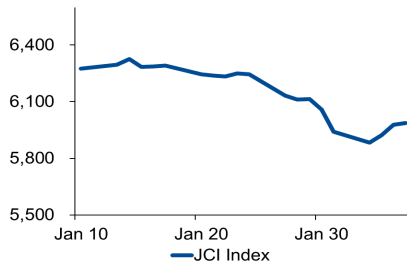


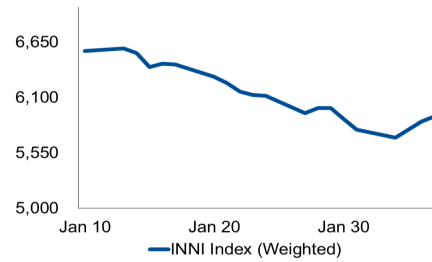
# Morning Brief

Daily | February 07 2020

## JCI Movement



## INNI Movement



## JCI Index

Feb. 06	5,987.14
Chg.	+8.63pts (+0.14%)
Volume (bn shares)	62.68
Value (IDR tn)	7.08
<b>Adv 237 Dec 155 Unc 291 Untr 155</b>	

## INNI Index

Last	5,909.51
Chg.	+47.16pts (+0.80%)

## INNI Top Gainers & Losers

Gainers	%	Losers	%
TINS	5.0%	KLBF	-1.7%
WSKT	3.4%	PTBA	-1.3%
JSMR	3.2%	UNTR	-0.3%
WIKA	3.1%	TLKM	-0.3%
AALI	1.9%	BBRI	-0.2%

## Foreign Transaction

	(IDR bn)
Buy	3,591
Sell	3,296
Net Buy (Sell)	294

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	530.3	BBRI	134.4
BMRI	79.8	BBNI	44.3
ASII	57.3	UNVR	40.7
SMGR	45.9	TLKM	30.4
GGRM	30.4	BBTN	29.4

## Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.58%	-0.04%
USDIDR	13,635	-0.40%
KRWIDR	11.52	-0.17%

## Global Indexes

Index	Last	Chg.	%
Dow Jones	29,379.77	88.92	0.30%
S&P 500	3,345.78	11.09	0.33%
FTSE 100	7,504.79	22.31	0.30%
DAX	13,574.82	96.49	0.72%
Nikkei	23,873.59	554.03	2.38%
Hang Seng	27,493.70	706.96	2.64%
Shanghai	2,866.51	48.42	1.72%
KOSPI	2,227.94	62.31	2.88%
EIDO	24.88	(0.01)	-0.04%

## Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,566.7	10.6	0.68%
Crude Oil (USD / bbl)	50.95	0.20	0.39%
Coal Newcas(USD/ton)	72.20	0.35	0.49%
Nickel LME (USD / MT)	13,060	(100.0)	-0.76%
Tin LME (USD / MT)	16,700	130.0	0.78%
CPO (MYR/Ton)	2,850	46.0	1.64%

## Market Recap

JCI was in the green, backed by the banking sector. **JCI's Top Gainers: Agri. (+1.9%), Misc. Ind. (+1.3%), Property (+1.2%).**

INNI index rallied further, backed by construction stocks: WSKT and WIKA.

## Daily Foreign & Domestic Sector Movement

Standard & Poor's estimate of coronavirus wreaking havoc on China's economy to tumble by ~12% failed to hampered JCI's moves as did Asia markets that had been in the green zone. China has developed Remdesivir as the antidote for coronavirus, and investors positively responded to China's swift efforts to avert the pandemic so that JCI on Thursday's trading session of Feb 06, 2020 was in the green as it secured foreign capital of IDR294 billion.

The rupiah exchange rate for USD, meanwhile, was appreciated by 0.41% to 13,635.

## Today's Outlook: Eye on Foreign Reserves

The Dow Jones nudged up 0.30% to 29,379 as Trump was found not guilty in his impeachment trial. In the domestic backdrop, the Consumer Confidence Index (CCI) in January 2020 was at modest growth but still showed consumers' stable optimism as its level slightly dropped by 3.7% from Dec. level of 121.7. Today, investors eye on the reading of official foreign reserve.

## Company News

CTRA : Targets Marketing Sales to Rise by 10%  
UNTR : Balances Coal Production  
BBRI : Tightens Undisbursed Loans

## Domestic & Global News

Higher Inflation Pressures in 2021: A Consumers Projection  
US Weekly Jobless Claims Drop to a 9-Month Low

## 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%	4.97%
FX Reserve (USD bn)	129.18	126.63	Current Acc (USD bn)	(7.67)	(7.67)
Trd Balance (USD bn)	(0.03)	(1.33)	Govt. Spending Yoy	0.48%	0.98%
Exports Yoy	1.28%	-5.67%	FDI (USD bn)	5.70	5.70
Imports Yoy	-5.62%	-9.24%	Business Confidence	105.33	105.33
Inflation Yoy	2.68%	2.72%	Cons. Confidence*	121.70	126.40

### **CTRA : Targets Marketing Sales to Rise by 10%**

PT Ciputra Development Tbk (CTRA) targets 2020's marketing sales to grow 10% from 2019's realization worth of IDR6.1 billion. It is optimistic about 2020's marketing sales target backed by strata-title projects (e.g., apartments and office buildings) to contribute 17% to the total marketing sales and landed-house projects. (Kontan)

### **UNTR : Balances Coal Production**

PT United Tractors Tbk (UNTR) plans to diversify its products to reduce its reliance on thermal coal by means of balancing its coal production (i.e., thermal and nonthermal coal). It currently evaluates its plan to acquire other mineral mines (e.g., coking coal, gold, and nickel). (Bisnis Indonesia)

### **BBRI : Tightens Undisbursed Loans**

After the success in curbing 2019's undisbursed loans to 15.13% of the total individual loan disbursement, PT Bank Rakyat Indonesia Tbk (BBRI) in 2020 will curb more the ratio of undisbursed loans by reducing expansion to the corporate segment and focuses more on the micro-loan expansion so that its undisbursed loan ratio is at the moderate growth. (Kontan)

## Domestic & Global News

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### **Higher Inflation Pressures in 2021: A Consumers Projection**

Bank Indonesia's Consumer Survey (SK BI) displays that consumers projects price pressures to increase in the next 12 months or in January 2021. The projection is reflected in the Price Expectation Index (IEH) for the coming 12 months to reach 183.9, an increase of 4.8 points from 179.1 in the previous month. "The increase in price pressures derives from the rising demand for goods and services in the early year," explained BI. (Kontan)

### **US Weekly Jobless Claims Drop to a 9-Month Low**

The number of Americans filing for unemployment benefits dropped to a nine-month low last week, suggesting a tightening labor market would continue to support the economy this year. Initial claims for state unemployment benefits decreased 15,000 to a seasonally adjusted 202,000 for the week ended Feb. 1, the lowest reading since last April, the Labor Department said on Thursday. (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>						7.7	2,545.4							
BBCA	33,700	33,425	32,000	Hold	(5.0)	21.9	830.9	29.4x	4.9x	18.1	1.1	15.0	13.0	1.0
BBRI	4,550	4,400	4,950	Hold	8.8	15.8	561.2	16.2x	2.7x	17.7	2.9	11.1	6.3	1.4
<b>Consumer</b>						(24.2)	1,143.7							
GGRM	57,000	53,000	61,800	Hold	8.4	(29.9)	109.7	11.8x	2.3x	20.5	4.6	16.9	25.8	1.0
KINO	3,000	3,430	4,680	Buy	56.0	(1.3)	4.3	8.7x	1.7x	21.2	1.7	34.1	323.0	0.7
ICBP	11,500	11,150	12,875	Hold	12.0	9.3	134.1	26.9x	5.6x	22.2	1.2	11.2	11.4	0.7
KLBF	1,460	1,620	1,780	Buy	21.9	(9.3)	68.4	26.7x	4.5x	17.6	1.8	7.3	6.2	1.3
<b>Infrastructure</b>						(12.2)	725.52							
TLKM	3,760	3,970	4,700	Buy	25.0	(1.2)	372.5	18.4x	3.7x	21.3	4.4	3.5	15.6	0.9
JSMR	4,800	5,175	6,000	Buy	25.0	(5.9)	34.8	18.0x	1.9x	11.3	0.9	(22.8)	(15.2)	1.2
<b>Trade</b>						(11.9)	649.5							
UNTR	18,700	21,525	26,300	Buy	40.6	(29.4)	69.8	6.5x	1.2x	19.8	6.6	7.3	(4.8)	1.0
MAPI	950	1,055	1,300	Buy	36.8	(4.5)	15.8	19.3x	2.7x	14.8	1.1	11.4	14.7	1.0
<b>Property</b>						(4.0)	425.8							
CTRA	915	1,040	1,550	Buy	69.4	(3.7)	17.0	16.8x	1.2x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,230	1,485	2,600	Buy	111.4	(38.5)	16.7	12.0x	0.9x	7.8	5.9	(39.2)	(69.4)	1.6
WIKA	2,020	1,990	2,500	Buy	23.8	9.5	18.1	8.1x	1.1x	15.3	1.9	(12.9)	57.3	1.4
<b>Basic Ind.</b>						(4.0)	697.9							
SMGR	12,400	12,000	14,300	Buy	15.3	(3.1)	73.6	32.2x	2.4x	7.5	1.7	31.1	(38.1)	1.4
<b>Misc Ind.</b>						(19.9)	344.4							
ASII	6,500	6,925	8,600	Buy	32.3	(20.7)	263.1	12.9x	1.8x	14.9	3.2	1.2	(7.1)	1.2
<b>Mining</b>						(25.8)	330.5							
TINS	740	825	800	Hold	8.1	(46.2)	5.5	39.0x	0.9x	1.6	3.4	114.6	N/A	1.6
PTBA	2,290	2,660	2,300	Hold	0.4	(46.9)	26.4	5.8x	1.5x	26.4	14.8	1.4	(24.9)	1.2
INCO	3,310	3,640	4,200	Buy	26.9	(14.2)	32.9	417.6x	1.3x	0.3	N/A	(12.6)	N/A	1.5
ANTM	735	840	1,100	Buy	49.7	(30.7)	17.7	22.0x	0.9x	4.1	1.7	23.0	(11.1)	1.5
<b>Agriculture</b>						(16.0)	84.5							
AALI	12,125	14,575	15,600	Buy	28.7	(11.0)	23.3	54.8x	1.3x	2.3	1.8	(10.0)	(90.1)	0.7

\* Target Price for December 2020

Source: Bloomberg, NHKS Research

## INNI Summary

### INNI Index Movement

YTD Change	-5.0%
YTD Change Gap (vs JCI)	-0.3%
Weekly Change	3.6%
Weekly Change Gap (vs JCI)	1.9%

### 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>	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
<b>Tuesday</b>	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%
<b>Wednesday</b>	US	19:00	MBA Mortgage Applications	Jan	5,00%	--	7,20%
<i>05– Feb</i>	US	20:15	ADP Employment Change	Jan	291k	158k	202k
	US	20:30	Trade Balance	Dec	-\$48.9b	-\$48.1b	-\$43.1b
	US	22:00	ISM Non-Manufacturing Index	Jan	55,5	55,1	55
<b>Thursday</b>	GE	14:00	Factory Orders MoM	Dec	-2,10%	0,70%	-1,30%
<i>06– Feb</i>	US	20:30	Initial Jobless Claims	Feb	202k	215k	216k
<b>Friday</b>	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
<b>Monday</b>	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%
<b>Wednesday</b>	11:00	GDP Annual YoY	4Q	5,02%	5,04%	5,17%
<i>05– Feb</i>	Tentative	GDP YoY	4Q	4,97%	5,04%	5,02%
	Tentative	GDP QoQ	4Q	-1,67%	-1,67%	3,06%
<b>Thursday</b>	Tentative	Consumer Confidence Index	Jan	121,7	--	126,4
<i>06– Feb</i>						
<b>Friday</b>	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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