

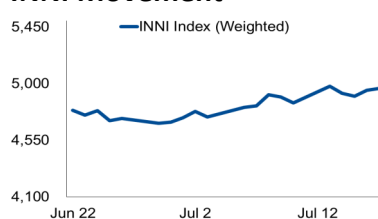
Morning Brief

Daily | July 20, 2020

JCI Movement



INNI Movement



Today's Outlook:

Important Meeting in Europe and US

US exchanges closed mixed at the end of trading last week, where the Dow Jones fell while the S&P 500 and Nasdaq were able to rise. But on a weekly basis, the three indices are still able to record an increase mainly driven by the development of Covid-19 vaccine.

This week, the JCI movement will be directed more by developments from abroad. Investors will focus on important events, such as meeting of EU heads of state in Brussels to negotiate economic recovery policies. From the US, the congress is also scheduled to hold a meeting to discuss further stimulus packages.

Company News

- BBNI : Remittance Service Rose in Semester-I 2020
- SMBR : Sales Volume Reached 746K tonnes
- CTRA : Ready to Launch Cluster Development
- WIKA : Participating in a Strategic Tender Project

Domestic & Global News

- Indonesia's Foreign Debt (ULN) at USD404.7 Billion in May 2020
- U.S. Business Inventories Post Record Drop in May

Sectors

	Last	Chg.	%
Property, Real Estate, Construction	309.26	3.84	-1.23%
Finance	1,111.01	11.20	-1.01%
Consumer Goods	1,864.24	12.07	-0.64%
Miscellaneous Industry	924.65	5.49	-0.59%
Infrastructure, Utilities, and Transportation	891.09	3.02	-0.34%
Trade, Services and Investment	603.78	4.04	0.67%
Basic Industries	785.39	5.90	0.76%
Agriculture	1,113.72	9.47	0.86%
Mining	1,311.68	20.50	1.59%

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 17	5,079.58
Chg.	-18.78pts (-0.37%)
Volume (bn shares)	77.90
Value (IDR tn)	7.09
Adv 190 Dec 235 Unc 280 Untr 118	

INNI Index

Last	4,961.87
Chg.	+17.32pts (+0.35%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
ANTM	+1.5%	ICBP	-3.1%
MAPI	+1.4%	CTRA	-1.5%
PTBA	+0.9%	KLBF	-1.3%
AALI	+0.9%	TLKM	-1.3%
UNTR	+0.7%	BBRI	-1.2%

Foreign Transaction

	(IDR bn)
Buy	1,810
Sell	2,210
Net Buy (Sell)	400

Top Buy	NB Val.	Top Sell	NS Val.
ASII	85.2	TLKM	206.4
ADRO	13.7	BBRI	193.4
PTBA	10.8	BBCA	43.7
GGRM	9.1	BMRI	26.1
ERAA	6.7	INDF	26.0

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.07%	0.03%
USDIDR	14,703	0.53%
KRWIDR	12.20	0.45%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,671.95	(62.76)	-0.23%
S&P 500	3,224.73	9.16	0.28%
FTSE 100	6,290.30	39.61	0.63%
DAX	12,919.61	44.64	0.35%
Nikkei	22,696.42	(73.94)	-0.32%
Hang Seng	25,089.17	118.48	0.47%
Shanghai	3,214.13	4.03	0.13%
KOSPI	2,201.19	17.43	0.80%
EIDO	18.84	(0.19)	-1.00%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,810.4	13.3	0.74%
Crude Oil (USD/B)	40.59	(0.16)	-0.39%
ICE NewCastle (USD/ton)	57.80	(0.05)	-0.09%
LME Nickel (USD/MT)	13,220	(239.0)	-1.78%
LME Tin (USD/MT)	17,330	(40.0)	-0.23%
CPO (MYR/ton)	2,614	94.0	3.73%

BBNI : Remittance Service Rose in Semester-I 2020

PT Bank Negara Indonesia Tbk (BBNI) recorded of 30,000 BNI Mobile Remittance (MoRe) application user, with transaction growth in 1H20 of 95.1% YoY. This positive performance was also followed by transaction growth in Taiwan, South Korea, the UK, Europe and the US, all of which were above 50% YoY. The pandemic period increased digital transactions for overseas workers which pushed BBNI's performance. (Bisnis Indonesia)

CTRA : Ready to Launch Cluster Development

PT Ciputra Development Tbk (CTRA) is preparing to develop cluster projects in 3 residencies, namely Citra Maja Raya, CitraRaya Tangerang, and Citra Sentul Raya. For the Citra Maja Raya project, CTRA will launch the Benoa cluster with prices starting from IDR188 million. CTRA will also still focus on marketing property under IDR1 billion because the prospect with online marketing is still promising. (Kontan)

SMBR : Sales Volume Reached 746K tonnes

PT Semen Baturaja Tbk (SMBR) recorded sales volume of 746 thousand tonnes in 1H20, up by 84% YoY. SMBR believes that the performance is good enough during the pandemic and targeting to book even higher sales volume in 2H20. To achieve this target, SMBR will carry out a strategy of optimizing the factory with the production of white clay as a mainstay product other than cement. (Kontan)

WIKA : Participating in a Strategic Tender Project

PT Wijaya Karya Tbk (WIKA) is participating in several strategic tender projects, both domestic and overseas construction projects with a total estimation of IDR17 trillion. Several foreign projects that WIKA has participated in include airport projects in Taiwan and the Philippines with a total of around IDR2 trillion. Aside from participating in projects, WIKA will also continue to focus on maintaining a healthy level of the debt ratio. (Investor Daily)

Domestic & Global News

Indonesia's Foreign Debt (ULN) at USD404.7 Billion in May 2020

Bank Indonesia (BI) noted that Indonesia's external debt (ULN) amounted to USD404.7 billion at the end of May 2020. Meaning it grew 4.8% (yoy), higher than the growth in April 2020 of 2.9% (yoy). Indonesia's external debt at the end of May 2020 remained under control with a healthy structure. "This is influenced by net external debt withdrawals, both government and private external debt and the strengthening of the Rupiah against the US dollar also contributes to an increase in Rupiah-denominated external debt". (Kontan)

U.S. Business Inventories Post Record Drop in May

U.S. business inventories fell by the most on record in May amid the COVID-19 crisis, supporting expectations for the sharpest drop in gross domestic product in the second quarter since the Great Depression. The Commerce Department said on Thursday business inventories declined 2.3% in May, the biggest decline since the government started tracking the series in 1992, after falling 1.4% in April. Inventories, a key component of GDP, have now declined for five straight months. (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						(17.0)	2,085.2							
BBCA	30,600	33,425	28,950	Hold	(5.4)	(1.3)	754.4	25.9x	4.4x	17.6	1.8	13.9	8.5	1.1
BBRI	3,100	4,400	3,010	Hold	(2.9)	(30.8)	382.4	11.0x	2.1x	18.6	5.4	13.0	(0.3)	1.3
Consumer						(23.0)	1,069.5							
GGRM	49,600	53,000	59,550	Buy	20.1	(37.5)	95.4	8.7x	1.8x	21.8	5.2	4.1	3.9	0.9
KINO	3,330	3,430	2,950	Hold	(11.4)	14.0	4.8	17.5x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,275	11,150	9,850	Hold	6.2	(14.5)	108.2	19.0x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,465	1,620	1,630	Hold	11.3	(1.7)	68.7	26.6x	4.2x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(28.3)	623.65							
TLKM	3,060	3,917	3,800	Buy	24.2	(27.4)	303.1	16.6x	2.8x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,400	5,175	4,600	Hold	4.5	(29.3)	31.9	14.4x	1.6x	12.0	0.3	(45.3)	0.5	1.3
Trade						(25.8)	540.5							
UNTR	18,450	21,525	19,000	Hold	3.0	(32.4)	68.8	6.8x	1.1x	16.9	6.6	(19.0)	(40.2)	0.9
MAPI	700	1,055	870	Buy	24.3	(25.1)	11.6	14.6x	2.0x	14.0	N/A	0.6	N/A	1.2
Property						(37.9)	293.4							
CTRA	645	1,040	810	Buy	25.6	(45.8)	12.0	11.3x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	725	1,485	820	Hold	13.1	(66.0)	9.8	37.2x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,250	1,990	1,840	Buy	47.2	(49.0)	11.2	5.3x	0.8x	14.3	4.1	(35.4)	(65.3)	1.7
Basic Ind.						(6.1)	631.4							
SMGR	9,350	12,000	10,925	Buy	16.8	(25.6)	55.5	21.6x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(26.7)	280.8							
ASII	5,200	6,925	5,800	Hold	11.5	(26.8)	210.5	9.9x	1.4x	14.4	4.1	(9.4)	(7.8)	1.3
Mining						(20.8)	303.3							
TINS	640	825	830	Buy	29.7	(41.0)	4.8	N/A	1.0x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,140	2,660	2,900	Buy	35.5	(25.7)	24.7	6.2x	1.2x	20.6	15.3	(4.0)	(25.0)	1.2
INCO	3,200	3,640	3,500	Hold	9.4	1.9	31.8	20.2x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	660	840	600	Hold	(9.1)	(29.8)	15.9	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
Agriculture						(18.1)	71.2							
AALI	9,175	14,575	10,000	Hold	9.0	(9.4)	17.7	32.4x	0.9x	2.9	0.5	13.3	891.7	1.4

* Target Price

Source: Bloomberg, NHKSI Research

INNI Summary

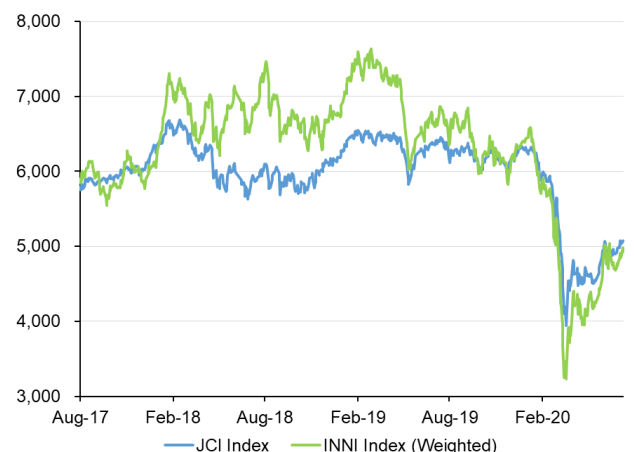
INNI Index Movement

YTD Change	-20.2%
YTD Change Gap (vs JCI)	-1.1%
Weekly Change	2.3%
Weekly Change Gap (vs JCI)	1.4%

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
Tuesday	US	01:00	Monthly Budget Statement	Jun	-\$864.1b	-\$863.0b	-\$8.5b
<i>14 - July</i>	UK	13:00	Industrial Production MoM	May	6.0%	5.2%	-20.3%
	UK	13:00	Industrial Production YoY	May	-20.0%	-20.8%	-24.4%
	UK	13:00	Manufacturing Production MoM	May	8.4%	5.0%	-24.3%
	UK	13:00	Trade Balance GBP/Mn	May	£4296m	-£635m	£305m
	GE	13:00	CPI MoM	Jun	0.6%	0.6%	0.6%
	GE	13:00	CPI YoY	Jun	0.9%	0.9%	0.9%
	US	19:30	CPI MoM	Jun	0.6%	0.6%	-0.1%
	US	19:30	CPI Ex Food and Energy MoM	Jun	0.2%	0.1%	-0.1%
	US	19:30	CPI YoY	Jun	0.6%	0.6%	0.1%
Wednesday	UK	13:00	CPI MoM	Jun	0.1%	0.0%	0.0%
<i>15 - July</i>	UK	13:00	CPI YoY	Jun	0.6%	0.5%	0.5%
	UK	13:00	CPI Core YoY	Jun	1.4%	1.2%	1.2%
	US	19:30	Import Price Index MoM	Jun	1.4%	1.0%	1.0%
Thursday	CH	09:00	Industrial Production YoY	Jun	4.8%	4.8%	4.4%
<i>16 - July</i>	CH	09:00	GDP YoY	2Q20	3.2%	2.5%	-6.8%
	CH	09:00	Retail Sales YoY	Jun	-1.8%	0.2%	-2.8%
	US	19:30	Retail Sales Advance MoM	Jun	7.5%	5.5%	17.7%
Friday	EC	16:00	CPI YoY	Jun	0.3%	0.3%	0.1%
<i>17 - July</i>	EC	16:00	CPI MoM	Jun	0.3%	0.3%	0.3%
	US	19:30	Housing Starts	Jun	1186k	1180k	974k
	US	21:00	U. of Mich. Sentiment	Jul	73.2	80	78.1

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Wednesday	11:00	Trade Balance	Jun	\$1267m	\$1200m	\$2092m
<i>15 - July</i>						
Thursday	14:20	Bank Indonesia 7D Reverse Repo	Jul	4.00%	4.00%	4.25%
<i>16 - July</i>						

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday, 13 July	Dividend; RUPS	VINS; KEJU, HKMU, BRNA
Tuesday, 14 July	Dividend; RUPS	DVLA; SMNP
Wednesday, 15 July	Dividend; RUPS	XISB, SRIL, ROTI; TOTL, SMAR, IPCM, INDS, INDF, ICBP, DILD, CAKK
Thursday, 16 July	Dividend; RUPS	ELSA; SDPC, MAYA, LSIP, JKON, JECC, BACA
Friday, 17 July	RUPS	TGRA, POWR, LPIN, INDO, GHON, BEKS

Source: RTI Analytics

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