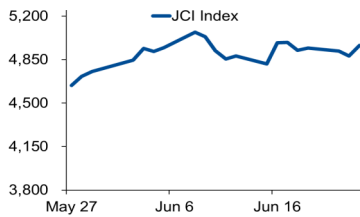


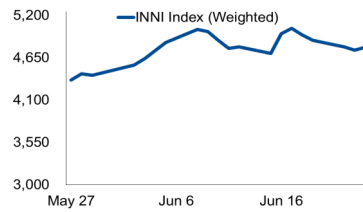
Morning Brief

Daily | June 25, 2020

JCI Movement



INNI Movement



Market Recap

JCI rose sharply with support from miscellaneous industry and banking sectors.

Top Gainers: Finance (+3.2%), Misc. Ind. (+1.6%), Trade (+1.5%)

The INNI index closed slightly higher, supported by infrastructure stock, JSMR, as the government plans to connect the trans Java highway to Bali.

Daily Foreign & Domestic Sector Movement

JCI at market closing (24/06/2020) recorded foreign net sell of IDR250 billion. SMMA and ASII booked the highest transaction value at IDR302 billion and IDR109 billion each. On the other hand, BBRI recorded its biggest foreign net buy of IDR288 billion. Banking sector also recorded an increase in line with the Regulation of the Minister of Finance No 70/PMK.05/2020 of the Finance Ministry regarding fund placements in commercial banks to help banking liquidity.

USD/IDR Highlight

Meanwhile USD/IDR is appreciated by 0.22% to IDR14,130/USD.

Today's Outlook: Wall Street Back on the Red

Major US Indices closed lower on (24/06/2020) after gaining on the previous day. Rising numbers of new Covid-19 cases in several states are deemed to be the main factor of this correction. From domestic market, the JCI today will attempt to test major resistance level at 5,000 supported by sentiments from fund placements in anchor banks. However, profit taking is also likely after significant gain yesterday.

Company News

BBRI : Committed to Grow the Government Funds
 JSMR : Soon to Issue New Bonds
 TLKM : Telkomsel Appointed 3 New Directors

Domestic & Global News

RI's Health Expenditures Spending Low
 Brazil Posted USD1.3 Billion Current Account Surplus in May

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 24	4,964.73
Chg.	+85.60pts (+1.75%)
Volume (bn shares)	83.06
Value (IDR tn)	9.75
Adv 243 Dec 159 Unc 300 Untr 135	

INNI Index

Last	4,785.64
Chg.	+36.89pts (+0.78%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
JSMR	+5.1%	MAPI	-1.3%
BBRI	+3.7%	SMGR	-0.8%
ASII	+2.0%	AALI	-0.7%
PTBA	+1.9%	INCO	-0.4%
KLBF	+1.7%		

Foreign Transaction

	(IDR bn)
Buy	2,545
Sell	2,796
Net Buy (Sell)	250

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	288.7	SMMA	302.2
TLKM	124.7	ASII	109.4
UNVR	40.8	BBCA	50.3
TOWR	26.8	BBNI	37.5
BMRI	13.3	BBTN	31.2

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.14%	-0.03%
USDIDR	14,130	-0.23%
KRWIDR	11.76	0.30%

Global Indices

Index	Last	Chg.	%
Dow Jones	25,445.94	(710.16)	-2.72%
S&P 500	3,050.33	(80.96)	-2.59%
FTSE 100	6,123.69	(196.43)	-3.11%
DAX	12,093.94	(429.82)	-3.43%
Nikkei	22,534.32	(14.73)	-0.07%
Hang Seng	24,781.58	(125.76)	-0.50%
Shanghai	2,979.55	8.93	0.30%
KOSPI	2,161.51	30.27	1.42%
EIDO	18.59	0.04	0.22%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,761.2	(7.2)	-0.41%
Crude Oil (USD/B)	38.01	(2.36)	-5.85%
ICE NewCastle (USD/ton)	52.65	(0.20)	-0.38%
LME Nickel (USD/MT)	12,547	(174.0)	-1.37%
LME Tin (USD/MT)	16,655	(241.0)	-1.43%
CPO (MYR/ton)	2,436	(30.0)	-1.22%

BBRI : Committed to Grow the Government Funds

PT Bank Rakyat Indonesia Tbk (BRRI) is one of the 4 state-owned banks that will be given IDR30 trillion funds by the government. The funding is given by the government as a form of the National Economic Recovery Program through a financing system by state-owned banks. BRRI is committed to grow the funds by thrice by selectively choosing the sectors of distribution. (Kontan)

JSMR : Soon to Issue New Bonds

PT Jasa Marga Tbk (JSMR) will issue new bonds with IDR2 trillion target funding which is currently waiting for the approval of the Financial Security Authority. JSMR is still unable to disclose details of coupon and tenure of the bonds to the public as it is still watching the market condition. The bond issuance plan will be used to strengthen company liquidity and pay maturing bonds. (Kontan)

TLKM : Telkomsel Appointed 3 New Directors

Telkomsel as the subsidiary of PT Telekomunikasi Indonesia Tbk (TLKM) has just appointed 3 new directors based on the stakeholders' agreement. The new director positions are Finance Director, Network Director, and HCM Director that will each be filled by Leonardus Wahyu, Hendri Mulya, and R Muharam. Telkomsel is sure that the new directors will continue to develop the company. (Investor Daily)

Domestic & Global News

RI's Health Expenditures Spending Low

In the results of a study titled Public Expenditure Review Spending for Better Results, the World Bank records that the total health expenditure of Indonesia is 3.3% of Gross Domestic Product (GDP). This figure is among the lowest in the world, especially compared to the average middle to lower income countries which spend around 6.1% of their GDP. (Kompas)

Brazil Posted USD1.3 Billion Current Account Surplus in May

Brazil posted a current account surplus of USD1.3 billion in May, the central bank said on Wednesday, which helped narrow the overall deficit slightly over the preceding 12 months to 2.5% of gross domestic product. That was less than the USD1.9 billion surplus forecast in a Reuters poll of economists. Foreign direct investment in May totaled USD2.55 billion, the central bank said, more than the USD1.65 billion forecast in a Reuters poll. (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						(17.8)	2,011.2							
BBCA	28,525	33,425	28,950	Hold	1.5	(3.5)	703.3	24.2x	4.1x	17.6	1.9	13.9	8.5	1.1
BBRI	3,120	4,400	3,010	Hold	(3.5)	(27.9)	384.8	11.1x	2.2x	18.6	5.4	13.0	(0.3)	1.3
Consumer						(24.2)	1,045.5							
GGRM	47,700	53,000	59,550	Buy	24.8	(37.6)	91.8	8.4x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,430	3,430	2,950	Hold	(14.0)	20.4	4.9	18.1x	1.8x	10.5	3.1	11.1	(81.3)	0.9
ICBP	9,075	11,150	9,850	Hold	8.5	(9.3)	105.8	18.6x	3.9x	22.6	1.5	6.7	47.8	0.8
KLBF	1,460	1,620	1,630	Hold	11.6	(1.4)	68.4	26.5x	4.2x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(23.5)	637.91							
TLKM	3,180	3,970	3,800	Buy	19.5	(20.7)	315.0	16.9x	3.2x	18.8	5.2	3.7	3.5	1.0
JSMR	4,500	5,175	4,600	Hold	2.2	(22.4)	32.7	14.8x	1.7x	12.0	0.3	(45.3)	0.5	1.3
Trade						(23.9)	550.1							
UNTR	16,725	21,525	19,000	Hold	13.6	(39.8)	62.4	6.2x	1.0x	16.9	7.3	(19.0)	(40.2)	0.9
MAPI	775	1,055	820	Hold	5.8	(13.9)	12.9	13.8x	2.1x	16.1	1.3	14.0	27.3	1.2
Property						(31.9)	305.4							
CTRA	645	1,040	810	Buy	25.6	(40.0)	12.0	11.3x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	735	1,485	960	Buy	30.6	(62.9)	10.0	10.6x	0.6x	5.2	0.5	(35.7)	(76.3)	1.8
WIKA	1,260	1,990	1,840	Buy	46.0	(46.4)	11.3	5.4x	0.8x	14.3	4.0	(35.4)	(65.3)	1.7
Basic Ind.						(5.9)	578.4							
SMGR	9,475	12,000	10,925	Buy	15.3	(17.2)	56.2	21.9x	1.7x	8.0	2.2	5.6	66.7	1.3
Misc Ind.						(29.6)	272.4							
ASII	5,000	6,925	5,800	Buy	16.0	(32.0)	202.4	9.5x	1.3x	14.4	4.3	(9.4)	(7.8)	1.3
Mining						(28.1)	289.2							
TINS	610	825	830	Buy	36.1	(49.0)	4.5	N/A	0.9x	(10.7)	4.1	3.5	N/A	1.5
PTBA	2,120	2,660	2,900	Buy	36.8	(30.7)	24.4	6.1x	1.2x	20.6	15.4	(4.0)	(25.0)	1.1
INCO	2,820	3,640	3,500	Buy	24.1	(8.4)	28.0	18.6x	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						(28.4)	66.4							
AALI	8,775	14,575	10,000	Hold	14.0	(14.6)	16.9	31.0x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

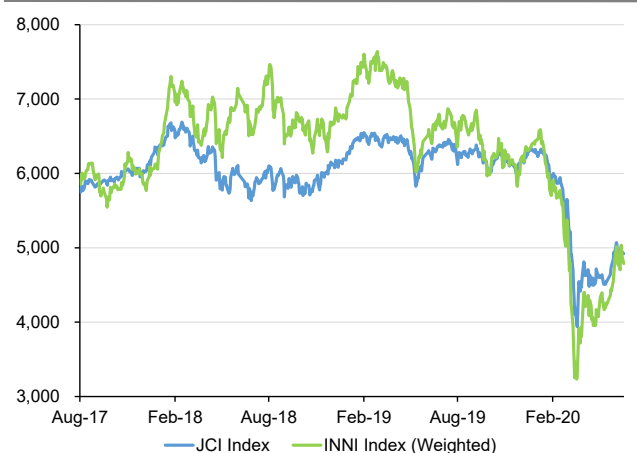
INNI Index Movement

YTD Change	-23.1%
YTD Change Gap (vs JCI)	-2.1%
Weekly Change	-4.9%
Weekly Change Gap (vs JCI)	-4.5%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKSI 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		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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