

Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Covid-19 Vaccine Distribution Permit

Wall Street closed sideways on trading (02/12/2020) with the Dow Jones and S&P going up, and Nasdaq slightly declining. Investors received a good news from the legislative leadership which signals the possibility of a new stimulus agreement achieved in the next few days.

Meanwhile, JCI continued to rise supported by the Moderna and Pfizer vaccines which is said to soon receive an emergency distribution permit in Europe. Furthermore, JCI may test the next resistance level at 5,870 with the support level at 5,735.

Company News

- TOYS : Records IDR9.9 bn in Net Profit Until 9M20
- TBIG : Issues Its Third Bond in 2020 Worth IDR750 Billion
- ADHI : Acquires New Contracts Worth IDR17.3 Tn up to November 2020
- PPRE : Records IDR2.3 Trillion New Contracts Until November 2020

Domestic & Global News

- Sri Mulyani Pursues Foreign Digital Company Income Tax
- Biden won't Immediately Remove Trump's Tariffs on China

Sectors

| | Last | Chg. | % |
|---|---------|-------|-------|
| Mining | 1724,32 | 44,61 | 2,66% |
| Miscellaneous Industry | 1021,86 | 26,16 | 2,63% |
| Infrastructure, Utilities, Transportation | 969,57 | 20,16 | 2,12% |
| Property, Real Estate, and Construction | 385,17 | 7,99 | 2,12% |
| Trade, Services, and Investment | 704,86 | 12,37 | 1,79% |
| Basic Industries | 905,44 | 14,75 | 1,66% |
| Consumer Goods | 1888,57 | 30,43 | 1,64% |
| Finance | 1306,63 | 11,86 | 0,92% |
| Agriculture | 1331,39 | 5,18 | 0,39% |

Indonesia Macroeconomic Data

| Monthly Indicators | Last | Prev. | Quarterly Indicators | Last | Prev. |
|------------------------|---------|---------|----------------------|--------|--------|
| BI 7 Day Rev Repo Rate | 3.75% | 4.00% | Real GDP | -3.49% | -5.32% |
| FX Reserve (USD bn) | 133.66 | 135.15 | Current Acc (USD bn) | 0.96 | (2.94) |
| Trd Balance (USD bn) | 3.61 | 2.44 | Govt. Spending Yoy | 9.76% | -6.90% |
| Exports Yoy | -3.29% | -0.51% | FDI (USD bn) | 3.92 | 4.56 |
| Imports Yoy | -26.93% | -18.88% | Business Confidence | 104.82 | 105.33 |
| Inflation Yoy | 1.59% | 1.44% | Cons. Confidence* | 79.00 | 83.40 |

JCI Index

| | |
|--|--------------------|
| Dec. 02 | 5,813.98 |
| Chg. | +89.24pts (+1.56%) |
| Volume (bn shares) | 241.30 |
| Value (IDR tn) | 16.39 |
| Adv 290 Dec 183 Unc 244 Untr 87 | |

Most Active Stocks

| (IDR bn) | | | |
|----------|-------|--------|-------|
| by Value | | | |
| Stocks | Val. | Stocks | Val. |
| ANTM | 989.9 | HMSP | 561.5 |
| BBKP | 713.7 | ASII | 535.5 |
| TLKM | 617.6 | BMRI | 376.5 |
| BBCA | 603.5 | PGAS | 346.9 |
| BBRI | 584.3 | UNTR | 342.6 |

Foreign Transaction

| (IDR bn) | | | |
|----------------|---------|----------|---------|
| Buy | | Sell | |
| Buy | | 3,596 | |
| Sell | | 3,715 | |
| Net Buy (Sell) | | 155 | |
| Top Buy | NB Val. | Top Sell | NS Val. |
| ANTM | 148.0 | HMSP | 121.0 |
| BBCA | 69.0 | UNVR | 58.6 |
| TOWR | 65.9 | EXCL | 55.7 |
| ASII | 47.9 | INTP | 44.4 |
| UNTR | 46.9 | BMRI | 34.4 |

Government Bond Yields & FX

| | Last | Chg. |
|----------------|--------|--------|
| Tenor: 10 year | 6.18% | 0.01% |
| USDIDR | 14,125 | -0.04% |
| KRWIDR | 12.83 | 0.51% |

Global Indices

| Index | Last | Chg. | % |
|-----------|-----------|---------|--------|
| Dow Jones | 29,883.79 | 59.87 | 0.20% |
| S&P 500 | 3,669.01 | 6.56 | 0.18% |
| FTSE 100 | 6,463.39 | 78.66 | 1.23% |
| DAX | 13,313.24 | (69.06) | -0.52% |
| Nikkei | 26,800.98 | 13.44 | 0.05% |
| Hang Seng | 26,532.58 | (35.10) | -0.13% |
| Shanghai | 3,449.38 | (2.56) | -0.07% |
| KOSPI | 2,675.90 | 41.65 | 1.58% |
| EIDO | 22.75 | 0.25 | 1.11% |

Commodities

| Commodity | Last | Chg. | % |
|-------------------------|---------|---------|--------|
| Gold (USD/t oz) | 1,831.3 | 16.0 | 0.88% |
| Crude Oil (USD/B) | 45.28 | 0.73 | 1.64% |
| ICE NewCastle (USD/ton) | 70.90 | 1.80 | 2.60% |
| LME Nickel (USD/MT) | 16,000 | (278.0) | -1.71% |
| LME Tin (USD/MT) | 18,790 | (105.0) | -0.56% |
| CPO (MYR/ton) | 3,316 | (31.0) | -0.93% |

TOYS : Records IDR9.9 bn in Net Profit Until 9M20

PT Sunindo Adipersada Tbk (TOYS) recorded positive performance during the first nine months of 2020. In the third quarter of 2020, TOYS posted a net profit of IDR9.9 billion or an increase of 58.3% compared to the same period in 2019. TOYS achieved sales of IDR134.8 billion in the first nine months of 2020. The sales increased 53% compared to the same period in 2019. (Kontan)

ADHI : Acquires New Contracts Worth IDR17.3 Tn up to November 2020

Until November 2020, PT Adhi Karya Tbk (ADHI) acquired new contracts of IDR17.3 trillion or an increase of 130.7% compared to the acquisition of new contracts in the previous month of IDR7.5 trillion (excluding taxes). So that the total value of the order book is IDR47.8 trillion. (Kontan)

TBIG : Issues Its Third Bond in 2020 Worth IDR750 Billion

PT Tower Bersama Infrastructure Tbk (TBIG) completed the issuance of Obligasi Berkelanjutan IV Tower Bersama Infrastructure Phase II Year 2020 worth IDR750 billion on Wednesday, December 2, 2020. Then, these bonds will be listed on the Indonesia Stock Exchange on Thursday, December 3, 2020. (Kontan)

PPRE : Records IDR2.3 Trillion New Contracts Until November 2020

PT PP Presisi Tbk (PPRE) recorded new contracts amounting to IDR2.3 trillion as of November 2020. This exceeded the target or reached 108% of the IDR2.2 trillion target. In addition to the acquisition of the contracts, PPRE has also started to expand the development in the mining services sector with the commencement of coal mining works in East Kalimantan by a subsidiary (LMA). (Kontan)

Domestic & Global News

Sri Mulyani Pursues Foreign Digital Company Income Tax

Finance Minister Sri Mulyani Indrawati revealed that she would continue to collect income tax (PPh) or electronic transaction tax (PTE) for foreign digital companies that benefit from Indonesia. This regulation is contained in Law Number 2 of 2020 concerning Job Creation, especially in the tax cluster. This law fulfills two requirements, namely: First, there is a significant economic presence (SEP) of trading business actors through overseas electronic systems (PMSE) in Indonesia. Second, PMSE business actors come from partner countries of double tax avoidance agreement (P3B). (Kompas)

Biden won't Immediately Remove Trump's Tariffs on China

President-elect Joe Biden will not immediately remove tariffs imposed by President Donald Trump on China, a legacy of the outgoing administration's trade war, as he moves to develop a strategy with US allies on how to best deal with Beijing. Biden said he first wants to conduct a full review of the "phase one" trade deal that the Trump administration reached with China. Biden also said he wants to consult with traditional US allies in Asia and Europe so he can develop a coherent strategy before making a move on tariffs. (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 (%) | Adj. Beta |
|-----------------------|------------|------------------------|---------------|-------------|----------------------|-------------------|---------------------|-------------------|--------------|----------------------|------------------------|----------------------|--------------------|-----------|
| Finance | | | | | | 0.9 | 2,420.7 | | | | | | | |
| BBCA | 32,250 | 33,425 | 34,000 | Overweight | 5.4 | 1.2 | 795.1 | 28.7x | 4.4x | 16.0 | 1.7 | 3.4 | (4.2) | 1.1 |
| BBRI | 4,300 | 4,400 | 4,500 | Hold | 4.7 | 3.1 | 530.4 | 22.2x | 2.7x | 12.2 | 3.9 | (3.1) | (43.3) | 1.3 |
| BBNI | 6,350 | 7,850 | 6,000 | Underweight | (5.5) | (15.9) | 118.4 | 15.3x | 1.1x | 6.7 | 3.2 | (2.4) | (63.9) | 1.5 |
| BMRI | 6,650 | 7,675 | 7,000 | Overweight | 5.3 | (7.3) | 310.3 | 14.6x | 1.7x | 11.1 | 5.3 | (0.7) | (30.7) | 1.4 |
| Consumer | | | | | | (8.7) | 1,087.5 | | | | | | | |
| GGRM | 44,525 | 53,000 | 49,000 | Overweight | 10.1 | (16.6) | 85.7 | 9.2x | 1.5x | 17.9 | N/A | 2.0 | (22.0) | 0.9 |
| ICBP | 10,175 | 11,150 | 12,150 | Buy | 19.4 | (10.7) | 118.7 | 23.2x | 4.4x | 20.1 | 2.1 | 3.4 | 2.1 | 0.8 |
| KLBF | 1,495 | 1,620 | 1,750 | Buy | 17.1 | (6.6) | 70.1 | 26.8x | 4.1x | 16.2 | 1.3 | 1.6 | 5.8 | 0.9 |
| SIDO | 800 | 638 | 930 | Buy | 16.3 | 26.0 | 24.0 | 31.5x | 7.2x | 26.9 | 3.3 | 6.0 | 10.8 | 0.8 |
| UNVR | 7,650 | 8,400 | 8,600 | Overweight | 12.4 | (10.4) | 291.8 | 39.8x | 45.0x | 109.5 | 2.5 | 0.3 | (1.0) | 0.8 |
| Infrastructure | | | | | | (13.5) | 684.22 | | | | | | | |
| TLKM | 3,330 | 3,917 | 3,800 | Overweight | 14.1 | (13.9) | 329.9 | 17.5x | 3.2x | 18.8 | 4.6 | (2.6) | 1.3 | 1.1 |
| JSMR | 4,340 | 5,175 | 4,550 | Hold | 4.8 | (14.9) | 31.5 | 36.5x | 1.7x | 4.7 | 0.4 | (50.1) | (89.5) | 1.4 |
| EXCL | 2,460 | 3,150 | 3,350 | Buy | 36.2 | (28.1) | 26.3 | 11.5x | 1.3x | 11.5 | 0.8 | 5.0 | 312.8 | 1.2 |
| TOWR | 1,055 | 805 | 1,310 | Buy | 24.2 | 41.6 | 53.8 | 19.9x | 5.5x | 29.5 | 2.3 | 19.3 | 22.6 | 0.9 |
| PGAS | 1,440 | 2,170 | 1,400 | Hold | (2.8) | (30.1) | 34.9 | N/A | 1.0x | (0.3) | 2.9 | (23.5) | (58.7) | 1.7 |
| TBIG | 1,475 | 1,230 | 1,565 | Overweight | 6.1 | 28.3 | 33.4 | 32.2x | 5.3x | 20.0 | 1.9 | 13.5 | 22.3 | 1.0 |
| Trade | | | | | | (8.1) | 626.7 | | | | | | | |
| UNTR | 26,000 | 21,525 | 19,000 | Sell | (26.9) | 22.9 | 97.0 | 12.1x | 1.6x | 13.7 | 3.8 | (29.2) | (38.2) | 0.9 |
| MAPI | 840 | 1,055 | 870 | Hold | 3.6 | (18.4) | 13.9 | N/A | 2.6x | (5.6) | N/A | (34.0) | N/A | 1.3 |
| ERAA | 1,785 | 1,795 | 2,000 | Overweight | 12.0 | 25.3 | 5.7 | 13.4x | 1.1x | 8.7 | N/A | (1.9) | 78.8 | 1.5 |
| MIKA | 2,900 | 2,670 | 2,810 | Hold | (3.1) | 12.0 | 41.3 | 55.8x | 9.2x | 16.7 | 0.7 | (2.8) | 0.0 | 0.3 |
| Property | | | | | | (22.1) | 370.3 | | | | | | | |
| CTRA | 935 | 1,040 | 780 | Sell | (16.6) | (8.8) | 17.4 | 17.5x | 1.2x | 6.7 | 0.9 | (8.9) | (40.9) | 1.4 |
| WSKT | 1,135 | 1,485 | 820 | Sell | (27.8) | (9.9) | 15.4 | N/A | 1.2x | (18.1) | 0.3 | (46.7) | N/A | 1.9 |
| WIKA | 1,855 | 1,990 | 1,310 | Sell | (29.4) | 2.5 | 16.6 | 17.0x | 1.2x | 6.7 | 2.7 | (43.3) | (96.3) | 1.8 |
| PTPP | 1,520 | 1,585 | 1,140 | Sell | (25.0) | 8.2 | 9.4 | 22.9x | 0.9x | 3.4 | 2.2 | (37.0) | (95.2) | 1.9 |
| PWON | 550 | 570 | 615 | Overweight | 11.8 | (6.0) | 26.5 | 22.6x | 1.8x | 8.1 | N/A | (41.9) | (72.1) | 1.5 |
| Basic Ind. | | | | | | (5.7) | 727.9 | | | | | | | |
| SMGR | 11,950 | 12,000 | 13,325 | Overweight | 11.5 | 1.9 | 70.9 | 26.9x | 2.1x | 8.1 | 0.3 | (8.9) | 19.3 | 1.3 |
| CPIN | 6,450 | 6,500 | 6,675 | Hold | 3.5 | (7.9) | 105.8 | 31.6x | 4.8x | 15.9 | 1.3 | (1.4) | (10.9) | 1.4 |
| Misc Ind. | | | | | | (12.2) | 311.4 | | | | | | | |
| ASII | 5,725 | 6,925 | 5,800 | Hold | 1.3 | (12.3) | 231.8 | 11.7x | 1.5x | 13.4 | 3.2 | (26.4) | (11.5) | 1.3 |
| Mining | | | | | | 18.9 | 400.5 | | | | | | | |
| TINS | 1,135 | 825 | 1,200 | Overweight | 5.7 | 54.4 | 8.5 | N/A | 1.7x | (19.7) | N/A | (18.7) | (43.0) | 1.6 |
| PTBA | 2,450 | 2,660 | 2,900 | Buy | 18.4 | (2.0) | 28.2 | 10.3x | 1.7x | 16.0 | 13.3 | (20.9) | (44.6) | 1.2 |
| INCO | 4,890 | 3,640 | 4,530 | Underweight | (7.4) | 59.8 | 48.6 | 25.7x | 1.7x | 6.9 | N/A | 12.7 | N/A | 1.6 |
| ANTM | 1,245 | 840 | 1,480 | Buy | 18.9 | 60.6 | 29.9 | 63.9x | 1.6x | 2.4 | 0.2 | (26.5) | 30.3 | 1.6 |
| ITMG | 14,875 | 11,475 | 12,000 | Sell | (19.3) | 44.8 | 16.8 | 16.9x | 1.3x | 7.6 | 5.9 | (33.2) | (55.6) | 1.3 |
| ADRO | 1,390 | 1,555 | 1,700 | Buy | 22.3 | 5.7 | 44.5 | 29.3x | 0.9x | 2.9 | 7.9 | (26.4) | (73.0) | 1.5 |
| MEDC | 540 | 732 | 1,100 | Buy | 103.7 | (13.2) | 13.5 | N/A | 0.8x | (14.6) | N/A | (18.3) | N/A | 1.7 |

* Target Price

Source: Bloomberg, NHKSI Research

| Date | Country | Hour Jakarta | Event | Period | Actual | Consensus | Previous |
|------------------|---------|--------------|--------------------------------|--------|--------|-----------|----------|
| Monday | CH | 08:00 | Manufacturing PMI | Nov | 52.1 | 51.5 | 51.4 |
| <i>30 - Nov</i> | GE | 20:00 | CPI YoY | Nov | -0.30% | -0.10% | -0.20% |
| Tuesday | ID | 07:00 | Markit Indonesia PMI Mfg | Nov | 50.6 | -- | 47.8 |
| <i>01 - Dec</i> | ID | 11:00 | CPI YoY | Nov | 1.59% | 1.53% | 1.44% |
| | GE | 15:55 | Unemployment Change (000's) | Nov | -39.0k | 15.0k | -35.0k |
| | UK | 16:30 | Markit UK PMI Manufacturing SA | Nov | 55.6 | 55.2 | 55.2 |
| | US | 21:45 | Markit US Manufacturing PMI | Nov | 56.7 | 56.7 | 56.7 |
| Wednesday | US | 19:00 | MBA Mortgage Applications | Nov | -0.60% | -- | 3.90% |
| <i>02 - Dec</i> | | | | | | | |
| Thursday | US | 20:30 | Initial Jobless Claims | Nov | | -- | 778k |
| <i>03 - Dec</i> | | | | | | | |
| Friday | GE | 14:00 | Factory Orders MoM | Oct | | 2.00% | 0.50% |
| <i>04 - Dec</i> | US | 20:30 | Unemployment Rate | Nov | | 6.80% | 6.90% |
| | US | 22:00 | Factory Orders | Oct | | 0.80% | 1.10% |
| | US | 22:00 | Durable Goods Orders | Oct | | -- | 1.30% |

Source: Bloomberg

Corporate Calendar

| Date | Event | Company |
|------------------|--------------|------------|
| Monday | RUPS | ENRG |
| <i>30 - Nov</i> | Cum Dividend | UNVR |
| Tuesday | RUPS | BNLI |
| <i>01 - Dec</i> | Cum Dividend | SMSM |
| Wednesday | RUPS | SCNP |
| <i>02 - Dec</i> | Cum Dividend | IFII, DMAS |
| Thursday | RUPS | MFMI, MTFN |
| <i>03 - Dec</i> | | |

Source: NHKSI Research

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