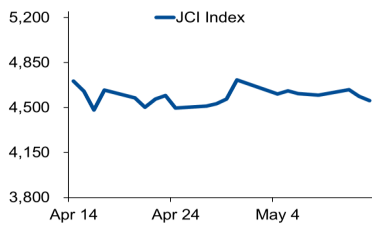
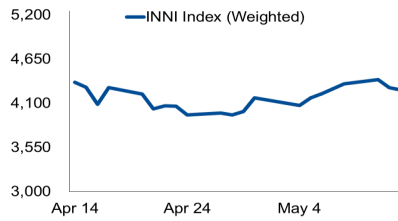


# Morning Brief

## JCI Movement



## INNI Movement



## JCI Index

May 13	4,554.35
Chg.	-34.37pts (-0.75%)
Volume (bn shares)	53.97
Value (IDR tn)	5.43
<b>Adv 141 Dec 246 Unc 314 Untr 165</b>	

## INNI Index

Last	4,265.37
Chg.	-27.51pts (-0.64%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
ANTM	+3.9%	JSMR	-6.8%
KINO	+2.0%	PTBA	-4.3%
SMGR	+1.5%	CTRA	-2.7%
INCO	+1.4%	MAPI	-2.7%
TINS	+1.3%	ASII	-2.4%

## Foreign Transactions

	(IDR bn)
Buy	1,584
Sell	2,358
Net Buy (Sell)	774

Top Buy	NB Val.	Top Sell	NS Val.
BBNI	30.5	BBRI	391.3
TLKM	17.8	BBCA	83.0
EXCL	7.2	BMRI	65.8
HMSP	6.8	JSMR	62.9
INDF	6.0	ASII	56.4

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.88%	-0.07%
USDIDR	14,865	-0.27%
KRWIDR	12.13	-0.25%

## Global Indices

Index	Last	Chg.	%
Dow Jones	23,247.97	(516.81)	-2.17%
S&P 500	2,820.00	(50.12)	-1.75%
FTSE 100	5,904.05	(90.72)	-1.51%
DAX	10,542.66	(276.84)	-2.56%
Nikkei	20,267.05	(99.43)	-0.49%
Hang Seng	24,180.30	(65.38)	-0.27%
Shanghai	2,898.05	6.49	0.23%
KOSPI	1,940.42	18.25	0.95%
EIDO	16.03	(0.08)	-0.50%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,716.3	13.6	0.80%
Crude Oil (USD/B)	25.29	(0.49)	-1.90%
ICE NewCastle (USD/ton)	55.10	0.95	1.75%
LME Nickel (USD/MT)	12,254	(70.0)	-0.57%
LME Tin (USD/MT)	15,170	(50.0)	-0.33%
CPO (MYR/ton)	2,032	38.0	1.91%

## Market Recap

JCI contracted further, held back by the basic industry and banking sectors. **JCI's Top Losers: Basic Ind. (-2.9%), Misc. Ind. (-1.4%), Trade (-1.0%)**

INNI Index, alike JCI, slightly dropped as its infrastructure stock, JSMR, posted two month revenue declines of 15% and 50% in March and April 2020.

## Daily Foreign & Domestic Sector Movement

JCI on Wednesday's trading session of May 13, 2020 gave up foreign capital of IDR744 billion, and the banking sector gave up the largest foreign capital of IDR502 billion. The banking sector is one of the hardest hit sector as loan re-structuring for debtors suffering from COVID-19 wreaking havoc cut revenue and profit. Besides, large-scale social restrictions (PSBB) and lockdown to temporarily stop commercial activities spur NPL.

## USD/IDR Highlight

USD/IDR is appreciated 0.27 percent to 14,865.

## Today's Outlook: MSCI Re-balances Its Index

The Dow Jones closed lower by 2.17% to 23,347 after Jerome Powell predicted the U.S. time-consuming economic recovery and unlimited fiscal stimuli. Morgan Stanley Capital International (MSCI) re-balances its index by diminishing six stocks (i.e., BBTN, PTBA, BSDE, JSMR, TKIM, and PWON).

## Company News

- TLKM : Telkomsel Posts Higher Traffic during Ramadan
- BBRI : Receives Club Loan of USD1 Billion
- INDF : Sets Targets and Strategies amid Pandemic
- WSKT : Secures 1Q20 New Contract of IDR3.16 Trillion

## Domestic & Global News

Government Unveils PEN of IDR34.15 Trillion for UMKM  
 COVID-19 Lockdowns Cut Euro Zone Industrial Production

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.50%	Real GDP	2.97%	4.97%
FX Reserve (USD bn)	127.88	120.97	Current Acc (USD bn)	(8.12)	(7.67)
Trd Balance (USD bn)	0.74	2.34	Govt. Spending Yoy	3.74%	0.48%
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	2.67%	2.96%	Cons. Confidence*	84.80	113.80

### **TLKM : Telkomsel Posts Higher Traffic during Ramadan**

Telkomsel as the subsidiary of PT Telekomunikasi Indonesia Tbk (TLKM) recorded hiking data service of 18.8% YoY during Ramadan. It optimizes its 436 Point of Interest (POI) quality and capacities in 329 residential areas to maintain quality. Telkomsel's 4G services have covered 95% areas in Indonesia and are quite adequate to provide services during Idul Fitri. (Kontan)

### **INDF : Sets Targets and Strategies amid Pandemic**

PT Indofood Sukses Makmur Tbk (INDF) targets to spur 2020's sales at 1%-9% by boosting sales of CPO and wheat by means of vertically-integrated business model. Indonesia's demographic bonuses underlines INDF's growth optimism. (Bisnis Indonesia)

### **BBRI : Receives Club Loan of USD1 Billion**

PT Bank Rakyat Indonesia Tbk (BBRI) has received 2020's club loan of USD1 billion from 10 Foreign Banks and will use the club loan to strengthen liability structure and boost net stable funding ratio. BBRI understands that the club loan proves foreign investors' interest in investing their capital in Indonesia. (Kontan)

### **WSKT : Secures 1Q20 New Contract of IDR3.16 Trillion**

PT Waskita Karya Tbk (WSKT) in 1Q20 secured new contract of IDR3.16 trillion equal to 7% of initial target in 2020. The new contract consists of 61% infrastructure projects, 21% building projects, and private projects, as it contributes to WSKT's total contracts of IDR54.4 trillion. (Investor Daily)

## Domestic & Global News

---

### **Government Unveils PEN of IDR34.15 Trillion for UMKM**

The Indonesian Government implements National Economic Recovery (Pemulihan Ekonomi Nasional, PEN) program to shield Indonesia's micro small and medium entrepreneurs (UMKM) hit hardest by COVID-19. PEN gives interest rate subsidy with fund allocated of IDR34.15 trillion and tax incentive of IDR28.06 trillion. (Kontan)

### **COVID-19 Lockdowns Cut Euro Zone Industrial Production**

Euro zone industrial production fell sharply in March 2020 caused by lockdowns hitting single currency activity on Wednesday (05/13/2020). Eurostat Union Statistics said industrial production in 19 countries fell by 11.3% month-on-month in March 2020: the sharpest drop since 1991. (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
<b>Finance</b>						(25.7)	1,714.3							
BBCA	25,550	33,425	32,000	Buy	25.2	(7.0)	629.9	22.1x	3.6x	17.5	2.2	13.7	10.5	1.1
BBRI	2,470	4,400	4,950	Buy	100.4	(39.0)	304.7	8.8x	1.5x	17.7	6.8	11.1	6.3	1.2
<b>Consumer</b>						(25.0)	1,046.8							
GGRM	45,725	53,000	61,800	Buy	35.2	(43.9)	88.0	8.1x	1.7x	22.7	5.7	15.5	39.6	1.0
KINO	2,600	3,430	4,680	Buy	80.0	1.6	3.7	13.7x	1.4x	10.5	1.9	11.1	(81.3)	0.9
ICBP	9,650	11,150	12,875	Buy	33.4	-	112.5	22.3x	4.4x	21.5	1.4	10.1	10.2	0.8
KLBF	1,400	1,620	1,430	Hold	2.1	0.7	65.6	25.4x	4.0x	16.3	1.9	8.0	12.5	1.1
<b>Infrastructure</b>						(23.9)	598.20							
TLKM	3,160	3,970	4,700	Buy	48.7	(14.8)	313.0	15.5x	3.1x	21.3	5.2	3.5	15.6	1.0
JSMR	3,430	5,175	6,000	Buy	74.9	(37.1)	24.9	11.3x	1.3x	12.4	1.3	(28.7)	0.2	1.4
<b>Trade</b>						(26.9)	532.8							
UNTR	15,275	21,525	20,000	Buy	30.9	(40.2)	57.0	5.7x	0.9x	16.9	8.1	(19.0)	(40.2)	0.8
MAPI	710	1,055	1,300	Buy	83.1	(21.5)	11.8	12.7x	1.9x	16.1	1.4	14.0	27.3	1.2
<b>Property</b>						(29.9)	288.6							
CTRA	496	1,040	1,550	Buy	212.5	(51.1)	9.2	8.0x	0.6x	7.8	2.0	(0.8)	(2.6)	1.3
WSKT	585	1,485	2,600	Buy	344.4	(68.2)	7.9	8.5x	0.4x	5.2	12.5	(35.7)	(76.3)	1.8
WIKA	950	1,990	2,500	Buy	163.2	(53.4)	8.5	3.7x	0.5x	14.6	4.1	(12.7)	32.0	1.7
<b>Basic Ind.</b>						(6.7)	538.5							
SMGR	8,225	12,000	14,300	Buy	73.9	(23.0)	48.8	20.4x	1.5x	7.5	2.5	31.5	(22.4)	1.4
<b>Misc Ind.</b>						(41.5)	218.4							
ASII	3,730	6,925	8,600	Buy	130.6	(46.7)	151.0	7.1x	1.0x	14.4	5.7	(9.4)	(7.8)	1.3
<b>Mining</b>						(24.3)	286.6							
TINS	486	825	800	Buy	64.6	(56.2)	3.6	N/A	0.7x	(10.7)	5.1	75.2	N/A	1.5
PTBA	1,905	2,660	2,300	Buy	20.7	(37.5)	21.9	5.5x	1.1x	20.6	17.8	(4.0)	(25.0)	1.1
INCO	2,970	3,640	4,200	Buy	41.4	10.4	29.5	18.7x	1.0x	5.6	N/A	38.1	N/A	1.7
ANTM	535	840	1,100	Buy	105.6	(24.6)	12.9	66.4x	0.7x	1.1	2.4	29.4	(88.1)	1.6
<b>Agriculture</b>						(29.4)	61.1							
AALI	6,250	14,575	15,600	Buy	149.6	(38.1)	12.0	22.1x	0.6x	2.9	3.6	13.3	891.7	1.3

\* Target Price for December 2020

Source: Bloomberg, NHKSI Research

## INNI Summary

### INNI Index Movement

YTD Change	-31.4%
YTD Change Gap (vs JCI)	-3.9%
Weekly Change	2.3%
Weekly Change Gap (vs JCI)	4.0%

### 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
<b>Tuesday</b>	CH	08:30	PPI YoY	Apr	-3.1%	-2.6%	-1.5%
<i>12 - May</i>	CH	08.30	CPI YoY	Apr	3.3%	3.7%	4.3%
	US	19.30	CPI MoM	Apr	-0.8%	-0.8%	-0.4%
<b>Wednesday</b>	UK	13.00	Industrial Production MoM	Mar	-4.2%	-5.5%	0.1%
<i>13 - May</i>	UK	13.00	Manufacturing Production MoM	Mar	-4.6%	-6.0%	0.5%
	UK	13.00	GDP QoQ	1Q20	-2.0%	-2.6%	0.0%
	UK	13.00	GDP YoY	1Q20	-1.6%	-2.2%	1.1%
	US	18.00	MBA Mortgage Applications	May	0.3%	-	0.1%
	US	19.30	PPI Final Demand MoM	Apr	-1.3%	-0.5%	-0.2%
<b>Thursday</b>	GE	13.00	CPI MoM	Apr		0.30%	0.30%
<i>14 - May</i>	GE	13.00	CPI YoY	Apr		0.80%	0.80%
	US	19.30	Initial Jobless Claims	May		-	3169k
<b>Friday</b>	CH	09.00	Industrial Production YoY	Apr		1.50%	-1.10%
<i>15 - May</i>	CH	09.00	Retail Sales YoY	Apr		-5.90%	-15.80%
	GE	13.00	GDP SA QoQ	1Q20		-2.30%	0.00%
	EC	16.00	GDP SA QoQ	1Q20		-3.80%	-3.80%
	EC	16.00	GDP SA YoY	1Q20		-3.30%	-3.30%
	US	19.30	Retail Sales Advance MoM	Apr		-11.70%	-8.70%
	US	19.30	Empire Manufacturing	May		-60	-78.2
	US	20.15	Industrial Production MoM	Apr		-12.00%	-5.40%
	US	21.00	U. of Mich. Sentiment	May		68	71.8

Source: Bloomberg

### DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



## PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

**Head Office :**

District 8 Treasury Tower 51<sup>st</sup>  
Fl. Unit A, SCBD Lot.28  
Jl. Jendral Sudirman Kav. 52-53  
Jakarta Selatan 12190  
Telp : +62 21 50889100  
Fax : +62 21 50889101

**Branch Office BSD:**

ITC BSD Blok R No.48  
Jl. Pahlawan Seribu Serpong  
Tangerang Selatan 15322  
Indonesia  
Telp : +62 21 5316 2049  
Fax : +62 21 5316 1687

**Branch Office Medan :**

Jl. Timor No 147  
Medan, Sumatera Utara  
20234  
Indonesia  
Telp : +62 614 156500  
Fax : +62 614 568560

### A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |  
Jakarta