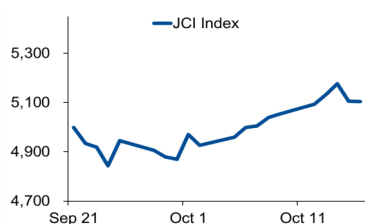
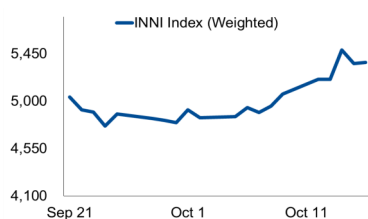


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

China Q3/2020 GDP Data Release

US stock markets closed mixed at the end of trading last week (16/10/2020) after Dow Jones and S&P 500 managed to increase while Nasdaq declined. The market news is quite encouraging with the monthly retail sales data which recorded an increase of 1.9% in September 2020.

JCI movement last week was able to rise by 1% every week after the release of trade balance data and Bank Indonesia's decision to hold the benchmark interest rate. This week, investors will be watching the announcement of Q3/2020 GDP from China which is expected to continue to grow from the previous quarter.

Company News

- HRTA : Continues Expansion This Year
- BSDE : Marketing Sales in 2020 Has Reached 65%
- INDY : Issues USD450 Million Global Bond

Domestic & Global News

- Jamkrindo Records Working Capital Credit Guarantee of IDR4.7 Trillion
- U.S. 2020 Fiscal Year Deficit Hits Record USD3.132 Trillion

Sectors

	Last	Chg.	%
Finance	1125,41	-7,62	-0,67%
Trade, Services, and Investment	634,49	-2,93	-0,46%
Infrastructure, Utilities, Transportation	831,38	-2,28	-0,27%
Basic Industries	751,62	0,47	0,06%
Agriculture	1175,71	0,90	0,08%
Property, Real Estate, and Construction	318,71	0,90	0,28%
Consumer Goods	1858,67	9,08	0,49%
Mining	1422,05	10,64	0,75%
Miscellaneous Industry	890,38	24,98	2,89%

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. 16	5,103.41
Chg.	-1.73pts (-0.03%)
Volume (bn shares)	101.33
Value (IDR tn)	7.75
Adv 179 Dec 228 Unc 310 Untr 144	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BRIS	763.9	BMRI	187.9
ANTM	610.7	ASII	181.5
BBCA	512.9	AGRO	171.4
BBRI	458.3	ADRO	162.9
TLKM	370.8	BOGA	140.8

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BRIS	763.9	BMRI	187.9
ANTM	610.7	ASII	181.5
BBCA	512.9	AGRO	171.4
BBRI	458.3	ADRO	162.9
TLKM	370.8	BOGA	140.8

(IDR bn)			
Foreign Transaction			
	Buy	Sell	Net Buy (Sell)
	1,784	2,278	493
Top Buy			
Top Buy	NB Val.	Top Sell	NS Val.
WOOD	12.0	TLKM	142.2
BJBR	11.6	BBCA	128.9
TBIG	10.6	BBRI	120.6
UNVR	9.0	BMRI	20.2
MDKA	7.6	ADRO	19.8

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.74%	-0.01%
USDIDR	14,698	0.05%
KRWIDR	12.83	0.08%

Global Indices

Index	Last	Chg.	%
Dow Jones	28,606.31	112.11	0.39%
S&P 500	3,483.81	0.47	0.01%
FTSE 100	5,919.58	87.06	1.49%
DAX	12,908.99	205.24	1.62%
Nikkei	23,410.63	(96.60)	-0.41%
Hang Seng	24,386.79	228.25	0.94%
Shanghai	3,336.36	4.18	0.13%
KOSPI	2,341.53	(19.68)	-0.83%
EIDO	18.36	0.02	0.11%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,899.3	(9.4)	-0.49%
Crude Oil (USD/B)	40.88	(0.08)	-0.20%
ICE NewCastle (USD/ton)	59.10	1.30	2.25%
LME Nickel (USD/MT)	15,652	230.0	1.49%
LME Tin (USD/MT)	18,320	(35.0)	-0.19%
CPO (MYR/ton)	2,870	4.0	0.14%

HRTA : Continues Expansion This Year

PT Hartadinata Abadi Tbk (HRTA) will continue to expand by adding 65 stores until the end of this year. HRTA is eyeing new store chains in West Nusa Tenggara and East Nusa Tenggara such as jewelry stores and adding pawn units as well. By the end of 2019, HRTA has owned 628 retail stores with 30 directly company-owned stores. (Kontan)

INDY : Issues USD450 Million Global Bond

PT Indika Energy Tbk (INDY) has successfully held a global bond issuance worth USD450 million with a five-year tenor and 8.25% coupon. The bonds are issued through its subsidiary, Indika Energy Capital IV Pte Ltd and will be used for refinancing and non-coal investment. The bonds were rated Ba3 level by Moody's Investors Service. (Investor Daily)

BSDE : Marketing Sales in 2020 Has Reached 65%

PT Bumi Serpong Damai Tbk (BSDE) recorded marketing sales up to 9M20 reaching IDR4.7 trillion or equivalent to 65% of the company's 2020 target. This performance was supported by sales of Freja House, Freja Suites, Loka 65, 92 Avenix, YC Hub in BSD City. and O2 + Urban Pop at Grand Wisata Bekasi. In the future, BSDE will continue to expand in the form of existing projects and the MIQ national program. (Investor Daily)

Domestic & Global News

Jamkrindo Records Working Capital Credit Guarantee of IDR4.7 Trillion

PT Jamkrindo supports the National Economic Recovery (PEN) program initiated by the government. As of Friday (16/10), the company has partnered with 26 banks to make the PEN guarantee program a success. To date, Jamkrindo has guaranteed PEN working capital loans from 236,589 debtors worth IDR4.7 trillion. Jamkrindo guarantees a credit of IDR3.7 trillion, and Jamkrindo Syariah is worth IDR1 trillion. (Kontan)

U.S. 2020 Fiscal Year Deficit Hits Record USD3.132 Trillion

The U.S. budget deficit hit a record USD3.132 trillion during fiscal 2020, more than triple the 2019 shortfall, as a result of massive coronavirus rescue spending, the U.S. Treasury said on Friday. The deficit more than doubled the previous record of \$1.416 trillion in fiscal 2009, when the United States was battling a financial crisis. (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						(10.7)	2,142.9							
BBCA	28,800	33,425	34,000	Buy	18.1	(6.5)	710.1	25.4x	4.2x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,250	4,400	4,000	Buy	23.1	(22.1)	400.9	14.0x	2.1x	15.2	5.2	(2.1)	(37.2)	1.3
BBNI	4,810	7,850	6,000	Buy	24.7	(35.7)	89.7	7.3x	0.8x	10.9	4.3	(1.5)	(41.6)	1.5
BMRI	5,575	7,675	7,000	Buy	25.6	(17.7)	260.2	10.7x	1.5x	13.3	6.3	4.1	(23.9)	1.4
Consumer						(11.5)	1,069.1							
GGRM	43,900	53,000	59,600	Buy	35.8	(15.7)	84.5	8.1x	1.5x	21.0	N/A	1.7	(10.7)	1.0
KINO	2,990	3,430	2,950	Hold	(1.3)	(23.9)	4.3	15.6x	1.6x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	9,750	11,150	12,150	Buy	24.6	(13.5)	113.7	19.5x	4.0x	22.7	2.2	4.1	31.2	0.8
KLBF	1,550	1,620	1,870	Buy	20.6	(4.6)	72.7	27.6x	4.4x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(31.3)	585.08							
TLKM	2,750	3,917	3,800	Buy	38.2	(33.5)	272.4	14.7x	2.8x	19.6	5.6	(3.6)	(0.8)	1.0
JSMR	3,740	5,175	4,550	Buy	21.7	(32.9)	27.1	21.7x	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	1,025	805	1,310	Buy	27.8	53.0	52.3	19.5x	5.6x	31.1	2.3	21.7	30.0	0.9
PGAS	1,030	2,170	1,400	Buy	35.9	(54.6)	25.0	83.7x	0.7x	0.8	4.0	(17.9)	(85.0)	1.6
TBIG	1,480	1,230	1,400	Hold	(5.4)	15.6	33.5	32.6x	5.7x	21.9	1.9	13.2	33.8	1.0
Trade						(21.6)	565.5							
UNTR	21,875	21,525	19,000	Hold	(13.1)	4.9	81.6	8.3x	1.4x	17.3	4.5	(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	1,650	1,795	2,000	Buy	21.2	(12.2)	5.3	17.6x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(37.3)	306.4							
CTRA	775	1,040	780	Hold	0.6	(31.1)	14.4	13.8x	1.0x	7.0	1.0	(10.8)	(43.8)	1.5
WSKT	715	1,485	820	Hold	14.7	(56.0)	9.7	N/A	0.7x	(7.0)	0.5	(45.7)	N/A	1.9
WIKA	1,220	1,990	1,410	Buy	15.6	(39.0)	10.9	6.7x	0.8x	11.3	4.2	(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	392	570	440	Hold	12.2	(35.7)	18.9	10.3x	1.3x	13.2	N/A	(43.7)	(64.7)	1.6
Basic Ind.						(17.4)	604.3							
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	5,950	6,500	6,660	Hold	11.9	(4.0)	97.6	27.5x	4.3x	17.0	1.4	(6.7)	(3.8)	1.5
Misc Ind.						(25.6)	271.4							
ASII	4,930	6,925	5,575	Hold	13.1	(26.4)	199.6	8.6x	1.3x	15.9	3.7	(22.7)	16.1	1.3
Mining						(10.5)	330.3							
TINS	805	825	1,200	Buy	49.1	(13.4)	6.0	N/A	1.2x	(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	3,960	3,640	4,500	Hold	13.6	13.8	39.3	19.6x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	940	840	1,100	Buy	17.0	0.5	22.6	N/A	1.2x	(0.5)	0.3	(36.0)	(80.2)	1.6
ITMG	8,300	11,475	12,000	Buy	44.6	(32.2)	9.4	7.0x	0.7x	10.1	15.4	(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	380	732	931	Buy	145.0	(30.9)	9.5	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(11.3)	75.3							
AALI	11,000	14,575	14,200	Buy	29.1	8.4	21.2	37.9x	1.1x	3.0	0.8	6.5	796.6	1.5
LSIP	925	1,485	1,200	Buy	29.7	(22.6)	6.3	18.8x	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
Monday	CH	09:00	GDP YoY	3Q20		5.50%	3.20%
<i>19 - Oct</i>	CH	09:00	Industrial Production YoY	Sep		5.80%	5.60%
	CH	09:00	Retail Sales YoY	Sep		1.70%	0.50%
Tuesday	US	19:30	Housing Starts	Sep		1452k	1416k
<i>20 - Oct</i>							
Wednesday	UK	13:00	CPI MoM	Sep		--	-0.40%
<i>21 - Oct</i>	UK	13:00	CPI YoY	Sep		--	0.20%
	UK	13:00	CPI Core YoY	Sep		--	0.90%
	UK	13:00	PPI Output NSA MoM	Sep		--	0.00%
	UK	13:00	PPI Output NSA YoY	Sep		--	-0.90%
	US	18:00	MBA Mortgage Applications	Oct		--	-0.70%
Thursday	US	19:30	Initial Jobless Claims	Oct		--	898k
<i>22 - Oct</i>							
Friday	GE	14:30	Markit Germany Manufacturing PMI	Oct		54	56.4
<i>23 - Oct</i>	EC	15:00	Markit Eurozone Manufacturing PMI	Oct		53.1	53.7
	UK	15:30	Markit UK PMI Manufacturing SA	Oct		--	54.1
	US	20:45	Markit US Manufacturing PMI	Oct		53.4	53.2

Source: Bloomberg

Corporate Calendar

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

Source: NHKSI Research

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