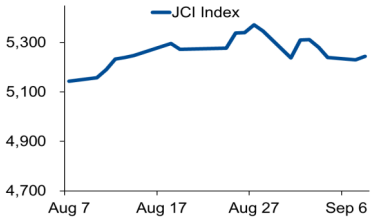
Morning Brief

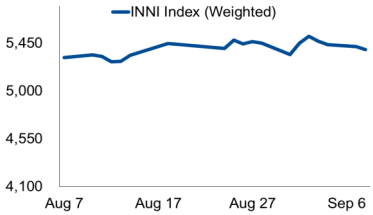
NH KORINDO SEKURITAS

Daily | 09 September, 2020

JCI Movement



INNI Movement



Today's Outlook:

Wall Street's Decline Continues

Wall Street stock fell at the end of the trading session (08/09/2020) continuing the weakening that occurred last week. The valuation of technology stocks is considered too high, causing investors to start taking profits. In addition, global market attention has also returned to the possibility of a no-deal Brexit scenario.

The fall in global markets and the continuing decline in world oil prices caused the JCI to receive a lot of negative sentiment. Today's movement is expected to be struggling to continue yesterday's rally.

Company News

BMRI : Targets Distribution of IDR 400 Billion PEN Funds
EXCL : Synergizes with OTT Service Providers
LINK : Extends Power Pole Utilization Contract

Domestic & Global News

August 2020 Consumer Confidence Index (IKK) Raised to 86.9
South African Economy Contracts 51% QoQ in Q2

Sectors

	Last	Chg.	%
Property, Real Estate, and Construction	301.16	5.58	1.89%
Miscellaneous Industry	915.04	12.45	1.38%
Finance	1,184.07	7.81	0.66%
Basic Industries	746.78	3.37	0.45%
Trade, Services, and Investment	635.58	0.03	0.01%
Consumer Goods	1,951.41	3.40	-0.17%
Mining	1,414.09	7.25	-0.51%
Agriculture	1,216.29	6.34	-0.52%
Infrastructure, Utilities, and Transportation	846.62	9.24	-1.08%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.25%	Real GDP	-5.32%	2.97%
FX Reserve (USD bn)	137.00	135.10	Current Acc (USD bn)	(2.90)	(8.08)
Trd Balance (USD bn)	3.26	1.27	Govt. Spending Yoy	-6.90%	3.75%
Exports Yoy	-9.90%	2.28%	FDI (USD bn)	4.07	4.60
Imports Yoy	-32.55%	-6.36%	Business Confidence	104.82	105.33
Inflation Yoy	1.32%	1.54%	Cons. Confidence*	86.90	86.20

JCI Index

Sept. 8	5,244.07
Chg.	+13.87pts (+0.27%)
Volume (bn shares)	130.53
Value (IDR tn)	6.28

Adv 187 Dec 223 Unc 304 Untr 126

Most Active Stocks (IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBRI	287.9	BOGA	165.9
BBCA	250.9	INKP	140.1
PGAS	243.8	ADRO	131.1
TLKM	229.7	BBNI	118.7
BMRI	179.5	ASII	115.4

Foreign Transaction (IDR bn)

Buy	1,328
Sell	1,615
Net Buy (Sell)	286

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	43.4	TLKM	128.2
MEDC	8.9	BBCA	57.8
UNTR	7.2	BBRI	55.4
TOWR	7.2	BUMI	40.2
INDF	6.5	ASII	27.0

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.87%	-0.03%
USDIDR	14,765	0.17%
KRWIDR	12.44	0.28%

Global Indices

Index	Last	Chg.	%
Dow Jones	27,500.89	(632.42)	-2.25%
S&P 500	3,331.84	(95.12)	-2.78%
FTSE 100	5,930.30	(7.10)	-0.12%
DAX	12,968.33	(131.95)	-1.01%
Nikkei	23,274.13	184.18	0.80%
Hang Seng	24,624.34	34.69	0.14%
Shanghai	3,316.42	23.83	0.72%
KOSPI	2,401.91	17.69	0.74%
EIDO	19.17	(0.21)	-1.08%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,932.0	(1.6)	-0.08%
Crude Oil (USD/B)	36.76	(3.01)	-7.57%
ICE NewCastle (USD/ton)	50.80	0.90	1.80%
LME Nickel (USD/MT)	14,888	(298.0)	-1.96%
LME Tin (USD/MT)	18,046	(284.0)	-1.55%
CPO (MYR/ton)	2,871	67.0	2.39%

Company News

BMRI : Targets Distribution of IDR 400 Billion PEN Funds

PT Bank Mandiri Tbk (BMRI) has set a target to channel PEN funds of IDR 400 billion through Fintech with a channeling scheme. The goal is for PEN funds to widely reach MSMEs in Indonesia. Currently BMRI has collaborated with Investree, Koinworks, Akseleran, Amartha, and Crowde. For the record, the PEN funds obtained by BMRI this year is IDR10 trillion and has been channeled through loans to reach IDR30 trillion. (Kontan)

LINK : Extends Power Pole Utilization Contract

PT Link Net Tbk (LINK) has just extended the right to use electric poles through an agreement with the state electricity pole manager, ICON +. Utilization of the electricity poles is extended to 2021, so LINK will continue to place its broadband cables as agreed. Meanwhile, LINK will continue to make efforts to migrate via broadband cable to its own infrastructure. (Kontan)

EXCL : Synergizes with OTT Service Providers

PT XL Axiata Tbk (EXCL) is adding collaboration with OTT service providers such as Netflix, Vidio, Genflix, Viu, Youtube, and many more. The company aims to expand the customer network that can access broadband services from EXCL, the XL Home. So far, EXCL and OTT service providers have managed revenue through mutually beneficial revenue sharing and bundling schemes. (Kontan)

Domestic & Global News

August 2020 Consumer Confidence Index (IKK) Raised to 86.9

Bank Indonesia reports that consumer confidence has improved again in August 2020. Based on a BI consumer survey, this can be seen from the Consumer Confidence Index (IKK) last month which was at the level of 86.9, or slightly up from the IKK in July 2020 which was 86.2. The improvement in consumer confidence was driven by consumer perceptions of current economic conditions. This is reflected in the Current Economic Index (IKE) of 55.6. Although it is still quite low and still under the pessimistic zone, this has increased from the previous month which amounted to 50.7. (Kontan)

South African Economy Contracts 51% QoQ in Q2

South Africa's gross domestic product (GDP) contracted by 51.0% quarter on quarter in the second quarter of 2020, the fourth contraction in a row, data from the statistics agency showed on Tuesday. GDP shrank 17.1% year on year in the three months to the end of June, reflecting the impact of the country's tough lockdown to contain the coronavirus. (Reuters)

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* (%)	Adj. Beta
Finance						(5.2)	2,257.8							
BBCA	31,675	33,425	30,100	Hold	(5.0)	5.0	780.9	27.9x	4.6x	17.0	1.8	6.6	(5.0)	1.1
BBRI	3,520	4,400	3,010	Hold	(14.5)	(15.6)	434.2	15.2x	2.3x	15.2	4.8	(2.1)	(37.2)	1.3
Consumer						(18.0)	1,119.5							
GGRM	46,550	53,000	59,600	Buy	28.0	(32.2)	89.6	8.6x	1.6x	21.0	N/A	1.7	(10.7)	0.9
KINO	3,060	3,430	2,950	Hold	(3.6)	(6.7)	4.4	16.0x	1.7x	10.7	3.5	(1.3)	(67.6)	0.9
ICBP	10,325	11,150	9,850	Hold	(4.6)	(12.9)	120.4	20.6x	4.2x	22.7	2.1	4.1	31.2	0.8
KLBF	1,580	1,620	1,870	Buy	18.4	(5.7)	74.1	28.1x	4.5x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(29.7)	592.89							
TLKM	2,860	3,917	3,800	Buy	32.9	(32.1)	283.3	15.3x	3.0x	19.6	5.4	(3.6)	(0.8)	1.0
JSMR	3,660	5,175	4,550	Buy	24.3	(32.2)	26.6	21.2x	1.4x	6.9	0.4	(51.0)	(90.0)	1.3
EXCL	2,240	3,150	3,350	Buy	49.6	(31.7)	24.0	11.0x	1.2x	11.1	0.9	6.7	526.9	1.1
TOWR	1,050	805	1,140	Hold	8.6	53.3	53.6	19.9x	5.7x	31.1	2.3	21.7	30.0	1.0
PGAS	1,180	2,170	1,400	Buy	18.6	(39.9)	28.6	95.6x	0.8x	0.8	3.5	(17.9)	(85.0)	1.6
TBIG	1,240	1,230	1,400	Hold	12.9	(3.1)	28.1	27.3x	4.7x	21.9	2.3	13.2	33.8	1.0
Trade						(22.8)	566.2							
UNTR	23,150	21,525	19,000	Sell	(17.9)	(0.6)	86.4	8.8x	1.5x	17.3	5.2	(23.4)	(28.3)	0.9
MAPI	660	1,055	870	Buy	31.8	(36.8)	11.0	415.8x	2.0x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,715	1,795	2,000	Buy	16.6	11.7	5.5	18.3x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(38.1)	286.6							
CTRA	725	1,040	810	Hold	11.7	(31.3)	13.5	12.9x	0.9x	7.0	1.1	(10.8)	(43.8)	1.5
WSKT	630	1,485	820	Buy	30.2	(63.5)	8.6	N/A	0.6x	(7.0)	0.5	(45.7)	N/A	1.8
WIKA	1,225	1,990	1,410	Buy	15.1	(40.2)	11.0	6.7x	0.8x	11.3	4.2	(37.2)	(71.9)	1.8
PTPP	935	1,585	1,250	Buy	33.7	(47.9)	5.8	10.0x	0.5x	4.9	3.6	(36.6)	(94.5)	1.8
PWON	402	570	545	Buy	35.6	(36.7)	19.4	10.5x	1.4x	13.2	N/A	(43.7)	(64.7)	1.5
Basic Ind.						(18.3)	600.4							
SMGR	10,200	12,000	11,500	Hold	12.7	(24.0)	60.5	24.0x	1.8x	8.0	0.4	(2.0)	25.6	1.3
Misc Ind.						(22.6)	278.9							
ASII	5,125	6,925	5,350	Hold	4.4	(22.9)	207.5	8.9x	1.4x	15.9	4.2	(22.7)	16.1	1.3
Mining						(17.8)	326.7							
TINS	835	825	750	Hold	(10.2)	(32.1)	6.2	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.5
PTBA	2,080	2,660	2,900	Buy	39.4	(23.0)	24.0	6.0x	1.2x	20.6	15.7	(4.0)	(25.0)	1.1
INCO	3,880	3,640	3,500	Hold	(9.8)	1.8	38.6	19.1x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	825	840	850	Hold	3.0	(26.3)	19.8	N/A	1.1x	(0.5)	0.3	(36.0)	(80.2)	1.5
Agriculture						(9.5)	77.9							
AALI	11,200	14,575	14,200	Buy	26.8	8.2	21.6	38.5x	1.1x	3.0	0.4	6.5	796.6	1.5
LSIP	1,005	1,485	1,200	Buy	19.4	(13.7)	6.9	20.4x	0.8x	4.0	1.5	(1.9)	550.0	1.6

*** Target Price**

Source: Bloomberg, NHKSI Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	10:00	Foreign Reserves	Aug	$137.0b	--	$135.10b
07 - Sep	GE	13:00	Industrial Production SA MoM	Jul	1.2%	4.5%	8.9%
Tuesday	ID	10:05	Consumer Confidence Index	Aug	86.9	--	86.2
08 - Sep	EC	16:00	GDP SA QoQ	2Q20	-11.8%	-12.1%	-12.1%
	EC	16:00	GDP SA YoY	2Q20	-14.7%	-15.0%	-15.0%
Wednesday	CH	08:30	PPI YoY	Aug		-1.9%	-2.4%
09 - Sep	CH	08:30	CPI YoY	Aug		2.4%	2.7%
	US	16:00	MBA Mortgage Applications	Sep		--	-2.0%
Thursday	EC	18:45	ECB Main Refinancing Rate	Sep		0.0%	0.0%
10 - Sep	EC	18:45	ECB Deposit Facility Rate	Sep		-0.5%	-0.5%
	US	19:30	PPI Final Demand MoM	Aug		0.2%	0.6%
Friday	UK	13:00	Industrial Production MoM	Jul		4.2%	9.3%
11 - Sep	UK	13:00	Manufacturing Production MoM	Jul		--	11.0%
	GE	13:00	CPI YoY	Aug		0.0%	0.0%
	US	19:30	CPI MoM	Aug		0.3%	0.6%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	XISC, XIIT, TEBE, GEMA, DPNS
07 - Sep	RUPS	INCO
	IPO	SCNP, KMDS, BBSI
Tuesday	IPO	SOHO, PURI
08 - Sep	Right Issue	MEDC
Wednesday	RUPS	POLY
09 - Sep		
Thursday	IPO	ROCK, HOMI
10 - Sep	RUPS	LMAS, JAYA

Source: RTI Analytics

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