buy	87.8	(63.4)	63.3	6.8x	1.3x	20.5	7.9	16.9	25.8	1.1
KINO	2,350	3,430	4,680	Buy	99.1	(2.1)	3.4	6.8x	1.3x	21.2	2.1	34.1	323.0	0.8
ICBP	8,850	11,150	12,875	Buy	45.5	(14.7)	103.2	20.7x	4.3x	22.2	1.5	11.2	11.4	0.7
KLBF	975	1,620	1,430	Buy	46.7	(35.6)	45.7	17.8x	3.0x	17.6	2.7	7.3	6.2	1.3
<b>Infrastructure</b>						(39.4)	494.27							
TLKM	2,620	3,970	4,700	Buy	79.4	(29.7)	259.5	12.8x	2.6x	21.3	6.3	3.5	15.6	0.9
JSMR	2,790	5,175	6,000	Buy	115.1	(47.4)	20.2	10.5x	1.1x	11.3	1.6	(22.8)	(15.2)	1.3
<b>Trade</b>						(32.4)	514.2							
UNTR	12,600	21,525	20,000	Buy	58.7	(54.7)	47.0	4.2x	0.8x	20.2	9.8	(0.2)	1.7	1.0
MAPI	510	1,055	1,300	Buy	154.9	(52.6)	8.5	10.3x	1.4x	14.8	2.0	11.4	14.7	1.1
<b>Property</b>						(29.6)	305.6							
CTRA	540	1,040	1,550	Buy	187.0	(41.9)	10.0	9.9x	0.7x	7.2	1.9	(0.7)	(28.9)	1.5
WSKT	484	1,485	2,600	Buy	437.2	(74.9)	6.6	7.5x	0.4x	7.8	15.1	(35.7)	(76.3)	1.8
WIKA	890	1,990	2,500	Buy	180.9	(55.3)	8.0	3.6x	0.5x	15.3	4.3	(12.9)	57.3	1.6
<b>Basic Ind.</b>						(41.9)	411.7							
SMGR	5,875	12,000	14,300	Buy	143.4	(54.9)	34.8	14.6x	1.1x	7.5	3.5	31.5	(22.4)	1.6
<b>Misc Ind.</b>						(44.1)	218.2							
ASII	3,860	6,925	8,600	Buy	122.8	(46.8)	156.3	7.2x	1.1x	15.2	5.5	(0.9)	0.2	1.2
<b>Mining</b>						(44.3)	243.8							
TINS	352	825	800	Buy	127.3	(73.3)	2.6	18.5x	0.4x	1.6	7.1	114.6	N/A	1.6
PTBA	1,485	2,660	2,300	Buy	54.9	(63.3)	17.1	4.0x	0.9x	23.7	22.9	2.9	(22.2)	1.2
INCO	1,440	3,640	4,200	Buy	191.7	(59.8)	14.3	15.7x	0.5x	3.0	N/A	0.7	(4.9)	1.7
ANTM	362	840	1,100	Buy	203.9	(62.3)	8.7	10.8x	0.4x	4.1	3.5	23.0	(11.1)	1.6
<b>Agriculture</b>						(43.5)	53.6							
AALI	4,820	14,575	15,600	Buy	223.7	(60.2)	9.3	43.9x	0.5x	1.1	4.6	(8.5)	(85.3)	1.1

\* Target Price for December 2020

Source: Bloomberg, NHKS Research

## INNI Summary

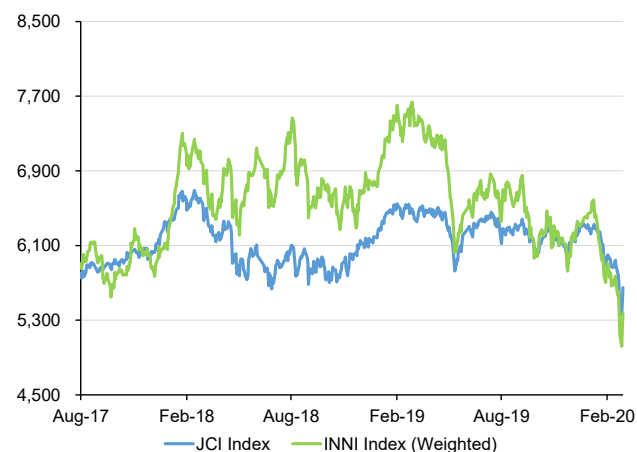
### INNI Index Movement

YTD Change	-47.7%
YTD Change Gap (vs JCI)	-13.1%
Weekly Change	-23.6%
Weekly Change Gap (vs JCI)	-7.4%

### 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>Monday</b>	US	04:00	FOMC Rate Decision (Upper Bound)	Mar	0.25%	--	1.25%
<i>16 – Mar</i>	US	19:30	Empire Manufacturing	Mar	-21.5	4.9	12.9
<b>Tuesday</b>	UK	16:30	Claimant Count Rate	Feb	3.50%	--	3.40%
<i>17 – Mar</i>	UK	16:30	Jobless Claims Change	Feb	17.3k	--	5.5k
	UK	16:30	ILO Unemployment Rate 3Mths	Jan	3.90%	3.80%	3.80%
	GE	17:00	ZEW Survey Expectations	Mar	-49.5	-27.2	8.7
	GE	17:00	ZEW Survey Current Situation	Mar	-43.1	-30	-15.7
	US	19:30	Retail Sales Advance MoM	Feb	-0.50%	0.20%	0.30%
	US	20:15	Industrial Production MoM	Feb	0.60%	0.40%	-0.30%
<b>Wednesday</b>	EU	17:00	CPI YoY	Feb	3.70%	1.20%	1.20%
<i>18 - Mar</i>	EU	17:00	CPI MoM	Feb	0.10%	0.20%	0.20%
	US	18:00	MBA Mortgage Applications	Mar	-8.40%	--	55.40%
	US	19:30	Housing Starts	Feb	1599k	1502k	1567k
<b>Thursday</b>	US	19:30	Initial Jobless Claims	Mar	281k	219k	211k
<i>19– Mar</i>	US	21:00	Leading Index	Feb	0.10%	0.10%	0.80%
<b>Friday</b>	US	21:00	Existing Home Sales	Feb		5.50m	5.46m
<i>20 - Mar</i>							

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	11:00	Trade Balance	Feb	\$2336m	\$109m	-\$864m
<i>06 – Mar</i>	11:00	Exports YoY	Feb	11.00%	-5.79%	-3.71%
	11:00	Imports YoY	Feb	-5.11%	-3.09%	-4.78%
<b>Thursday</b>	14:20	Bank Indonesia 7D Reverse Repo	Mar	4.50%	4.50%	4.75%
<i>19– Mar</i>						

Source: Bloomberg

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