



AGRI	BSIC	CONS	FINC	INFR	MINE	MISC	PPTY	TRDE	MFTG										
761.66	957.87	1,821.39	947.78	915.67	1,208.92	733.54	293.05	606.94	1,176.09										
18.19	2.45%	13.11	1.39%	15.44	0.86%	48.99	5.45%	29.80	3.36%	25.03	2.11%	25.39	3.59%	6.21	2.16%	17.80	3.02%	19.47	1.68%

STOCK INDEX	CLOSE	Chg	%Chg
JCI	408.84	18	4.72%
LQ-45	713.64	33	4.88%
IDX30	391.78	18	4.94%
DJIA	23,728.63	(617)	-2.53%
Nasdaq	8,604.95	(285)	-3.20%
S&P 500	2,831.30	(81)	-2.79%
Nikkei	19,619.35	(574)	-2.84%
Hang Seng	24,643.59	68	0.28%

TRADING STATISTICS

Trading Volume (m shares)	8,725
Trading Value (b IDR)	10,305
Trading Frequency (in times)	640,696
Fgn Net Trade Value (b IDR)	432
YTD Fgn Net Trade Value (b IDR)	(19,132)

CMDTY & CCY	CLOSE	%Chg
WTI	19.75	4.83%
Brent	26.56	0.30%
Gold	1,697.37	-1.80%
Coal (USD/MT)	53.20	-0.09%
Copper (US\$/lb.)	2.31	-3.00%
Nickel (US\$/MT)	12,124.25	-0.84%
CPO (MYR/MT)	2,260.00	0.89%
USDIDR	15,157.00	-1.67%

MACROECONOMIC INDICATORS	Last	Prv
BI 7-Day RR	4.75%	5.00%
Inflation Rate (March 20)	2.98%	2.96%
GDP (4Q19)	4.97%	5.02%
10-yr Govt Bond	7.89%	8.08%

FOCUS

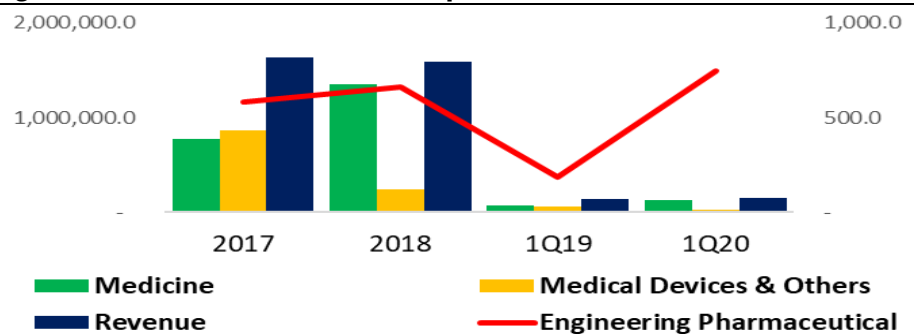
PERFORMANCE OF THE PHARMACEUTICAL INDUSTRY IN INDONESIA

According to the Indonesian Pharmacy Association data, Indonesia pharmaceutical market will become the largest market in the ASEAN region (Rp141.6B) in 2021. Foreign ownership in pharmaceutical companies also increased from 75% to 100% since the government changed the foreign ownership law in this industry. The demand for medicines in Indonesia is influenced by the increasing number of people with chronic diseases & middle-class income, and the expanding coverage of the National Health Insurance Program (JKN). Pharmaceuticals expenditures per capita in Indonesia also increase every year (health care expenditures = Rp277.4T). The Government of Indonesia also formed a pharmaceutical State-owned Enterprises (BUMN) holding to improve pharmaceutical resilience and reduce imports of raw materials. It diverted all state-owned B shares to PT Kimia Farma Tbk (KAEF), PT Indofarma Tbk (INAF) and PT Bio Farma Tbk at the end of January 2020. Rapid increase in the national health program (BPJS Health) and incentives for the pharmaceutical industry that produce cheap medicines (generic) are estimated to drive the pharmaceutical industry growth by 13% per year. However, the Indonesian Pharmaceutical Industry still imports raw materials from China (70% - 90%), India, America, Australia and Europe. The cost of raw materials itself contributes to 70% - 95% of the COGS. The national pharmaceutical company's performance in 2Q20 will be affected by limitation of drug raw materials, fluctuations in the exchange rate of Rupiah, low payment of BPJS Health program and also low margin of generic medicines.

Most pharmaceutical stocks are in a downward trend amid COVID-19 from the end of 2019 to March 2020. However, the performance of pharmaceutical companies increased in 1Q20 (10%,Y/Y) generated from a high demand for multivitamin combination B complex & vitamin C. PT Kimia Farma Tbk (KAEF), PT Indofarma Tbk (INAF), PT Kalbe Farma Tbk (KLBF) and PT Industri Jamu and Pharmaceutical Sido Emerging Tbk (SIDO) benefited the spread of Covid -19. The Social Security Administrator for Health (BPJS) programs use many KLBF products (25%). PT Kalbe Farma Tbk (KLBF) is the largest domestic drug manufacturer in Indonesia. It expanded its business by building a drug factory in the Pulogadung area (Rp250B) in 2011. KLBF will focus on biological products and medicinal raw materials for BPJS health patients. While PT Kimia Farma Tbk (KAEF) will focus on producing biological products, medicine for BPJS Health patients, and retail businesses. To spur the growth of the pharmaceutical industry in Indonesia, KAEF acquired PT Rajawali Nusantara Indonesia (RNI) subsidiary, PT Phapros Tbk (PEHA), and developed several drug factories in 2018 and 2019. It targeted to produce medicinal raw materials for 82 pharmaceutical producers from Company's factories in Cikarang in 2023. While SIDO performance increased because It was active in increasing markets and innovating for local and foreign buyers. Financial and stock performances of KLBF, INAF, SIDO and KAEF can be seen in Figure 1 - Figure 5.



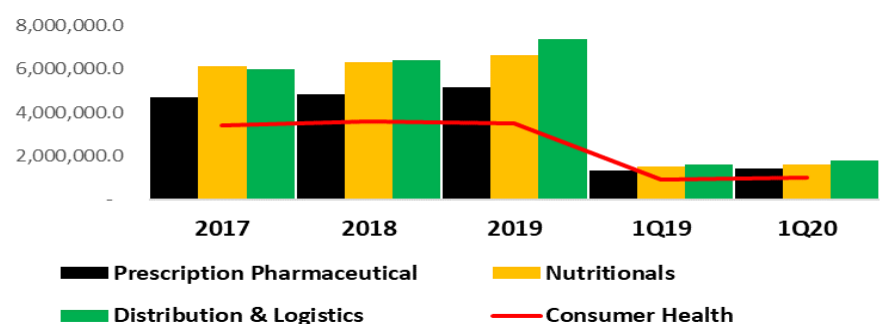
Fig 1: INAF REVENUE BY SEGMENT (Rp Millions)



RATIO	2017	2018	1Q19	1Q2020
GPM (%)	17.3%	17.8%	36.1%	19.3%
EBITDA Margin (%)	1.4%	3.6%	-8.8%	-12.5%
NPM (%)	-2.8%	-2.1%	-16.0%	-14.5%
EBIT Margin (%)	-0.3%	1.6%	-12.1%	-13.8%

Sources: Company, MPIS Research

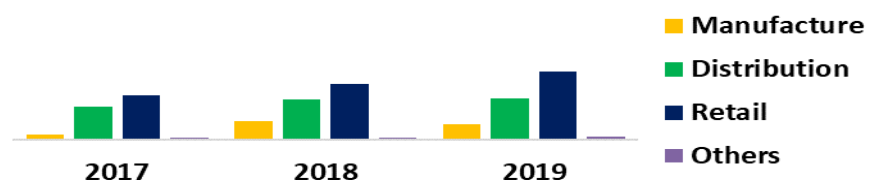
Fig 2: KLB REVENUE BY SEGMENT (Rp Millions)



RATIO	2017	2018	2019	1Q19	1Q2020
GPM (%)	48.6%	46.7%	45.3%	46.6%	45.2%
EBITDA Margin (%)	18.2%	17.5%	16.9%	16.7%	16.3%
NPM (%)	11.9%	11.7%	11.1%	11.1%	11.5%
EBIT Margin (%)	15.6%	15.2%	14.6%	14.1%	15.0%

Sources: Company, MPIS Research

Fig 3: KAEF REVENUE BY SEGMENT (Rp Millions)

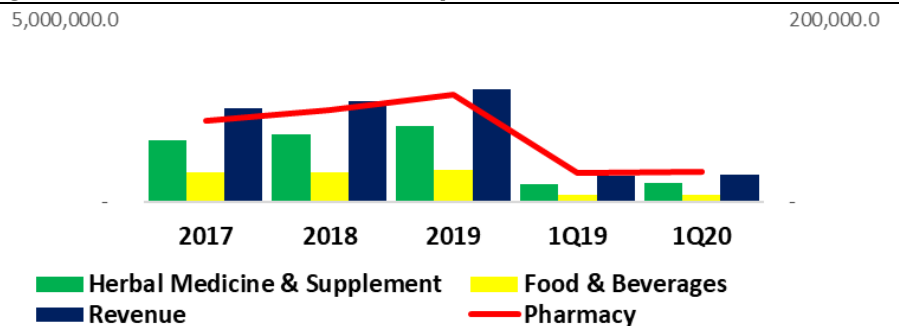


RATIO	2017	2018	2019	1Q19	1Q2020
GPM (%)	35.9%	40.5%	37.3%	NA	NA
EBITDA Margin (%)	7.6%	11.1%	4.2%	NA	NA
NPM (%)	7.0%	7.0%	0.2%	NA	NA
EBIT Margin (%)	8.7%	12.2%	5.4%	NA	NA

Sources: Company, MPIS Research



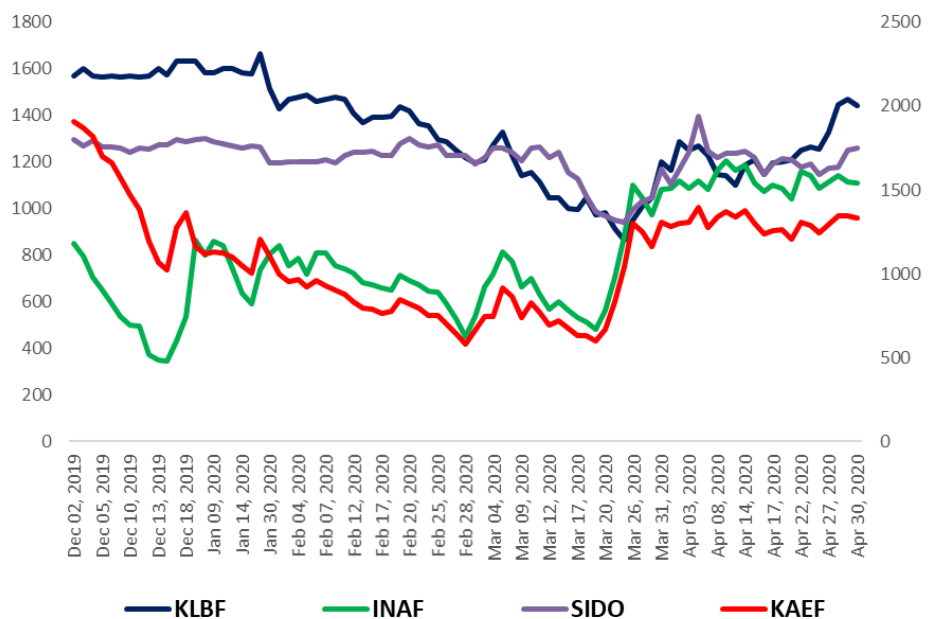
Fig 4: SIDO REVENUE BY SEGMENT (Rp Millions)



RATIO	2017	2018	2019	1Q19	1Q2020
GPM (%)	46.0%	51.5%	54.8%	53.0%	55.8%
EBITDA Margin (%)	26.6%	29.8%	33.4%	38.5%	41.5%
NPM (%)	20.3%	23.9%	26.1%	29.3%	31.6%
EBIT Margin (%)	24.9%	29.8%	33.4%	36.5%	39.1%

Sources: Company, MPIS Research

Fig 5: PHARMACEUTICAL STOCKS PERFORMANCES



Sources: Yahoo finance, MPIS Research

MORNING DEW



PT MINNA PADI INVESTAMA SEKURITAS

Member of Indonesia Stock Exchange

MARKET RECAP

On Thursday trading session (4/30), JCI rose by +149 points (+3.3%) to 4,716. Total trading volume reached 8.7 billion shares with Rp10.3 trillion transaction value. Foreign investors eventually posted a net buy amounting to Rp432 billion, easing the year-to-date foreign net sell to Rp19.1 trillion in 2020.

All sectors advanced, with the biggest gains secured by finance (+5.45%), miscellaneous industry (+3.59%), and infrastructure (+3.36%). Stocks supporting the JCI were BBCA (+6.6%), BMRI (+11.5%), and BBRI (+5.8%). On the contrary, stocks weighing the JCI down were ICBP (-1.3%), KLBF (-2.0%), and INDF (-2.2%).

U.S. NEWS

U.S. stocks closed sharply lower as renewed tensions between the U.S. and China after U.S. intelligence agencies confirmed that they are investigating whether or not the coronavirus outbreak was the result of a laboratory accident in Wuhan, and

then the current situation was exacerbated by Donald Trump statement, after he threatened to impose tariffs to retaliate against Beijing over its handling of the COVID-19 pandemic. Furthermore, grim corporate earnings results from big tech companies in 1Q2020 also disturbed the investor's appetite. The DJIA down 2.53% at 23,728.63, the S&P 500 was down 2.79% at 2,831.30 and the Nasdaq Composite was down 3.20% at 8,604.95.

U.S. Treasury prices fell, edging yields higher. The benchmark 10-year notes were down 2/32 to yield 0.63%. The two-year notes were 1/32 lower, yielding 0.20%. 30-year bonds were up 6/32 to yield 1.26%.

Crude oil price jumped after OPEC and its allies, collectively known as OPEC+, were officially due to start cutting production after agreeing in April to reduce output by 9.7 Mb/d in May and June. WTI jumped by +4.83% to US\$19.75/barrel along with BRENT up by +0.30% to US\$26.56/barrel.

NEWS FROM THE MARKET

UNVR REALIZED A CAPITAL EXPENDITURE OF Rp200B

As of 1Q20, PT Unilever Indonesia, Tbk. (UNVR) realized a capital expenditure of Rp200B, which was used for ramping up production capacity. The Company stated that the capital expenditure budget this year will be, at least, similar to that of last year at Rp1.1T; although UNVR said that it may have to review its budget amid current uncertainties. As additional information, in March 2020 UNVR launched a new brand, namely, Sahaja.

HMSP CLOSED ONE OF ITS PRODUCTION FACILITIES

PT HM Sampoerna, Tbk. (HMSP) decided to close one of its production facilities, namely, Rungkut 2 plant located in Surabaya, as one of its employees are contracted with COVID-19. To ensure, HMSP opted to quarantine the products by 5 days before distribution.

POLL ACQUIRES PT DUTA MEGAH LAKSANA

PT Pollux Properti Indonesia, Tbk. (POLL) acquires PT Duta Megah Laksana (DML) by buying 49.99% shares from PT Borneo Melawai Perkasa. As a result, POLL's ownership in DML increased to 99.99%. Following this corporate action, POLL is to add Rp20 billion to DML's paid-in capital, increasing the capital to Rp45 billion. The funds are to be spent on working capital to finish the condotel project Amarsvati in Lombok.



S&P REVISES THE OUTLOOK OF BBRI, BMRI, AND BBNI TO NEGATIVE

S&P Global Rating revises the outlook of three of Indonesia's top tier banks, i.e. PT Bank Rakyat Indonesia (Persero), Tbk. (BBRI), PT Bank Mandiri (Persero), Tbk. (BMRI), and PT Bank Negara Indonesia (Persero), Tbk. (BBNI) from stable to negative. The Covid-19 pandemic, which has affected various sectors from tourism, transportation, trade, manufacturing, to investment, is held responsible for the revision, as the economic risks of Indonesian banks increasing as a result of high exposure to SME, commodities, and US dollar-denominated corporate loans without hedging, which is estimated to erode quality of assets and profitability, and to inflate credit costs. On the other hand, S&P reaffirms the credit rating of these banks, which is backed by ample capital, strong market position, & good profitability. This is reflected by the ratio of Tier-1 capital at 21.2% and the capital adequacy ratio (CAR) at 22.8%, among the highest in Asia.

GIAA EFFICIENCY STEPS

PT Garuda Indonesia Tbk (GIAA) took a number of efficiency measures to survive amid the harsh conditions of the company due to the effects of this COVID-19 epidemic. Some of these steps include delaying payment of employee salaries, the board of directors, annual incentives, and employee benefits for a total of nearly 25 thousand employees, including PT Garuda Maintenance Facility AeroAsia (GMFI), ACS (AeroFood ACS), AeroTrans, and others subsidiaries. Moreover, the company will also negotiate aircraft leasing payments to the lessor and will return 18 aircraft that are no longer in use, namely Bombardier CRJ1000 Next Gen.



TECHNICAL OUTLOOK

JCI IS NEGATIVE, WITH EXPECTED RANGE OF 4,500 to 4,800.

JCI closed higher at 4,716 breached its nearest Resistance at 4,630, so the next Resistance hanging at 4,975 while Support lay still at 4,460/390. PSAR red dot still appears while Stochastic signaling up and leaning to positive. RSI slightly curled higher while turn to positive. EMA 5, & 20 confirm its dead cross pattern but prone to turn again into golden cross pattern. Hence, JCI is NEGATIVE to correction after strengthened for 4 straight days and due to the negative sentiment from the U.S – China relationship.



SUMMARY OF STOCK PICKS

TICKER	SUPPORT	RESISTANCE	ENTRY POINT	TARGET PRICE	CUTOFF PRICE	RISK-TO-REWARD RATIO	LAST PRICE	TEMPORARY GAINS /		STATUS
								PTS	%	
ADMF	5,750	6,850	5,800	6,600	5,425	0.47	6,175	375	6.47%	BUY
BBNI	2,700	4,650	2,850	4,600	2,650	0.11	4,100	1,250	43.86%	HOLD
BBRI	2,600	3,240	2,850	3,200	2,500	1.00	2,730	(120)	-4.21%	BUY
BBTN	660	1,930	700	1,800	650	0.05	880	180	25.71%	BUY
CPIN	4,100	5,900	4,400	5,700	4,000	0.31	4,600	200	4.55%	HOLD
DMAS	102	296	107	246	100	0.05	154	47	43.93%	HOLD
INDF	6,165	6,900	6,400	6,800	6,050	0.88	6,525	125	1.95%	BUY
JSMR	2,320	3,420	2,650	3,150	2,400	0.50	3,150	500	18.87%	BUY
TPIA	7,900	9,075	8,650	9,000	7,800	2.43	8,975	325	3.76%	BUY
WEGE	107	290	110	240	100	0.08	165	55	50.00%	HOLD



Data & Agenda

ECONOMIC CALENDAR

Economic Indicator	Period	Date	Time (WIB)	Prv.	Forecast	Actual
Trade Balance	Apr-20	15-May	16.00	US\$743.4 M	US\$650 M	
Retail Sales (Y/Y)	Mar-20	12-May	8.10	-0.82%	-1.20%	
Inflation (Y/Y)	Apr-20	4-May	12.00	2.96%	2.80%	
CCI (Y/Y)	Mei-20	6-May	16.00	113.8	108.0	
FX Reserves	Apr-20	8-May	17.00	121.0B	115.5B	
GDP	1Q20	5-May	16.00	4.97%	2.04%-2.5%	

Source: MPIS Research

MARKET STATISTICS

TOP GAINERS

TICKER	Close	Chg	% Chg
YPAS	282	56	24.78%
MREI	6,325	1,025	19.34%
DIVA	900	145	19.21%
KINO	3,100	480	18.32%
PICO	280	40	16.67%

TOP TRADING VALUE

TICKER	Close	Chg	% Chg
BBRI	2,730	150	5.81%
BBCA	25,850	1,600	6.60%
TLKM	3,500	150	4.48%
BMRI	4,460	460	11.50%
ASII	3,850	160	4.34%

MOST ACTIVE

TICKER	Close	Chg	% Chg
PURA	81	6	8.00%
BBRI	2,730	150	5.81%
REAL	68	-	0.00%
BTPS	2,190	280	14.66%
BBCA	25,850	1,600	6.60%

TOP LOSERS

TICKER	Close	Chg	% Chg
IDPR	93	(7)	-7.00%
ERTX	120	(9)	-6.98%
KOIN	121	(9)	-6.92%
LAND	296	(22)	-6.92%
STTP	12,125	(900)	-6.91%

MOST TRADED

TICKER	Close	Chg	% Chg
BBRI	2,730	150	5.81%
REAL	68	-	0.00%
PGAS	855	65	8.23%
TLKM	3,500	150	4.48%
MEDC	450	44	10.84%

TRADING STATISTICS

Trading Volume (in mn shares)	8,725
Trading Value (in bn rupiah)	10,305
Trading Frequency (in times)	640,696
Foreign Net Trading Value (bn IDR)	432
YTD Fign Net Trading Value (bn IDR)	(19,132)

Source: IDX

Disclaimer

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