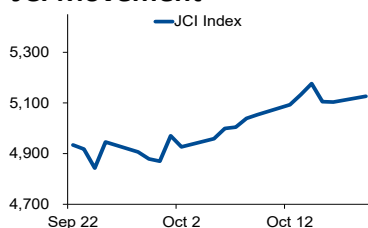
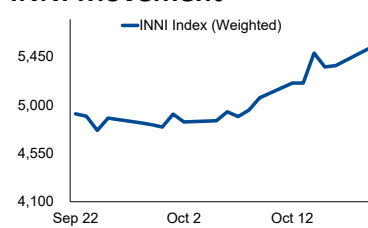


# Morning Brief

## JCI Movement



## INNI Movement



## Today's Outlook:

### Lack of New Sentiment

The major US markets simultaneously fell significantly at the close of trading (19/10/2020). Investors responded negatively to the fact that an agreement between Congress and the White House on the amount of the fiscal stimulus package had yet to be reached.

Domestically, after being able to strengthen yesterday after the announcement of China's GDP, there is no new sentiment for the JCI today. Market participants will still be waiting for the release of the Q3/2020 financial reports. Technically, JCI is expected to be in a consolidation phase in the range 5,081 - 5,191.

## Company News

- BMRI : Disburses PEN Fund for Pelindo Suppliers
- WSKT : Seeks Fund Injection for Toll Project
- TLKM : Telkomsel Expands 4G Network
- JSMR : Aims for IDR268 Billion in Non-Toll Revenues

## Domestic & Global News

- Imports of Consumer Goods Decreases
- China's Third-Quarter GDP Grows 4.9% YoY

## Sectors

	Last	Chg.	%
Mining	1442,33	20,28	1,43%
Finance	1137,51	12,10	1,07%
Miscellaneous Industry	897,89	7,51	0,84%
Property, Real Estate, and Construction	321,30	2,59	0,81%
Trade, Services, and Investment	636,47	1,98	0,31%
Basic Industries	752,93	1,31	0,17%
Consumer Goods	1850,01	-8,66	-0,47%
Infrastructure, Utilities, Transportation	827,21	-4,17	-0,50%
Agriculture	1166,38	-9,33	-0,79%

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.00%	Real GDP	-5.32%	2.97%
FX Reserve (USD bn)	135.15	137.00	Current Acc (USD bn)	(2.90)	(8.08)
Trd Balance (USD bn)	2.44	2.33	Govt. Spending Yoy	-6.90%	3.75%
Exports Yoy	-0.51%	-8.36%	FDI (USD bn)	4.07	4.60
Imports Yoy	-18.88%	-24.19%	Business Confidence	104.82	105.33
Inflation Yoy	1.42%	1.32%	Cons. Confidence*	83.40	86.20

## JCI Index

Oct. 19	5,126.33
Chg.	+22.91pts (+0.45%)
Volume (bn shares)	128.76
Value (IDR tn)	8.58
Adv 212 Dec 201 Unc 304 Untr 123	

## Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
ANTM	1,168.8	ASII	189.0
BRIS	588.1	BBNI	177.8
TLKM	514.7	BOGA	170.7
BBCA	330.3	BMRI	166.4
BBRI	314.0	BSDE	154.7

## Foreign Transaction

(IDR bn)			
Buy			
			1,414
Sell			
			1,809
Net Buy (Sell)			
			394
Top Buy	NB Val.	Top Sell	NS Val.
BMRI	63.7	TLKM	284.7
CTRA	48.4	BBRI	70.7
ASII	44.0	TOWR	58.6
PWON	26.3	BBNI	42.0
BBCA	24.1	BRIS	24.0

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.66%	-0.08%
USDIDR	14,708	0.07%
KRWIDR	12.88	0.35%

## Global Indices

Index	Last	Chg.	%
Dow Jones	28,195.42	(410.89)	-1.44%
S&P 500	3,426.92	(56.89)	-1.63%
FTSE 100	5,884.65	(34.93)	-0.59%
DAX	12,854.66	(54.33)	-0.42%
Nikkei	23,671.13	260.50	1.11%
Hang Seng	24,542.26	155.47	0.64%
Shanghai	3,312.67	(23.69)	-0.71%
KOSPI	2,346.74	5.21	0.22%
EIDO	18.42	0.06	0.33%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,904.1	4.8	0.25%
Crude Oil (USD/B)	40.83	(0.05)	-0.12%
ICE NewCastle (USD/ton)	57.30	1.00	1.78%
LME Nickel (USD/MT)	15,684	32.0	0.20%
LME Tin (USD/MT)	18,640	320.0	1.75%
CPO (MYR/ton)	2,776	(94.0)	-3.28%

### **BMRI : Disburses PEN Fund for Pelindo Suppliers**

PT Bank Mandiri Tbk (BMRI) distributed PEN funds of IDR350 billion to Pelindo IV suppliers, which were allocated for operational costs. Apart from these funds, BMRI has also prepared to provide transactional services that can increase efficiency. Until October 2020, BMRI has distributed PEN program loans to MSMEs in Indonesia amounting to IDR13.2 trillion. (Investor Daily)

### **TLKM : Telkomsel Expands 4G Network**

PT Telekomunikasi Indonesia Tbk (TLKM) through its subsidiary, Telkomsel, is focusing on expanding 4G services in four areas. The expansion areas are Area 1 (Sumatra), Area 2 (Banten, DKI Jakarta, West Java), Area 3 (Central Java, DIY, East Java, Bali, NTT, NTB), and Area 4 (Papua, Maluku, Sulawesi, Kalimantan). Telkomsel's effort is to build Compact Mobile BTS infrastructure. (Bisnis Indonesia)

### **WSKT : Seeks Fund Injection for Toll Project**

PT Waskita Karya Tbk (WSKT) through its subsidiary, Waskita Toll Road (WTR), is seeking for funds to work on Phase II of the Kayu Agung-Palembang-Betung toll road project. Currently, the investment value for the project is IDR22 trillion and WTR is in seeking third party funds. The toll road project uses a turn key project scheme with a length of 111.6 km. (Bisnis Indonesia)

### **JSMR : Aims for IDR268 Billion in Non-Toll Revenues**

PT Jasa Marga Tbk (JSMR) targets that by the end of the year, the non-toll revenue segment can reach IDR268 billion. Currently there are four JSMR non-toll businesses, the Toll Corridor Development (TCD), advertising and utility development, rest area development and building management, and real estate development. Two subsidiaries are working on this segment, the Jasa Marga Related Business and Jasa Marga Properti. (Kontan)

## Domestic & Global News

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### **Imports of Consumer Goods Decreases**

Consumer goods imports in September 2020 experienced a decline. The Central Statistics Agency (BPS) noted that the import value for consumer goods imports in September was USD1.12 billion, or decreased by 6.12% month to month (mom). Compared to September 2019, consumer goods imports during this year were recorded to have decreased by 20.38% yoy. (Kontan)

### **China's Third-Quarter GDP Grows 4.9% YoY**

China's economic recovery disappointed in the third-quarter, growing 4.9% from a year earlier and missing analyst expectations, data from the National Bureau of Statistics showed on Monday. The growth was slower than the 5.2% forecast by analysts in a Reuters poll, and followed 3.2% growth in the second quarter. The economy grew 0.7% in the first nine months from a year earlier, the data showed. (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
<b>Finance</b>						(9.8)	2,166.0							
BBCA	29,500	33,425	34,000	Buy	15.3	(4.2)	727.3	26.0x	4.3x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,280	4,400	4,000	Buy	22.0	(21.3)	404.6	14.1x	2.2x	15.2	5.1	(2.1)	(37.2)	1.3
BBNI	4,890	7,850	6,000	Buy	22.7	(34.6)	91.2	7.5x	0.8x	10.9	4.2	(1.5)	(41.6)	1.5
BMRI	5,700	7,675	7,000	Buy	22.8	(15.9)	266.0	11.0x	1.5x	13.3	6.2	4.1	(23.9)	1.4
<b>Consumer</b>						(12.0)	1,064.2							
GGRM	43,075	53,000	59,600	Buy	38.4	(17.2)	82.9	8.0x	1.5x	21.0	N/A	1.7	(10.7)	1.0
KINO	3,080	3,430	2,950	Hold	(4.2)	(21.6)	4.4	16.1x	1.7x	10.7	3.5	(1.3)	(67.6)	0.9
ICBP	9,825	11,150	12,150	Buy	23.7	(12.9)	114.6	19.6x	4.0x	22.7	2.2	4.1	31.2	0.8
KLBF	1,570	1,620	1,870	Buy	19.1	(3.4)	73.6	27.9x	4.5x	17.0	1.3	3.8	10.3	1.0
<b>Infrastructure</b>						(31.6)	582.14							
TLKM	2,710	3,917	3,800	Buy	40.2	(34.4)	268.5	14.5x	2.8x	19.6	5.7	(3.6)	(0.8)	1.0
JSMR	3,690	5,175	4,550	Buy	23.3	(33.8)	26.8	21.4x	1.4x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,130	3,150	3,350	Buy	57.3	(39.8)	22.8	10.5x	1.1x	11.1	0.9	6.7	526.9	1.1
TOWR	1,005	805	1,310	Buy	30.3	50.0	51.3	19.1x	5.5x	31.1	2.4	21.7	30.0	0.9
PGAS	1,065	2,170	1,400	Buy	31.5	(53.1)	25.8	86.7x	0.7x	0.8	3.9	(17.9)	(85.0)	1.6
TBIG	1,450	1,230	1,400	Hold	(3.4)	13.3	32.9	31.9x	5.5x	21.9	1.9	13.2	33.8	1.0
<b>Trade</b>						(21.4)	567.3							
UNTR	22,050	21,525	19,000	Hold	(13.8)	5.8	82.2	8.4x	1.4x	17.3	4.4	(23.4)	(28.3)	0.9
MAPI	640	1,055	870	Buy	35.9	(42.3)	10.6	403.2x	1.9x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,680	1,795	2,000	Buy	19.0	(10.6)	5.4	17.9x	1.1x	6.3	N/A	(6.3)	5.9	1.5
<b>Property</b>						(36.8)	308.9							
CTRA	805	1,040	780	Hold	(3.1)	(28.4)	14.9	14.4x	1.0x	7.0	1.0	(10.8)	(43.8)	1.4
WSKT	730	1,485	820	Hold	12.3	(55.1)	9.9	N/A	0.7x	(7.0)	0.5	(45.7)	N/A	1.9
WIKA	1,250	1,990	1,410	Hold	12.8	(37.5)	11.2	6.8x	0.8x	11.3	4.1	(37.2)	(71.9)	1.8
PTPP	925	1,585	1,250	Buy	35.1	(47.1)	5.7	9.9x	0.5x	4.9	3.7	(36.6)	(94.5)	1.8
PWON	406	570	440	Hold	8.4	(33.4)	19.6	10.6x	1.4x	13.2	N/A	(43.7)	(64.7)	1.6
<b>Basic Ind.</b>						(17.3)	605.3							
SMGR	9,175	12,000	11,500	Buy	25.3	(26.6)	54.4	21.6x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	6,025	6,500	6,660	Hold	10.5	(2.8)	98.8	27.8x	4.3x	17.0	1.3	(6.7)	(3.8)	1.5
<b>Misc Ind.</b>						(25.0)	273.6							
ASII	5,000	6,925	5,575	Hold	11.5	(25.4)	202.4	8.7x	1.3x	15.9	3.7	(22.7)	16.1	1.3
<b>Mining</b>						(9.2)	335.0							
TINS	860	825	1,200	Buy	39.5	(7.5)	6.4	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	2,050	2,660	2,900	Buy	41.5	(12.8)	23.6	6.8x	1.5x	21.0	15.9	(15.1)	(38.5)	1.1
INCO	4,120	3,640	4,500	Hold	9.2	18.4	40.9	20.4x	1.4x	7.1	N/A	23.3	N/A	1.6
ANTM	1,055	840	1,100	Hold	4.3	12.8	25.4	N/A	1.4x	(0.5)	0.3	(36.0)	(80.2)	1.6
ITMG	8,450	11,475	12,000	Buy	42.0	(31.0)	9.5	7.1x	0.7x	10.1	15.1	(26.9)	(50.0)	1.2
ADRO	1,220	1,555	1,700	Buy	39.3	(6.9)	39.0	10.1x	0.7x	7.0	9.0	(23.2)	(47.7)	1.4
MEDC	386	732	931	Buy	141.2	(29.9)	9.7	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
<b>Agriculture</b>						(12.0)	74.7							
AALI	10,875	14,575	14,200	Buy	30.6	7.1	20.9	37.4x	1.1x	3.0	0.8	6.5	796.6	1.5
LSIP	930	1,485	1,200	Buy	29.0	(22.2)	6.3	18.9x	0.7x	4.0	1.6	(1.9)	550.0	1.6

\* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	CH	09:00	GDP YoY	3Q20	4.9%	5.5%	3.2%
<i>19 - Oct</i>	CH	09:00	Industrial Production YoY	Sep	6.9%	5.8%	5.6%
	CH	09:00	Retail Sales YoY	Sep	3.3%	1.7%	0.5%
<b>Tuesday</b>	US	19:30	Housing Starts	Sep		1452k	1416k
<i>20 - Oct</i>							
<b>Wednesday</b>	UK	13:00	CPI MoM	Sep		0.5%	-0.4%
<i>21 - Oct</i>	UK	13:00	CPI YoY	Sep		0.6%	0.2%
	UK	13:00	CPI Core YoY	Sep		1.3%	0.9%
	UK	13:00	PPI Output NSA MoM	Sep		0.0%	0.0%
	UK	13:00	PPI Output NSA YoY	Sep		-0.9%	-0.9%
	US	18:00	MBA Mortgage Applications	Oct		--	-0.7%
<b>Thursday</b>	US	19:30	Initial Jobless Claims	Oct		865k	898k
<i>22 - Oct</i>							
<b>Friday</b>	GE	14:30	Markit Germany Manufacturing PMI	Oct		54	56.4
<i>23 - Oct</i>	EC	15:00	Markit Eurozone Manufacturing PMI	Oct		53.0	53.7
	UK	15:30	Markit UK PMI Manufacturing SA	Oct		53.1	54.1
	US	20:45	Markit US Manufacturing PMI	Oct		53.4	53.2

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday</b>	RUPS	BRAM
<i>19 - Oct</i>		
<b>Tuesday</b>	RUPS	DVLA, MBAP
<i>20 - Oct</i>		
<b>Wednesday</b>	RUPS	PALM, BSSR, BMRI
<i>21 - Oct</i>		
<b>Thursday</b>	Right Issue	DNAR
<i>22 - Oct</i>	RUPS	GREN
<b>Friday</b>	RUPS	CLEO, DIGI
<i>23 - Oct</i>		

Source: NHKSI Research

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