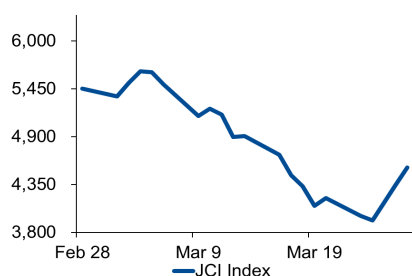


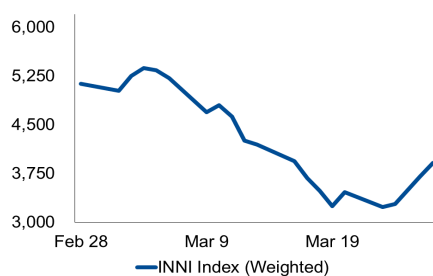
Morning Brief

Daily | March 30, 2020

JCI Movement



INNI Movement



Market Recap

In last weekend, JCI was in the green, backed by the rally in all sectors. **JCI's Top Gainers: Misc. Ind. (+10.0%), Property (+7.8%), Basic Ind. (6.3%).**

INNI index advanced further, backed by stocks in the basic industry, SMGR. Based on its 2019's financial statements, SMGR posted stellar growth, in revenues particularly.

Daily Foreign & Domestic Sector Movement

JCI closed Friday's trading session of March 27, 2020 with foreign inflows of IDR223 billion into large-cap. banking stocks. Another rally in banking stocks, MNCN was also the best-performing stocks to post foreign inflows of IDR33.6 billion, backed by 2019's financial performance to hit the target. But, the virus spread curtailing ads. revenues and long-term dollar-denominated loans facilitated by syndication banks are likely to curb 1Q20 earnings. USD/IDR, meanwhile, was appreciated by 0.83% to 16,170.

Today's Outlook: Economic Measures Spur Market

The Dow Jones fell 4.06% to 21,636 as Worldometers stated that the US would have headed to the most severe blow by the viruses due to the mounting infected cases of COVID-19. In the domestic real, volatility threatens markets to dysfunction, and the extent of less volatility depends on the government's whatever-it-takes measures and backstop to contain the virus's vicious destruction. The IDX policy on shorter trading hours starts to take into effects today.

Company News

- JSMR : Has Yet to Close Its Services
- WIKA : Manages Less Infrastructure Projects
- WSKT : Builds Three New Plants
- BBCA : Endeavours to Have Adequate Liquidity by Purchasing Bonds

Domestic & Global News

- GDP in 2020 Optimistically Crawls to 2%
- The US Consumer Tanks to Three-Year Low

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.75%	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. 27	4,545.57
Chg.	+206.67pts (+4.76%)
Volume (bn shares)	99.32
Value (IDR tn)	12.36
Adv 277 Dec 157 Unc 259 Untr 145	

INNI Index

Last	3,912.92
Chg.	+204.51pts (+5.51%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
SMGR	+17.3%	KINO	-1.4%
ASII	+12.7%		
WSKT	+11.8%		
ANTM	+10.6%		
BBRI	+9.9%		

Foreign Transactions

	(IDR bn)
Buy	5,382
Sell	5,158
Net Buy (Sell)	223

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	150.3	CTRA	45.7
BMRI	91.6	KLBF	44.4
BBRI	61.3	ASII	31.0
MNCN	33.6	PGAS	26.2
BBTN	32.2	UNVR	22.1

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.89%	-0.15%
USDIDR	16,170	-0.83%
KRWIDR	13.20	-0.60%

Global Indices

Index	Last	Chg.	%
Dow Jones	21,636.78	(915.39)	-4.06%
S&P 500	2,541.47	(88.60)	-3.37%
FTSE 100	5,510.33	(305.40)	-5.25%
DAX	9,632.52	(368.44)	-3.68%
Nikkei	19,389.43	724.83	3.88%
Hang Seng	23,484.28	131.94	0.56%
Shanghai	2,772.20	7.29	0.26%
KOSPI	1,717.73	31.49	1.87%
EIDO	14.34	(0.81)	-5.35%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,628.2	(3.2)	-0.19%
Crude Oil (USD /bbl)	21.51	(1.09)	-4.82%
Coal Newcas(USD/ton)	70.45	0.80	1.15%
Nickel LME (USD /MT)	11,355	144.0	1.28%
Tin LME (USD /MT)	14,260	(8.0)	-0.06%
CPO (MYR/Ton)	2,378	21.0	0.89%

JSMR : Has Yet to Close Its Services

PT Jasa Marga Tbk (JSMR) informed that on March 29, 2020, its toll roads in Jakarta greater areas operated. JSMR amid ongoing concerns about COVID-19 will obey the government's regulation of temporary closure of toll-road sections to contain the spread of the virus. (Kontan)

WIKA : Manages Less Infrastructure Projects

Wika Beton, the subsidiary of PT Wijaya Karya Tbk (WIKA) amid an ongoing pandemic crisis is likely to get impacts of curbed infrastructure spending. Most of its infrastructure projects are derived from state-owned enterprises by 34.1% and WIKA Group by 27.4%. It will calculate the impacts of curbed infrastructure spending and work from home (WFH) mandatory on its performance. (Kontan)

WSKT : Builds Three New Plants

Waskita Beton Precast, the subsidiary of PT Waskita Karya Tbk (WSKT), plans to expand its business by building new plants in East Kalimantan, Banten, and South Sumatera in 2019. But, its expansion is hampered by declines in equipment and materials imported from countries hit hardest by COVID-19, i.e., China. Thus, it will apply bank loans for supporting its expansion. (Bisnis Indonesia)

BBCA : Endeavours to Have Adequate Liquidity by Purchasing Bonds

PT Bank Central Asia Tbk (BBCA) amid the infectious pandemic purchases bonds to maintain its liquidity in check with LDR at 90% and better managing its productive assets. BBCA takes corporate acts of investing its funds on other financial instruments to temper any unprecedented dysfunctions. (Bisnis Indonesia)

Domestic & Global News

GDP in 2020 Optimistically Crawls to 2%

Center of Reform on Economics (CORE) optimistically estimates that Indonesia's 2020 GDP will crawl and stand at 2% only if the Indonesian economy has regained its vitality in 3Q20. But, if the virus contagion persists, the most-likely aftermath is economic dysfunction. (Ekonomi Bisnis)

The US Consumer Tanks to Three-Year Low

The US index of consumer amid the ongoing vicious spread of COVID-19 showed a deceleration in a three-year low. In March, it tanked to 89.1--the lowest level since October 2016 as its Feb. level was at 101. Keys to avoid further declines in April's level are the success of containing destructing contagion and quick relief stimulus given to the household sector. (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						(20.5)	1,909.4							
BBCA	27,550	33,425	32,000	Buy	16.2	(0.7)	679.2	23.8x	3.9x	17.5	1.3	13.7	10.5	1.1
BBRI	3,230	4,400	4,950	Buy	53.3	(21.6)	398.4	11.5x	1.9x	17.7	5.2	11.1	6.3	1.3
Consumer						(37.5)	931.4							
GGRM	44,000	53,000	61,800	Buy	40.5	(47.1)	84.7	9.1x	1.8x	20.5	5.9	16.9	25.8	1.0
KINO	2,190	3,430	4,680	Buy	113.7	(11.7)	3.1	6.4x	1.2x	21.2	2.3	34.1	323.0	0.8
ICBP	9,975	11,150	12,875	Buy	29.1	7.0	116.3	23.4x	4.9x	22.2	1.4	11.2	11.4	0.9
KLBF	1,010	1,620	1,430	Buy	41.6	(33.6)	47.3	18.4x	3.1x	17.6	2.6	7.3	6.2	1.1
Infrastructure						(32.5)	556.22							
TLKM	3,090	3,970	4,700	Buy	52.1	(20.7)	306.1	15.1x	3.1x	21.3	5.3	3.5	15.6	0.9
JSMR	2,600	5,175	6,000	Buy	130.8	(56.5)	18.9	9.8x	1.0x	11.3	1.8	(22.8)	(15.2)	1.3
Trade						(29.5)	532.9							
UNTR	15,500	21,525	20,000	Buy	29.0	(42.7)	57.8	5.1x	1.0x	20.2	8.0	(0.2)	1.7	0.8
MAPI	472	1,055	1,300	Buy	175.4	(51.3)	7.8	9.6x	1.3x	14.8	2.1	11.4	14.7	1.2
Property						(26.2)	323.3							
CTRA	482	1,040	1,550	Buy	221.6	(51.8)	8.9	8.8x	0.6x	7.2	2.1	(0.7)	(28.9)	1.3
WSKT	510	1,485	2,600	Buy	409.8	(74.3)	6.9	7.4x	0.4x	5.2	14.3	(35.7)	(76.3)	1.7
WIKA	880	1,990	2,500	Buy	184.1	(59.3)	7.9	3.5x	0.5x	14.6	4.4	(12.7)	32.0	1.6
Basic Ind.						(32.8)	464.1							
SMGR	7,975	12,000	14,300	Buy	79.3	(42.8)	47.3	19.8x	1.5x	7.5	2.6	31.5	(22.4)	1.3
Misc Ind.						(41.3)	229.7							
ASII	4,080	6,925	8,600	Buy	110.8	(44.3)	165.2	7.6x	1.1x	15.2	5.2	(0.9)	0.2	1.2
Mining						(35.6)	277.4							
TINS	432	825	800	Buy	85.2	(65.6)	3.2	22.8x	0.5x	1.6	5.8	114.6	N/A	1.5
PTBA	2,040	2,660	2,300	Hold	12.7	(51.4)	23.5	5.5x	1.3x	23.7	16.6	2.9	(22.2)	1.1
INCO	2,000	3,640	4,200	Buy	110.0	(41.0)	19.9	21.5x	0.6x	3.0	N/A	0.7	(4.9)	1.7
ANTM	460	840	1,100	Buy	139.1	(48.0)	11.1	13.7x	0.6x	4.1	2.8	23.0	(11.1)	1.6
Agriculture						(36.1)	59.2							
AALI	5,500	14,575	15,600	Buy	183.6	(51.0)	10.6	50.1x	0.6x	1.1	4.1	(8.5)	(85.3)	1.3

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-37.1%
YTD Change Gap (vs JCI)	-9.4%
Weekly Change	20.4%
Weekly Change Gap (vs JCI)	9.6%

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
Tuesday 24 – Mar	GE	15:30	BME Germany Manufacturing PMI	Mar	45.7	40	48
	EC	16:00	Markit Eurozone Manufacturing PMI	Mar	44.8	39	49.2
	UK	16:30	Markit UK PMI Manufacturing SA	Mar	48.0	45	51.7
	US	20:45	Markit US Manufacturing PMI	Mar	49.2	44	50.7
	US	21:00	New Home Sales	Feb	765k	750k	764k
Wednesday 25 - Mar	GE	16:00	IFO Business Climate	Mar	86.1	--	87.7
	UK	16:30	CPI MoM	Feb	0.40%	0.30%	-0.30%
	UK	16:30	CPI YoY	Feb	1.70%	1.70%	1.80%
	UK	16:30	CPI Core YoY	Feb	1.70%	1.50%	1.60%
	UK	16:30	PPI Output NSA MoM	Feb	-0.30%	0.00%	0.30%
	US	18:00	MBA Mortgage Applications	Mar	-29.4%	--	-8.40%
	US	19:30	Durable Goods Orders	Feb	1.20%	-1.00%	-0.20%
Thursday 26– Mar	EC	16:00	M3 Money Supply YoY	Feb	5.50%	5.20%	5.20%
	UK	19:00	Bank of England Bank Rate	Mar	0.10%	0.10%	0.10%
	US	19:30	GDP Annualized QoQ	4Q	2.10%	2.10%	2.10%
	US	19:30	Initial Jobless Claims	Mar	3283k	1500k	281k
Friday 27 - Mar	US	19:30	Personal Income	Feb	0.60%	0.40%	0.60%
	US	19:30	Personal Spending	Feb	0.20%	0.20%	0.20%
	US	21:00	U. of Mich. Sentiment	Mar	89.1	90	95.9

Source: Bloomberg

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

District 8 Treasury Tower 51st
Fl. Unit A, SCBD Lot.28
Jl. Jendral Sudirman Kav. 52-53
Jakarta Selatan 12190
Telp : +62 21 50889100
Fax : +62 21 50889101

Branch Office BSD:

ITC BSD Blok R No.48
Jl. Pahlawan Seribu Serpong
Tangerang Selatan 15322
Indonesia
Telp : +62 21 5316 2049
Fax : +62 21 5316 1687

Branch Office Medan :

Jl. Timor No 147
Medan, Sumatera Utara
20234
Indonesia
Telp : +62 614 156500
Fax : +62 614 568560

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta