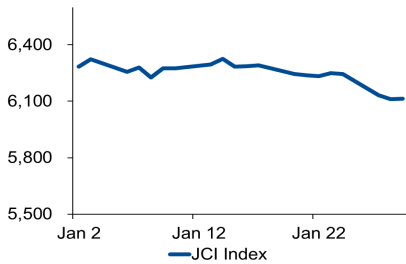


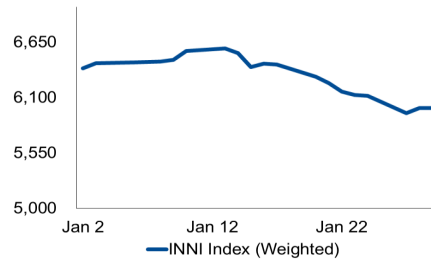
Morning Brief

Daily | January 30 2020

JCI Movement



INNI Movement



JCI Index

Jan. 29	6,113.04
Chg.	+1.86pts (+0.03%)
Volume (bn shares)	53.80
Value (IDR tn)	6.31
Adv 187 Dec 211 Unc 285 Untr 156	

INNI Index

Last	5,996.99
Chg.	+0.40pts (+0.01%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
TLKM	1.8%	SMGR	-3.1%
KLBF	1.7%	CTRA	-1.6%
JSMR	1.7%	MAPI	-0.5%
WSKT	0.8%	KINO	-0.3%
UNTR	0.6%	WIKA	-0.3%

Foreign Transaction

	(IDR bn)
Buy	2,737
Sell	2,667
Net Buy (Sell)	69

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	191.3	BBNI	35.0
BMRI	161.2	BBCA	28.8
TLKM	64.5	BTPS	24.5
GGRM	20.7	ASII	15.4
PTBA	10.8	INDF	13.7

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	6.67%	-0.08%
USDIDR	13,634	-0.07%
KRWIDR	11.57	-0.04%

Global Indexes

Index	Last	Chg.	%
Dow Jones	28,734.45	11.60	0.04%
S&P 500	3,273.40	(2.84)	-0.09%
FTSE 100	7,483.57	2.88	0.04%
DAX	13,345.00	21.31	0.16%
Nikkei	23,379.40	163.69	0.71%
Hang Seng	27,160.63	(789.01)	-2.82%
Shanghai	2,976.53	(84.23)	-2.75%
KOSPI	2,185.28	8.56	0.39%
EIDO	25.42	(0.08)	-0.31%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,576.8	9.7	0.62%
Crude Oil (USD / bbl)	53.33	(0.15)	-0.28%
Coal Newcas(USD/ton)	67.30	(0.50)	-0.74%
Nickel LME (USD / MT)	12,550	0.0	0.00%
Tin LME (USD / MT)	16,200	(125.0)	-0.77%
CPO (MYR/Ton)	2,723	148.0	5.75%

Market Recap

JCI was rebound, backed by the banking and consumer sector. **JCI's Top Gainers: Consumer (+0.6%), Infrastructure (+0.6%), Agriculture (+0.3%).**

INNI index closed flat. The infrastructure sector advanced, backed by TLKM and JSMR.

Daily Foreign & Domestic Sector Movement

JCI posted slight foreign inflows of IDR69 billion. Foreign investors' appetite for banking stocks increased, and that suggested their confidence in Indonesia's economy improved better. The Indonesian government is currently focusing on developing the downstream coal processing to add this commodity's value by means of constructing smelters and the removal of royalty so that miners easily comply with mandatory DMO. The policy is a positive sentiment for PTBA to post foreign inflows of IDR10.8 billion.

Meanwhile, the rupiah exchange rate to USD nudged up 0.07% to 13,634.

Today's Outlook: The Fed Holds Interest Rates Unchanged

The Dow Jones nudged up 0.04% to 28,734 as the Fed holds its interest rates unchanged underlined by the stable global economic growth and the more transparent trade policies. In relation to the coronavirus outbreak, the Fed views the pandemic as a short-term sentiment to have no significant impacts on the US economy. On the domestic side, the Investment Coordinating Board (BKPM) released the reading of 4Q19's foreign capital investment to post a 6.4% y-y increase to IDR105.3 trillion.

Company News

- BBRI : Assures Prudent Loan Facilitates to KRAS
- TLKM : Telkom-Mandiri Credits Top-Up Hits IDR3.9 Trillion
- CTRA : Projects 2020's Better Performance

Domestic & Global News

- BKPM Targets 2020 Investment of IDR886 Trillion
- Consumer Confidence Jumps as Job-Market Outlook Improves

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.00%	5.00%	Real GDP	5.00%	5.00%
FX Reserve (USD bn)	129.18	126.63	Current Acc (USD bn)	129.18	126.63
Trd Balance (USD bn)	(0.03)	(1.33)	Govt. Spending Yoy	(1.33)	0.16
Exports Yoy	1.28%	-5.67%	FDI (USD bn)	-5.67%	-6.13%
Imports Yoy	-5.62%	-9.24%	Business Confidence	-9.24%	-16.39%
Inflation Yoy	2.72%	3.00%	Cons. Confidence*	2.72%	3.00%

BBRI : Assures Prudent Loan Facilitates to KRAS

PT Bank Rakyat Indonesia Tbk (BBRI) is one of ten banks to facilitate loans of USD337.39 million to PT Krakatau Steel Tbk (KRAS) under a restructuring scheme. It assures to take a cautious look at the prudent calculation scheme so that it has less exposure to risks. Other banks to facilitate loans to KRAS under the restructuring scheme are Mandiri, BNI, CIMB, OCBC, Eximbank, BCA, DBS, ICBC, and Stanchart. (Bisnis Indonesia)

CTRA : Projects 2020's Better Performance

PT Ciputra Development Tbk (CTRA) is optimistic about the 2020's marketing, sales, revenues, and profits performance to grow better than that in 2019. The optimism is supported by no general election in 2020 and the trend of looser interest rates. To boost 2020's performance, CTRA focuses on middle-to-big scale housing projects. (Kontan)

TLKM : Telkom-Mandiri Credits Top-Up Hits IDR3.9 Trillion

Telkomsel to cooperate with PT Bank Mandiri Tbk (BMRI) posted sales of credit top-up of IDR3.9 trillion within the last 5 months. Mandiri Online, SMS Banking, and LinkAja facilitate easy credit top-up. In future years, Telkomsel opens the opportunity to cooperate with the state-owned electricity firm (PLN). (Bisnis Indonesia)

Domestic & Global News

BKPM Targets 2020 Investment of IDR886 Trillion

The Investment Coordinating Board (BKPM) chairperson Bahlil Lahadalia said that BKPM targets the 2020 investment of Rp886 trillion or a 9.51% increase from 2019's investment realization. He states that the target is possible because BKPM currently focuses to settle the delayed investments by means of Omnibus Law. (Kontan)

Consumer Confidence Jumps as Job-Market Outlook Improves

Consumer confidence in the U.S. grew more than expected in January as the outlook around the labor market improved, data released Tuesday by The Conference Board showed. The Board's consumer confidence index rose to 131.6 this month from 126.5 in December. Economists polled by Dow Jones expected consumer confidence to rise to 128. (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						10.7	2,566.1							
BBCA	33,925	33,425	32,000	Hold	(5.7)	22.9	836.4	29.6x	5.0x	18.1	1.0	15.0	13.0	1.0
BBRI	4,620	4,400	4,950	Hold	7.1	23.2	569.9	16.4x	2.8x	17.7	2.9	16.0	6.2	1.4
Consumer						(22.5)	1,177.4							
GGRM	56,800	53,000	61,800	Hold	8.8	(31.6)	109.3	11.8x	2.3x	20.5	4.6	16.9	25.8	1.0
KINO	2,900	3,430	4,680	Buy	61.4	(3.3)	4.1	8.4x	1.6x	21.2	1.7	34.1	323.0	0.7
ICBP	11,700	11,150	12,875	Hold	10.0	8.6	136.4	27.4x	5.7x	22.2	1.2	11.2	11.4	0.7
KLBF	1,525	1,620	1,780	Buy	16.7	(5.3)	71.5	27.8x	4.7x	17.6	1.7	7.3	6.2	1.3
Infrastructure						(6.7)	750.84							
TLKM	3,900	3,970	4,700	Buy	20.5	2.5	386.3	19.1x	3.9x	21.3	4.2	3.5	15.6	0.9
JSMR	4,900	5,175	6,000	Buy	22.4	1.7	35.6	18.4x	2.0x	11.3	0.9	(22.8)	(15.2)	1.2
Trade						(8.0)	664.8							
UNTR	20,025	21,525	26,300	Buy	31.3	(22.7)	74.7	7.0x	1.3x	19.8	6.2	7.3	(4.8)	1.0
MAPI	1,000	1,055	1,300	Buy	30.0	1.0	16.6	20.3x	2.8x	14.8	1.0	11.4	14.7	1.0
Property						1.2	436.8							
CTRA	945	1,040	1,550	Buy	64.0	7.4	17.5	17.3x	1.2x	7.2	1.1	(0.7)	(28.9)	1.7
WSKT	1,305	1,485	2,600	Buy	99.2	(29.5)	17.7	12.8x	1.0x	7.8	5.6	(39.2)	(69.4)	1.6
WIKA	1,985	1,990	2,500	Buy	25.9	8.5	17.8	8.0x	1.1x	15.3	1.9	(12.9)	57.3	1.5
Basic Ind.						(0.6)	719.2							
SMGR	12,300	12,000	14,300	Buy	16.3	(2.0)	73.0	31.9x	2.3x	7.5	1.7	31.1	(38.1)	1.4
Misc Ind.						(17.0)	359.5							
ASII	6,825	6,925	8,600	Buy	26.0	(18.3)	276.3	13.5x	1.9x	14.9	3.1	1.2	(7.1)	1.2
Mining						(23.9)	334.3							
TINS	740	825	800	Hold	8.1	(43.1)	5.5	39.0x	0.9x	1.6	3.4	114.6	N/A	1.6
PTBA	2,330	2,660	2,300	Hold	(1.3)	(45.8)	26.8	5.9x	1.5x	26.4	14.6	1.4	(24.9)	1.2
INCO	3,280	3,640	4,200	Buy	28.0	(11.8)	32.6	414.8x	1.3x	0.3	N/A	(12.6)	N/A	1.5
ANTM	750	840	1,100	Buy	46.7	(21.1)	18.0	22.4x	0.9x	4.1	1.7	23.0	(11.1)	1.5
Agriculture						(19.1)	82.7							
AALI	11,800	14,575	15,600	Buy	32.2	(15.6)	22.7	53.3x	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	-3.6%
YTD Change Gap (vs JCI)	-0.9%
Weekly Change	-1.9%
Weekly Change Gap (vs JCI)	0.1%

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 27- Jan	GER	16:00	IFO Business Climate	Jan	95.9	97	96.3
	USA	22:00	New Home Sales	Dec	694k	730k	719k
Tuesday 28 - Jan	USA	20:30	Durable Goods Orders	Dec	2.40%	0.40%	-2.10%
	USA	22:00	Conf. Board Consumer Confidence	Jan	131.6	128	126.5
	UK	Tentative	Nationwide House PX MoM	Jan	0.50%	0.20%	0.10%
	UK	Tentative	Nationwide House Px NSA YoY	Jan	1.90%	1.50%	1.40%
Wednesday 29- Jan	EU	16:00	M3 Money Supply YoY	Dec	5.00%	5.50%	5.60%
	USA	19:00	MBA Mortgage Applications	Jan	7.20%	--	-1.20%
Thursday 30- Jan	USA	02:00	FOMC Rate Decision (Upper Bound)	Jan		1.75%	1.75%
	GER	15:55	Unemployment Change (000's)	Jan		5.0k	8.0k
	UK	19:00	Bank of England Bank Rate	Jan		0.75%	0.75%
	GER	20:00	CPI MoM	Jan		-0.60%	0.50%
	GER	20:00	CPI YoY	Jan		1.70%	1.50%
	USA	20:30	GDP Annualized QoQ	4Q A		2.10%	2.10%
	USA	20:30	Initial Jobless Claims	4Q A		215k	211k
Friday 31 - Jan	CHN	08:00	Manufacturing PMI	Jan		50	50.2
	EU	17:00	GDP SA QoQ	4Q A		0.20%	0.20%
	EU	17:00	GDP SA YoY	4Q A		1.10%	1.20%
	USA	22:00	U. of Mich. Sentiment	Jan		99.1	99.1

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday 31- Jan	Tentative	Money Supply M1 YoY	Dec			4.80%
		Money Supply M2 YoY	Dec			6.50%

Source: Bloomberg

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