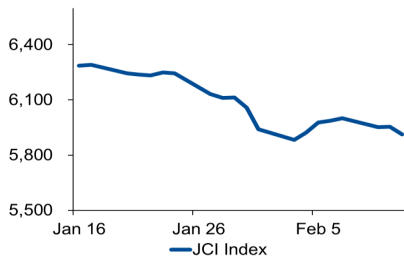
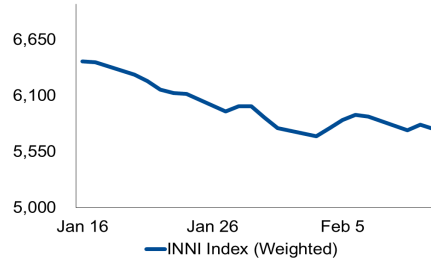


Morning Brief

JCI Movement



INNI Movement



JCI Index

Feb. 12	5,913.08
Chg.	-41.31pts (-0.69%)
Volume (bn shares)	47.37
Value (IDR tn)	7.00
Adv 100 Dec 279 Unc 308 Untr 167	

INNI Index

Last	5,772.81
Chg.	-40.24pts (-0.69%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
KINO	2.0%	ICBP	-6.3%
TLKM	0.8%	SMGR	-5.2%
BBRI	0.4%	KLBR	-3.4%
BBCA	0.3%	ASII	-2.0%
WIKA	0.3%	MAPI	-1.8%

Foreign Transaction

	(IDR bn)
Buy	3,044
Sell	2,567
Net Buy (Sell)	477

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	145.6	INDF	66.5
BBRI	133.8	SMGR	46.7
BBCA	69.5	UNVR	43.3
TLKM	63.9	TOWR	30.7
UNTR	25.4	TBIG	27.6

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.57%	-0.02%
USDIDR	13,674	-0.01%
KRWIDR	11.59	0.35%

Global Indexes

Index	Last	Chg.	%
Dow Jones	29,551.42	275.08	0.94%
S&P 500	3,379.45	21.70	0.65%
FTSE 100	7,534.37	34.93	0.47%
DAX	13,749.78	121.94	0.89%
Nikkei	23,861.21	175.23	0.74%
Hang Seng	27,823.66	239.78	0.87%
Shanghai	2,926.90	25.23	0.87%
KOSPI	2,238.38	15.26	0.69%
EIDO	24.57	(0.05)	-0.20%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,566.1	(1.8)	-0.12%
Crude Oil (USD / bbl)	51.17	1.23	2.46%
Coal Newcas(USD/ton)	70.25	(0.25)	-0.35%
Nickel LME (USD / MT)	13,100	(10.0)	-0.08%
Tin LME (USD / MT)	16,500	25.0	0.15%
CPO (MYR/Ton)	2,709	14.0	0.52%

Market Recap

JCI dipped, subdued by the consumer sector. **JCI's Top Losers: Consumer (-2.4%), Misc. Ind. (-1.8%), Trade (-1.0%).**

INNI Index edged down, held back by consumers stocks (i.e., ICBP and KLBF).

Daily Foreign & Domestic Sector Movement

JCI recorded foreign inflows of IDR477 billion and such stocks of the consumer goods sector as (-6.32%) dan INDF (-8.79%) to drop, fueled by the due diligence on stocks of Pinehill Group whose purchasing valuation is well above the reasonable valuation. Conversely, stocks in the banking sector i.e., BMRI (+0.32%) to rally. The rally was attributable to its overseas branches to successfully lower NPL from 1.42% in 2015 to 0.12% in 2019. A glance at commodities, gold Comex Apr'20 dipped 4.2 points or a 0.27% decline to USD1,565.90 per troy ounce after the Fed affirmed to hold its benchmark rate unchanged in 2020.

The rupiah exchange rate against USD nudged up 0.01% to IDR13,674 per USD.

Today's Outlook: Indonesian Government Tests IMEI

The Dow Jones was up 0.94% to close at 29,551, backed by the optimism about the global economic better state after the deadly coronavirus (Covid-19) to infect and cause death toll of 1,115 people. The rally in United health Group Inc. (+4.36%) dan Nike Inc (+2.98%) strengthened the Dow Jones. In the domestic backdrop, the Indonesian government tests the ban on illegal cellphones by means of 2 days event of IMEI (International Mobile Equipment Identity) from 13-14 February, 2020. Eye on stocks of smartphone retailers.

Company News

- INCO : Negotiates to Complete Smelters
- ASII : Strengthens 2020's Market Share
- WSKT : Its Subsidiary Contributes to New Capital's Infrastructure

Domestic & Global News

- January Exports to China Ebb
- Malaysia GDP Growth Slows to 4.3%, Lowest in 10 Years

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)	131.70	129.18	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	(0.03)	(1.33)	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	1.28%	-5.67%	FDI (USD bn)	4.71	5.70
Imports Yoy	-5.62%	-9.24%	Business Confidence	105.33	105.33
Inflation Yoy	2.68%	2.72%	Cons. Confidence*	121.70	121.70

INCO : Negotiates to Complete Smelters

PT Vale Indonesia Tbk (INCO) is supervising the construction of smelter projects in Bahodapi, Central Sulawesi and Pomala, South East Sulawesi; each of the projects will produce and process nickel as well as processing Mixed Sulphide Precipitate (MSP). To complete the projects, INCO is still electing the fit business partner candidates. (Kontan)

ASII : Strengthens 2020's Market Share

PT Astra International Tbk (ASII) is still the leader of Indonesia's automotive market share with Astra Group to post increases in its market share from 51% in 2018 to 52% in 2019. ASII plans to launch new units of commercial vehicles to answer consumers' needs but still consistently keeps its product quality in check. (Kontan)

WSKT : Its Subsidiary Contributes to New Capital's Infrastructure

PT Waskita Karya (Persero) Tbk (WSKT) reviews the infrastructure development in the new capital city of Indonesia in East Kalimantan. Supported by its subsidiary, PT Waskita Beton Precast Tbk (WTON) is finishing the construction of a precast plant to supply precasts in Indonesia's new capital city so that the production capacity of precasts increase from 3.7 million tons in 2019 to 4 million tons in 2020. (Bisnis Indonesia)

Domestic & Global News

January Exports to China Ebb

The coronavirus outbreak is potential for lowering Indonesia's Jan. export 2020. The economist of Samuel Asset Management Lana Soelistianingsih reviews that Indonesia's export activities are likely to dive due to China's declining demands. Indonesia's imports have yet to be affected because imported foodstuffs for the Lunar New Year celebration in January are still adequate. (Kontan)

Malaysia GDP Growth Slows to 4.3%, Lowest in 10 Years

Malaysia's gross domestic product rose 4.3% in 2019, slowing down from the 4.7% growth logged in 2018, on shrinking private consumption and slower external demand amid a gloomy global economic picture. GDP grew at its slowest pace in 10 years. According to Maybank Investment Bank Research, predicts Malaysia's economy will grow 4.4% this year, but says there is downside risk from the new coronavirus outbreak. (Nikkei Asian)

	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						10.4	2,546.6							
BBCA	34,000	33,425	32,000	Hold	(5.9)	25.5	838.3	29.7x	5.0x	18.1	1.0	15.0	13.0	1.0
BBRI	4,530	4,400	4,950	Hold	9.3	19.5	558.8	16.1x	2.7x	17.7	2.9	11.1	6.3	1.4
Consumer						(26.7)	1,101.1							
GGRM	55,200	53,000	61,800	Hold	12.0	(33.2)	106.2	11.5x	2.2x	20.5	4.7	16.9	25.8	1.0
KINO	3,000	3,430	4,680	Buy	56.0	4.2	4.3	8.7x	1.7x	21.2	1.7	34.1	323.0	0.7
ICBP	10,750	11,150	12,875	Buy	19.8	3.1	125.4	25.2x	5.2x	22.2	1.3	11.2	11.4	0.7
KLBF	1,410	1,620	1,780	Buy	26.2	(10.2)	66.1	25.7x	4.3x	17.6	1.8	7.3	6.2	1.3
Infrastructure						(9.6)	732.97							
TLKM	3,820	3,970	4,700	Buy	23.0	2.2	378.4	18.7x	3.8x	21.3	4.3	3.5	15.6	0.9
JSMR	4,850	5,175	6,000	Buy	23.7	(2.8)	35.2	18.2x	1.9x	11.3	0.9	(22.8)	(15.2)	1.2
Trade						(13.9)	637.3							
UNTR	17,700	21,525	26,300	Buy	48.6	(29.9)	66.0	6.2x	1.2x	19.8	7.0	7.3	(4.8)	1.0
MAPI	920	1,055	1,300	Buy	41.3	(10.2)	15.3	18.7x	2.6x	14.8	1.1	11.4	14.7	1.0
Property						(1.8)	422.8							
CTRA	905	1,040	1,550	Buy	71.3	0.6	16.8	16.6x	1.1x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,140	1,485	2,600	Buy	128.1	(39.0)	15.5	11.2x	0.9x	7.8	6.4	(39.2)	(69.4)	1.6
WIKA	1,965	1,990	2,500	Buy	27.2	13.6	17.6	7.9x	1.1x	15.3	2.0	(12.9)	57.3	1.5
Basic Ind.						(3.8)	684.9							
SMGR	11,400	12,000	14,300	Buy	25.4	(10.1)	67.6	29.6x	2.2x	7.5	1.8	31.1	(38.1)	1.4
Misc Ind.						(20.9)	322.2							
ASII	5,975	6,925	8,600	Buy	43.9	(22.1)	241.9	11.8x	1.7x	14.9	3.5	1.2	(7.1)	1.2
Mining						(24.0)	330.0							
TINS	705	825	800	Hold	13.5	(50.4)	5.3	37.1x	0.9x	1.6	3.5	114.6	N/A	1.6
PTBA	2,280	2,660	2,300	Hold	0.9	(44.7)	26.3	5.8x	1.5x	26.4	14.9	1.4	(24.9)	1.2
INCO	3,280	3,640	4,200	Buy	28.0	(10.4)	32.6	413.3x	1.3x	0.3	N/A	(12.6)	N/A	1.5
ANTM	715	840	1,100	Buy	53.8	(29.2)	17.2	21.4x	0.9x	4.1	1.8	23.0	(11.1)	1.5
Agriculture						(16.8)	84.1							
AALI	11,575	14,575	15,600	Buy	34.8	(13.6)	22.3	52.3x	1.2x	2.3	1.9	(10.0)	(90.1)	0.7

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-7.2%
YTD Change Gap (vs JCI)	-1.3%
Weekly Change	-2.1%
Weekly Change Gap (vs JCI)	-1.1%

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	08:30	PPI YoY	Jan	0.10%	0.00%	-0.50%
<i>10– Feb</i>	CH	08:30	CPI YoY	Jan	5.40%	4.90%	4.50%
	CH	08:31	Money Supply M2 YoY	Jan		8.60%	8.70%
Tuesday	UK	16:30	GDP QoQ	4Q	0.00%	0.00%	0.40%
<i>11 - Feb</i>	UK	16:30	GDP YoY	4Q	1.10%	0.80%	1.10%
	UK	16:30	Industrial Production MoM	Dec	0.10%	0.30%	-1.20%
	UK	16:30	Manufacturing Production MoM	Dec	0.30%	0.40%	-1.70%
Wednesday	US	19:00	MBA Mortgage Applications	Feb	1.10%	--	5.00%
<i>12– Feb</i>							
Thursday	GE	14:00	CPI MoM	Jan		-0.60%	-0.60%
<i>13– Feb</i>	GE	14:00	CPI YoY	Jan		1.70%	1.70%
	US	20:30	CPI MoM	Jan		0.20%	0.20%
	US	20:30	Initial Jobless Claims	Feb		211k	202k
Friday	GE	14:00	GDP SA QoQ	4Q		0.10%	0.10%
<i>14 - Feb</i>	EC	17:00	GDP SA QoQ	4Q		0.10%	0.10%
	EC	17:00	GDP SA YoY	4Q		1.00%	1.00%
	US	20:30	Import Price Index MoM	Jan		-0.20%	0.30%
	US	20:30	Retail Sales Advance MoM	Jan		0.30%	0.30%
	US	21:15	Industrial Production MoM	Jan		-0.20%	-0.30%
	US	22:00	U. of Mich. Sentiment	Feb		99.3	99.8

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	10:00	BoP Current Account Balance	4Q	-\$8122m	-\$8050m	-\$7665m
<i>10– Feb</i>						

Source: Bloomberg

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