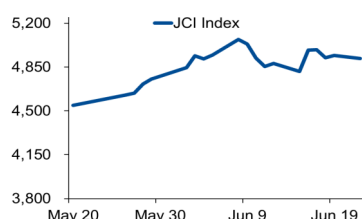
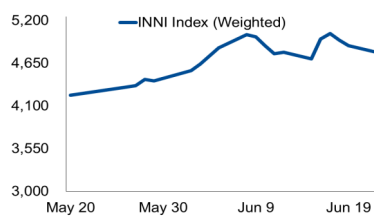


# Morning Brief

## JCI Movement



## INNI Movement



## Market Recap

JCI closed weaker at the start of this week with losses in the mining and infrastructure sectors. **JCI's Top Losers: Mining (-1.4%), Infrastructure (-1.2%), Property (-1.2%)**

INNI index also declined with pressure from mining stocks, PTBA.

## Daily Foreign & Domestic Sector Movement

JCI at market closed (22/06/2020) had a foreign net sell of IDR513 billion. Foreign investors continued to sell TLKM with amount reaching IDR176 billion. On the opposite, MDKA is one of the stocks booking top foreign net buy with IDR17.5 billion transaction. MDKA also plans to buyback 2% of the paid up capital with allocated funding of IDR568 billion.

## USD/IDR Highlight

Meanwhile USD/IDR closed lower by 0.35 percent to IDR14,149.

## Today's Outlook: Lack of New Sentiments, Index to Move Sideways

Dow Jones closed higher at the start of the week, led by surges in the technology sector. From domestic market, the lack of new sentiments at the start of the week is predicted to cause JCI to move sideways. As the second quarter comes to an end, investors focus on companies performance which is expected to be most impacted in this quarter.

## Company News

- KINO : Has Used 35% of 2020 Capex
- TINS : Focused on Efficiency in 2020
- BBCA : Actively Socializing PIN for Credit Card

## Domestic & Global News

- BI: Contraction Continues, Indonesia Economic Growth Declines
- Eurozone June Consumer Confidence Jumps as Lockdowns Ease

## 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 22	4,918.83
Chg.	-23.44pts (-0.47%)
Volume (bn shares)	102.38
Value (IDR tn)	6.93
<b>Adv 144 Dec 256 Unc 302 Untr 133</b>	

## INNI Index

Last	4,788.93
Chg.	-86.67pts (-1.78%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
TINS	+3.3%	PTBA	-6.6%
AALI	+2.0%	UNTR	-5.3%
ICBP	+2.0%	CTRA	-3.5%
JSMR	+1.7%	TLKM	-2.4%
KINO	+0.9%	GGRM	-2.0%

## Foreign Transaction

	(IDR bn)
Buy	2,315
Sell	2,829
Net Buy (Sell)	513

Top Buy	NB Val.	Top Sell	NS Val.
BBNI	21.4	TLKM	176.7
MDKA	17.5	BMRI	56.3
MNCN	16.8	PTBA	39.7
BULL	6.5	ASII	38.7
ANTM	4.1	BBRI	29.2

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.20%	0.01%
USDIDR	14,149	0.35%
KRWIDR	11.68	0.00%

## Global Indices

Index	Last	Chg.	%
Dow Jones	26,024.96	153.50	0.59%
S&P 500	3,117.86	20.12	0.65%
FTSE 100	6,244.62	(47.98)	-0.76%
DAX	12,262.97	(67.79)	-0.55%
Nikkei	22,437.27	(41.52)	-0.18%
Hang Seng	24,511.34	(132.55)	-0.54%
Shanghai	2,965.27	(2.36)	-0.08%
KOSPI	2,126.73	(14.59)	-0.68%
EIDO	18.59	0.05	0.27%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,754.4	10.6	0.61%
Crude Oil (USD/B)	40.73	0.90	2.26%
ICE NewCastle (USD/ton)	53.35	0.00	0.00%
LME Nickel (USD/MT)	12,647	(122.0)	-0.96%
LME Tin (USD/MT)	16,859	(26.0)	-0.15%
CPO (MYR/ton)	2,445	(27.0)	-1.09%

### **KINO : Has Used 35% of 2020 Capex**

PT Kino Indonesia Tbk (KINO) has used IDR140 billion funds or equivalent to 35% of 2020 capex to increase production. KINO is optimistic that the New Normal will have positive sentiment for consumer goods products. Meanwhile KINO is still targeting sales in 2020 to grow by 15% YoY and has not specified this target at this time. (Kontan)

### **TINS : Focused on Efficiency in 2020**

PT Timah Tbk (TINS) reported IDR412 billion net loss in 1Q20, an impact of the global tin price falling throughout the first quarter. TINS also cuts opex by 30% and eliminates capex outside the production process to improve performance until the end of the year. There is also potential for TINS to revise its budget in 2020. (Kontan)

### **BBCA : Actively Socializing PIN for Credit Card**

PT Bank Central Asia Tbk (BBCA) actively carries out socializations to the customers regarding the Bank Indonesia policy requiring all credit card transactions to use PIN authorization. BBCA calls for the customers to activate PIN usage on their credit cards before July 1, 2020. Customers can use BCA Mobile, the official BCA website, and BCA ATM to activate PIN. (Bisnis Indonesia)

## Domestic & Global News

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### **BI: Contraction Continues, Indonesia Economic Growth Declines**

Bank Indonesia (BI) in their June 2020 Monetary Policy Review predicts that economic contraction will continue and cause Indonesia's economic growth to decline. In the second quarter of 2020, economic growth is forecasted to fall despite easing pressure. In 2020, Indonesian economy is predicted to grow only around 0.9 to 1.9 percent. (Kompas)

### **Eurozone June Consumer Confidence Jumps as Lockdowns Ease**

Eurozone consumer confidence jumped more than expected in June, a flash estimate from the European Commission showed on Monday, as governments gradually eased lockdown restrictions imposed in March against the COVID-19 pandemic. The Commission's flash consumer confidence indicator for the 19 countries sharing the euro improved by 4.1 points to -14.7 in June. Economists polled by Reuters had expected an improvement to -15.0 in June. (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
<b>Finance</b>						(19.9)	1,957.7							
BBCA	27,700	33,425	28,950	Hold	4.5	(5.8)	682.9	23.5x	4.0x	17.6	2.0	13.9	8.5	1.1
BBRI	3,060	4,400	3,010	Hold	(1.6)	(29.8)	377.4	10.9x	2.1x	18.6	5.5	13.0	(0.3)	1.3
<b>Consumer</b>						(24.4)	1,049.0							
GGRM	48,025	53,000	59,550	Buy	24.0	(36.8)	92.4	8.4x	1.7x	21.8	5.4	4.1	3.9	0.9
KINO	3,430	3,430	2,950	Hold	(14.0)	19.9	4.9	18.1x	1.8x	10.5	3.1	11.1	(81.3)	0.9
ICBP	9,100	11,150	9,850	Hold	8.2	(9.2)	106.1	18.7x	3.9x	22.6	1.5	6.7	47.8	0.8
KLBF	1,470	1,620	1,630	Hold	10.9	1.0	68.9	26.7x	4.2x	16.3	1.4	8.0	12.5	1.1
<b>Infrastructure</b>						(23.7)	637.42							
TLKM	3,200	3,970	3,800	Buy	18.8	(20.8)	317.0	17.0x	3.2x	18.8	5.1	3.7	3.5	1.0
JSMR	4,200	5,175	4,600	Hold	9.5	(28.2)	30.5	13.8x	1.6x	12.0	0.4	(45.3)	0.5	1.3
<b>Trade</b>						(24.6)	542.5							
UNTR	16,900	21,525	19,000	Hold	12.4	(38.4)	63.0	6.3x	1.0x	16.9	7.2	(19.0)	(40.2)	0.9
MAPI	775	1,055	820	Hold	5.8	(19.7)	12.9	13.8x	2.1x	16.1	1.3	14.0	27.3	1.2
<b>Property</b>						(32.9)	304.6							
CTRA	690	1,040	810	Buy	17.4	(41.5)	12.8	12.1x	0.9x	7.2	1.4	(8.3)	(33.3)	1.5
WSKT	735	1,485	960	Buy	30.6	(63.3)	10.0	10.6x	0.6x	5.2	0.5	(35.7)	(76.3)	1.8
WIKA	1,250	1,990	1,840	Buy	47.2	(46.6)	11.2	5.3x	0.8x	14.3	4.1	(35.4)	(65.3)	1.7
<b>Basic Ind.</b>						(4.7)	585.7							
SMGR	9,575	12,000	10,925	Hold	14.1	(15.8)	56.8	22.1x	1.7x	8.0	2.2	5.6	66.7	1.3
<b>Misc Ind.</b>						(31.4)	268.1							
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
<b>Mining</b>						(23.9)	290.9							
TINS	625	825	830	Buy	32.8	(45.2)	4.7	N/A	0.9x	(10.7)	4.0	3.5	N/A	1.5
PTBA	2,130	2,660	2,900	Buy	36.2	(26.6)	24.5	6.2x	1.2x	20.6	15.3	(4.0)	(25.0)	1.1
INCO	2,860	3,640	3,500	Buy	22.4	(0.7)	28.4	18.8x	1.0x	5.6	N/A	38.1	N/A	1.6
ANTM	605	840	600	Hold	(0.8)	(24.4)	14.5	75.0x	0.8x	1.1	0.5	29.4	(88.1)	1.6
<b>Agriculture</b>						(25.7)	66.8							
AALI	8,650	14,575	10,000	Buy	15.6	(16.4)	16.6	30.6x	0.9x	2.9	0.6	13.3	891.7	1.4

\* Target Price for December 2020

Source: Bloomberg, NHKSI Research

## INNI Summary

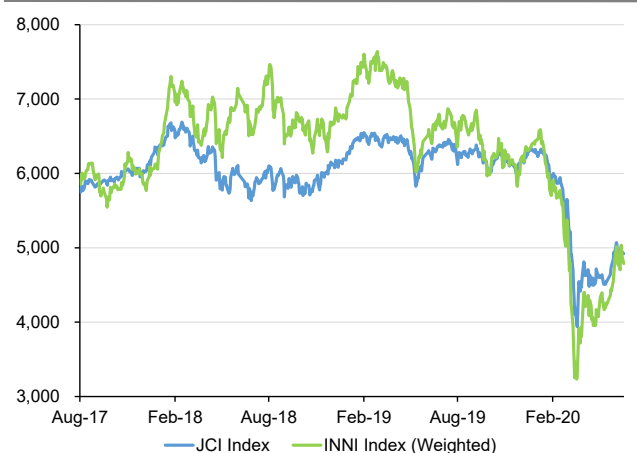
### INNI Index Movement

YTD Change	-23.0%
YTD Change Gap (vs JCI)	-1.3%
Weekly Change	1.8%
Weekly Change Gap (vs JCI)	-0.3%

### 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
<b>Monday</b> 22 - June	US	21.00	Existing Home Sales	May	3.91m	4.09m	4.33m
<b>Tuesday</b> 23 - June	GE	14.30	Markit Germany Manufacturing PMI	Jun		42.5	36.6
	EC	15.00	Markit Eurozone Manufacturing PMI	Jun		45	39.4
	UK	15.30	Markit UK PMI Manufacturing SA	Jun		45	40.7
	US	20.45	Markit US Manufacturing PMI	Jun		50.8	39.8
	US	21.00	New Home Sales	May		635k	623k
<b>Wednesday</b> 24 - June	GE	15.00	IFO Business Climate	Jun		85	79.5
	GE	15.00	IFO Expectations	Jun		87	80.1
	US	18.00	MBA Mortgage Applications	Jun		--	8.0%
<b>Thursday</b> 25 - June	US	19.30	Wholesale Inventories MoM	May		0.4%	0.3%
	US	19.30	Durable Goods Orders	May		10.9%	-17.7%
	US	19.30	GDP Annualized QoQ	1Q20		-5.0%	-5.0%
	US	19.30	Initial Jobless Claims	Jun		135k	1508k
<b>Friday</b> 26 - June	EC	15.00	M3 Money Supply YoY	May		8.6%	8.3%
	US	19.30	Personal Income	May		-6.0%	10.5%
	US	19.30	Personal Spending	May		8.8%	-13.6%
	US	21.00	U. of Mich. Sentiment	Jun		79	78.9

Source: Bloomberg

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