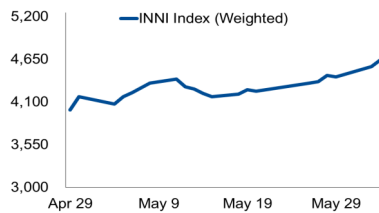


Morning Brief

JCI Movement



INNI Movement



JCI Index

June 03	4,941.00
Chg.	+93.49pts (+1.93%)
Volume (bn shares)	111.29
Value (IDR tn)	12.85
Adv 257 Dec 150 Unc 294 Untr 139	

INNI Index

Last	4,641.71
Chg.	+86.53pts (+1.90%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
CTRA	+9.9%	BBRI	-2.5%
BBCA	+7.8%	INCO	-1.7%
WSKT	+5.6%	MAPI	-0.7%
TINS	+4.8%	KINO	-0.4%
UNTR	+4.3%		

Foreign Transaction

	(IDR bn)		
Buy	4,640		
Sell	3,133		
Net Buy (Sell)	1,507		
Top Buy	NB Val.	Top Sell	NS Val.
BBCA	963.5	BBTN	62.9
BBRI	127.0	PTBA	34.0
ASII	85.9	KLBF	28.3
BMRI	79.7	MAPI	16.4
TLKM	76.6	BRPT	13.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.00%	-0.15%
USDIDR	14,095	-2.22%
KRWIDR	11.58	-1.53%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,269.89	527.24	2.05%
S&P 500	3,122.87	42.05	1.36%
FTSE 100	6,382.41	162.27	2.61%
DAX	12,487.36	466.08	3.88%
Nikkei	22,613.76	288.15	1.29%
Hang Seng	24,325.62	329.68	1.37%
Shanghai	2,923.37	1.97	0.07%
KOSPI	2,147.00	59.81	2.87%
EIDO	19.68	0.88	4.68%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,699.7	(28.0)	-1.62%
Crude Oil (USD/B)	37.29	0.48	1.30%
ICE NewCastle (USD/ton)	57.10	0.00	0.00%
LME Nickel (USD/MT)	12,867	14.0	0.11%
LME Tin (USD/MT)	16,001	(8.0)	-0.05%
CPO (MYR/ton)	2,399	58.0	2.48%

Market Recap

The JCI continued to rally, supported by gains from all sectors led by Agriculture and Finance. **JCI's Top Gainers: Agri. (+3.2%), Finance (+3.2%), Misc. Ind. (+2.8%)**

INNI Index closed higher with main contribution from property stock CTRA. The company hopes to achieve 60% of the total annual sales target this year.

Daily Foreign & Domestic Sector Movement

The JCI recorded a foreign net buy of IDR1.5 trillion with the majority coming from banking sector with IDR1.1 trillion. This is a sign of rising optimism of foreign investors to the Indonesian Economy as government continue to implement its recovery plan. Moreover, TLKM also booked a foreign net buy of IDR76 billion after the company explained that the pandemic has little effect on its financials.

USD/IDR Highlight

Meanwhile, USD/IDR spot rate was up 2.03 percent to IDR14,122/USD

Today's Outlook: Foreign Flow Continues, JCI on the Brink of 5,000

Dow Jones again booked a significant gain as the number of layoffs in May 2020 by payroll firm ADP reported at 2.76 million. This is a significant improvement from the 19.56 million layoffs in April and also far below the estimate of 9.25 million. From domestic side, the continuation of foreign flow brings hope for JCI to reach the psychological level of 5,000.

Company News

BBRI	: New Normal Protocol Adopted
WSKT	: Finished Hospital Construction
ASII	: Loan Restructuring by Subsidiary

Domestic & Global News

BI: Economic Liquidity Slows in April 2020
U.S. Factory Orders Tumble in April

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.50%	4.50%	Real GDP	2.97%	4.97%
FX Reserve (USD bn)	127.88	120.97	Current Acc (USD bn)	(3.92)	(8.08)
Trd Balance (USD bn)	(0.34)	0.74	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	-7.02%	-0.20%	FDI (USD bn)	4.51	4.60
Imports Yoy	-18.58%	-0.75%	Business Confidence	104.82	105.33
Inflation Yoy	2.19%	2.67%	Cons. Confidence*	84.80	113.80

BBRI : New Normal Protocol Adopted

PT Bank Rakyat Indonesia Tbk (BBRI) has gradually reopen its branch operations and currently 85% of BBRI branch have started operating under New Normal protocol. The bank continues to evaluate the performance of its branches due to transformation to digital banking. (CNBC Indonesia)

WSKT : Finished Hospital Construction

PT Waskita Karya Tbk (WSKT) has finished the construction of isolation rooms in Fatmawati hospital which consist of 26 rooms and 43 beds. Beforehand, the company has also built facilities in Batam and Kemayoran. (Investor Daily)

ASII : Loan Restructuring by Subsidiary

Astra Financial as a subsidiary of PT Astra International Tbk (ASII) has resctructured 792 debtors affected by pandemic. Total potential restructured amount could reach IDR21.9 trillion from 683,000 motorcycles and 109,000 cars. The company has committed to support the government in its national economy recovery program. (Investor Daily)

Domestic & Global News

BI: Economic Liquidity Slows in April 2020

Economic liquidity or broad money supply (M2) grew slowly in April 2020. Bank Indonesia (BI) noted the April 2020 M2 position of Rp6,238.3 trillion or rise 8.06% YoY, lower than the previous month's growth of 12.1% YoY. (Kontan)

U.S. Factory Orders Tumble in April

New orders for U.S. -made goods tumbled in April. Business spending was depressed at the start of the second quarter amid the COVID-19 Pandemic. On Wednesday factory orders for April fell 13.0% compared to March which fell 11.0%. (Reuters)

	Last Price	End of Last Year Price	Target Price*	Rating	Upside Potential (%)	1 Year Change (%)	Market Cap (IDR tn)	Price / EPS (TTM)	Price / BVPS	Return on Equity (%)	Dividend Yield TTM (%)	Sales Growth Yoy (%)	EPS Growth Yoy (%)	Adj. Beta
Finance						(18.0)	1,945.6							
BBCA	28,900	33,425	28,950	Hold	0.2	(0.7)	712.5	24.5x	4.2x	17.6	1.9	13.9	8.5	1.1
BBRI	3,100	4,400	3,100	Hold	-	(24.4)	382.4	11.0x	2.1x	18.6	5.4	13.0	(0.3)	1.3
Consumer						(24.9)	1,054.7							
GGRM	48,175	53,000	59,550	Buy	23.6	(40.1)	92.7	8.4x	1.7x	21.8	5.4	4.1	3.9	0.9
KINO	2,650	3,430	2,950	Hold	11.3	1.9	3.8	13.9x	1.4x	10.5	4.1	11.1	(81.3)	0.9
ICBP	8,500	11,150	<i>Under Review</i>	N/A	N/A	(13.3)	99.1	17.4x	3.6x	22.6	1.6	6.7	47.8	0.8
KLBF	1,415	1,620	1,430	Hold	1.1	0.7	66.3	25.7x	4.0x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(22.0)	629.87							
TLKM	3,290	3,970	3,940	Buy	19.8	(14.4)	325.9	17.5x	3.3x	18.8	5.0	3.7	3.5	1.0
JSMR	3,940	5,175	4,600	Buy	16.8	(30.9)	28.6	13.0x	1.5x	12.4	1.2	(28.7)	0.2	1.3
Trade						(23.1)	552.8							
UNTR	17,075	21,525	19,000	Hold	11.3	(32.6)	63.7	6.3x	1.0x	16.9	2.4	(19.0)	(40.2)	0.8
MAPI	720	1,055	820	Hold	13.9	(18.2)	12.0	12.8x	1.9x	16.1	1.4	14.0	27.3	1.2
Property						(27.5)	306.8							
CTRA	665	1,040	780	Buy	17.3	(32.1)	12.3	11.6x	0.8x	7.2	1.5	(8.3)	(33.3)	1.4
WSKT	665	1,485	960	Buy	44.4	(63.3)	9.0	9.6x	0.5x	5.2	11.0	(35.7)	(76.3)	1.7
WIKA	1,190	1,990	1,380	Buy	16.0	(47.6)	10.7	4.7x	0.6x	14.6	3.2	(12.7)	32.0	1.7
Basic Ind.						0.8	609.0							
SMGR	9,700	12,000	10,925	Hold	12.6	(16.0)	57.5	22.4x	1.7x	8.0	2.1	5.6	66.7	1.4
Misc Ind.						(32.1)	266.3							
ASII	4,890	6,925	5,800	Buy	18.6	(34.4)	198.0	9.3x	1.3x	14.4	4.3	(9.4)	(7.8)	1.3
Mining						(22.3)	298.4							
TINS	480	825	830	Buy	72.9	(57.1)	3.6	N/A	0.7x	(10.7)	5.2	75.2	N/A	1.4
PTBA	2,110	2,660	2,775	Buy	31.5	(31.0)	24.3	6.1x	1.2x	20.6	16.1	(4.0)	(25.0)	1.1
INCO	2,880	3,640	2,000	Sell	(30.6)	6.7	28.6	19.1x	1.0x	5.6	N/A	38.1	N/A	1.6
ANTM	555	840	600	Hold	8.1	(23.4)	13.3	68.8x	0.7x	1.1	2.3	29.4	(88.1)	1.6
Agriculture						(28.7)	63.2							
AALI	7,700	14,575	10,000	Buy	29.9	(27.0)	14.8	27.2x	0.8x	2.9	N/A	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

INNI Index Movement

YTD Change	-25.4%
YTD Change Gap (vs JCI)	-4.0%
Weekly Change	6.9%
Weekly Change Gap (vs JCI)	0.1%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH	08.45	Caixin China PMI Mfg	May	50.7	49.6	49.4
01 - June	GE	14.55	Markit Germany Manufacturing PMI	May	36.6	36.8	36.8
	EC	15.00	Markit Eurozone Manufacturing PMI	May	39.4	39.5	39.5
	UK	15.30	Markit UK PMI Manufacturing SA	May	40.7	40.8	40.6
	US	20.45	Markit US Manufacturing PMI	May	39.8	40	39.8
	US	21.00	ISM Manufacturing	May	43.1	43.7	41.5
	Tuesday	UK	13.00	Nationwide House PX MoM	May	-1.7%	-1.0%
02 - June	UK	13.00	Nationwide House Px NSA YoY	May	1.8%	2.8%	3.7%
	UK	15.30	Mortgage Approvals	Apr	15.8k	24.0k	56.2k
Wednesday	GE	14.55	Unemployment Change (000's)	May	238.0k	190.0k	373.0k
03 - June	US	18.00	MBA Mortgage Applications	May	-3.9%	--	2.7%
	US	19.15	ADP Employment Change	May	-2760k	-9500k	-20236k
	US	21.00	Factory Orders	Apr	-13.0%	-14.2%	-10.3%
	US	21.00	Durable Goods Orders	Apr	-17.7%	-17.2%	-17.2%
Thursday	EC	18.45	ECB Main Refinancing Rate	Jun		0.0%	0.0%
04 - June	EC	18.45	ECB Deposit Facility Rate	Jun		-0.5%	-0.5%
	US	19.30	Trade Balance	Apr		-\$49.1b	-\$44.4b
	US	19.30	Initial Jobless Claims	May		1800k	2123k
	Friday	GE	13.00	Factory Orders MoM	Apr		-18.9%
05 - June	US	19.30	Change in Nonfarm Payrolls	May		-8000k	-20537k
	US	19.30	Unemployment Rate	May		19.6%	14.7%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	11:00	CPI NSA MoM	May	0.07%	0.10%	0.08%
02 - June	11.00	CPI YoY	May	2.19%	2.20%	2.67%

Source: Bloomberg

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