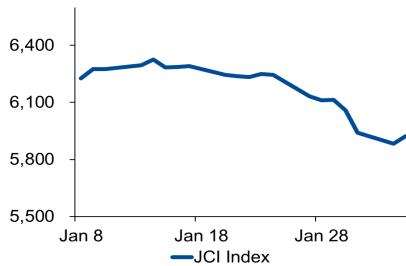
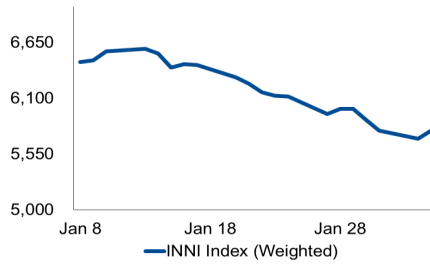


Morning Brief

JCI Movement



INNI Movement



JCI Index

Feb. 05	5,978.51
Chg.	+56.17pts (+0.95%)
Volume (bn shares)	58.79
Value (IDR tn)	7.26
Adv 213 Dec 196 Unc 274 Untr 142	

INNI Index

Last	5,862.35
Chg.	+82.00pts (+1.42%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
PTBA	4.0%	ICBP	-0.9%
AALI	3.9%	TINS	-0.7%
SMGR	2.9%	ANTM	-0.7%
MAPI	2.7%	WSKT	-0.4%
BBCA	2.0%	KINO	-0.3%

Foreign Transaction

	(IDR bn)
Buy	3,868
Sell	3,311
Net Buy (Sell)	557

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	481.5	BBRI	151.5
BMRI	120.9	HMSP	36.5
ASII	67.3	INDF	18.4
SMGR	44.1	ACES	15.5
ADRO	19.3	TOWR	14.4

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.61%	-0.02%
USDIDR	13,690	-0.18%
KRWIDR	11.54	-0.13%

Global Indexes

Index	Last	Chg.	%
Dow Jones	29,290.85	483.22	1.68%
S&P 500	3,334.69	37.10	1.13%
FTSE 100	7,482.48	42.66	0.57%
DAX	13,478.33	196.59	1.48%
Nikkei	23,319.56	234.97	1.02%
Hang Seng	26,786.74	110.76	0.42%
Shanghai	2,818.09	34.80	1.25%
KOSPI	2,165.63	7.73	0.36%
EIDO	24.89	0.41	1.67%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,556.0	3.1	0.20%
Crude Oil (USD / bbl)	50.75	1.14	2.30%
Coal Newcas(USD/ton)	71.55	1.85	2.65%
Nickel LME (USD / MT)	13,160	330.0	2.57%
Tin LME (USD / MT)	16,570	245.0	1.50%
CPO (MYR/Ton)	2,804	136.0	5.10%

Market Recap

JCI rallied, underpinned by the agriculture sector. **JCI's Top Gainers: Agri. (+3.9%), Basic Ind. (+2.3%), Mining (+1.4%).**

INNI index was rebound as PTBA, the mining stock, advanced. That was attributable to Indonesia's Feb Coal Benchmark Price (HBA) to set at USD66.89 per ton.

Daily Foreign & Domestic Sector Movement

Foreign investors recorded IDR557 billion worth of net buy on Wednesday's trading session of Feb. 05, 2020. They binged on bank stocks at the largest portion, had a light appetite for mining stocks, and spent IDR44 billion on ADRO. Of note, ADRO plans to reduce its reliance on thermal coal and boost more coking coal production. The UK has left the EU, and as the transition period begins, the UK implements new regulations of CPO trading, to include ease requirements for Indonesian CPO exports.

Meanwhile, the rupiah exchange rate for USD was appreciated by 0.18% to 13,690.

Today's Outlook: Indonesia's GDP Stands at 5.02 Percent

The Dow Jones closed higher 1.68% to 29,290 and posted a third winning streak as fears of coronavirus pandemic eased. The rally in the energy sector backed by prices of crude oil to rise by 2% also underpinned the Dow's solid performance. In the domestic backdrop, Statistics Indonesia (BPS) released Indonesia's 2019 GDP of 5.02% showing a lagging growth due to the global state (i.e., the US-China trade war, geopolitical tension in the Middle East, and volatile commodity prices).

Company News

ASII : Astra Otoparts Allocates CapEx of IDR1 Trillion
 WIKA : Hits New Contract Growth
 JSMR : Collects IDR5 Trillion Worth of Funds

Domestic & Global News

Domestic Spending Upholds GDP Growth
 China's Services Sector Growth Hits Three-Month Low in January

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.00%	5.00%	Real GDP	4.97%	5.02%
FX Reserve (USD bn)	129.18	126.63	Current Acc (USD bn)	(7.67)	129.18
Trd Balance (USD bn)	(0.03)	(1.33)	Govt. Spending Yoy	0.98%	(1.33)
Exports Yoy	1.28%	-5.67%	FDI (USD bn)	5.70	-5.67%
Imports Yoy	-5.62%	-9.24%	Business Confidence	105.33	-9.24%
Inflation Yoy	2.68%	2.72%	Cons. Confidence*	126.40	124.20

ASII : Astra Otoparts Allocates CapEx of IDR1 Trillion

PT Astra Otoparts Tbk (AUTO), the subsidiary of PT Astra International Tbk (ASII), allocates CapEx of IDR1 trillion for its business expansion. The CapEx derives from the Company's internal cash. AUTO will expand its business into the production of the new model of automotive components, automatic needs, restore capacities and is optimistic about 2020's growth to surpass the industry's average growth. (Kontan)

JSMR : Collects IDR5 Trillion Worth of Funds

PT Jasa Marga Tbk (JSMR) targets collected funds of IDR5 trillion by means of varied rights issuance and lender loans. JMSR target bonds of USD300 million spent on the operation of its subsidiary, Jasamarga Bali Tol and targets funds of IDR2 trillion deriving from asset-backed securities (KIK-EBA). Of note, the rights issuance is still anticipating the audit result and the updated circumstances relating to coronavirus pandemic. (Bisnis Indonesia)

WIKA : Hits New Contract Growth

PT Wijaya Karya Tbk (WIKA) targets to obtain 2020's new contracts of 50% along with the rising construction market. It also targets revenues of IDR52 trillion or a 26% YoY growth, with an 18% YoY growth in net profits and is optimistic about 2020's targets as the construction sector is still Jokowi's top priority. (Bisnis Indonesia)

Domestic & Global News

Domestic Spending Upholds GDP Growth

Indonesia's economic growth in 2019 stood at 5.02%. Statistics Indonesia (BPS) recorded that domestic consumption was still the major potent driver for GDP growth. "The household spending recorded the highest growth due to 2019's election", said BPS's chairperson Suharianto. (Kontan)

China's Services Sector Growth Hits Three-Month Low in January

Growth in China's services sector slowed for a second straight month in January, a traditionally busy sales season, hitting a three-month low as companies cut prices and new orders dipped, a private sector survey showed on Wednesday. The Caixin/Markit services purchasing managers' index (PMI) slowed to 51.8 last month from 52.5 in December, but was still higher than an 8-month low hit in October. (Reuters)

	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						7.1	2,513.2							
BBCA	33,000	33,425	32,000	Hold	(3.0)	20.0	813.6	28.8x	4.8x	18.1	1.1	15.0	13.0	1.0
BBRI	4,560	4,400	4,950	Hold	8.6	16.9	562.5	16.2x	2.7x	17.7	2.9	11.1	6.3	1.4
Consumer						(24.0)	1,139.3							
GGRM	55,675	53,000	61,800	Hold	11.0	(31.3)	107.1	11.6x	2.3x	20.5	4.7	16.9	25.8	1.0
KINO	2,990	3,430	4,680	Buy	56.5	2.7	4.3	8.7x	1.7x	21.2	1.7	34.1	323.0	0.7
ICBP	11,600	11,150	12,875	Hold	11.0	8.9	135.3	27.2x	5.6x	22.2	1.2	11.2	11.4	0.7
KLBF	1,480	1,620	1,780	Buy	20.3	(7.8)	69.4	27.0x	4.5x	17.6	1.8	7.3	6.2	1.3
Infrastructure						(10.4)	718.52							
TLKM	3,760	3,970	4,700	Buy	25.0	0.9	372.5	18.4x	3.7x	21.3	4.4	3.5	15.6	0.9
JSMR	4,640	5,175	6,000	Buy	29.3	(3.7)	33.7	17.4x	1.9x	11.3	1.0	(22.8)	(15.2)	1.2
Trade						(12.0)	646.9							
UNTR	18,775	21,525	26,300	Buy	40.1	(28.5)	70.0	6.6x	1.3x	19.8	6.6	7.3	(4.8)	1.0
MAPI	925	1,055	1,300	Buy	40.5	(4.1)	15.4	18.8x	2.6x	14.8	1.1	11.4	14.7	1.0
Property						(3.9)	419.1							
CTRA	895	1,040	1,550	Buy	73.2	(4.3)	16.6	16.4x	1.1x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,195	1,485	2,600	Buy	117.6	(39.0)	16.2	11.7x	0.9x	7.8	6.1	(39.2)	(69.4)	1.6
WIKA	1,935	1,990	2,500	Buy	29.2	4.9	17.4	7.8x	1.1x	15.3	2.0	(12.9)	57.3	1.4
Basic Ind.						(4.6)	689.9							
SMGR	12,025	12,000	14,300	Buy	18.9	(1.8)	71.3	31.2x	2.3x	7.5	1.7	31.1	(38.1)	1.4
Misc Ind.						(20.6)	340.6							
ASII	6,400	6,925	8,600	Buy	34.4	(22.0)	259.1	12.7x	1.8x	14.9	3.3	1.2	(7.1)	1.2
Mining						(27.3)	324.7							
TINS	710	825	800	Hold	12.7	(47.2)	5.3	37.4x	0.9x	1.6	3.5	114.6	N/A	1.6
PTBA	2,230	2,660	2,300	Hold	3.1	(47.4)	25.7	5.7x	1.4x	26.4	15.2	1.4	(24.9)	1.2
INCO	3,300	3,640	4,200	Buy	27.3	(13.4)	32.8	415.4x	1.3x	0.3	N/A	(12.6)	N/A	1.5
ANTM	730	840	1,100	Buy	50.7	(27.7)	17.5	21.8x	0.9x	4.1	1.7	23.0	(11.1)	1.5
Agriculture						(21.2)	79.8							
AAII	11,250	14,575	15,600	Buy	38.7	(18.2)	21.7	50.9x	1.2x	2.3	2.0	(10.0)	(90.1)	0.7

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

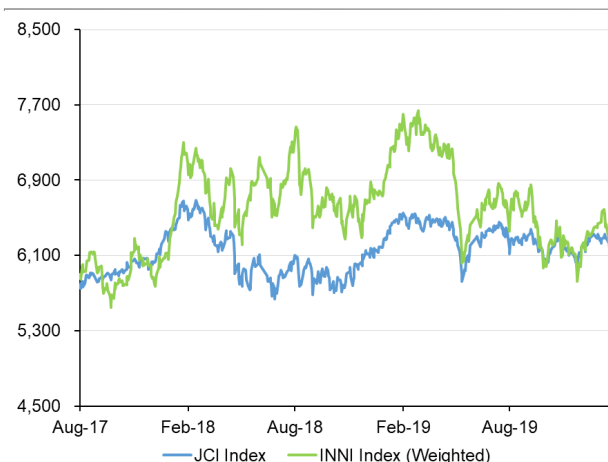
INNI Index Movement

YTD Change	-7.1%
YTD Change Gap (vs JCI)	-1.3%
Weekly Change	-1.8%
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	CH	08:45	Caixin China PMI Mfg	Jan	51,1	51	51,5
<i>03– Feb</i>	GE	15:55	Markit Germany Manufacturing PMI	Jan	45,3	45,2	45,2
	EU	16:00	Markit Eurozone Manufacturing PMI	Jan	47,9	47,8	47,8
	UK	16:30	Markit UK PMI Manufacturing SA	Jan	50,0	49,8	49,8
	US	21:45	Markit US Manufacturing PMI	Jan	51,9	51,7	51,7
	US	22:00	Construction Spending MoM	Dec	-0,20%	0,50%	0,60%
	US	22:00	ISM Manufacturing	Jan	50,9	48,5	47,2
Tuesday	UK	16:30	Markit/CIPS UK Construction PMI	Jan	50,0	47,1	44,4
<i>04 - Feb</i>	US	22:00	Factory Orders	Dec	1,80%	1,20%	-0,70%
	US	22:00	Durable Goods Orders	Dec	2,40%	2,40%	2,40%
Wednesday	US	19:00	MBA Mortgage Applications	Jan		--	7,20%
<i>05– Feb</i>	US	20:15	ADP Employment Change	Jan		158k	202k
	US	20:30	Trade Balance	Dec		-\$48.1b	-\$43.1b
	US	22:00	ISM Non-Manufacturing Index	Jan		55,1	55
Thursday	GE	14:00	Factory Orders MoM	Dec		0,70%	-1,30%
<i>06– Feb</i>	US	20:30	Initial Jobless Claims	Feb		215k	216k
Friday	GE	14:00	Industrial Production SA MoM	Dec		-0,20%	1,10%
<i>07 - Feb</i>	US	20:30	Change in Nonfarm Payrolls	Jan		160k	145k
	US	20:30	Unemployment Rate	Jan		3,50%	3,50%
	US	22:00	Wholesale Inventories MoM	Dec		-0,10%	-0,10%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	07:30	Markit Indonesia PMI Mfg	Jan	49,3	--	49,5
<i>03– Feb</i>	11:00	CPI Core YoY	Jan	2,88%	3,00%	3,02%
	11:00	CPI NSA MoM	Jan	0,39%	0,46%	0,34%
	11:00	CPI YoY	Jan	2,68%	2,85%	2,72%
Wednesday	11:00	GDP Annual YoY	4Q		5,04%	5,17%
<i>05– Feb</i>	Tentative	GDP YoY	4Q		5,04%	5,02%
	Tentative	GDP QoQ	4Q		-1,67%	3,06%
Thursday	Tentative	Consumer Confidence Index	Jan		--	126,4
<i>06– Feb</i>						
Friday	10:00	Net Foreign Assets IDR	Jan		--	1759.0t
<i>07 - Feb</i>	10:00	Foreign Reserves	Jan		--	\$129.18b

Source: Bloomberg

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