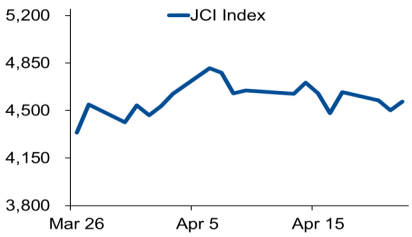
Morning Brief

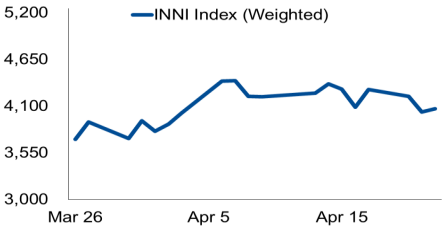
NH KORINDO SEKURITAS

Daily | April 24, 2020

JCI Movement



INNI Movement



Market Recap

IHSG nudged up, backed by its two best-performing sectors: consumer goods and basic industry. **JCI's Top Gainers: Consumer (+2.3%), Basic Ind. (+2.0%), Misc. Ind. (+2.0%)**

INNI Index opposed to JCI gave up little gains due to its bearish construction stocks—WIKA and WSKT.

Daily Foreign & Domestic Sector Movement

JCI gave up foreign capital for three days in a row and ended Thursday's trading session of April 23, 2020 with foreign outflows of IDR243 billion as foreign investors sold their backing stocks. They conversely whetted their appetite for consumer goods stocks as UNVR and ICBP led Thursday's trading with capital inflows of IDR39 billion and IDR6 billion, respectively.

USD/IDR Highlight

USD/IDR, additionally, traded higher by 0.23 percent to 15,415.

Today's Outlook: Manufacturing Sector Shows Agile Export Domination

The Dow Jones closed flat at 0.17 percent to 23,515 after the World Health Organization reported that Gilead's COVID-19 drug remdesivir had proved to be futile to succeed the first random clinic test. A glance at the domestic economy, data of Ministry of Industry disclosed that a number of Indonesia's manufacturing sectors—food, basic metal, chemical, apparel, and rubber industries—had proved their agility of dominating export markets regardless the global lockdown of economic activities.

Company News

ANTM : Pencils in 1H20's Performance
JSMR : Keeps Performance in Check Pursuant to Ban on Idul Fitri Exodus
BBRI : Achieves F1+ Rating for Short-Term National Rating

Domestic & Global News

Tumbling Prices of Crude Oil Widen Surpluses in Trade Balance
South Korea's 1Q20 GDP Tanks to 12-Year Low

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.50%	Real GDP	4.97%	4.97%
FX Reserve (USD bn)	120.97	130.40	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	0.74	2.34	Govt. Spending Yoy	0.48%	0.48%
Exports Yoy	-0.20%	11.00%	FDI (USD bn)	4.71	5.70
Imports Yoy	-0.75%	-5.11%	Business Confidence	105.33	105.33
Inflation Yoy	2.96%	2.98%	Cons. Confidence*	121.70	121.70

JCI Index

Apr. 23	4,593.55
Chg.	+25.99pts (+0.57%)
Volume (bn shares)	68.22
Value (IDR tn)	6.63

Adv 186 Dec 182 Unc 333 Untr 172

INNI Index

Last	4,065.23
Chg.	-3.05pts (-0.07%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
ASII	+3.3%	WIKA	-3.2%
PTBA	+1.9%	TLKM	-2.8%
ICBP	+1.2%	CTRA	-2.8%
ANTM	+1.2%	WSKT	-2.5%
KLBF	+1.2%	MAPI	-2.3%

Foreign Transactions (IDR bn)

Buy	2,397
Sell	2,641
Net Buy (Sell)	243

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	166.3	TLKM	95.9
BTPS	49.3	ASII	34.4
UNVR	39.2	BMRI	28.8
INCO	6.9	BBNI	28.6
ICBP	6.3	BBCA	24.8

Government Bond Yields & FX

	Last	Chg.
10-Year Tenor	7.85%	0.00%
USD/IDR	15,415	-0.23%
KRW/IDR	12.53	0.00%

Global Indicies

Index	Last	Chg.	%
Dow Jones	23,515.26	39.44	0.17%
S&P 500	2,797.80	(1.51)	-0.05%
FTSE 100	5,826.61	55.98	0.97%
DAX	10,513.79	98.76	0.95%
Nikkei	19,429.44	291.49	1.52%
Hang Seng	23,977.32	83.96	0.35%
Shanghai	2,838.50	(5.48)	-0.19%
KOSPI	1,914.73	18.58	0.98%
EIDO	15.39	0.20	1.32%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,730.5	16.4	0.96%
Crude Oil (USD/B)	16.50	2.72	19.74%
ICE NewCastle (USD/ton)	55.00	0.35	0.64%
LME Nickel (USD/MT)	12,169	154.0	1.28%
LME Tin (USD/MT)	15,000	140.0	0.94%
CPO (MYR/ton)	2,119	44.0	2.12%

Company News

ANTM : Pencils in 1H20's Performance

PT Aneka Tambang Tbk (ANTM) estimates the lockdown of economic activities in countries importing ANTM's products to impact on 1H20 performance. Despite 1H20's grim outlook, ANTM is optimistic about production and sales to close 2020 with positive performance, while keeping updated with market backdrop. (Kontan)

BBRI : Achieves F1+ Rating for Short-Term National Rating

PT Bank Rakyat Indonesia Tbk (BBRI) achieved AA+ (idn) Long-Term National Rating with stable outlook, rated by PT Fitch Ratings Indonesia. It also succeeded F1+ (idn) rating for Short-Term National Rating. Those ratings indicate BBRI's bonds to have lowest risks of in default among other Indonesian bonds issued by its peers. (Bisnis Indonesia)

JSMR : Keeps Performance in Check Pursuant to Ban on Idul Fitri Exodus

PT Jasa Marga Tbk (JSMR) incompliance with the mandatory corona containment restricts the operational activities of its toll-road sections. To mitigate lower revenues caused by declining traffics, JSMR carries out operational efficiency but still ensures to finish the ongoing projects while complying with the government's regulation of physical distancing. (Bisnis Indonesia)

Domestic & Global News

Tumbling Prices of Crude Oil Widen Surpluses in Trade Balance

The economist of Institute for Development of Economics and Finance (INDEF) Bhima Yudistira explained that prices global crude oil to get stuck in the negative zone would have widened surpluses in the Indonesia's trade balance. However, the wider surpluses do not necessarily mean increases or recovery in export performance. Indeed, exports—coal and CPO commodities in particular—are most likely to decline in 2020 with respect to tumbling prices of crude oil. (Kontan)

South Korea's 1Q20 GDP Tanks to 12-Year Low

The global lockdowns as a backstop to end the vicious spread of COVID-19 left South Korea's 1Q20 GDP at 12-year record low. The 1Q20 GDP fell by 1.4%-- the deepest as of 4Q08—compared with the median projection of a 1.5% decrease by economists polled by the Wall Street Journal. The 12-year record low GDP was attributable to tumbling private spending & exports, lagging construction and production along with surging government spending. (Marketwatch)

INNI Components

	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						(26.9)	1,798.1							
BBCA	25,600	33,425	32,000	Buy	25.0	(9.1)	631.2	22.1x	3.6x	17.5	2.2	13.7	10.5	1.1
BBRI	2,800	4,400	4,950	Buy	76.8	(36.4)	345.4	10.0x	1.7x	17.7	6.0	11.1	6.3	1.3
Consumer						(30.2)	1,003.9							
GGRM	44,425	53,000	61,800	Buy	39.1	(45.6)	85.5	7.9x	1.7x	22.7	5.9	15.5	39.6	1.0
KINO	2,620	3,430	4,680	Buy	78.6	(0.4)	3.7	7.2x	1.4x	21.8	1.9	29.5	246.7	0.8
ICBP	10,150	11,150	12,875	Buy	26.8	10.3	118.4	23.8x	4.9x	22.2	1.3	11.2	11.4	0.9
KLBF	1,265	1,620	1,430	Hold	13.0	(16.2)	59.3	23.7x	3.7x	16.4	2.1	7.4	2.0	1.1
Infrastructure						(28.1)	584.88							
TLKM	3,070	3,970	4,700	Buy	53.1	(18.9)	304.1	15.0x	3.1x	21.3	5.3	3.5	15.6	1.0
JSMR	2,580	5,175	6,000	Buy	132.6	(57.7)	18.7	9.7x	1.0x	11.3	1.8	(22.8)	(15.2)	1.3
Trade						(27.6)	542.8							
UNTR	16,200	21,525	20,000	Buy	23.5	(41.2)	60.4	5.3x	1.0x	20.2	7.6	(0.2)	1.7	0.8
MAPI	630	1,055	1,300	Buy	106.3	(34.7)	10.5	11.2x	1.7x	16.1	1.6	14.0	27.3	1.2
Property						(38.1)	281.6							
CTRA	515	1,040	1,550	Buy	201.0	(56.5)	9.6	8.3x	0.6x	7.8	1.9	(0.8)	(2.6)	1.3
WSKT	575	1,485	2,600	Buy	352.2	(73.3)	7.8	8.3x	0.4x	5.2	12.7	(35.7)	(76.3)	1.8
WIKA	920	1,990	2,500	Buy	171.7	(61.7)	8.3	3.6x	0.5x	14.6	4.2	(12.7)	32.0	1.6
Basic Ind.						(13.3)	566.0							
SMGR	6,900	12,000	14,300	Buy	107.2	(48.7)	40.9	17.1x	1.3x	7.5	3.0	31.5	(22.4)	1.3
Misc Ind.						(45.8)	218.3							
ASII	3,760	6,925	8,600	Buy	128.7	(50.8)	152.2	7.0x	1.0x	15.2	5.6	(0.9)	0.2	1.3
Mining						(33.9)	278.4							
TINS	462	825	800	Buy	73.2	(66.0)	3.4	N/A	0.7x	(10.7)	5.4	75.2	N/A	1.5
PTBA	1,890	2,660	2,300	Buy	21.7	(54.2)	21.8	5.1x	1.2x	23.7	18.0	2.9	(22.2)	1.1
INCO	2,390	3,640	4,200	Buy	75.7	(23.2)	23.7	26.5x	0.8x	3.0	N/A	0.7	(4.9)	1.7
ANTM	498	840	1,100	Buy	120.9	(43.4)	12.0	61.8x	0.7x	1.1	2.6	29.4	(88.1)	1.6
Agriculture						(35.7)	58.7							
AALI	5,675	14,575	15,600	Buy	174.9	(49.3)	10.9	51.7x	0.6x	1.1	3.9	(8.5)	(85.3)	1.3

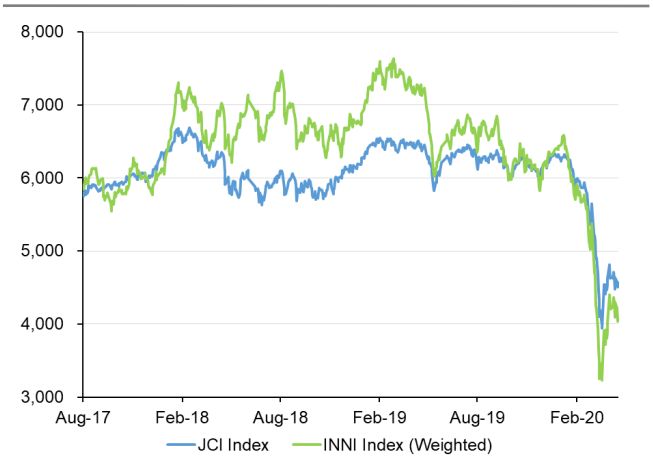
*** Target Price for December 2020**

Source: Bloomberg, NHKSI Research

INNI Summary

INNI Index Movement	
YTD Change	-34.7%
YTD Change Gap (vs JCI)	-7.8%
Weekly Change	-0.6%
Weekly Change Gap (vs JCI)	-3.1%
INNI Market Capitalization	
Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKS Research

Global Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	UK	13:00	Claimant Count Rate	Mar	3,50%	--	3,50%
21 - Apr	UK	13:00	Jobless Claims Change	Mar	12.2k	--	17.3k
	UK	13:00	ILO Unemployment Rate 3Mths	Feb	4,00%	3,90%	3,90%
	GE	16:00	ZEW Survey Expectations	Apr	28,2	-42	-49,5
	GE	16:00	ZEW Survey Current Situation	Apr	-91,5	-75	-43,1
	US	21:00	Existing Home Sales	Mar	5.27m	5.30m	5.77m
Wednesday	UK	13:00	CPI MoM	Mar	0,00%	0,00%	0,40%
22 - Apr	UK	13:00	CPI YoY	Mar	1,50%	1,50%	1,70%
	UK	13:00	CPI Core YoY	Mar	1,60%	1,60%	1,70%
	UK	13:00	PPI Output NSA MoM	Mar	-0,20%	-0,30%	-0,30%
	UK	13:00	PPI Output NSA YoY	Mar	0,30%	0,10%	0,40%
	US	18:00	MBA Mortgage Applications	Apr	-0,30%	--	7,30%
Thursday	GE	14:30	Markit/BME Germany Manufacturing PMI	Apr	34.4	39	45,4
23 – Apr	EC	15:00	Markit Eurozone Manufacturing PMI	Apr	33.6	38	44,5
	UK	15:30	Markit UK PMI Manufacturing SA	Apr	32.9	42	47,8
	US	19:30	Initial Jobless Claims	Apr	4427k	4500k	5245k
	US	20:45	Markit US Manufacturing PMI	Apr	36.9	38	48,5
	US	21:00	New Home Sales	Mar	627k	644k	765k
Friday	GE	15:00	IFO Business Climate	Apr		79,9	86,1
24- Apr	GE	15:00	IFO Expectations	Apr		75	79,7
	US	19:30	Durable Goods Orders	Mar		-12,00%	1,20%
	US	21:00	U. of Mich. Sentiment	Apr		68	71

Source: Bloomberg

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