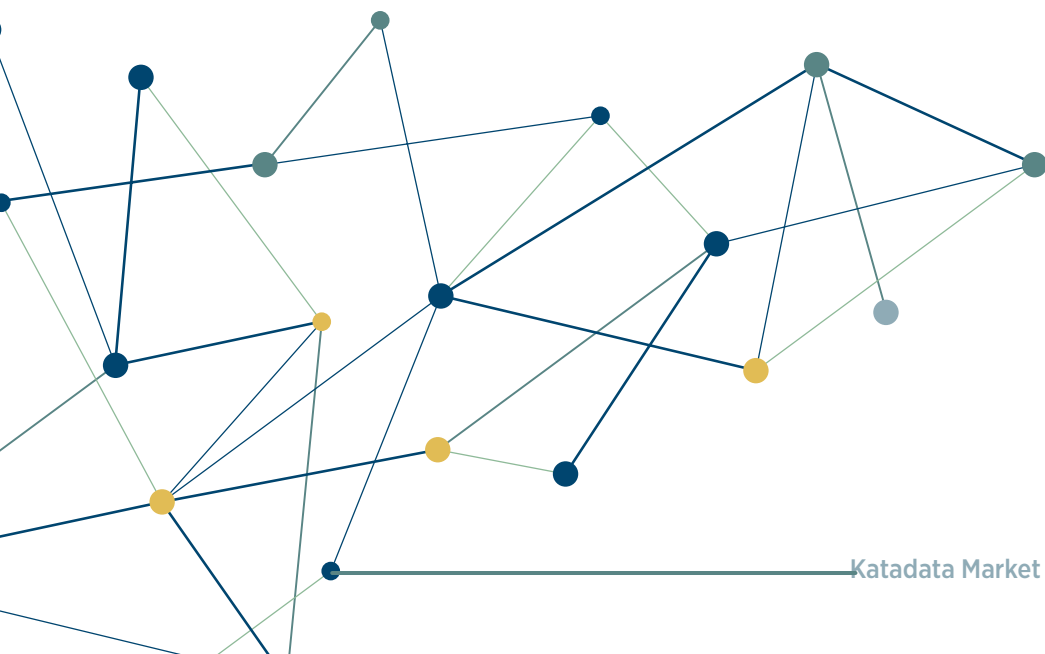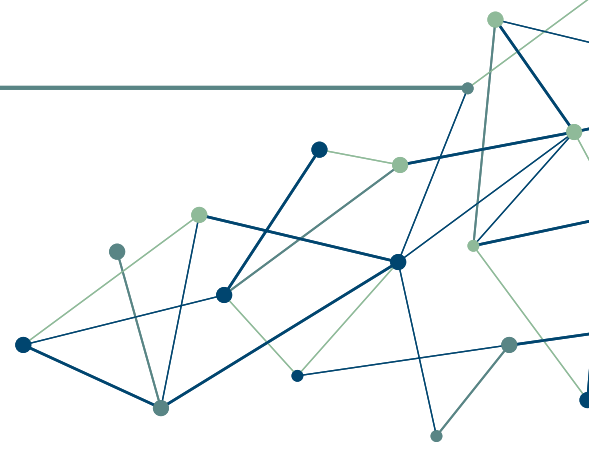# Katadata Market Sentiment Index

December 2019

Katadata Market Sentiment Index
December 2019

The ICI yet to Improved towards the End of the Year

0.00%
Bullish Probability
KMSI **November 2019**

0.00%
Bullish Probability
KMSI **December 2019**

Index Meaning
Bearish

Katadata Market Sentiment Index (KMSI) Highlights

› 8 out of 9 sectors in ICI experienced a correction

› The Central Bank of Indonesia stopped the 7-days Reverse Repo Rate cut in November 2019

› Economic slowdown continued to lurk the stock market

IHSG

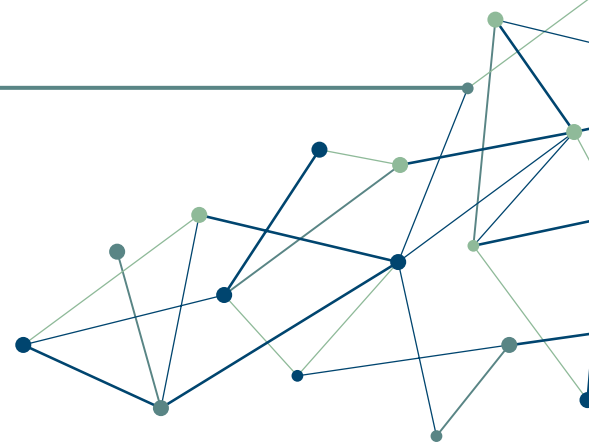▼ **YOY** **-0.7%**   ▼ **MOM** **-3.5%**

6,056
November 2018

6,228
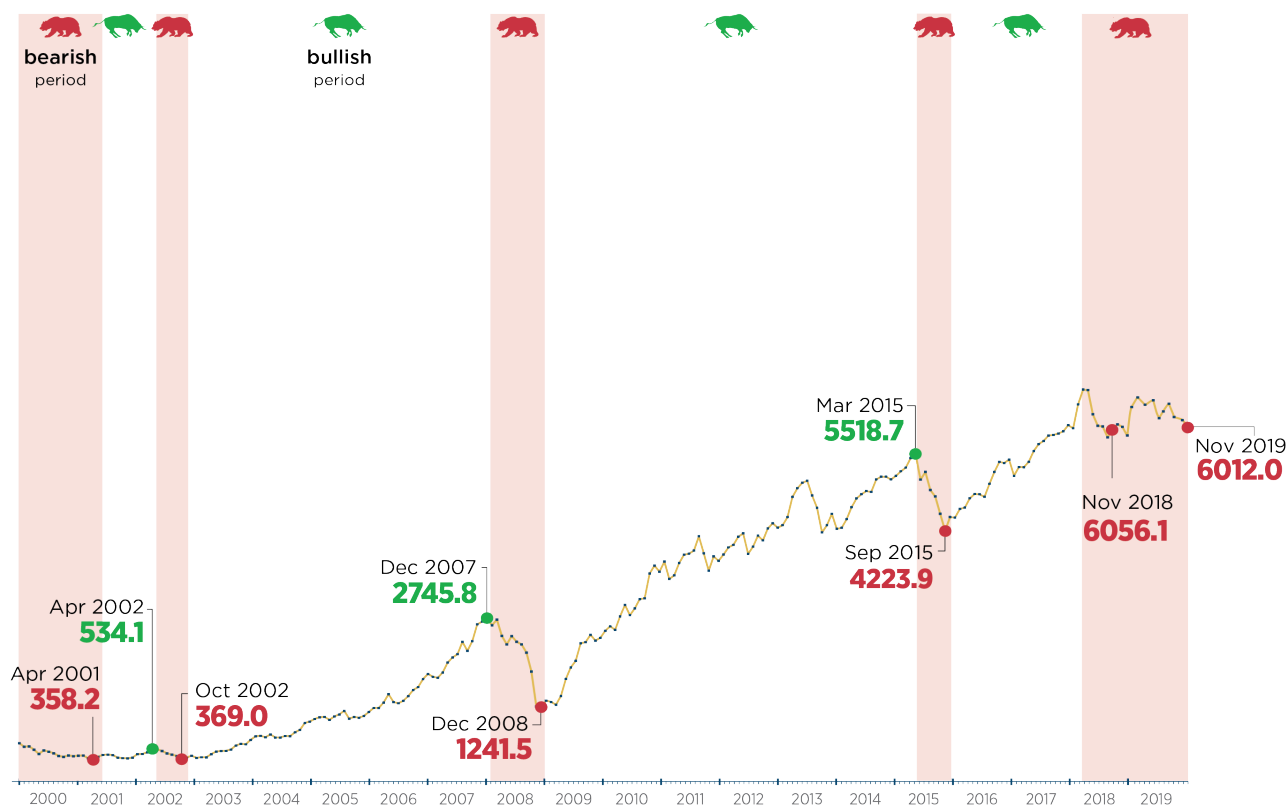October 2019

6,012
November 2019

Katadata Market Sentiment Index
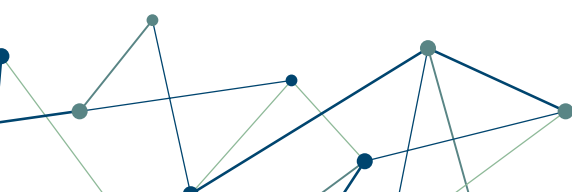
December 2019

The Indonesia Composite Index (ICI) weakened in November 2019, after a slight increase in October. A decrease of 3.5% in the ICI followed by a decrease in 8 out of 9 sectors.

IDX Composite

bearish period

bullish period

Mar 2015
5518.7

Dec 2007
2745.8

Apr 2002
534.1

Apr 2001
358.2

Oct 2002
369.0

Dec 2008
1241.5

Sep 2015
4223.9

Nov 2018
6056.1

Nov 2019
6012.0

2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

Basic Industry has become a sector with the highest gain in two consecutive months and the only sector who rosed up in November.

A 43.2% increase of Barito Pacific (BRPT) backed the Basic Industry to performed well. The investors responded positively to the company's expansion plan and bond issuance. Other stocks in this sector such as Asiaplast Industries (APLI), Yanaprima Hastapersada (YPAS), and Charoen Pokphand Indonesia (CPIN) also booked a significant increase.

Katadata Market Sentiment Index
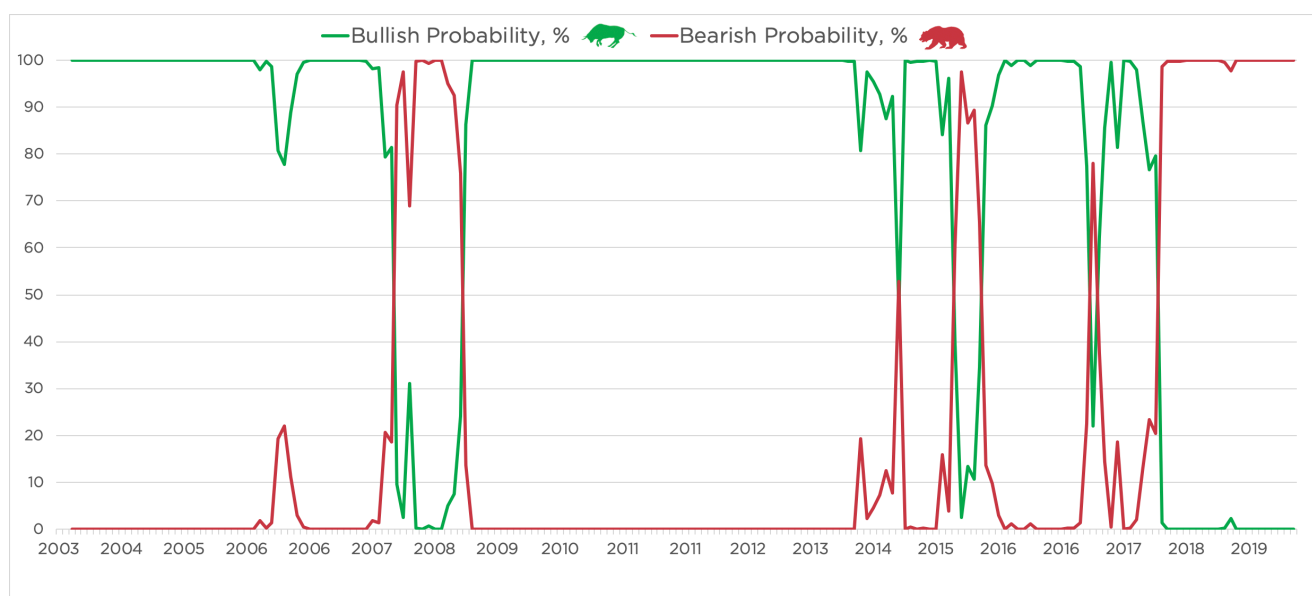
December 2019
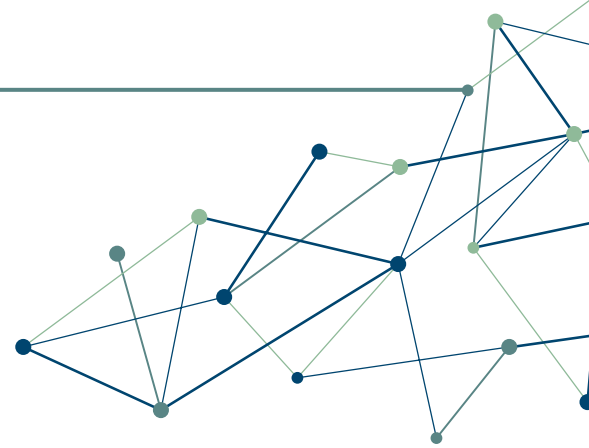
Meanwhile, mining was the sector with the deepest correction of 9.5%. The mining sector has dropped 27.3% throughout 2019. The global economic slowdown and geopolitical situation have put pressure on demand-side which impacted the stocks in this sector to drop.

The sluggish economic condition also impacted other real sector industries. Motorbike and car sales continued to drop. Motorbike sales decreased by 2% (YoY) and car sales decreased by 9.5% (YoY) in November 2019. Dull sales made the stocks in this industry also declined. Astra International's stock (ASII), the biggest market capitalization in the automotive industry, already dropped 23.1% in 2019.

From the financial sector, it tends to be stable despite the correction of 0.4%. In November, Central Bank of Indonesia (BI) did not make another cut on 7-days Reverse Repo Rate, thus it remained at 5%. On the other hand, BI cut the Reserve Requirement (RR) ratio by 50 basis points to 5.5% for conventional banks and 4% for sharia banks. The RR's cut will be effective in January 2020 and is expected to boost bank lending.

In the political sphere, November remained stable and gave no sentiment to the stock market. Until the end of 2019, the ICI is expected to be very dependent on economic performance in December. If there is no significant improvement, especially in the real sector, the bearish period will continue.

Katadata Market Sentiment Index
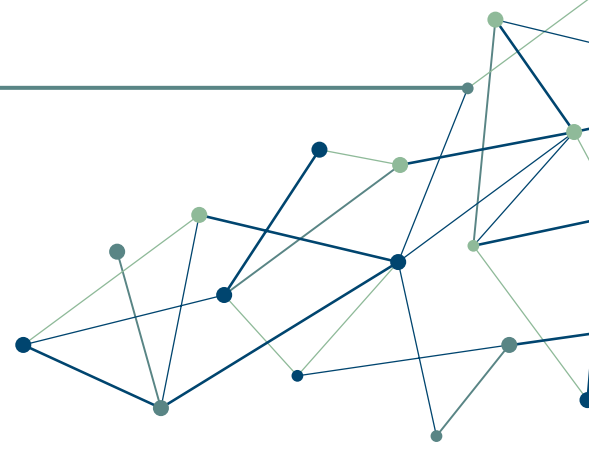## December 2019
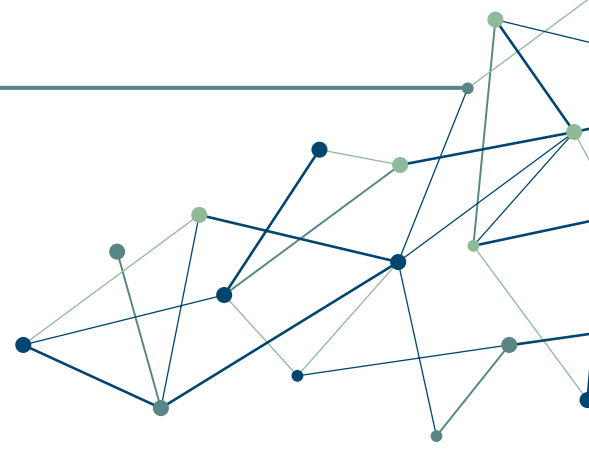
Top Gainers (Sector)

Sector	October 2019	November 2019	%
Basic Industry	917	929	1.3%
Finance	1,279	1,274	-0.4%
Agriculture	1,383	1,365	-1.3%

Top Losers (Sector)

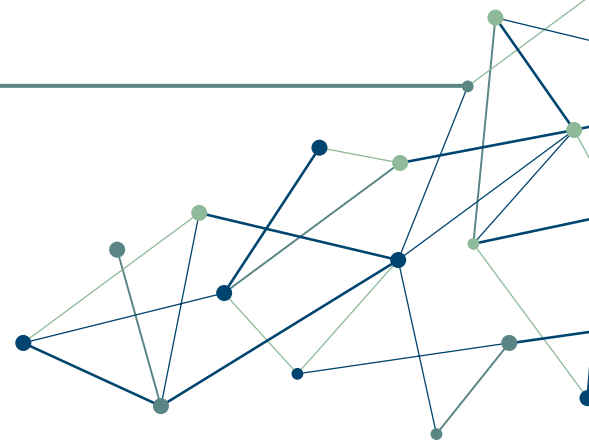| Sector	October 2019	November 2019	%
Mining	1,545	1,398	-9.5%
Property, Real Estate, and Building Construction	524	484	-7.6%
Infrastructure, Utility, and Transportation	1,179	1,103	-6.5%

Katadata Market Sentiment Index
December 2019

Top Gainers (Stock)

Ticker	October 2019	November 2019	%
SLIS	1,530	5,400	252.9%
INTD	240	500	108.3%
PGLI	125	250	100.0%

Top Losers (Stock)

Ticker	October 2019	November 2019	%
FORZ	975	79	-91.9%
DEAL	1,925	360	-81.3%
TGRA	880	195	-77.8

Katadata Insight Center (KIC) is a business unit of Katadata, specialized in research and data analytic, providing in-depth insight to assist you in understanding your own business for a better decision making. Whether you are a small-medium business or a global-level enterprise, the research is exclusively designed to fit your specific needs.

Katadata
Insight
Center