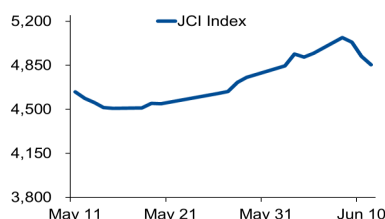
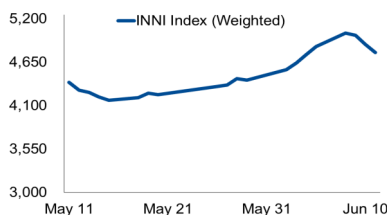


# Morning Brief

## JCI Movement



## INNI Movement



## Market Recap

The JCI extends its drop with the biggest pressures from Miscellaneous Industry and Banking sectors. **JCI's Top Losers: Misc. Ind. (-2.0%), Finance (-1.9%), Trade (-1.8%)**

INNI Index closed lower as construction stocks such as WSKT and WIKA tumbled.

## Daily Foreign & Domestic Sector Movement

The JCI had a foreign net sell of IDR247 billion at yesterday's close. Banking stocks, such as BBNI and BNLN recorded a foreign net sell of IDR111.5 billion and IDR23.5 billion respectively. While UNTR also had a net sell of IDR39.2 billion from foreign investors. UNTR plans to pay out dividends totally IDR4.5 trillion or 40% from 2019 net income. The dividends will be paid out on 3 July 2020.

## USD/IDR Highlight

Meanwhile, USD/IDR depreciates by 0.29% to IDR 14,020/USD.

## Today's Outlook: US Market Tumbles as Fears of Second Wave

Major US Indices fell down significantly. The Dow Jones, S&P 500 and Nasdaq all closed more than 5% lower as investors turn back focus on the increasing numbers of cases in several states. For domestic market, this global sentiment along with the also increasing number of positive cases as number of tests also jumps, will deter the movement of JCI.

## Company News

ANTM : Attempts to Maintain Performance during Pandemic  
TINS : Efficiency Efforts for This Year  
JSMR : Revenue Increase in Q1

## Domestic & Global News

Palm Companies Continue to Boost CPO Exports  
German Plans Related to New Stimulus Worth 130 Billion Euros

## 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)	(0.34)	0.74	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	-7.02%	-0.20%	FDI (USD bn)	4.51	4.60
Imports Yoy	-18.58%	-0.75%	Business Confidence	104.82	105.33
Inflation Yoy	2.19%	2.67%	Cons. Confidence*	84.80	113.80

## JCI Index

June 11	4,854.75
Chg.	-65.92pts (-1.34%)
Volume (bn shares)	82.40
Value (IDR tn)	9.49
<b>Adv 136 Dec 288 Unc 278 Untr 144</b>	

## INNI Index

Last	4,770.72
Chg.	-107.55pts (-2.20%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
SMGR	+2.4%	WSKT	-6.1%
INCO	+0.3%	UNTR	-4.5%
		KINO	-4.3%
		WIKA	-4.3%
		PTBA	-3.8%

## Foreign Transaction

	(IDR bn)
Buy	2,894
Sell	3,142
Net Buy (Sell)	247

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	202.1	TLKM	234.7
BBRI	120.8	BBNI	111.5
ICBP	22.9	UNVR	45.3
INDF	18.7	UNTR	39.2
SMGR	17.2	BNLI	23.5

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.19%	-0.05%
USDIDR	14,020	0.29%
KRWIDR	11.71	-0.38%

## Global Indices

Index	Last	Chg.	%
Dow Jones	25,128.17	(1861.82)	-6.90%
S&P 500	3,002.10	(188.04)	-5.89%
FTSE 100	6,076.70	(252.43)	-3.99%
DAX	11,970.29	(559.87)	-4.47%
Nikkei	22,472.91	(652.04)	-2.82%
Hang Seng	24,480.15	(569.58)	-2.27%
Shanghai	2,920.90	(22.86)	-0.78%
KOSPI	2,176.78	(18.91)	-0.86%
EIDO	17.85	(1.30)	-6.79%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,727.7	(11.0)	-0.63%
Crude Oil (USD/B)	36.34	(3.26)	-8.23%
ICE NewCastle (USD/ton)	52.40	(0.80)	-1.50%
LME Nickel (USD/MT)	13,007	94.0	0.73%
LME Tin (USD/MT)	17,190	268.0	1.58%
CPO (MYR/ton)	2,366	17.0	0.72%

### **ANTM : Attempts to Maintain Performance during Pandemic**

PT Aneka Tambang Tbk (ANTM) has put out efforts to maintain performance during pandemic. The strategy is to increase production from last year while also cutting back on opex, capex, and other routine expenses. ANTM also tries to explore new markets in Europe for Ferronickel. (Kontan)

### **TINS : Efficiency Efforts for This Year**

PT Timah Tbk (TINS) plans for efficiency efforts to improve performance this year. Some of the steps are to reduce raw material costs and deleveraging bank debts. TINS also maintains exports and building new smelter with Ausmelt technology. (Kontan)

### **JSMR : Revenue Increase in Q1**

PT Jasa Marga Tbk (JSMR) booked a revenue of IDR2.7 trillion in Q120 or up 8.6% YoY with the biggest contribution from toll road income. JSMR has also finished the Pandaan-Malang toll road (3.113 km). At the start of the year, the company developed a new toll payment system through its subsidiary, Jasamarga Tollroad Operator. (Kontan)

## Domestic & Global News

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### **Palm Companies Continue to Boost CPO Exports**

The crude palm oil (CPO) export market faces many challenges in 2020. Starting from cases of trade disputes between the European Union at the WTO and rising palm oil levy tariffs. This doesn't reduce the interest of the industry for exports, the article is almost 70% of Indonesia's palm oil is absorbed abroad. (Kontan)

### **German Plans Related to New Stimulus Worth 130 Billion Euros**

The German government plans to issue a new stimulus program worth 130 billion euros (USD147.11 billion) to increase output in Europe's largest economy by 1.3 percentage points this year. The government stimulus will significantly be able to support economic growth, economic output will fall 8.1% this year and will rise 4.3% next year. (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>						(20.0)	1,927.8							
BBCA	28,400	33,425	28,950	Hold	1.9	(2.8)	700.2	24.1x	4.1x	17.6	2.0	13.9	8.5	1.1
BBRI	2,970	4,400	3,100	Hold	4.4	(29.5)	366.3	10.6x	2.1x	18.6	5.7	13.0	(0.3)	1.3
<b>Consumer</b>						(27.0)	1,033.2							
GGRM	46,875	53,000	59,550	Buy	27.0	(41.2)	90.2	8.2x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,100	3,430	2,950	Hold	(4.8)	11.1	4.4	16.3x	1.6x	10.5	3.5	11.1	(81.3)	0.9
ICBP	8,600	11,150	<i>Under Review</i>	N/A	N/A	(15.3)	100.3	17.6x	3.7x	22.6	1.6	6.7	47.8	0.8
KLBF	1,420	1,620	1,430	Hold	0.7	(2.1)	66.6	25.8x	4.0x	16.3	1.4	8.0	12.5	1.1
<b>Infrastructure</b>						(25.1)	612.51							
TLKM	3,080	3,970	3,800	Buy	23.4	(21.8)	305.1	16.3x	3.1x	18.8	5.3	3.7	3.5	1.0
JSMR	3,760	5,175	4,600	Buy	22.3	(35.5)	27.3	12.4x	1.5x	12.4	1.2	(28.7)	0.2	1.3
<b>Trade</b>						(25.1)	546.5							
UNTR	16,450	21,525	19,000	Buy	15.5	(38.6)	61.4	6.1x	1.0x	16.9	2.5	(19.0)	(40.2)	0.9
MAPI	780	1,055	820	Hold	5.1	(12.8)	12.9	13.9x	2.1x	16.1	1.3	14.0	27.3	1.2
<b>Property</b>						(29.5)	304.7							
CTRA	655	1,040	810	Buy	23.7	(37.3)	12.2	11.5x	0.8x	7.2	1.5	(8.3)	(33.3)	1.5
WSKT	695	1,485	960	Buy	38.1	(62.8)	9.4	10.1x	0.5x	5.2	10.5	(35.7)	(76.3)	1.8
WIKA	1,230	1,990	1,380	Hold	12.2	(47.4)	11.0	5.3x	0.8x	14.3	3.1	(35.4)	(65.3)	1.7
<b>Basic Ind.</b>						(3.9)	582.7							
SMGR	9,450	12,000	10,925	Buy	15.6	(18.5)	56.1	21.8x	1.7x	8.0	2.2	5.6	66.7	1.3
<b>Misc Ind.</b>						(34.0)	260.6							
ASII	4,700	6,925	5,800	Buy	23.4	(37.3)	190.3	8.9x	1.2x	14.4	4.5	(9.4)	(7.8)	1.3
<b>Mining</b>						(22.5)	293.6							
TINS	580	825	830	Buy	43.1	(50.4)	4.3	N/A	0.8x	(10.7)	4.3	75.2	N/A	1.5
PTBA	2,280	2,660	2,775	Buy	21.7	(20.8)	26.3	6.6x	1.3x	20.6	14.9	(4.0)	(25.0)	1.2
INCO	2,870	3,640	3,500	Buy	22.0	(2.4)	28.5	19.2x	1.0x	5.6	N/A	38.1	N/A	1.6
ANTM	580	840	600	Hold	3.4	(26.1)	13.9	71.9x	0.8x	1.1	2.2	29.4	(88.1)	1.6
<b>Agriculture</b>						(25.7)	65.3							
AALI	8,550	14,575	10,000	Buy	17.0	(17.2)	16.5	30.2x	0.9x	2.9	N/A	13.3	891.7	1.4

\* Target Price for December 2020

Source: Bloomberg, NHKSI Research

## INNI Summary

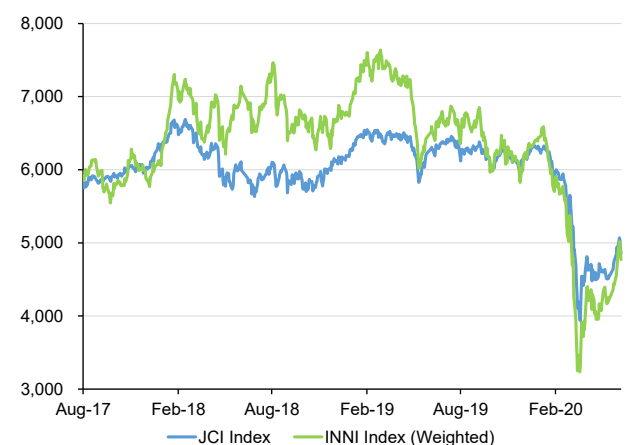
### INNI Index Movement

YTD Change	-23.3%
YTD Change Gap (vs JCI)	-0.6%
Weekly Change	0.6%
Weekly Change Gap (vs JCI)	1.8%

### 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> 08 - June	GE	13.00	Industrial Production SA MoM	Apr	-17.9%	-16.5%	-9.2%
<b>Tuesday</b> 09 - June	EC	16.00	GDP SA QoQ	1Q20	-3.6%	-3.8%	-3.8%
	EC	16.00	GDP SA YoY	1Q20	-3.1%	-3.2%	-3.2%
	US	21.00	Wholesale Inventories MoM	Apr	0.3%	0.4%	0.4%
<b>Wednesday</b> 10 - June	CH	08.30	PPI YoY	May	-3.7%	-3.3%	-3.1%
	CH	08.30	CPI YoY	May	2.4%	2.7%	3.3%
	US	18.00	MBA Mortgage Applications	June	9.3%	--	-3.9%
	US	19.30	CPI MoM	May	-0.1%	0.0%	-0.8%
	US	19.30	CPI Ex Food and Energy MoM	May	-0.1%	0.0%	-0.4%
	US	19.30	CPI YoY	May	0.1%	0.3%	0.3%
<b>Thursday</b> 11 - June	US	01.00	FOMC Rate Decision (Upper Bound)	June	0.25%	0.25%	0.25%
	US	01.00	Monthly Budget Statement	May	\$504.0b	-\$625.0b	-\$737.9b
	US	19.30	PPI Final Demand MoM	May	0.1%	0.1%	-1.3%
	US	19.30	Initial Jobless Claims	June	1542k	1550k	1877k
<b>Friday</b> 12 - June	UK	13.00	Industrial Production MoM	Apr		-15.0%	-4.2%
	UK	13.00	Industrial Production YoY	Apr		-19.3%	-8.2%
	UK	13.00	Manufacturing Production MoM	Apr		-15.7%	-4.6%
	UK	13.00	Trade Balance GBP/Mn	Apr		-£5500m	-£6676m
	US	19.30	Import Price Index MoM	May		0.6%	-2.6%
	US	21.00	U. of Mich. Sentiment	June		75	72.3

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Tuesday</b> 08 - June	10:00	Foreign Reserves	May	\$130.50b	-	\$127.88b

Source: Bloomberg

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