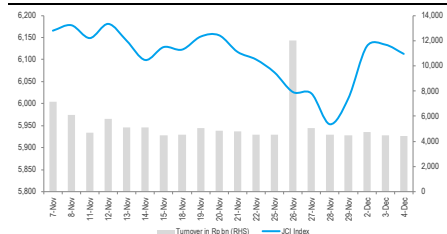
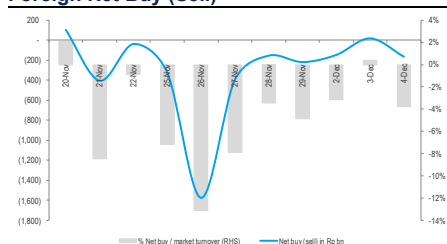


05 December 2019

JCI Index



Foreign Net Buy (Sell)



Key Indexes

Index	Closing	1 day	1 year	YTD
JCI	6,113	-0.3%	-0.3%	-1.3%
LQ45	974	-0.4%	-0.5%	-0.9%
DJI	27,650	0.5%	10.5%	18.5%
SET	1,565	-0.1%	-6.4%	0.1%
HSI	26,063	-1.2%	-2.8%	0.8%
NKY	23,135	-1.0%	5.5%	16.4%
FTSE	7,189	0.4%	3.9%	6.8%
FSSTI	3,160	-0.4%	0.1%	3.0%
EIDO	25	0.9%	-0.4%	-0.6%

Commodity Price

Commodities	Last price	Ret 1 day	Ret 1 year
(in USD)			
Oil/barrel (WTI)	58.4	4.2%	9.7%
CPO/tonne	664.4	0.9%	37.3%
Soy/bushel	8.7	0.8%	0.5%
Rubber/kg	1.6	-1.1%	-22.2%
Nickel/tonne	13,075	-1.8%	18.0%
Tins/tonne	16,772	0.0%	-12.6%
Copper/tonne	5,858	1.2%	-5.7%
Gold/try.oz (Spot)	1,475	-0.2%	19.2%
Coal/tonne	66.8	-0.9%	-35.1%
Corn/bushel	3.7	-0.8%	5.7%
Wheat/bushel*	146.5	5.8%	-7.0%

\*: 1 month change

Source: Bloomberg

## ASII: Strong outlook on financial services

- Our checks with the major 4W financing companies suggest that they still expect 4W financing to still grow c.5-10% in 2020 amid better sentiment.
- Despite weak 4W market in 2019, asset quality remains robust – coupled with lower rates, we think this is supportive for 4W recovery.
- Lower rates shall also be positive for CoF and margin. Further upside might come from provision reversal in TAF. Maintain Buy on ASII.

[Link to full report](#)

## Today's highlights

### JSMR allocates capex budget of Rp35tr in 2020

JSMR will continue its expansion in 2020 and allocates a capex budget of Rp35tr in 2020 – note that this includes the Rp15tr payment for Jakarta-Cikampek Elevated II. About 70% of the capex needs will be sourced from bank syndication loans, while the remaining portion will be funded through alternative funding means – it aims to issue Rp500bn-1tr of zero coupon bonds in 1H20. Other options include issuance of global/rupiah bonds, refinancing, and securitization. (Kontan)

### BBTN will set up an Asset Management Unit in 2020

BBTN is planning to set up an Asset Management Unit in 2020 to handle its NPL in the property sector. It allocates a total budget of Rp300-400bn for the initiative. The Asset Management Unit will undertake management the properties previously pledged for the NPLs, which could involve renovation and re-sale of the said property. For 2020, management guides for NPL below 3% and loan growth of 6-8%. (Investor Daily)

### SOE ministry plans to merge/liquidate SOEs with negative performance

The SOE ministry shared its plan to merge and liquidate some SOEs that are posting negative performance. The SOE minister said that the current number of SOEs is too many and will have to be optimized. (Investor Daily)

### MDKA will hold EGM on 13 Jan 2020

The full invitation for the EGM will be announced on 20 Dec 2019. At the moment there are no details on the agenda. (Kontan)

## **ANALYSTS CERTIFICATION**

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

## **DISCLAIMERS**

This research is based on information obtained from sources believed to be reliable, but we do not make any representation or warranty nor accept any responsibility or liability as to its accuracy, completeness or correctness. Opinions expressed are subject to change without notice. This document is prepared for general circulation. Any recommendations contained in this document do not have any regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is not and should not be construed as an offer or a solicitation of an offer to purchase or subscribe or sell any securities. PT Indo Premier Sekuritas or its affiliates may seek or will seek investment banking or other business relationships with the companies in this report.