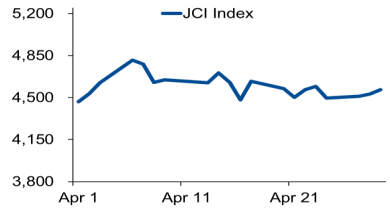
Morning Brief

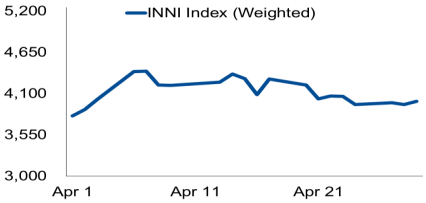
NH KORINDO SEKURITAS

Daily | April 30, 2020

JCI Movement



INNI Movement



Market Recap

JCI made a 3-day winning streak, backed by the consumer goods and infrastructure sectors. **JCI's Top Gainers: Infrastructure (+3.7%), Basic Ind. (+2.7%), Consumer (+1.8%)**

INNI Index alike JCI rallied, supported by TLKM and JSMR.

Daily Foreign & Domestic Sector Movement

JCI ended Wednesday's trading session of April 29, 2020 with foreign net sell of IDR401 billion as foreign investors gave up their large-cap. banking stocks of BMRI and BBRI whose respective net sell amounted to IDR153 billion and IDR112 billion. Aside from JCI, S&P Global Ratings revised lower the debt outlook of BMRI, BBRI, and BBNI from stable into negative but held credit ratings of those three SOE-banks unchanged on grounds of their resilient fundamental, market domination, adequate capital, and sound profit performance.

USD/IDR Highlight

USD/IDR, meanwhile, was appreciated by 0.97 percent to 15,295.

Today's Outlook: BI's Four "Whatever-It-Takes" Measures

Dow Jones advanced by 2.21% to 24,633 after Gilead's remdesivir positively succeeded from two drug trials and proved a new treatment for COVID-19 patients. A glance at the domestic economy, BI's governor stated that Indonesia's economic growth---with respect to economic lockdown backstop to end corona's vicious infection---still survived in maintaining benign inflation, stable rupiah's exchange rate. BI's "whatever-it-takes" measures—government bonds purchasing and an IDR503.8 trillion of QE—are inevitable to shield Indonesia's economy against the virus' lethal attacks.

Company News

UNVR : Proves Stellar Growth amid Pandemic
MAPI : Subsidiary Penetrates Philippines
AALI : Accumulates Debts in 1Q20

Domestic & Global News

Kemenko Perekonomian Unveils Critical Occupation List (COL)
Oil Prices Surge 22%

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%	0.98%
Exports Yoy	-0.20%	11.00%	FDI (USD bn)	4.71	6.08
Imports Yoy	-0.75%	-5.11%	Business Confidence	104.82	105.33
Inflation Yoy	2.96%	2.98%	Cons. Confidence*	113.80	117.70

JCI Index

Apr. 29	4,567.32
Chg.	+37.76pts (+0.83%)
Volume (bn shares)	56.36
Value (IDR tn)	6.05

Adv 202 Dec 183 Unc 316 Untr 166

INNI Index

Last	3,998.16
Chg.	+44.06pts (+1.11%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
TLKM	+6.0%	ASII	-1.3%
SMGR	+5.8%	BBRI	-0.4%
JSMR	+5.6%	ICBP	-0.2%
MAPI	+3.3%		
GGRM	+2.2%		

Foreign Transactions (IDR bn)

Buy	2,396
Sell	2,797
Net Buy (Sell)	401

Top Buy	NB Val.	Top Sell	NS Val.
TLKM	75.7	BMRI	153.5
BRPT	33.2	BBRI	112.2
UNVR	26.1	ASII	57.2
BBNI	21.6	MNCN	30.0
ICBP	9.9	BTPS	29.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	8.08%	-0.03%
USDIDR	15,295	-0.97%
KRWIDR	12.57	-0.36%

Global Indicies

Index	Last	Chg.	%
Dow Jones	24,633.86	532.31	2.21%
S&P 500	2,939.51	76.12	2.66%
FTSE 100	6,115.25	156.75	2.63%
DAX	11,107.74	312.11	2.89%
Nikkei	19,771.19	(12.03)	-0.06%
Hang Seng	24,643.59	67.63	0.28%
Shanghai	2,822.44	12.42	0.44%
KOSPI	1,947.56	13.47	0.70%
EIDO	16.16	0.72	4.66%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,713.4	5.6	0.33%
Crude Oil (USD/B)	15.06	2.72	22.04%
ICE NewCastle (USD/ton)	52.20	0.35	0.68%
LME Nickel (USD/MT)	12,315	21.0	0.17%
LME Tin (USD/MT)	15,305	(40.0)	-0.26%
CPO (MYR/ton)	2,031	11.0	0.54%

Company News

UNVR : Proves Stellar Growth amid Pandemic
PT Unilever Indonesia Tbk (UNVR) posted a 1.5% YoY hike to USD11.5 trillion in 1Q20 revenues, backed by consistent innovation and 21 product launch in 1Q20. In ahead years, UNVR focuses on developing products for Muslim consumers and prioritizing stock keeping unit (SKU) of personal hygiene products. (Bisnis Indonesia)

AALI : Accumulates Debts in 1Q20
PT Astra Agro Lestari Tbk (AALI) to boost 1Q20 liabilities accounted for an IDR1.8 trillion of debts or a 23% YoY increase. The debts with respect to the rupiah depreciation were mostly facilitated by banks and were spent on operational funding and investments. ALLI until the end of March 2020 posted an IDR9.8 trillion liabilities with an IDR1.4 trillion cash. (Kontan)

MAPI : Subsidiary Penetrates Philippines
PT MAP Adiperkasa Tbk (MAPA), the subsidiary of PT Mitra Adiperkasa Tbk (MAPI) will expand its business to the Philippines' markets as the apparel distributor. It cooperates with ASG Holding Company to establish a company in order to smooth its market penetration. Because of Feb. disappointing performance, MAPA takes prudent measures over its performance amid the unprecedented duration of COVID-19. (Investor Daily)

Domestic & Global News

Kemenko Perekonomian Unveils Critical Occupation List (COL)
The Coordinating Ministry for Economic Affairs (Kemenko Perekonomian) cooperates with the World Bank to establish a skill monitoring system integrating education & skills programs with business and industry demands. The tangible monitoring system embodies in the preparation of a Critical Occupation List (COL) in Indonesia. (Kontan)

Oil Prices Surge 22%
Oil prices on Wednesday of April 29, 2020 topped 20% after a slight increase in U.S. inventories and hope for economic reopening. West Texas Intermediate for June delivery made a 22.04% increase equal to USD2.72 and stood at USD15.06 per barrel following earlier trading as high as USD16.78. Meanwhile, Brent crude gained USD2.08 or a 10.17% increase to stand at USD22.54 per barrel. (CNBC)

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						(31.1)	1,701.4							
BBCA	24,250	33,425	32,000	Buy	32.0	(15.7)	597.9	20.9x	3.4x	17.5	2.3	13.7	10.5	1.1
BBRI	2,580	4,400	4,950	Buy	91.9	(41.0)	318.2	9.2x	1.5x	17.7	6.5	11.1	6.3	1.3
Consumer						(28.2)	1,036.1							
GGRM	45,000	53,000	61,800	Buy	37.3	(46.7)	86.6	8.0x	1.7x	22.7	5.8	15.5	39.6	1.0
KINO	2,620	3,430	4,680	Buy	78.6	1.2	3.7	7.2x	1.4x	21.8	1.9	29.5	246.7	0.8
ICBP	10,000	11,150	12,875	Buy	28.8	2.8	116.6	23.1x	4.6x	21.5	1.4	10.1	10.2	0.9
KLBF	1,470	1,620	1,430	Hold	(2.7)	(4.9)	68.9	27.5x	4.3x	16.4	1.8	7.4	2.0	1.1
Infrastructure						(24.4)	619.99							
TLKM	3,350	3,970	4,700	Buy	40.3	(10.4)	331.9	16.4x	3.3x	21.3	4.9	3.5	15.6	1.0
JSMR	2,850	5,175	6,000	Buy	110.5	(53.3)	20.7	10.7x	1.1x	11.3	1.6	(22.8)	(15.2)	1.3
Trade						(28.8)	539.1							
UNTR	15,600	21,525	20,000	Buy	28.2	(42.6)	58.2	5.8x	0.9x	16.9	7.9	(19.0)	(40.2)	0.8
MAPI	630	1,055	1,300	Buy	106.3	(36.7)	10.5	11.2x	1.7x	16.1	1.6	14.0	27.3	1.2
Property						(41.1)	264.2							
CTRA	505	1,040	1,550	Buy	206.9	(55.3)	9.4	8.1x	0.6x	7.8	2.0	(0.8)	(2.6)	1.3
WSKT	590	1,485	2,600	Buy	340.7	(72.2)	8.0	8.5x	0.4x	5.2	12.4	(35.7)	(76.3)	1.8
WIKA	875	1,990	2,500	Buy	185.7	(63.8)	7.8	3.4x	0.5x	14.6	4.4	(12.7)	32.0	1.6
Basic Ind.						(9.0)	589.8							
SMGR	7,350	12,000	14,300	Buy	94.6	(45.6)	43.6	18.2x	1.4x	7.5	2.8	31.5	(22.4)	1.3
Misc Ind.						(46.4)	215.1							
ASII	3,690	6,925	8,600	Buy	133.1	(51.6)	149.4	7.0x	1.0x	14.4	5.7	(9.4)	(7.8)	1.3
Mining						(33.5)	275.5							
TINS	464	825	800	Buy	72.4	(66.1)	3.5	N/A	0.7x	(10.7)	5.4	75.2	N/A	1.5
PTBA	1,790	2,660	2,300	Buy	28.5	(54.8)	20.6	4.8x	1.1x	23.7	19.0	2.9	(22.2)	1.1
INCO	2,380	3,640	4,200	Buy	76.5	(22.0)	23.6	14.6x	0.8x	5.6	N/A	38.1	N/A	1.7
ANTM	498	840	1,100	Buy	120.9	(42.4)	12.0	61.8x	0.7x	1.1	2.6	29.4	(88.1)	1.6
Agriculture						(34.4)	59.8							
AALI	6,000	14,575	15,600	Buy	160.0	(44.8)	11.5	21.2x	0.6x	2.9	3.7	13.3	891.7	1.3

*** Target Price for December 2020**

Source: Bloomberg, NHKSI Research

INNI Summary

INNI Index Movement	
YTD Change	-35.7%
YTD Change Gap (vs JCI)	-8.4%
Weekly Change	-1.7%
Weekly Change Gap (vs JCI)	-1.7%
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	US	21:00	Conf. Board Consumer Confidence	Apr	86.9	87.0	120
28 - Apr							
Wednesday	EC	15:00	M3 Money Supply YoY	Mar	7.50%	5.50%	5.50%
29 - Apr	US	18:00	MBA Mortgage Applications	Apr	-3.30%	--	-0.30%
	GE	19:00	CPI YoY	Apr	0.80%	0.70%	1.40%
	US	19:30	GDP Annualized QoQ	1Q A	-4.80%	-4.00%	2.10%
Thursday	US	01:00	FOMC Rate Decision (Upper Bound)	Apr		0.25%	--
30 – Apr	CH	08:00	Manufacturing PMI	Apr		51	52
	GE	14:55	Unemployment Change (000's)	Apr		77.0k	1.0k
	EC	16:00	GDP SA QoQ	1Q A		-3.50%	0.10%
	EC	16:00	GDP SA YoY	1Q A		-3.30%	1.00%
	EC	18:45	ECB Main Refinancing Rate	Apr		0.00%	0.00%
	EC	18:45	ECB Deposit Facility Rate	Apr		-0.50%	-0.50%
	US	19:30	Personal Income	Mar		-1.60%	0.60%
	US	19:30	Personal Spending	Mar		-5.00%	0.20%
	US	19:30	Initial Jobless Claims	Apr		3500k	4427k
Friday	UK	15:30	Markit UK PMI Manufacturing SA	Apr		32.7	32.9
01- May	US	20:45	Markit US Manufacturing PMI	Apr		36.7	36.9
	US	21:00	ISM Manufacturing	Apr		36.1	49.1

Source: Bloomberg

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