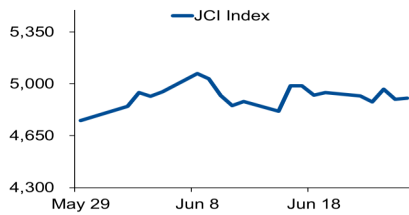
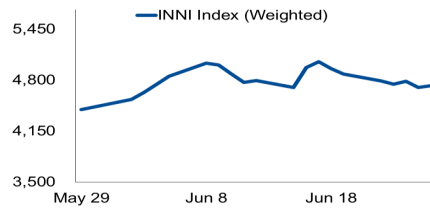


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Threat of Restrictions is Back

The Dow Jones closed sharply at the market closing last week. The increase of COVID-19 positive cases have caused states such as Texas and Florida to re-impose the restrictions. Meanwhile, the latest banks stress test results in the US have also caused the financial sector to fall.

Domestically, JCI movements at the beginning of the week is weakening due to the minimum domestic sentiments towards the end of the second quarter. Over the past week JCI fell by 0.77% with a net foreign sell of IDR2.2 trillion.

Company News

- TLKM : Telkomsel and Alfamart Provide IOT Solution
- BBRI : Widens Access to Loans for MSMEs
- JSMR : KIK-EBA Planned to Release this Year

Domestic & Global News

- Distribution of Social Protection Program Reaches 34 percent
- Oil Drops Accompanied by a Rise in COVID-19 Cases

Sectors

	Last	Chg.	%
Infrastructure, Utilities and Transportation	910.97	9.72	1.08%
Property, Real Estate & Construction	327.96	3.19	0.98%
Consumer Goods	1,800.02	8.99	0.50%
Miscellaneous Industry	884.86	1.43	0.16%
Mining	1,233.71	1.40	0.11%
Finance	1,047.42	0.70	-0.07%
Trade, Service and Investment	601.48	1.91	-0.32%
Agriculture	1,033.79	4.15	-0.40%
Basic Industry	713.06	4.83	-0.67%

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 26	4,912.39
Chg.	+15.66pts (+0.32%)
Volume (bn shares)	54.74
Value (IDR tn)	4.76
Adv 207 Dec 193 Unc 302 Untr 138	

INNI Index

Last	4,729.92
Chg.	+25.46pts (+0.54%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
ICBP	+2.8%	BBCA	-1.2%
MAPI	+2.6%	BBRI	-0.7%
CTRA	+2.4%	AALI	-0.4%
ANTM	+1.7%	KLBF	-0.3%
WIKA	+1.2%	JSMR	-0.2%

Foreign Transaction

	(IDR bn)
Buy	762
Sell	1,341
Net Buy (Sell)	578

Top Buy	NB Val.	Top Sell	NS Val.
ICBP	35.8	BBRI	178.5
INDF	28.1	BBCA	98.5
SMGR	21.2	TLKM	80.6
TOWR	5.2	UNVR	35.9
JPFA	2.3	BBNI	18.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.19%	0.00%
USDIDR	14,220	0.32%
KRWIDR	11.86	0.89%

Global Indices

Index	Last	Chg.	%
Dow Jones	25,015.55	(730.05)	-2.84%
S&P 500	3,009.05	(74.71)	-2.42%
FTSE 100	6,159.30	12.16	0.20%
DAX	12,089.39	(88.48)	-0.73%
Nikkei	22,512.08	252.29	1.13%
Hang Seng	24,549.99	(231.59)	-0.93%
Shanghai	2,979.55	8.93	0.30%
KOSPI	2,134.65	22.28	1.05%
EIDO	18.16	(0.45)	-2.42%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,771.3	7.5	0.43%
Crude Oil (USD/B)	38.49	(0.23)	-0.59%
ICE NewCastle (USD/ton)	56.85	0.85	1.52%
LME Nickel (USD/MT)	12,684	244.0	1.96%
LME Tin (USD/MT)	16,815	235.0	1.42%
CPO (MYR/ton)	2,368	(27.0)	-1.13%

TLKM : Telkomsel and Alfamart Provide IOT Solution

Telkomsel as the subsidiary of PT Telekomunikasi Indonesia Tbk (TLKM) will collaborate with Alfamart to replace its WAN network to SD-WAN. SD-WAN is an IOT solution that will help and optimize company operations with digital based technology. This cooperation will give a positive impact to the retail industry by supporting efficiency and productivity. (Investor Daily)

BBRI : Widens Access to Loans for MSMEs

PT Bank Rakyat Indonesia Tbk (BBRI) continues to widen the access to loans through digital lending available on the CERIA application. The CERIA application gives loans with 0% interest for loans under 30 days, while loans above 30 days will have 1% interest. Thus at the pandemic period in April - June, CERIA has been downloaded 260,000 times, with a significant jump from the previous month. (Bisnis Indonesia)

JSMR : KIK-EBA Planned to Release this Year

PT Jasa Marga Tbk (JSMR) is collaborating with Mandiri Investation Management to release Indonesia's first sharia KIK-EBA product. The product will have the JORR Cilincing-Cikunir that is targeted as underlying asset, and is targetted to be released this year after experiencing a delay due to the pandemic. JSMR and Mandiri Investation Management also target the fundraising of the product to reach IDR2.5 trillion. (Bisnis Indonesia)

Domestic & Global News

Distribution of Social Protection Program Reaches 34 percent

The distribution of the protection and social assistance budget in the National Economic Recovery program currently reaches 34% of the stipulated budget of IDR203.90 trillion. The social protection program also includes food assistance, the Family Hope Program (PKH), Jabodetabek social assistance, Electricity Discounts, Pre-Employment Cards, village funds unconditional cash transfers (BLT Dana Desa) and Non Jabodetabek social assistance. (Kontan)

Oil Drops Accompanied by a Rise in COVID-19 Cases

Oil prices dipped on Friday, erasing earlier gains, as new coronavirus cases spiked in the United States and China, and on growing concerns about rising U.S. output ticking up while crude stockpiles sat at record highs. Brent crude futures were 14 cents lower at USD40.9. West Texas Intermediate crude futures fell 23 cents, or 0.6% to settle at USD38.49 per barrel. (CNBC)

	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						(19.8)	1,983.4							
BBCA	28,225	33,425	28,950	Hold	2.6	(5.8)	695.9	23.9x	4.1x	17.6	2.0	13.9	8.5	1.1
BBRI	3,030	4,400	3,010	Hold	(0.7)	(30.5)	373.7	10.8x	2.1x	18.6	5.6	13.0	(0.3)	1.3
Consumer						(24.8)	1,032.7							
GGRM	46,875	53,000	59,550	Buy	27.0	(39.0)	90.2	8.2x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,390	3,430	2,950	Hold	(13.0)	17.3	4.8	17.8x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,225	11,150	9,850	Hold	6.8	(9.1)	107.6	18.9x	3.9x	22.6	1.5	6.7	47.8	0.8
KLBF	1,445	1,620	1,630	Hold	12.8	(1.0)	67.7	26.2x	4.1x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(25.0)	637.55							
TLKM	3,190	3,970	3,800	Buy	19.1	(22.9)	316.0	16.9x	3.2x	18.8	5.1	3.7	3.5	1.0
JSMR	4,400	5,175	4,600	Hold	4.5	(23.1)	31.9	14.4x	1.6x	12.0	0.3	(45.3)	0.5	1.3
Trade						(25.3)	541.8							
UNTR	16,475	21,525	19,000	Buy	15.3	(41.6)	61.5	6.1x	1.0x	16.9	7.4	(19.0)	(40.2)	0.9
MAPI	790	1,055	820	Hold	3.8	(12.2)	13.1	14.1x	2.1x	16.1	1.3	14.0	27.3	1.2
Property						(32.8)	303.6							
CTRA	630	1,040	810	Buy	28.6	(45.2)	11.7	11.0x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	720	1,485	960	Buy	33.3	(64.2)	9.8	36.9x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,230	1,990	1,840	Buy	49.6	(49.4)	11.0	5.3x	0.8x	14.3	4.1	(35.4)	(65.3)	1.7
Basic Ind.						(8.3)	569.1							
SMGR	9,500	12,000	10,925	Hold	15.0	(17.9)	56.3	21.9x	1.7x	8.0	2.2	5.6	66.7	1.3
Misc Ind.						(31.6)	268.8							
ASII	4,900	6,925	5,800	Buy	18.4	(34.2)	198.4	9.3x	1.3x	14.4	4.4	(9.4)	(7.8)	1.3
Mining						(28.1)	287.1							
TINS	595	825	830	Buy	39.5	(47.6)	4.4	N/A	0.8x	(10.7)	4.2	3.5	N/A	1.5
PTBA	2,060	2,660	2,900	Buy	40.8	(30.4)	23.7	6.0x	1.2x	20.6	15.8	(4.0)	(25.0)	1.1
INCO	2,810	3,640	3,500	Buy	24.6	(9.9)	27.9	18.4x	1.0x	5.6	N/A	38.1	N/A	1.6
ANTM	605	840	600	Hold	(0.8)	(28.4)	14.5	75.0x	0.8x	1.1	0.5	29.4	(88.1)	1.6
Agriculture						(26.5)	65.5							
AALI	8,425	14,575	10,000	Buy	18.7	(19.0)	16.2	29.8x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

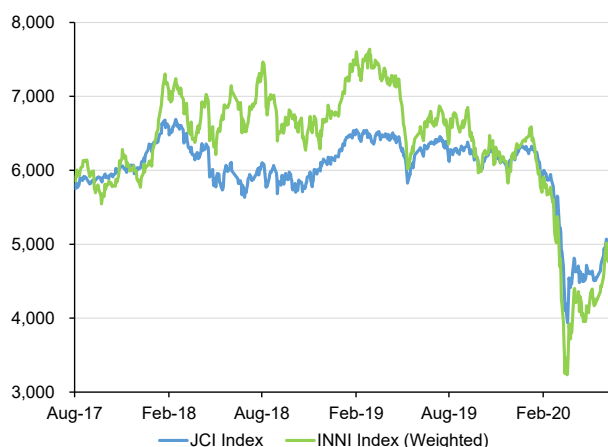
INNI Index Movement

YTD Change	-24.0%
YTD Change Gap (vs JCI)	-2.0%
Weekly Change	-3.0%
Weekly Change Gap (vs JCI)	-4.3%

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 22 - June	US	21.00	Existing Home Sales	May	3.91m	4.09m	4.33m
Tuesday 23 - June	GE	14.30	Markit Germany Manufacturing PMI	Jun	44.6	42.5	36.6
	EC	15.00	Markit Eurozone Manufacturing PMI	Jun	46.9	45	39.4
	UK	15.30	Markit UK PMI Manufacturing SA	Jun	50.1	45	40.7
	US	20.45	Markit US Manufacturing PMI	Jun	49.6	50.8	39.8
	US	21.00	New Home Sales	May	676k	635k	623k
Wednesday 24 - June	GE	15.00	Ifo Business Climate	Jun	86.2	85	79.5
	GE	15.00	Ifo Expectations	Jun	91.4	87	80.1
	US	18.00	MBA Mortgage Applications	Jun	-8.7%	--	8.0%
Thursday 25 - June	US	19.30	Wholesale Inventories MoM	May	-1.2%	0.4%	0.3%
	US	19.30	Durable Goods Orders	May	15.8%	10.9%	-17.7%
	US	19.30	GDP Annualized QoQ	1Q20	-5.0%	-5.0%	-5.0%
	US	19.30	Initial Jobless Claims	Jun	1480k	1320k	1508k
Friday 26 - June	EC	15.00	M3 Money Supply YoY	May	8.9%	8.6%	8.3%
	US	19.30	Personal Income	May	-4.2%	-6.0%	10.5%
	US	19.30	Personal Spending	May	8.2%	8.8%	-13.6%
	US	21.00	U. of Mich. Sentiment	Jun	78.1	79	78.9

Source: Bloomberg

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