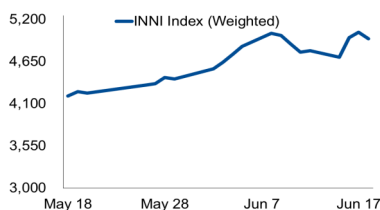


Morning Brief

JCI Movement



INNI Movement



Market Recap

The JCI closed lower with Basic Industry and Miscellaneous Industry as the biggest losing sectors. **JCI's Top Losers: Basic Ind. (-3.6%), Misc. Ind. (-2.4%), Consumer (-1.5%)**

INNI Index also fell with pressures coming from mining stocks such as INCO and TINS.

Daily Foreign & Domestic Sector Movement

The JCI had a foreign net sell of IDR80 billion on yesterday's close. BBCA led the biggest net sell with IDR79 billion. Moreover, ASII also had a net foreign sell of IDR40 billion. The company will pay out a total dividend of IDR214/share, including interim dividend of IDR57/share paid out last year. Total amount of dividend as decided in AGM is IDR8.66 trillion.

USD/IDR Highlight

Meanwhile, the USD/IDR spot rate was up slightly 0.04 % to IDR 14,077/USD.

Today's Outlook: Foreign Net Sell Slows Down after Rate Cut

Major US indices closed on the mix with Dow Jones fell, while both S&P 500 and Nasdaq had small gains. The weekly unemployment report and rising Covid-19 cases are still the main driving factors. For local market, the JCI movement today will try to rebound after Bank Indonesia cut its BI-7DRRR rate, while foreign net sell slowed down yesterday.

Company News

ANTM : Reverts Buyback Allocation to Operational
PTBA : Stock Buyback Totaling IDR12.5 Billion
BBRI : BRImo Transactions Reach IDR482 Trillion

Domestic & Global News

BI Records Annual CPI in May 2020 Fell 2.19%
Triggering Trade War, Europe Continues to Pull Taxes on Google and Others Without Consensus

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.50%	Real GDP	2.97%	4.97%
FX Reserve (USD bn)	130.50	127.88	Current Acc (USD bn)	(3.92)	(8.08)
Trd Balance (USD bn)	2.09	(0.34)	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	-28.95%	-7.02%	FDI (USD bn)	4.51	4.60
Imports Yoy	-42.20%	-18.58%	Business Confidence	104.82	105.33
Inflation Yoy	2.19%	2.67%	Cons. Confidence*	77.80	84.80

JCI Index

June 18	4,925.24
Chg.	-62.52pts (-1.25%)
Volume (bn shares)	86.35
Value (IDR tn)	7.31
Adv 174 Dec 242 Unc 286 Untr 132	

INNI Index

Last	4,945.29
Chg.	-89.04pts (-1.77%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
TLKM	+2.2%	INCO	-3.9%
CTRA	+2.1%	ASII	-3.4%
KINO	+0.9%	SMGR	-3.1%
JSMR	+0.5%	BBCA	-2.4%
		TINS	-2.4%

Foreign Transaction

	(IDR bn)
Buy	1,688
Sell	1,768
Net Buy (Sell)	80

Top Buy	NB Val.	Top Sell	NS Val.
TLKM	239.5	BBCA	79.1
UNTR	36.0	ASII	40.5
BMRI	20.5	MNCN	35.7
BBRI	16.6	BBNI	26.8
BTPS	10.7	PGAS	23.5

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.18%	0.02%
USDIDR	14,077	-0.04%
KRWIDR	11.64	0.34%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,080.10	(39.51)	-0.15%
S&P 500	3,115.34	1.85	0.06%
FTSE 100	6,224.07	(29.18)	-0.47%
DAX	12,281.53	(100.61)	-0.81%
Nikkei	22,355.46	(100.30)	-0.45%
Hang Seng	24,464.94	(16.47)	-0.07%
Shanghai	2,939.32	3.44	0.12%
KOSPI	2,133.48	(7.57)	-0.35%
EIDO	18.62	(0.13)	-0.69%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,722.9	(4.0)	-0.23%
Crude Oil (USD/B)	38.84	0.88	2.32%
ICE NewCastle (USD/ton)	54.15	0.25	0.46%
LME Nickel (USD/MT)	12,894	23.0	0.18%
LME Tin (USD/MT)	16,885	(105.0)	-0.62%
CPO (MYR/ton)	2,367	6.0	0.25%

ANTM : Reverts Buyback Allocation to Operational

PT Aneka Tambang Tbk (ANTM) has cancelled its stock buyback after considering the improvement in market. The IDR100 billion buyback allocation will be used for operational purposes and project investments. (Kontan)

PTBA : Stock Buyback Totaling IDR12.5 Billion

PT Bukit Asam Tbk (PTBA) reported total stock buyback until 16 June 2020 amounting to IDR12.5 billion. The rest of the IDR300 billion planned for this buyback program will be reverted back to internal cash to maintain liquidity. (Kontan)

BBRI : BRImo Transactions Reach IDR482 Trillion

PT Bank Rakyat Indonesia Tbk (BBRI) recorded digital transaction via BRImo to be IDR482 trillion or up 31% YoY for January-May 2020. The momentum was gained in May with almost 100% MoM increase while 6 million customers used the digital platform (Investor Daily).

Domestic & Global News

BI Records Annual CPI in May 2020 Fell 2.19%

Consumer Price Index (CPI) inflation in May 2020 decreased 0.08% MoM, April recorded 0.07% MoM. Inflation in May 2020 was lower than the Eid-al-Fitr Ramadan period in the past five years with an average of 0.69%. So that on an annual basis BI recorded CPI inflation in May 2020 of 2.19% (Kontan)

Triggering Trade War, Europe Continues to Pull Taxes on Google and Others Without Consensus

The European Union says it will tax digital powers, such as; Google, Amazon, and Facebook without a global agreement at the end of this year. The latest Trans-Atlantic dispute was triggered when the US declared withdrawing from negotiations with European countries over new international tax rules on digital companies. (Kontan)

	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						(19.7)	1,964.6							
BBCA	27,925	33,425	28,950	Hold	3.7	(6.0)	688.5	23.7x	4.0x	17.6	2.0	13.9	8.5	1.1
BBRI	3,050	4,400	3,100	Hold	1.6	(28.9)	376.2	10.9x	2.1x	18.6	5.5	13.0	(0.3)	1.3
Consumer						(26.3)	1,042.2							
GGRM	47,550	53,000	59,550	Buy	25.2	(39.3)	91.5	8.3x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,480	3,430	2,950	Sell	(15.2)	22.1	5.0	18.3x	1.8x	10.5	3.1	11.1	(81.3)	0.9
ICBP	8,750	11,150	<i>Under Review</i>	N/A	N/A	(13.6)	102.0	18.0x	3.7x	22.6	1.6	6.7	47.8	0.8
KLBF	1,410	1,620	1,430	Hold	1.4	(4.7)	66.1	25.6x	4.0x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(22.9)	646.01							
TLKM	3,280	3,970	3,800	Buy	15.9	(20.0)	324.9	17.4x	3.3x	18.8	5.0	3.7	3.5	1.0
JSMR	4,170	5,175	4,600	Hold	10.3	(28.7)	30.3	13.7x	1.6x	12.0	1.1	(45.3)	0.5	1.3
Trade						(24.6)	546.2							
UNTR	17,650	21,525	19,000	Hold	7.6	(35.8)	65.8	6.5x	1.0x	16.9	2.3	(19.0)	(40.2)	0.9
MAPI	785	1,055	820	Hold	4.5	(16.5)	13.0	14.0x	2.1x	16.1	1.3	14.0	27.3	1.2
Property						(31.3)	311.3							
CTRA	730	1,040	810	Hold	11.0	(36.0)	13.5	12.8x	0.9x	7.2	1.4	(8.3)	(33.3)	1.5
WSKT	760	1,485	960	Buy	26.3	(60.7)	10.3	11.0x	0.6x	5.2	0.5	(35.7)	(76.3)	1.8
WIKA	1,310	1,990	1,380	Hold	5.3	(45.2)	11.8	5.6x	0.8x	14.3	3.9	(35.4)	(65.3)	1.7
Basic Ind.						(5.5)	569.8							
SMGR	9,325	12,000	10,925	Buy	17.2	(19.6)	55.3	21.5x	1.7x	8.0	2.2	5.6	66.7	1.3
Misc Ind.						(33.8)	265.4							
ASII	4,800	6,925	5,800	Buy	20.8	(37.3)	194.3	9.1x	1.3x	14.4	4.4	(9.4)	(7.8)	1.3
Mining						(20.8)	297.9							
TINS	630	825	830	Buy	31.7	(45.5)	4.7	N/A	0.9x	(10.7)	4.0	75.2	N/A	1.5
PTBA	2,450	2,660	2,775	Hold	13.3	(16.9)	28.2	7.1x	1.4x	20.6	13.3	(4.0)	(25.0)	1.2
INCO	2,920	3,640	3,500	Buy	19.9	(0.3)	29.0	19.2x	1.0x	5.6	N/A	38.1	N/A	1.6
ANTM	620	840	600	Hold	(3.2)	(22.0)	14.9	76.9x	0.8x	1.1	2.1	29.4	(88.1)	1.6
Agriculture						(26.0)	65.9							
AALI	8,550	14,575	10,000	Buy	17.0	(16.6)	16.5	30.2x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

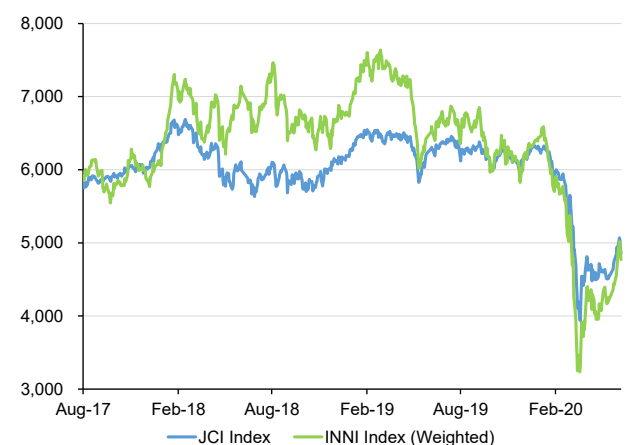
INNI Index Movement

YTD Change	-20.5%
YTD Change Gap (vs JCI)	1.1%
Weekly Change	3.7%
Weekly Change Gap (vs JCI)	2.2%

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 15 - June	CH	09.00	Industrial Production YoY	May	4.4%	5.0%	3.9%
Tuesday 16 - June	UK	13.00	Jobless Claims Change	May	528.9k	-	856.5k
	UK	13.00	ILO Unemployment Rate 3Mths	Apr	3.9%	4.7%	3.9%
	GE	13.00	CPI MoM	May	-0.1%	-0.1%	-0.1%
	GE	13.00	CPI YoY	May	0.6%	0.6%	0.6%
	GE	16.00	ZEW Survey Expectations	Jun	63.4	60	51
	GE	16.00	ZEW Survey Current Situation	Jun	-83.1	-82	-93.5
	US	19.30	Retail Sales Advance MoM	May	17.7%	8.0%	-16.4%
	US	20.15	Industrial Production MoM	May	1.4%	3.0%	-11.2%
Wednesday 17 - June	UK	13.00	CPI MoM	May	0.0%	0.0%	-0.2%
	UK	13.00	CPI YoY	May	0.5%	0.5%	0.8%
	UK	13.00	CPI Core YoY	May	1.2%	1.3%	1.4%
	UK	13.00	PPI Output NSA MoM	May	-0.3%	-0.1%	-0.7%
	UK	13.00	PPI Output NSA YoY	May	-1.4%	-1.0%	-0.7%
	EC	16.00	CPI YoY	May	0.1%	0.1%	0.3%
	US	18.00	MBA Mortgage Applications	June	8.0%	-	9.3%
	US	19.30	Housing Starts	May	974k	1100k	891k
Thursday 18 - June	UK	18.00	Bank of England Bank Rate	June	0.1%	0.1%	0.1%
	US	19.30	Initial Jobless Claims	June	1508K	1290k	1542k
	US	21.00	Leading Index	May	2.8%	2.4%	-4.4%

Source: Bloomberg

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