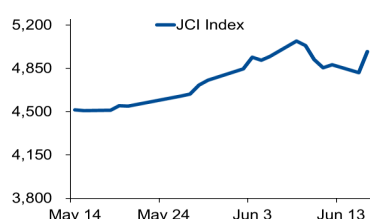
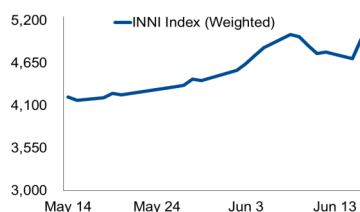


Morning Brief

JCI Movement



INNI Movement



Market Recap

The JCI rose sharply with all sectors closed higher as the market responds to the Fed's plan on corporate bonds purchases. **JCI's Top Gainers: Finance (+4.9%), Misc. Ind. (+4.1%), Basic Ind. (+3.7%)**

The INNI Index also closed on green territory. The surge was led by the mining stock TINS, despite downgrades to the company's rating and outlook by the Credit Rating Agency (Pefindo).

Daily Foreign & Domestic Sector Movement

The JCI recorded a foreign net sell of IDR602 billion at yesterday's close. Foreign investors continued to sell TLKM with total amount of IDR182 billion. Moreover, ASII also had a foreign net sell of IDR29 billion. The company held its AGM on June 16th which decided to revamp its management team.

USD/IDR Highlight

The USD/IDR spot rate was up 0.18% to IDR 14,090/USD.

Today's Outlook: Retail Sales Data Boosts Market

The Dow Jones closed sharply higher over 2% with boost from the US retail sales data which was up 17.7% in May 2020. For the JCI, these positive sentiments from the US also helped the index surge yesterday which closed near the 5,000 level. Today's movement will be steered by potential profit taking and economy projection for 2nd Quarter which is expected to contract.

Company News

- BBRI : No Plans to Use Anchor Bank Facilities
- ASII : Sluggish Sales in Pandemic
- WSKT : WTR Plans to Divest

Domestic & Global News

- Low Oil Prices, Oil and Gas Tax Receipt Drops 35.6%
- US Retail Sales Increase in May 2020

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)	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 16	4,986.45
1Chg.	+170.12pts (+3.53%)
Volume (bn shares)	92.94
Value (IDR tn)	8.51
Adv 340 Dec 101 Unc 261 Untr 116	

INNI Index

Last	4,959.67
Chg.	+255.43pts (+5.43%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
TINS	+15.0%		
INCO	+9.9%		
ANTM	+8.0%		
BBRI	+7.9%		
WIKA	+6.8%		

Foreign Transaction

	(IDR bn)
Buy	1,668
Sell	2,270
Net Buy (Sell)	712

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	51.8	TLKM	182.9
INDF	19.2	BMRI	41.2
ICBP	15.0	ASII	29.6
JSMR	10.7	UNVR	29.4
UNTR	8.4	GGRM	23.7

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.16%	-0.08%
USDIDR	14,090	-0.18%
KRWIDR	11.61	-0.09%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,289.98	526.82	2.04%
S&P 500	3,124.74	58.15	1.90%
FTSE 100	6,242.79	178.09	2.94%
DAX	12,315.66	404.31	3.39%
Nikkei	22,582.21	1051.26	4.88%
Hang Seng	24,344.09	567.14	2.39%
Shanghai	2,931.75	41.72	1.44%
KOSPI	2,138.05	107.23	5.28%
EIDO	18.89	0.60	3.28%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,726.5	1.4	0.08%
Crude Oil (USD/B)	38.38	1.26	3.39%
ICE NewCastle (USD/ton)	52.85	(0.75)	-1.40%
LME Nickel (USD/MT)	13,024	283.0	2.22%
LME Tin (USD/MT)	16,920	75.0	0.45%
CPO (MYR/ton)	2,356	63.0	2.75%

BBRI : No Plans to Use Anchor Bank Facilities

PT Bank Rakyat Indonesia Tbk (BBRI) stated that it will not utilize the liquidity facilities of anchor banks. BBRI assured that the bank's liquidity is sufficient to continue expansion and loan restructuring. (Kontan)

ASII : Sluggish Sales in Pandemic

PT Astra International Tbk (ASII) informed that automotive sales are still sluggish due to Covid-19 pandemic. Sales in May 2020 recorded only at 17,000 units for retail. ASII expected that the loosening of Social Restriction will improve sales gradually. (Kontan)

WSKT : WTR Plans to Divest

Waskita Toll Road, a subsidiary of PT Waskita Karya Tbk (WSKT), plans to divest 5 toll roads this year, with 2 roads in Trans-Java and 3 others in Jakarta Greater Area. The plan was devised before pandemic and will be executed with equity instruments. (Investor Daily)

Domestic & Global News

Low Oil Prices, Oil and Gas Tax Receipt Drops 35.6%

The fall in global oil and natural gas (oil and gas) prices has caused income tax (PPh) revenues to plummeted. The realization of contractionary tax revenue during January-May was 10.8% YoY. Based on the APBN record the realization of tax revenue until the end of May 2020 amounted to IDR444.6 trillion. While the realization of oil and gas PPh of IDR17 trillion, fall 35.6% YoY. (Kontan)

US Retail Sales Increase in May 2020

US retail sales rose in May 2020, when 2.5 million Americans had returned to work, the lockdown provided free space for workers in the US. Overall retail revenue rose 17.7%. The gain surpassed the previous record increase of 6.7% in October 2001 as Americans continued spending after what was later a record retreat after the September 11, 2001 attacks on the US. (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						(16.1)	2,002.9							
BBCA	28,800	33,425	28,950	Hold	0.5	(0.6)	710.1	24.4x	4.1x	17.6	1.9	13.9	8.5	1.1
BBRI	3,130	4,400	3,100	Hold	(1.0)	(25.5)	386.1	11.1x	2.2x	18.6	5.4	13.0	(0.3)	1.3
Consumer						(23.7)	1,057.3							
GGRM	48,900	53,000	59,550	Buy	21.8	(36.2)	94.1	8.6x	1.8x	21.8	5.3	4.1	3.9	0.9
KINO	3,410	3,430	2,950	Hold	(13.5)	24.0	4.9	17.9x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	8,875	11,150	<i>Under Review</i>	N/A	N/A	(10.8)	103.5	18.2x	3.8x	22.6	1.5	6.7	47.8	0.8
KLBF	1,425	1,620	1,430	Hold	0.4	1.8	66.8	25.9x	4.1x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(22.1)	633.20							
TLKM	3,200	3,970	3,800	Buy	18.8	(17.9)	317.0	17.0x	3.2x	18.8	5.1	3.7	3.5	1.0
JSMR	4,150	5,175	4,600	Hold	10.8	(26.9)	30.1	13.6x	1.6x	12.4	1.1	(28.7)	0.2	1.3
Trade						(23.8)	548.1							
UNTR	16,950	21,525	19,000	Hold	12.1	(37.3)	63.2	6.3x	1.0x	16.9	2.4	(19.0)	(40.2)	0.9
MAPI	765	1,055	820	Hold	7.2	(13.1)	12.7	13.6x	2.1x	16.1	1.3	14.0	27.3	1.2
Property						(27.8)	310.9							
CTRA	710	1,040	810	Hold	14.1	(30.7)	13.2	12.4x	0.9x	7.2	1.4	(8.3)	(33.3)	1.5
WSKT	760	1,485	960	Buy	26.3	(59.8)	10.3	11.0x	0.6x	5.2	0.5	(35.7)	(76.3)	1.8
WIKA	1,335	1,990	1,380	Hold	3.4	(42.9)	12.0	5.7x	0.8x	14.3	3.8	(35.4)	(65.3)	1.7
Basic Ind.						0.6	591.0							
SMGR	9,725	12,000	10,925	Hold	12.3	(16.2)	57.7	22.5x	1.7x	8.0	2.1	5.6	66.7	1.3
Misc Ind.						(30.1)	271.5							
ASII	4,970	6,925	5,800	Buy	16.7	(32.6)	201.2	9.4x	1.3x	14.4	4.2	(9.4)	(7.8)	1.3
Mining						(19.4)	300.1							
TINS	650	825	830	Buy	27.7	(41.7)	4.8	N/A	0.9x	(10.7)	3.8	75.2	N/A	1.5
PTBA	2,440	2,660	2,775	Hold	13.7	(13.5)	28.1	7.1x	1.4x	20.6	13.9	(4.0)	(25.0)	1.2
INCO	3,000	3,640	3,500	Buy	16.7	8.3	29.8	20.0x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	610	840	600	Hold	(1.6)	(20.3)	14.7	75.7x	0.8x	1.1	2.1	29.4	(88.1)	1.6
Agriculture						(26.1)	65.0							
AALI	8,475	14,575	10,000	Buy	18.0	(17.1)	16.3	29.9x	0.9x	2.9	N/A	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

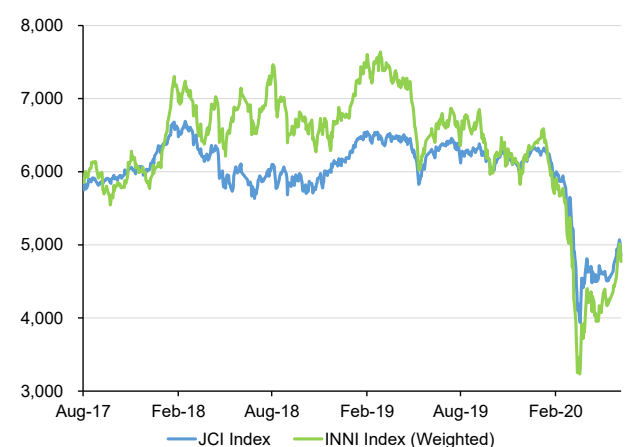
INNI Index Movement

YTD Change	-20.3%
YTD Change Gap (vs JCI)	0.4%
Weekly Change	-0.6%
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
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%	-0.2%
	UK	13.00	CPI YoY	May		0.5%	0.8%
	UK	13.00	CPI Core YoY	May		1.3%	1.4%
	UK	13.00	PPI Output NSA MoM	May		-0.1%	-0.7%
	UK	13.00	PPI Output NSA YoY	May		-1.0%	-0.7%
	EC	16.00	CPI YoY	May		0.1%	0.3%
	US	18.00	MBA Mortgage Applications	June		-	9.3%
	US	19.30	Housing Starts	May		1100k	891k
Thursday 18 - June	UK	18.00	Bank of England Bank Rate	June		0.1%	0.1%
	US	19.30	Initial Jobless Claims	June		1290k	1542k
	US	21.00	Leading Index	May		2.4%	-4.4%

Source: Bloomberg

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

District 8 Treasury Tower 51st
Fl. Unit A, SCBD Lot.28
Jl. Jendral Sudirman Kav. 52-53
Jakarta Selatan 12190
Telp : +62 21 50889100
Fax : +62 21 50889101

Branch Office BSD:

ITC BSD Blok R No.48
Jl. Pahlawan Seribu Serpong
Tangerang Selatan 15322
Indonesia
Telp : +62 21 5316 2049
Fax : +62 21 5316 1687

Branch Office Medan :

Jl. Timor No 147
Medan, Sumatera Utara
20234
Indonesia
Telp : +62 614 156500
Fax : +62 614 568560

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta