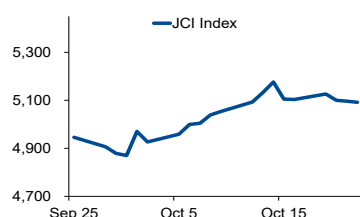
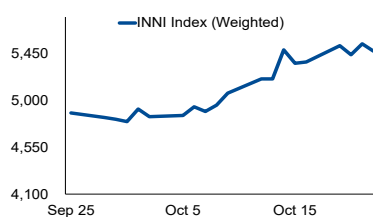


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Company Performance Data Release Begins

Wall Street managed to rebound in trade (22/10/2020), ahead of the final debate for the 2020 Presidential candidates. Meanwhile, the weekly jobless claims figure fell to 787,000 last week or for the first time since the start of the pandemic it was below 800,000.

Domestically, investors will be watching the start of the Q3/2020 financial report season after several companies released their performance yesterday. Towards the end of the week, JCI is expected to continue the consolidation phase with limited opportunities to increase after posting high trading volumes yesterday.

Company News

- BBTN : Profit Increases by 39.72% in Q3/2020
- UNVR : Records Profit Decline in Q3
- ESSA : Private Placement of 1.43 Billion Shares
- LPPF : Income Fell by 57.5% as of Q3/2020

Domestic & Global News

- BI Buys IDR22.8 Trillion in Government Bond (SUN) for Burden Sharing
- UK Manufacturing Decline Abates in October

Sectors

	Last	Chg.	%
Mining	1430,32	-14,63	-1,01%
Agriculture	1152,24	-11,75	-1,01%
Consumer Goods	1810,34	-12,36	-0,68%
Trade, Services, and Investment	637,05	-2,67	-0,42%
Property, Real Estate, and Construction	312,32	-0,73	-0,23%
Miscellaneous Industry	929,03	-1,83	-0,20%
Finance	1125,26	1,31	0,12%
Infrastructure, Utilities, Transportation	822,47	1,62	0,20%
Basic Industries	767,21	7,32	0,96%

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. 22	5,091.81
Chg.	-4.63pts (-0.09%)
Volume (bn shares)	144.91
Value (IDR tn)	9.34
Adv 147 Dec 264 Unc 306 Untr 127	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
TLKM	690.8	BMRI	377.0
BBCA	557.3	ASRI	341.3
BBRI	552.4	PGAS	214.5
ANTM	508.3	WSKT	209.6
ASII	398.2	BRPT	169.4

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
TLKM	690.8	BMRI	377.0
BBCA	557.3	ASRI	341.3
BBRI	552.4	PGAS	214.5
ANTM	508.3	WSKT	209.6
ASII	398.2	BRPT	169.4

(IDR bn)			
Foreign Transaction			
	Buy	Sell	Net Buy (Sell)
	3,649	3,911	262

(IDR bn)			
Top Buy			
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	94.7	TLKM	87.9
ASII	93.0	PTBA	66.9
INTP	46.4	BBCA	52.1
BTPS	31.8	WSKT	48.4
BRPT	29.3	BMRI	40.5

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.61%	-0.04%
USDIDR	14,633	-0.17%
KRWIDR	12.93	0.43%

Global Indices

Index	Last	Chg.	%
Dow Jones	28,363.66	152.84	0.54%
S&P 500	3,453.49	17.93	0.52%
FTSE 100	5,785.65	9.15	0.16%
DAX	12,543.06	(14.58)	-0.12%
Nikkei	23,474.27	(165.19)	-0.70%
Hang Seng	24,786.13	31.71	0.13%
Shanghai	3,312.50	(12.52)	-0.38%
KOSPI	2,355.05	(15.81)	-0.67%
EIDO	18.70	(0.15)	-0.80%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,904.1	(20.2)	-1.05%
Crude Oil (USD/B)	40.64	0.61	1.52%
ICE NewCastle (USD/ton)	58.90	0.20	0.34%
LME Nickel (USD/MT)	15,817	(69.0)	-0.43%
LME Tin (USD/MT)	18,685	(60.0)	-0.32%
CPO (MYR/ton)	2,943	55.0	1.90%

BBTN : Profit Increases by 39.72% in Q3/2020

At the end of the third quarter of 2020, PT Bank Tabungan Negara Tbk (BBTN) booked a positive performance with a net profit income increase of 39.72% YoY. BBTN's recorded profit is IDR 1.12 trillion in Q3/2020, compared to IDR801 billion in the same period last year. (Kontan)

UNVR : Records Profit Decline in Q3

PT Unilever Indonesia Tbk (UNVR) booked a slight decline in its net profit by 1.29% to IDR5.44 trillion as of September 2020. The decline was due to an increase in marketing and sales expenses by 7.96%, while general and administrative expenses was up by 13%. On the other hand, UNVR income increased by 0.3% to IDR32.46 trillion in the same period. (Bisnis Indonesia)

ESSA : Private Placement of 1.43 Billion Shares

PT Surya Esa Perkasa Tbk (ESSA), company engaged in the gas refining and processing will carry out capital increases without pre-emptive rights or private placement. 1.43 billion of new shares will be issued, or 10% of all subscribe and paid up capital. (Kontan)

LPPF : Income Fell by 57.5% as of Q3/2020

PT Matahari Department Store Tbk (LPPF) booked an income of IDR3.33 trillion during September, or down by 57.5% YoY. Retail sales, which contributed 64% to LPPF's total revenue, fell 57.6% year on year (yoy) to IDR2.13 trillion. Consignment sales (net) also fell 57.7% yoy to IDR1.15 trillion and service revenue was down 44.4% YoY to IDR50 billion. LPPF recorded a net loss of IDR616.61 billion. (Kontan)

Domestic & Global News

BI Buys IDR22.8 Trillion in Government Bond (SUN) for Burden Sharing

The government issued four series of government bonds (SUN) by way of private placement to Bank Indonesia (BI) with a total issuance amounting to IDR22.87 trillion on Thursday (22/10). Meanwhile, today's SUN issuance is the fifth transaction to fulfill a part of public goods financing. (Kontan)

UK Manufacturing Decline Abates in October

British manufacturing orders fell in October but by the smallest amount since March, according to a survey on Thursday that showed an improvement in expectations despite a resurgence of the COVID-19 pandemic. The Confederation of British Industry's (CBI) monthly order book balance - the difference between factories reporting a rise and a fall in orders - became less negative in October at -34, compared with -48 in September. (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						(11.5)	2,140.2							
BBCA	28,900	33,425	34,000	Buy	17.6	(8.3)	712.5	25.5x	4.2x	17.0	1.9	6.6	(5.0)	1.1
BBRI	3,240	4,400	4,000	Buy	23.5	(21.7)	399.6	14.0x	2.1x	15.2	5.2	(2.1)	(37.2)	1.3
BBNI	4,880	7,850	6,000	Buy	23.0	(33.4)	91.0	7.5x	0.8x	10.9	4.2	(1.5)	(41.6)	1.5
BMRI	5,525	7,675	7,000	Buy	26.7	(19.0)	257.8	10.6x	1.4x	13.3	6.4	4.1	(23.9)	1.4
Consumer						(13.3)	1,048.4							
GGRM	40,925	53,000	59,600	Buy	45.6	(20.5)	78.7	7.6x	1.4x	21.0	N/A	1.7	(10.7)	1.0
KINO	2,980	3,430	2,950	Hold	(1.0)	(23.2)	4.3	15.6x	1.6x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	9,700	11,150	12,150	Buy	25.3	(15.1)	113.1	19.4x	3.9x	22.7	2.2	4.1	31.2	0.8
KLBF	1,565	1,620	1,870	Buy	19.5	(4.0)	73.4	27.8x	4.5x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(32.4)	577.67							
TLKM	2,680	3,917	3,800	Buy	41.8	(35.8)	265.5	14.3x	2.8x	19.6	5.7	(3.6)	(0.8)	1.0
JSMR	3,680	5,175	4,550	Buy	23.6	(34.9)	26.7	21.3x	1.4x	6.9	0.4	(51.0)	(90.0)	1.4
EXCL	2,050	3,150	3,350	Buy	63.4	(41.8)	21.9	10.1x	1.1x	11.1	1.0	6.7	526.9	1.1
TOWR	1,000	805	1,310	Buy	31.0	51.5	51.0	19.0x	5.4x	31.1	2.4	21.7	30.0	0.9
PGAS	1,060	2,170	1,400	Buy	32.1	(52.7)	25.7	86.8x	0.7x	0.8	3.9	(17.9)	(85.0)	1.6
TBIG	1,450	1,230	1,400	Hold	(3.4)	13.7	32.9	31.9x	5.5x	21.9	1.9	13.2	33.8	1.0
Trade						(21.0)	570.2							
UNTR	22,275	21,525	19,000	Hold	(14.7)	3.6	83.1	8.5x	1.4x	17.3	4.4	(23.4)	(28.3)	0.9
MAPI	645	1,055	870	Buy	34.9	(43.9)	10.7	406.4x	2.0x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,680	1,795	2,000	Buy	19.0	(7.4)	5.4	17.9x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(38.6)	301.0							
CTRA	795	1,040	780	Hold	(1.9)	(32.6)	14.8	14.2x	1.0x	7.0	1.0	(10.8)	(43.8)	1.4
WSKT	770	1,485	820	Hold	6.5	(52.8)	10.5	N/A	0.7x	(7.0)	0.4	(45.7)	N/A	1.9
WIKA	1,225	1,990	1,410	Buy	15.1	(38.8)	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	(46.1)	5.8	10.0x	0.5x	4.9	3.6	(36.6)	(94.5)	1.8
PWON	400	570	440	Hold	10.0	(34.4)	19.3	10.5x	1.4x	13.2	N/A	(43.7)	(64.7)	1.6
Basic Ind.						(17.9)	610.9							
SMGR	9,500	12,000	11,500	Buy	21.1	(24.5)	56.3	22.4x	1.7x	8.0	0.4	(2.0)	25.6	1.3
CPIN	5,975	6,500	6,660	Hold	11.5	(8.4)	98.0	27.6x	4.3x	17.0	1.4	(6.7)	(3.8)	1.5
Misc Ind.						(22.6)	283.7							
ASII	5,250	6,925	5,575	Hold	6.2	(22.2)	212.5	9.1x	1.4x	15.9	3.5	(22.7)	16.1	1.3
Mining						(9.1)	335.6							
TINS	865	825	1,200	Buy	38.7	(4.4)	6.4	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.6
PTBA	2,000	2,660	2,900	Buy	45.0	(15.3)	23.0	6.7x	1.4x	21.0	16.3	(15.1)	(38.5)	1.1
INCO	4,280	3,640	4,500	Hold	5.1	25.9	42.5	21.3x	1.5x	7.1	N/A	23.3	N/A	1.6
ANTM	1,100	840	1,100	Hold	-	18.3	26.4	N/A	1.5x	(0.5)	0.3	(36.0)	(80.2)	1.6
ITMG	8,225	11,475	12,000	Buy	45.9	(35.2)	9.3	7.0x	0.7x	10.1	15.5	(26.9)	(50.0)	1.2
ADRO	1,200	1,555	1,700	Buy	41.7	(12.1)	38.4	10.0x	0.7x	7.0	9.1	(23.2)	(47.7)	1.4
MEDC	374	732	931	Buy	148.9	(32.0)	9.4	N/A	0.5x	(12.8)	N/A	(7.6)	N/A	1.6
Agriculture						(12.7)	74.6							
AALI	10,750	14,575	14,200	Buy	32.1	3.4	20.7	37.0x	1.1x	3.0	0.8	6.5	796.6	1.5
LSIP	945	1,485	1,200	Buy	27.0	(21.9)	6.4	19.2x	0.8x	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	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%
Tuesday	US	19:30	Housing Starts	Sep	1415k	1452k	1416k
<i>20 - Oct</i>							
Wednesday	UK	13:00	CPI MoM	Sep	0.4%	0.5%	-0.4%
<i>21 - Oct</i>	UK	13:00	CPI YoY	Sep	0.5%	0.6%	0.2%
	UK	13:00	CPI Core YoY	Sep	1.3%	1.3%	0.9%
	UK	13:00	PPI Output NSA MoM	Sep	-0.1%	0.0%	0.0%
	UK	13:00	PPI Output NSA YoY	Sep	-0.9%	-0.9%	-0.9%
	US	18:00	MBA Mortgage Applications	Oct	-0.6%	--	-0.7%
Thursday	US	19:30	Initial Jobless Claims	Oct	787k	865k	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		53.0	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
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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