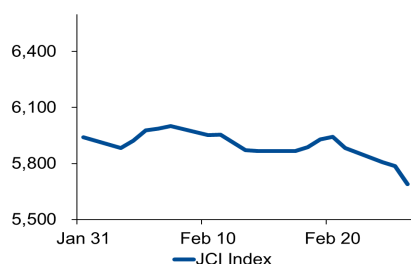
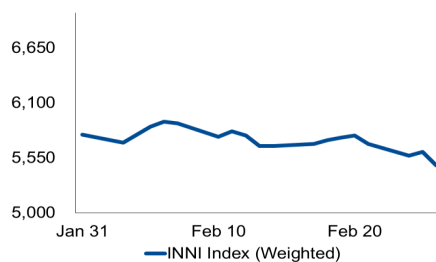


Morning Brief

JCI Movement



INNI Movement



Market Recap

JCI was in the red still, weakened by the large-cap. stocks. **JCI's Top Losers: Finance (-3.9%), Basic Ind. (-2.6%), Mining (-2.4%).**

In contrast to most of INNI index' bearish stocks, JSMR-- stocks of infrastructure--rallied.

Daily Foreign & Domestic Sector Movement

Foreign investors still pulled out their funds of IDR1.0 trillion on Thursday's trading session of Feb. 27. Miners were vulnerable to foreign outflows of IDR888 billion, and that trapped JCI in the red and declined by more than 2%. Besides, stocks of automotive, electronic, pharmaceutical, and cosmetic sectors hit hardest by coronavirus outbreak. In contrast to those sectors, MDKA, stocks of a gold miner, enjoyed the glossy prices of yellow metal and strengthened by 3.82% after posting transactions of IDR36 billion. The volatile global state underlined binge on gold. Meanwhile, the rupiah exchange rate for USD was depreciated by 0.61% to 14,025.

Today's Outlook: Gold Gets Glossier

The Dow Jones tanked to 4.42% to 25,766, marking its worst performance since 2018. It was fuelled by the U.S. citizens fears of coronavirus threat after the U.S. health authorities urged American to take precaution to prevent any risks of infection from the disease. Meanwhile, the global and domestic markets were still bearish, and that led gold to enjoy leading momentum as it prices soared. Thus, we recommend investors eye on gold miners' stocks.

Company News

- ASII : 2019's Revenues Slightly Drop
- UNTR : Sets 2020's New Sales Targets
- CTRA : Focuses on Middle-to-Low Property Development
- PTBA : Focuses on Domestic Sales

Domestic & Global News

- New Capital City Development Applies Three Schemes
- South Korea Central Bank Leaves Rates Unchanged

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)	131.70	129.18	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	(0.86)	(0.03)	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	-3.71%	1.28%	FDI (USD bn)	4.71	5.70
Imports Yoy	-4.78%	-5.62%	Business Confidence	105.33	105.33
Inflation Yoy	2.68%	2.72%	Cons. Confidence*	121.70	121.70

JCI Index

Feb. 26	5,535.92
Chg.	-153.22pts (-2.69%)
Volume (bn shares)	60.26
Value (IDR tn)	7.09
Adv 70 Dec 348 Unc 271 Untr 174	

INNI Index

Last	5,274.00
Chg.	-200.79pts (-3.67%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
JSMR	+0.6%	INCO	-8.7%
		BBRI	-7.8%
		TINS	-5.5%
		ANTM	-4.8%
		MAPI	-3.6%

Foreign Transaction

	(IDR bn)
Buy	2,634
Sell	3,680
Net Buy (Sell)	1,046

Top Buy	NB Val.	Top Sell	NS Val.
MDKA	36.1	BBCA	214.5
ASII	27.2	BMRI	207.4
ADRO	16.9	BBNI	41.9
PTBA	16.5	ICBP	29.8
MNCN	16.4	GGRM	26.8

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.75%	0.11%
USDIDR	14,025	0.61%
KRWIDR	11.56	0.96%

Global Indexes

Index	Last	Chg.	%
Dow Jones	25,766.64	(1190.95)	-4.42%
S&P 500	2,978.76	(137.63)	-4.42%
FTSE 100	6,796.40	(246.07)	-3.49%
DAX	12,367.46	(407.42)	-3.19%
Nikkei	21,948.23	(477.96)	-2.13%
Hang Seng	26,778.62	82.13	0.31%
Shanghai	2,991.33	3.40	0.11%
KOSPI	2,054.89	(21.88)	-1.05%
EIDO	21.58	(1.25)	-5.48%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,645.0	4.1	0.25%
Crude Oil (USD /bbl)	47.09	(1.64)	-3.37%
Coal Newcas(USD/ton)	67.55	1.25	1.89%
Nickel LME (USD /MT)	12,375	(175.0)	-1.39%
Tin LME (USD /MT)	16,345	(335.0)	-2.01%
CPO (MYR/Ton)	2,459	40.0	1.65%

ASII : 2019's Revenues Slightly Drop

PT Astra International Tbk (ASII) succeeded to post 2019's net revenues of IDR23.1 trillion or a 0.86% YoY due to soft domestic consumption and low commodity prices. But, it still benefits from the sound performance of the financial business and is sanguine about the 2020's optimal performance regardless of the global state uncertainty. (Kontan)

CTRA : Focuses on Middle-to-Low Property Development

PT Ciputra Development Tbk (CTRA) in 2002 is focusing on developing property to target middle-to-low income groups due to the trend of declining sales of property targeting middle income class. Regardless of the fact, CTRA is still sanguine about 2020's performance to be supported by LTC policies and looser benchmark rates. (Kontan)

UNTR : Sets 2020's New Sales Targets

PT United Tractors Tbk (UNTR) targets 2020's operational such as sales of Komatsu to reach 2,900 units. The 2020's target is lower than that of 2,926 units in 2019 due to coal gloomy outlook declining sales. In 2020, UNTR will boost its coal output to cushion declines in coal. (Kontan)

PTBA : Focuses on Domestic Sales

PT Bukit Asam Tbk (PTBA) focuses on domestic sales to cushion tumbling exports to China, paralyzed by coronavirus outbreak. China's domestic consumption is estimated to decline by 1.5% equal to 73 billion kWh so that PTBA will optimize sales to end-users. (Kontan)

Domestic & Global News

New Capital City Development Applies Three Schemes

The Indonesian government plans to relocate its capital city from Jakarta to Penajam Paser Utara. The fund for the new capital city construction derives from three sources, (1) IDR93.5 trillion worth of state budget (APBN) fund; (2) the government-to-business cooperation (KPBU); and (3) private business investments. (Kontan)

South Korea Central Bank Leaves Rates Unchanged

South Korea's central bank held interest rates stable, fading expectations for a cut and neglecting the fact that coronavirus outbreak may throw its economy into disarray. The Bank of Korea's policy board left the base rate KROCRTE=ECI stable at 1.25%. (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						1.9	2,372.4							
BBCA	31,450	33,425	32,000	Hold	1.7	14.1	775.4	27.1x	4.5x	17.5	1.1	14.0	10.5	1.0
BBRI	4,130	4,400	4,950	Buy	19.9	7.3	509.4	14.7x	2.4x	17.7	4.1	11.1	6.3	1.4
Consumer						(31.7)	1,032.1							
GGRM	53,175	53,000	61,800	Buy	16.2	(37.7)	102.3	11.0x	2.2x	20.5	4.9	16.9	25.8	1.0
KINO	2,850	3,430	4,680	Buy	64.2	2.2	4.1	8.3x	1.6x	21.2	1.8	34.1	323.0	0.7
ICBP	10,550	11,150	12,875	Buy	22.0	3.2	123.0	24.7x	5.1x	22.2	1.3	11.2	11.4	0.7
KLBF	1,250	1,620	1,780	Buy	42.4	(16.4)	58.6	22.8x	3.8x	17.6	2.1	7.3	6.2	1.3
Infrastructure						(19.8)	676.47							
TLKM	3,470	3,970	4,700	Buy	35.4	(8.8)	343.7	17.0x	3.5x	21.3	4.7	3.5	15.6	0.9
JSMR	4,800	5,175	6,000	Buy	25.0	(8.1)	34.8	18.0x	1.9x	11.3	0.9	(22.8)	(15.2)	1.2
Trade						(18.0)	615.1							
UNTR	17,575	21,525	26,300	Buy	49.6	(33.7)	65.6	5.8x	1.2x	19.8	7.0	(0.2)	1.7	1.0
MAPI	795	1,055	1,300	Buy	63.5	(25.0)	13.2	16.1x	2.2x	14.8	1.3	11.4	14.7	1.0
Property						(4.6)	407.4							
CTRA	925	1,040	1,550	Buy	67.6	5.7	17.2	17.0x	1.2x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,000	1,485	2,600	Buy	160.0	(46.7)	13.6	9.8x	0.7x	7.8	7.3	(39.2)	(69.4)	1.6
WIKA	1,905	1,990	2,500	Buy	31.2	6.7	17.1	7.7x	1.1x	15.3	2.0	(12.9)	57.3	1.5
Basic Ind.						(12.7)	610.3							
SMGR	10,875	12,000	14,300	Buy	31.5	(14.0)	64.5	28.2x	2.1x	7.5	1.9	31.1	(38.1)	1.4
Misc Ind.						(17.5)	318.9							
ASII	5,950	6,925	8,600	Buy	44.5	(16.8)	240.9	11.1x	1.7x	14.9	3.5	(0.9)	0.2	1.2
Mining						(27.0)	318.5							
TINS	600	825	800	Buy	33.3	(56.2)	4.5	31.6x	0.7x	1.6	4.2	114.6	N/A	1.6
PTBA	2,290	2,660	2,300	Hold	0.4	(42.5)	26.4	5.8x	1.5x	26.4	14.8	1.4	(24.9)	1.1
INCO	2,620	3,640	4,200	Buy	60.3	(29.9)	26.0	31.8x	0.9x	3.0	N/A	0.7	(4.9)	1.5
ANTM	600	840	1,100	Buy	83.3	(40.9)	14.4	17.9x	0.7x	4.1	2.1	23.0	(11.1)	1.5
Agriculture						(20.7)	76.5							
AALI	10,575	14,575	15,600	Buy	47.5	(14.7)	20.4	96.4x	1.1x	2.3	2.1	(8.5)	(85.3)	0.7

* Target Price for December 2020

Source: Bloomberg, NHKS Research

INNI Summary

INNI Index Movement

YTD Change	-15.3%
YTD Change Gap (vs JCI)	-3.3%
Weekly Change	-8.6%
Weekly Change Gap (vs JCI)	-1.8%

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 24 – Feb	GE	16:00	IFO Business Climate	Feb	96.1	95.3	95.9
	GE	16:00	IFO Expectations	Feb	93.4	92.1	92.9
Tuesday 25 – Feb	US	22:00	Conf. Board Consumer Confidence	Feb	130.7	132.1	131.6
Wednesday 26 – Feb	US	19:00	MBA Mortgage Applications	Feb	1.50%	--	-6.40%
	US	22:00	New Home Sales	Jan	764k	715k	694k
Thursday 27 – Feb	EC	16:00	M3 Money Supply YoY	Jan	5.20%	5.30%	5.00%
	US	20:30	GDP Annualized QoQ	4Q	2.10%	2.10%	2.10%
	US	20:30	Durable Goods Orders	Jan	-0.20%	-1.50%	2.40%
	US	20:30	Initial Jobless Claims	Feb	219k	211k	210k
Friday 28 – Feb	UK	14:00	Nationwide House PX MoM	Feb		0.40%	0.50%
	UK	14:00	Nationwide House Px NSA YoY	Feb		2.30%	1.90%
	GE	15:55	Unemployment Change (000's)	Feb		4.5k	-2.0k
	GE	20:00	CPI MoM	Feb		0.30%	-0.60%
	GE	20:00	CPI YoY	Feb		1.70%	1.70%
	US	20:30	Wholesale Inventories MoM	Jan		0.10%	-0.20%
	US	20:30	Personal Income	Jan		0.40%	0.20%
	US	20:30	Personal Spending	Jan		0.30%	0.30%
	US	21:45	MNI Chicago PMI	Feb		46	42.9
	US	22:00	U. of Mich. Sentiment	Feb		100.7	100.9

Source: Bloomberg

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