

KEY INDICATOR

14/05/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.87	7.88	(1.30)	(10.40)
USD/IDR	14,885.00	14,865.00	0.13%	4.24%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,513.83	-0.89%	-28.35%	12.28
MSCI	4,844.77	-2.09%	-33.53%	12.06
HSEI	23,829.74	-1.45%	-15.47%	10.99
FTSE	5,741.54	-2.75%	-23.88%	16.60
DJIA	23,625.34	1.62%	-17.22%	21.50
NASDAQ	8,943.72	0.91%	-0.32%	32.38

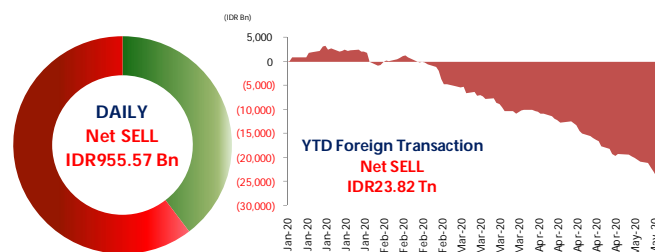
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	27.56	8.98%	-55.11%	-54.86%
COAL	USD/TON	51.75	-1.24%	-40.52%	-23.56%
CPO	MYR/MT	2,031.00	-0.05%	-0.44%	-33.45%
GOLD	USD/TOZ	1,730.30	0.82%	34.71%	14.04%
TIN	USD/MT	15,030.00	-0.92%	-22.53%	-12.49%
NICKEL	USD/MT	12,072.00	-1.49%	0.27%	-13.93%

CORPORATE ACTION

TICKER	EVENT	NOTES
TOWR	Ex Dividend Date	IDR17.86/share
PTRO	Cash Dividend	USD0.00694/share
TINS	RUPS	

NET FOREIGN TRADING VALUE



Source: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +1.62% on Thursday (14/05) followed by the strengthening of S&P 500 (+1.15%) and Nasdaq (+0.91%). These indexes rise after a 3-day downtrend amidst bad news from the US, one of which came from the Fed that stated recoveries from Covid-19 in the economic will take longer than expected. This is also followed by the unending trade war between China and the US, with President Trump vent the Covid-19 outbreak towards China. The market will look forward to several data releases today, such as: 1) Eurozone GDP Growth per Apr-2020; 2) US Retail Sales per Apr-2020; 3) China Unemployment Rate per Apr-2020.

Domestic Updates

The Government disbursed IDR34.1 trillion to help Small Medium Enterprises (SME) facing the Covid-19 and revive the domestic economy. The budget will be provided through tax and interest rate subsidy. The government will bear 0.5% taxes for SMEs whose revenue are below IDR4.8 billion per year. Citizen loans (KUR) or equivalent in the amount of IDR10 million to IDR500 million will receive a 6% subsidy in the first 3 months and a 3% subsidy in the following 3 months. Whereas for loans of IDR500 million and up to IDR10 billion will receive a 3% subsidy in the first 3 months and a 2% subsidy in the following 3 months. Furthermore, micro businesses will receive a 6% interest subsidy for 6 months.

Company News

1. **BBRI** recorded net profit of IDR8.17 trillion (-0.30% YoY) in 1Q20, this is in-line or reaching 24% of MNCS estimates. Net Interest Income is at the level of IDR31.34 trillion (+6.20% YoY). Despite the increase, provision expenses grew by 37.7% YoY to IDR6.59 trillion. Meanwhile the Net Interest Margin (NIM) is stable at the level of 6.59%. Non-Performing Loan (NPL) stood at 2.81% in 1Q20 (vs 2.33% in 1Q19) with the net NPL at 0.63%, the increase on NPL has been anticipated from all segments. Meanwhile, BBRI has granted loan restructure to 1.4 million debtors from with the amount of IDR101.2 trillion as of April 2020. (Analyst Meeting)
2. **BSDE** booked a decrease on revenue by 8.23% YoY to IDR1.49 trillion on 1Q20. This mostly consist of land and building sales (IDR1.14 trillion), rental income (IDR227.27 billion), and building management (IDR99.38 billion). The increase on COGS (+11.21% YoY) and other expense (+191.20% YoY) further suppressed the net income, which stood at IDR259.64 billion (-58% YoY) on 1Q20. (Market Bisnis)
3. **SMGR** cement sales volume reached 3.06 million ton (+0.47% YoY). This amount consisted of export sales of 440,869 tons and domestic sales of 2.42 million tons. The total accumulated sales volume reached 12.43 million tons or grew by 5.35% YoY. According to the Indonesian Cement Association (ASI), domestic cement sales reached 4.51 million tons (-6.28% YoY) on April 2020, while the accumulated domestic cement sales volume reached 19.417 million tons (-5.23% YoY). (Kontan)

IHSG Updates

JCI dropped by -0.89% to 4,513.83 on Thursday (14/05) followed by a net foreign sell reaching IDR955.57 billion. The index decreased amidst the weakening on the Asian indexes, despite the rise of the US indexes. This is still caused by the rising fear among the investors towards the second wave outbreak of coronavirus and the uncertainty on economic recoveries. Meanwhile, the Rupiah exchange rate against the USD was depreciated at IDR14,885. We estimate JCI will move in the range of 4,474-4,590 while waiting for the Current Account as of 1Q20 and Balance of Trade as of April 2020. **Today's recommendation: WIKA, BRPT, ERAA, SMGR.**

Stock	Close Price	Recommendation	Tactical Moves
WIKA	905	Buy on Weakness	As long as WIKA is not corrected below 820, then WIKA is at the end of wave [ii] of wave C.
BRPT	1,150	Buy on Weakness	Currently BRPT is at the end of wave [a], which means correction of BRPT quietly limited and likely to strengthen to form wave [b].
ERAA	1,115	Sell on Strength	Yesterday's ERAA correction was part of wave [c] of wave B and ERAA has the potential to be corrected.
SMGR	8,575	Sell on Strength	SMGR is already at the end of wave (iii) of wave [c] of wave B, which means that the strengthening of SMGR is quite limited.



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