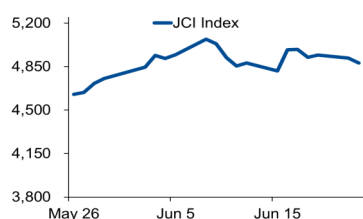
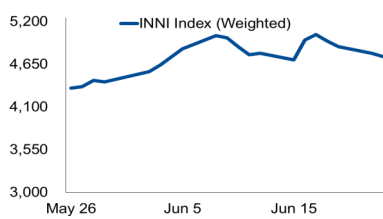


Morning Brief

JCI Movement



INNI Movement



Market Recap

JCI continues falling down with losses in the basic industry and mining sectors.

Top Losers: Basic Ind. (-1.6%), Mining (-1.2%), Infrastructure (-1.1%)

INNI Index also closed lower, triggered by declines in the property sectors such as CTRA regarding plans on issuing IDR1.85 billion worth of stocks, equivalent to 10% of issued capital.

Daily Foreign & Domestic Sector Movement

JCI on closed market (23/06/2020) recorded foreign net sell of IDR527 billion, with TLKM recording the biggest foreign net sell reaching IDR245 billion, followed by the banking sector with BBRI booking IDR116 billion worth of foreign net sell. Opposite to TLKM and BBRI, BBKA recorded foreign net buy of IDR113 billion. With the cuts on BI rate, BBKA has also lowered loan interest rates by 25bps YoY in 1Q20 compared to 1Q19.

USD/IDR Highlight

Meanwhile USD/IDR slightly dropped by 0.08% to IDR14,161/USD.

Today's Outlook: Standing by for US Economy Data Release

The three main US indices all closed stronger with Nasdaq once again recording the new highest level. Statements from the US officials that phase 1 trade deal is still ongoing gives new positive sentiments. Meanwhile the quiet domestic sentiment means IDX will be more influenced by the US economic data release, such as: Weekly Unemployment Numbers, PMI data, and GDP Q1-2020.

Company News

- JSMR : Bond Rating Lowered by Moody's
- CTRA : Aiming for Private Placement Funds
- BBRI : Advancing Digital Transaction with the Government

Domestic & Global News

Low-grade Nickel Ore Export Still in Place, Smelter Project Still Encouraged
WTO Less Downbeat on Trade for 2020, more Muted for 2021

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 23	4,879.13
Chg.	-39.69pts (-0.81%)
Volume (bn shares)	79.31
Value (IDR tn)	6.51
Adv 146 Dec 248 Unc 308 Untr 136	

INNI Index

Last	4,785.75
Chg.	-40.18pts (-0.84%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
JSMR	+1.9%	CTRA	-6.5%
BBKA	+1.4%	TINS	-2.4%
MAPI	+1.3%	KLBF	-2.4%
ASII	+0.2%	PTBA	-2.3%
AALI	+0.1%	TLKM	-2.2%

Foreign Transaction

	(IDR bn)
Buy	1,763
Sell	2,291
Net Buy (Sell)	527

Top Buy	NB Val.	Top Sell	NS Val.
BBKA	113.8	TLKM	254.9
ASII	25.3	BBRI	116.5
MDKA	22.7	PTBA	53.6
SCMA	21.0	CTRA	41.7
SMGR	8.2	ICBP	29.1

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.17%	-0.02%
USDIDR	14,161	0.08%
KRWIDR	11.72	0.39%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,156.10	131.14	0.50%
S&P 500	3,131.29	13.43	0.43%
FTSE 100	6,320.12	75.50	1.21%
DAX	12,523.76	260.79	2.13%
Nikkei	22,549.05	111.78	0.50%
Hang Seng	24,907.34	396.00	1.62%
Shanghai	2,970.62	5.35	0.18%
KOSPI	2,131.24	4.51	0.21%
EIDO	18.55	(0.04)	-0.22%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,768.4	14.0	0.80%
Crude Oil (USD/B)	40.37	(0.36)	-0.88%
ICE NewCastle (USD/ton)	52.85	(0.50)	-0.94%
LME Nickel (USD/MT)	12,721	74.0	0.59%
LME Tin (USD/MT)	16,896	37.0	0.22%
CPO (MYR/ton)	2,466	21.0	0.86%

JSMR : Bond Rating Lowered by Moody's

PT Jasa Marga Tbk (JSMR) has its bond rating downgraded from Baa2 to Baa3 by Moody's due to the minimal support from the government. Moody's assume that the recent fiscal weakness will make the government selective in assisting the SOEs. As for the negative outlook of JSMR's rating is caused by its exposure to credit risk due to the corona pandemic. (Bisnis Indonesia)

CTRA : Aiming for Private Placement Funds

PT Ciputra Development Tbk (CTRA) will carry out private placement of 1.85 billion shares or equivalent to 9.9% subscribed and paid up capital. CTRA plans a share issuance nominal of IDR250 per share assuming funds collected is IDR463 billion. The funds will be used to strengthen the capital and business development structures. (Kontan)

BBRI : Advancing Digital Transaction with the Government

PT Bank Rakyat Indonesia Tbk (BBRI) along with the Ministry of Cooperatives and SMEs conduct digital education for Indonesian SMEs amid the pandemic. BBRI initiated a web market to help the SMEs sell their products online. Besides digital education, BBRI also continues to promote People's Business Loans to accelerate SME growth. (Bisnis Indonesia)

Domestic & Global News

Low-grade Nickel Ore Export Still in Place, Smelter Project Still Encouraged

The Ministry of Energy and Mineral Resources (ESDM) ensured that there are no plans to relax the export of low-grade nickel ore. In other words, the policy to ban the export of low-grade nickel ore is still in place. ESDM explained that Indonesia currently has 9.31 billion tons of nickel resources and 3.57 billion tons of reserves nickel ore. (Kontan)

WTO Less Downbeat on Trade for 2020, more Muted for 2021

The World Trade Organization said on Tuesday that global merchandise trade would likely fall by less than its worst case scenario this year due to the COVID-19 pandemic, but an expected pick-up in 2021 year could fall short of expectations. The Geneva-based body in April forecast that global trade in goods would fall by between 13% and 32% in 2020 before rebounding by between 21% and 24% in 2021. (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						(20.2)	1,948.8							
BBCA	28,100	33,425	28,950	Hold	3.0	(4.3)	692.8	23.8x	4.0x	17.6	2.0	13.9	8.5	1.1
BBRI	3,010	4,400	3,010	Hold	-	(30.2)	371.3	10.7x	2.1x	18.6	5.6	13.0	(0.3)	1.3
Consumer						(24.8)	1,035.9							
GGRM	47,500	53,000	59,550	Buy	25.4	(38.5)	91.4	8.3x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,410	3,430	2,950	Hold	(13.5)	19.6	4.9	17.9x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	8,925	11,150	9,850	Hold	10.4	(10.3)	104.1	18.3x	3.8x	22.6	1.5	6.7	47.8	0.8
KLBF	1,435	1,620	1,630	Hold	13.6	(2.0)	67.3	26.1x	4.1x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(24.0)	630.07							
TLKM	3,130	3,970	3,800	Buy	21.4	(21.4)	310.1	16.6x	3.1x	18.8	5.2	3.7	3.5	1.0
JSMR	4,280	5,175	4,600	Hold	7.5	(26.8)	31.1	14.1x	1.6x	12.0	0.4	(45.3)	0.5	1.3
Trade						(24.7)	542.1							
UNTR	16,575	21,525	19,000	Hold	14.6	(39.6)	61.8	6.1x	1.0x	16.9	7.3	(19.0)	(40.2)	0.9
MAPI	785	1,055	820	Hold	4.5	(16.0)	13.0	14.0x	2.1x	16.1	1.3	14.0	27.3	1.2
Property						(32.9)	301.9							
CTRA	645	1,040	810	Buy	25.6	(42.7)	12.0	11.3x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	725	1,485	960	Buy	32.4	(63.4)	9.8	10.5x	0.6x	5.2	0.5	(35.7)	(76.3)	1.8
WIKA	1,240	1,990	1,840	Buy	48.4	(47.2)	11.1	5.3x	0.8x	14.3	4.1	(35.4)	(65.3)	1.7
Basic Ind.						(5.3)	575.9							
SMGR	9,550	12,000	10,925	Hold	14.4	(15.5)	56.6	22.1x	1.7x	8.0	2.2	5.6	66.7	1.3
Misc Ind.						(30.7)	268.3							
ASII	4,900	6,925	5,800	Buy	18.4	(33.3)	198.4	9.3x	1.3x	14.4	4.3	(9.4)	(7.8)	1.3
Mining						(25.0)	287.3							
TINS	610	825	830	Buy	36.1	(46.0)	4.5	N/A	0.9x	(10.7)	4.1	3.5	N/A	1.5
PTBA	2,080	2,660	2,900	Buy	39.4	(27.8)	24.0	6.0x	1.2x	20.6	15.7	(4.0)	(25.0)	1.1
INCO	2,830	3,640	3,500	Buy	23.7	(3.1)	28.1	18.6x	1.0x	5.6	N/A	38.1	N/A	1.6
ANTM	595	840	600	Hold	0.8	(25.2)	14.3	73.8x	0.8x	1.1	0.5	29.4	(88.1)	1.6
Agriculture						(27.2)	66.9							
AALI	8,825	14,575	10,000	Hold	13.3	(14.1)	17.0	31.2x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

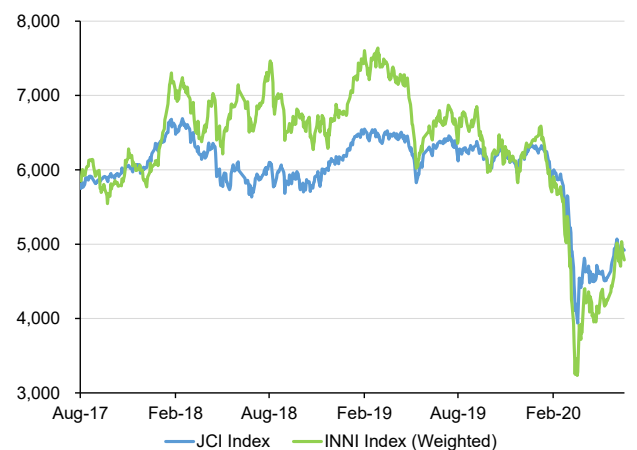
INNI Index Movement

YTD Change	-23.7%
YTD Change Gap (vs JCI)	-1.3%
Weekly Change	-4.3%
Weekly Change Gap (vs JCI)	-2.1%

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 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		85	79.5
	GE	15.00	IFO Expectations	Jun		87	80.1
	US	18.00	MBA Mortgage Applications	Jun		--	8.0%
Thursday 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
Friday 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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