THE COVID-19 SENTIMENT AND THE RED ZONE GLOBAL INDEX

According to Johns Hopkins University and Johns Hopkins CSSE data, the COVID-19 has infected 80,146 people until Tuesday morning (2/25/2020) and the death toll reached 2,699 people. South Korea is a country outside of China which has the highest number of COVID-19 cases. The South Korean government and the South Korea Disease Control & Prevention Center (KCDC), both, have even set the COVID-19 alert level to the highest level, then it temporarily closed schools and reduced public transportation and aviation activities. Health experts in many countries have also expressed concern over the Covid-19 pandemic. The Indonesian government has also established Sebaru Kecil Island as a place of COVID-19 observation for Indonesians in the future.

COVID-19 sentiments and the spread of this virus outside China will play an important role in becoming a negative sentiment for investors and will be a reason why global indexes will still stay in the red zone. Indonesia faces the same issues. JCI closed lower -98 points (-1.7%) to 5,689 in trading on Wednesday (26/2). The total trading volume reached 9.15B shares with a total transaction value amounting to Rp7.7T. Foreign investors recorded a net sale of Rp1.7T. All sectors retreated, it was led by basic industry (-4.3%), manufacturing (-2.6%), and miscellaneous industry (-2.3%). Global stock exchanges also are continuing to be corrected, and Investors are still monitoring on the development of the COVID-19 outbreak and global economic growth data. The Dow Jones Index (DJIA) closed down by 3.6% to level 27,960.80. While the Hang Seng Index dropped to level 26,893.23 (-0.3%) and the Nikkei index also declined to level 21,948.80 (-2.1%) in trading last week (24/2).

Fig. 1: CORONA VIRUS & GLOBAL STOCK MARKET PERFORMANCES

Sources: Yahoo Finance, MPIS Research
MARKET RECAP
In trading on Wednesday (26/2) JCI closed lower -153 points (-2.7%) to 5,536. The total trading volume reached 6.03B shares, with a total transaction value amounting to Rp7.1T. During 2020, foreign investors recorded a net sale amounting to Rp1.0T, which resulted in a total net foreign sale amounting to Rp4.7T.

All sectors weakened, led by Finance (-3.94%), Basic Industries (-2.66%), and Mining (-2.43%). Stocks that support JCI in today's trading (27/2) are IBST (+19.9%), MDKA (+3.8%), and MIKA (+2.9%). During 2020, stocks which incriminated the JCI were BBRI (-7.8%), BBCA (-2.0%), and BMRI (-3.9%).

According to Johns Hopkins CSSE as of 28 February, 2020 at 6:33 E.T. confirmed cases over a one-day rise in South Korea reach 1,766 vs 126, while in Italy reach 655 vs 40, and Iran reach 245 vs 139.

The DJIA fell 4.44% to 25,760.16, the S&P 500 lost 4.43% to 2,978.4 and the Nasdaq Composite dropped 4.61% to 8,566.48

U.S. NEWS
U.S. stocks plunged for a sixth straight day with the DJIA suffered its greatest one-day point drop in 124-year history by -1,190.95 points / -4.4% as the spread of the coronavirus (Covid-19) extending to other 52 Countries like Denmark and Estonia. On the corporate side, several companies including Microsoft and PayPal issued warnings about not meeting guidance in the midst of the Covid-19 outbreak.

UNTR'S HEAVY MACHINERY SALES DECLINED -46% (Y/Y)
In January 2020, PT United Tractors, Tbk. (UNTR)'s heavy machinery sales declined -46% (Y/Y) to 251 units from 465 units in January 2019, although the figures rose by +202.4% (M/M) vs. that of December 2019 at 83 units. Sales to forestry sector contributed 32% to overall sales, followed by mining sector at 31%, and construction sector at 27%.

For Friday, 28 February 2020
BBNI OPTIMISTIC TO ACHIEVE SUBSIDIZED MORTGAGE LOAN TARGET
PT Bank Negara Indonesia (Persero), Tbk. (BBNI) is optimistic to be able to achieve the target of subsidized mortgage loan (FLPP), which amounting to 12,000 units this year, underpinned by high demand. This is in accordance with the trend in mortgage loans which is heading to subsidized homes. BBNI also takes into consideration its success in achieving subsidized mortgage loans last year, which amounted to 9,800 units. Loan to the 12,000 unit houses is estimated to be worth Rp1.2 trillion.

BJBR OFFERS Rp500B SUBORDINATED BOND
PT Bank Pembangunan Daerah Jawa Barat dan Banten, Tbk. (BJBR) is offering Sustainable Subordinated Bond II Bank BJB Phase I 2020 with a total of Rp500 billion principal value. The bond consists of two series, i.e. series A with Rp132 billion principal, 8.6% p.a. coupon, and 5 years maturity, and seri B with Rp368 billion principal offering 9.35% annual coupon will due in 7 years. Pefindo affirmed idA rating to the bond.

TLKM TO LAUNCH TELKOM FUND II
PT Telekomunikasi Indonesia, Tbk. (TLKM) plans to launch Telkom Fund II, which aims to invest US$300 million - US$500 million - equal to Rp4.2T - Rp7T - to companies. For additional information, TLKM has already launched Telkom Fund, which invested in more than 34 companies. The reason is that due to Telkom's high needs of capex, then transformation from digital infrastructure to digital platform in the form of investment in start-up companies is thought to be urgently needed.

PBID FORMED A NEW SUBSIDIARY
PT Panca Budi Idaman, Tbk. (PBID) formed a new subsidiary, namely, PT Panca Packindo Makmur (PMP). The capital structure consists of Rp300B for capital stock and Rp80B for issued and paid-in capital. By establishing PMP, PBID hopes it will be able to support PBID’s business and to purchase land and building.

GMFI OPERATES SINGLE JACKSREW GANTRY SYSTEM
PT Garuda Maintenance Facility Aero Asia Tbk (GMFI) on Wednesday, February 26, 2020, inaugurated the Single Jackscrew Gantry System at the GMF AeroAsia Engine Shop which is the latest line of aircraft engine maintenance business lines. With the operation of the Engine Gantry System, the aircraft engine maintenance capacity for assembly and disassembly can increase up to 150 units/year from previously only 100 units/year. For additional information, this Jackscrew Gantry System Single facility is the first present in Asia and the second in the world.

ADMF BOND AND SUKUK RATING AFFIRM
PT Adira Dinamika Multi Finance Tbk (ADMF) received an idAAA rating affirmation from PEFINDO for Series V/2019 Series A Sustainable Bonds worth Rp1.1 Trillion, and an "idAAA (sy)" rating for Continuous Mudharabah III Phase A Series Sukuk III worth Rp72 Billion. Both of them will mature on April 26, 2020. As additional information, as of December 2019, the company has 17,677 employees to serve customers through 453 business service networks (including Sharia branch offices) consisting of 192 branch offices.

PRUA TARGETS TO ADD 100-140 ARMADA
PT Putra Rajawali Kencana Tbk (PRUA) in 2020 is targeting to purchase 100-140 units of used fleet, which has been ascertained to date, a total of 125 fleet units valued at Rp89B. Furthermore, in March 2020 the company will add 25 new vehicles. The company uses funds from the company's internal cash and from the results of an initial public offering (IPO) conducted in January.

TOPS OBTAINED Rp50.6B NEW CONTRACT
PT Totalindo Eka Persada Tbk (TOPS) obtained a new contract for the structure work of the Lido Lake Resort 2 Hotel owned by MNC Land which operates in Bogor worth Rp50.6B. The project will begin work in March 2020 and has a work period of 6 months.
TECHNICAL OUTLOOK

JCI IS NEGATIVE, WITH EXPECTED RANGE OF 5,420 to 5600.

JCI was closed lower at 5,536 breaching its nearest Support at 5,620/560, so the next Support lays at 5,492/420 while the nearest Resistance hanging at 5,840/960. PSAR red dot still appearing and continues to drop down along with MACD, Stochastic and RSI. Candlestick already hit the lower Bbline, along with EMA 5, 20850 still in a dead cross pattern.

Hence, our JCI still negative from technical analyst outlook and coupled by negative foreign sentiment.

SUMMARY OF STOCK PICKS

<table>
<thead>
<tr>
<th>TICKER</th>
<th>SUPPORT</th>
<th>RESISTANCE</th>
<th>ENTRY</th>
<th>TARGET</th>
<th>CUTOFF</th>
<th>RISK-TO-REWARD RATIO</th>
<th>LAST PRICE</th>
<th>TEMPORARY GAINS / STATUS</th>
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<tbody>
<tr>
<td>ADRO</td>
<td>1,010</td>
<td>1,587</td>
<td>1,100</td>
<td>1,500</td>
<td>1,050</td>
<td>0.13</td>
<td>1,165</td>
<td>65</td>
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<tr>
<td>ASII</td>
<td>6,025</td>
<td>6,550</td>
<td>6,100</td>
<td>6,650</td>
<td>5,900</td>
<td>0.36</td>
<td>5,950</td>
<td>(150)</td>
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<tr>
<td>BBNI</td>
<td>7,200</td>
<td>7,750</td>
<td>7,300</td>
<td>8,150</td>
<td>7,000</td>
<td>0.35</td>
<td>7,075</td>
<td>(225)</td>
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<tr>
<td>BJBR</td>
<td>960</td>
<td>1,650</td>
<td>1,000</td>
<td>1,400</td>
<td>900</td>
<td>0.25</td>
<td>890</td>
<td>(110)</td>
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<tr>
<td>HEAL</td>
<td>3,190</td>
<td>3,500</td>
<td>3,250</td>
<td>3,600</td>
<td>3,000</td>
<td>0.71</td>
<td>3,150</td>
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<td>ICBP</td>
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<td>11,850</td>
<td>11,000</td>
<td>12,550</td>
<td>10,200</td>
<td>0.52</td>
<td>10,550</td>
<td>(450)</td>
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<tr>
<td>MIKA</td>
<td>1,890</td>
<td>2,940</td>
<td>2,400</td>
<td>2,850</td>
<td>2,250</td>
<td>0.33</td>
<td>2,500</td>
<td>100</td>
</tr>
<tr>
<td>MYOR</td>
<td>1,800</td>
<td>2,100</td>
<td>1,995</td>
<td>2,150</td>
<td>1,700</td>
<td>1.90</td>
<td>1,800</td>
<td>(195)</td>
</tr>
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</table>
**Data & Agenda**

**ECONOMIC CALENDAR**

<table>
<thead>
<tr>
<th>Economic Indicator</th>
<th>Period</th>
<th>Date</th>
<th>Time (WIB)</th>
<th>Prev.</th>
<th>Forecast</th>
<th>Actual</th>
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<tbody>
<tr>
<td>Trade Balance</td>
<td>Jan-20</td>
<td>17-Feb</td>
<td>16:00</td>
<td>-US$28.2 M</td>
<td>-US$800 M</td>
<td>-US$870 M</td>
</tr>
<tr>
<td>Retail Sales (Y/Y)</td>
<td>Dec-19</td>
<td>11-Feb</td>
<td>8:10</td>
<td>1.30%</td>
<td>1.00%</td>
<td>-0.50%</td>
</tr>
<tr>
<td>Inflation (Y/Y)</td>
<td>Jan-20</td>
<td>3-Feb</td>
<td>14:00</td>
<td>2.72%</td>
<td>3.01%</td>
<td>2.68%</td>
</tr>
<tr>
<td>CCI (Y/Y)</td>
<td>Feb-20</td>
<td>6-Feb</td>
<td>16:00</td>
<td>126.4</td>
<td>124.8</td>
<td>121.7</td>
</tr>
<tr>
<td>FX Reserves</td>
<td>Mar-20</td>
<td>7-Feb</td>
<td>17:00</td>
<td>129.2B</td>
<td>125.6B</td>
<td>131.7B</td>
</tr>
<tr>
<td>GDP</td>
<td>4Q19</td>
<td>5-Feb</td>
<td>16:00</td>
<td>5.02%</td>
<td>5.02%</td>
<td>4.97%</td>
</tr>
</tbody>
</table>

**MARKET STATISTICS**

**TOP_GAINERS**

<table>
<thead>
<tr>
<th>TICKER</th>
<th>Close</th>
<th>Chg</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>VRNA</td>
<td>100</td>
<td>25</td>
<td>33.33%</td>
</tr>
<tr>
<td>ALDO</td>
<td>450</td>
<td>88</td>
<td>24.31%</td>
</tr>
<tr>
<td>IBST</td>
<td>8,275</td>
<td>1,375</td>
<td>19.39%</td>
</tr>
<tr>
<td>FORU</td>
<td>122</td>
<td>17</td>
<td>16.19%</td>
</tr>
<tr>
<td>JAVA</td>
<td>80</td>
<td>9</td>
<td>12.68%</td>
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</table>

**TOP TRADING VALUE**

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<tr>
<th>TICKER</th>
<th>Close</th>
<th>Chg</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBRI</td>
<td>4,130</td>
<td>(350)</td>
<td>-7.81%</td>
</tr>
<tr>
<td>BMRI</td>
<td>7,350</td>
<td>(300)</td>
<td>-3.92%</td>
</tr>
<tr>
<td>BBCA</td>
<td>31,450</td>
<td>(650)</td>
<td>-2.02%</td>
</tr>
<tr>
<td>TLKM</td>
<td>3,470</td>
<td>(40)</td>
<td>-1.14%</td>
</tr>
<tr>
<td>ASII</td>
<td>5,950</td>
<td>(100)</td>
<td>-1.65%</td>
</tr>
</tbody>
</table>

**TOP LOSERS**

<table>
<thead>
<tr>
<th>TICKER</th>
<th>Close</th>
<th>Chg</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>AYLS</td>
<td>50</td>
<td>(20)</td>
<td>-28.57%</td>
</tr>
<tr>
<td>CTBN</td>
<td>2,370</td>
<td>(780)</td>
<td>-24.76%</td>
</tr>
<tr>
<td>ALKA</td>
<td>300</td>
<td>(96)</td>
<td>-24.24%</td>
</tr>
<tr>
<td>DPNS</td>
<td>195</td>
<td>(59)</td>
<td>-23.29%</td>
</tr>
<tr>
<td>COCO</td>
<td>720</td>
<td>(210)</td>
<td>-22.58%</td>
</tr>
</tbody>
</table>

**MOST ACTIVE**

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Close</th>
<th>Chg</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBRI</td>
<td>4,130</td>
<td>(350)</td>
<td>-7.81%</td>
</tr>
<tr>
<td>MNCN</td>
<td>1,290</td>
<td>20</td>
<td>1.57%</td>
</tr>
<tr>
<td>BBCA</td>
<td>31,450</td>
<td>(650)</td>
<td>-2.02%</td>
</tr>
<tr>
<td>TOWR</td>
<td>835</td>
<td>(20)</td>
<td>-2.34%</td>
</tr>
<tr>
<td>TLKM</td>
<td>3,470</td>
<td>(40)</td>
<td>-1.14%</td>
</tr>
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1. **ECONOMIC CALENDAR**
   - Trade Balance: Jan-20, 17-Feb, 16:00, -US$28.2 M, -US$800 M, -US$870 M
   - Retail Sales (Y/Y): Dec-19, 11-Feb, 8:10, 1.30%, 1.00%, -0.50%
   - Inflation (Y/Y): Jan-20, 3-Feb, 14:00, 2.72%, 3.01%, 2.68%
   - CCI (Y/Y): Feb-20, 6-Feb, 16:00, 126.4, 124.8, 121.7
   - FX Reserves: Mar-20, 7-Feb, 17:00, 129.2B, 125.6B, 131.7B
   - GDP: 4Q19, 5-Feb, 16:00, 5.02%, 5.02%, 4.97%

2. **MARKET STATISTICS**
   - **TOP_GAINERS**
     - VRNA: Close 100, Chg 25, % Chg 33.33%
     - ALDO: Close 450, Chg 88, % Chg 24.31%
     - IBST: Close 8,275, Chg 1,375, % Chg 19.39%
     - FORU: Close 122, Chg 17, % Chg 16.19%
     - JAVA: Close 80, Chg 9, % Chg 12.68%
   - **TOP_LOSERS**
     - AYLS: Close 50, Chg -20, % Chg -28.57%
     - CTBN: Close 2,370, Chg -780, % Chg -24.76%
     - ALKA: Close 300, Chg -96, % Chg -24.24%
     - DPNS: Close 195, Chg -59, % Chg -23.29%
     - COCO: Close 720, Chg -210, % Chg -22.58%
   - **TOP TRADING VALUE**
     - BBRI: Close 4,130, Chg -350, % Chg -7.81%
     - BMRI: Close 7,350, Chg -300, % Chg -3.92%
     - BBCA: Close 31,450, Chg -650, % Chg -2.02%
     - TLKM: Close 3,470, Chg -40, % Chg -1.14%
     - ASII: Close 5,950, Chg -100, % Chg -1.65%
   - **MOST ACTIVE**
     - BBRI: Close 4,130, Chg -350, % Chg -7.81%
     - MNCN: Close 1,290, Chg 20, % Chg 1.57%
     - BBCA: Close 31,450, Chg -650, % Chg -2.02%
     - TOWR: Close 835, Chg -20, % Chg -2.34%
     - TLKM: Close 3,470, Chg -40, % Chg -1.14%

3. **Disclaimer**
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