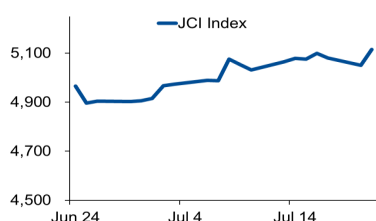


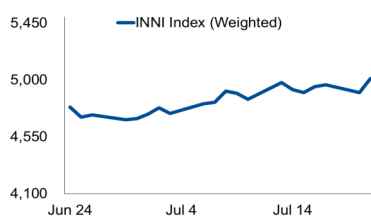
Morning Brief

Daily | July 22, 2020

JCI Movement



INNI Movement



Today's Outlook:

European Union Massive Stimulus Package

The Dow Jones index still managed to rally in trade (07/21/2020), as investors responded to the news of the approval of a 750 billion Euros stimulus package from the European Union. In addition, Wall Street also received positive impact from the release of the financial performance of several large companies that exceeded expectations.

The JCI movement this morning will try to continue yesterday's high. In addition to news from the Eurozone, the development of the Covid-19 vaccine which will enter phase III and rising commodity prices is expected to be able to sustain the index.

Company News

- BMRI : Submit Subsidy Claims of IDR25 Billion
- SIDO : First Semester Performance Supported by Food & Beverage Products
- KAEF : Supports Covid-19 Vaccines Distribution
- BBNI : Won the Best Cash Management Award

Domestic & Global News

- Government Debt Reached IDR5,264.07 Trillion as of June 6, 2020
- South Korea July 1-20 Exports Fall 12.8%

Sectors

	Last	Chg.	%
Miscellaneous Industry	947.54	37.83	4.16%
Mining	1,336.53	41.30	3.19%
Finance	1,112.78	19.79	1.80%
Trade, Services and Investment	613.33	9.41	1.56%
Property, Real Estate, and Construction	308.03	1.90	0.62%
Agriculture	1,153.49	6.51	0.57%
Infrastructure, Utilities, and Transportation	891.08	5.03	0.57%
Basic Industries	780.79	1.37	0.18%
Consumer Goods	1,866.55	0.54	0.03%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.25%	Real GDP	2.97%	4.97%
FX Reserve (USD bn)	131.70	130.50	Current Acc (USD bn)	(3.92)	(8.08)
Trd Balance (USD bn)	1.27	2.09	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	2.28%	-28.95%	FDI (USD bn)	4.51	4.60
Imports Yoy	-6.36%	-42.20%	Business Confidence	104.82	105.33
Inflation Yoy	1.96%	2.19%	Cons. Confidence*	83.80	77.80

JCI Index

July 21	5,114.70
Chg.	+63.60pts (+1.26%)
Volume (bn shares)	102.42
Value (IDR tn)	9.41
Adv 267 Dec 169 Unc 269 Untr 119	

INNI Index

Last	5,010.90
Chg.	+108.13pts (+2.21%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
ASII	+5.4%	GGRM	-0.3%
ANTM	+5.4%		
UNTR	+5.0%		
CTRA	+4.8%		
INCO	+4.5%		

Foreign Transaction

	(IDR bn)
Buy	2,337
Sell	2,432
Net Buy (Sell)	94

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	127.6	KLBF	153.0
ASII	52.1	TLKM	53.0
BBCA	49.3	UNVR	32.8
MDKA	41.1	PGAS	31.0
UNTR	37.4	BRPT	28.0

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.05%	-0.04%
USDIDR	14,741	-0.30%
KRWIDR	12.31	0.20%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,840.40	159.53	0.60%
S&P 500	3,257.30	5.46	0.17%
FTSE 100	6,269.73	8.21	0.13%
DAX	13,171.83	124.91	0.96%
Nikkei	22,884.22	166.74	0.73%
Hang Seng	25,635.66	577.67	2.31%
Shanghai	3,320.90	6.75	0.20%
KOSPI	2,228.83	30.63	1.39%
EIDO	19.01	0.41	2.20%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,841.9	24.1	1.33%
Crude Oil (USD/B)	41.92	1.00	2.44%
ICE NewCastle (USD/ton)	55.85	0.40	0.72%
LME Nickel (USD/MT)	13,466	230.0	1.74%
LME Tin (USD/MT)	17,565	205.0	1.18%
CPO (MYR/ton)	2,641	(20.0)	-0.75%

BMRI : Submit Subsidy Claims of IDR25 Billion

PT Bank Mandiri Tbk (BMRI) has submitted an additional claim of KUR interest subsidy to the Government worth IDR25 billion. BMRI used the funds for credit expansion to support the PEN program to restore MSMEs in Indonesia. Meanwhile, BMRI is still targeting lending growth in 2020 to IDR21 trillion, or double the funds provided by the Government. (Kontan)

KAEF : Supports Covid-19 Vaccines Distribution

PT Kimia Farma Tbk (KAEF) stated its readiness to distribute Biofarma's Covid-19 vaccine through its current network. The distribution of the Covid-19 vaccine has been instructed to be 50:50 distribution for KAEF and Indofarma. KAEF stated that the current process is still in clinical trials which will take 6 months and is targeted to be distributed in 2021. (Bisnis Indonesia)

SIDO : First Semester Performance Supported by Food & Beverage Products

PT Industri Jamu and Sido Muncul Tbk (SIDO) recorded 1H20 sales of IDR1.4 trillion, up by 3.5% YoY and was sustained by the food and beverage segment which managed to grow 16% YoY and operating costs that suppressed to 4% YoY. As for June 2020, SIDO's assets decreased by 2.5% YoY and liabilities decreased drastically by around 21% YoY due to falling tax debt. (Kontan)

BBNI : Won the Best Cash Management Award

PT Bank Negara Indonesia Tbk (BBNI) has just received an award as the bank with The Best Cash Management by Alpha South East. The award was won by BBNI because it succeeded in facilitating corporate, institutional and fintech customers in conducting disbursements through the BNI Virtual Account application. The ease of access to BNI VA Debit has boosted the growth of BBNI Cash Management transactions. (CNBC Indonesia)

Domestic & Global News

Government Debt Reached IDR5,264.07 Trillion as of June 6, 2020

The Ministry of Finance noted that the government debt at the end of June 2020 was IDR5,264.07 trillion with a ratio of government debt to GDP of 32.67%. The position of government debt in June 2020 increased compared to the previous month which amounted to IDR5,258.57 trillion. (Kontan)

South Korea July 1-20 Exports Fall 12.8%

South Korean exports fell during the first 20 days of July by a larger percentage than in June as protracted a lockdown and delay in economic reopenings across the world cut global demand. The country's overseas sales during July 1-20 dropped 12.8% from the same period a year earlier, while imports slid 13.7%, Korea Customs Service data showed on Tuesday. (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						(16.2)	2,110.8							
BBCA	31,000	33,425	28,950	Hold	(6.6)	(1.4)	764.3	26.3x	4.5x	17.6	1.8	13.9	8.5	1.1
BBRI	3,150	4,400	3,010	Hold	(4.4)	(30.0)	388.5	11.2x	2.2x	18.6	5.3	13.0	(0.3)	1.3
Consumer						(22.0)	1,070.8							
GGRM	49,150	53,000	59,550	Buy	21.2	(37.8)	94.6	8.6x	1.8x	21.8	5.3	4.1	3.9	0.9
KINO	3,390	3,430	2,950	Hold	(13.0)	13.0	4.8	17.8x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,325	11,150	9,850	Hold	5.6	(12.4)	108.7	19.1x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,520	1,620	1,630	Hold	7.2	2.4	71.3	27.6x	4.3x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(27.8)	623.65							
TLKM	3,060	3,917	3,800	Buy	24.2	(27.2)	303.1	16.6x	2.8x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,270	5,175	4,600	Hold	7.7	(30.0)	31.0	14.0x	1.6x	12.0	0.4	(45.3)	0.5	1.3
Trade						(24.4)	545.4							
UNTR	19,325	21,525	19,000	Hold	(1.7)	(27.3)	72.1	7.1x	1.1x	16.9	6.3	(19.0)	(40.2)	0.9
MAPI	685	1,055	870	Buy	27.0	(25.5)	11.4	14.2x	1.9x	14.0	N/A	0.6	N/A	1.2
Property						(37.7)	292.2							
CTRA	655	1,040	810	Buy	23.7	(45.4)	12.2	11.5x	0.8x	7.2	1.5	(8.3)	(33.3)	1.5
WSKT	720	1,485	820	Hold	13.9	(65.6)	9.8	36.9x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,220	1,990	1,840	Buy	50.8	(49.2)	10.9	5.2x	0.8x	14.3	4.2	(35.4)	(65.3)	1.8
Basic Ind.						(6.9)	627.7							
SMGR	9,475	12,000	10,925	Buy	15.3	(23.9)	56.2	21.9x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(24.8)	287.8							
ASII	5,375	6,925	5,800	Hold	7.9	(24.3)	217.6	10.2x	1.4x	14.4	4.0	(9.4)	(7.8)	1.3
Mining						(19.3)	309.1							
TINS	655	825	830	Buy	26.7	(38.2)	4.9	N/A	1.0x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,110	2,660	2,900	Buy	37.4	(25.7)	24.3	6.1x	1.2x	20.6	15.5	(4.0)	(25.0)	1.1
INCO	3,270	3,640	3,500	Hold	7.0	8.3	32.5	20.8x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	685	840	600	Hold	(12.4)	(28.6)	16.5	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
Agriculture						(14.5)	73.7							
AALI	9,550	14,575	10,000	Hold	4.7	(5.0)	18.4	33.7x	1.0x	2.9	0.5	13.3	891.7	1.4

* Target Price

Source: Bloomberg, NHKSI Research

INNI Summary

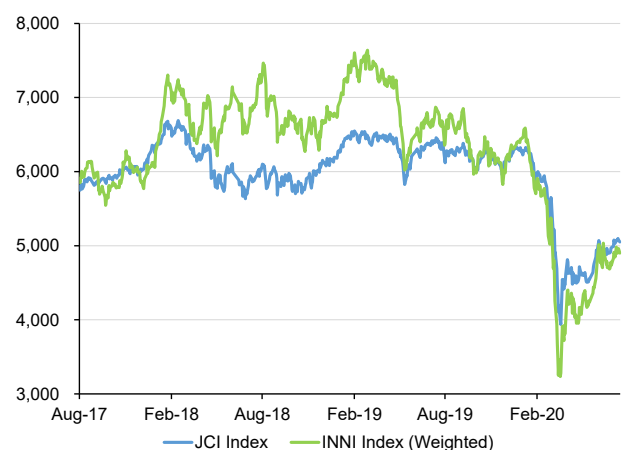
INNI Index Movement

YTD Change	-19.4%
YTD Change Gap (vs JCI)	-0.8%
Weekly Change	1.8%
Weekly Change Gap (vs JCI)	1.1%

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
Wednesday	US	18:00	MBA Mortgage Applications	Jun			5.1%
22 - July	US	21:00	Existing Home Sales	May		4.80m	3.91m
Thursday	US	19:30	Initial Jobless Claims	Jul		1295k	1300k
23 - July	US	21:00	Leading Index	Jun		2.4%	2.8%
Friday	UK	13:00	Retail Sales Ex Auto Fuel MoM	Jun		7.9%	10.2%
24 - July	UK	13:00	Retail Sales Inc Auto Fuel MoM	Jun		9.0%	12.0%
	GE	14:30	Markit Germany Manufacturing PMI	Jul		47	45.2
	EC	15:00	Markit Eurozone Manufacturing PMI	Jul		49.3	47.4
	UK	15:30	Markit UK PMI Manufacturing SA	Jul		52	50.1
	US	20:40	Markit US Manufacturing PMI	Jul		52	49.8
	US	21:00	New Home Sales	Jun		700k	676k

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	STTP, DUTI
20 - July	RUPS	NFCX, MCAS, ISAT, AMAG
	IPO	PPGL
	Warrant Seri 1	PPGL
Tuesday	Dividend	KEJU
21 - July	RUPS	TFAS, NIKL, FISH, DIVA, BUKK
Wednesday	Dividend	ASBI
22 - July	RUPS	SUPR, SOTS, SHIP, SAPX, LPLI
Thursday	RUPS	WINS, VOKS, KDSI, BUMI, BJTM, ABDA
23 - July		
Friday	RUPS	UNVR, SOCI, SMSM, RELI, RANC, PBSA, NOBU, ITIC, INDX
24 - July		

Source: RTI Analytics

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