

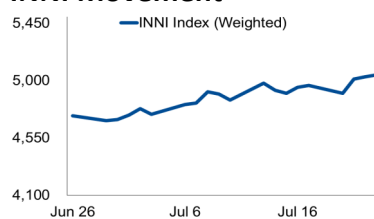
# Morning Brief

Daily | July 24, 2020

## JCI Movement



## INNI Movement



## Today's Outlook:

### JCI at the Resistant Level

The three major indices in the United States down in trade (07/23/2020). Prices of large technology stocks such as Apple and Microsoft which experienced a sharp decline supported this drop. In addition, unemployment claims data also increased for the first time since March 2020.

The direction of the JCI movement towards the end of this week will be overshadowed by profit taking after rising significantly cumulatively this week. YCI successfully closed slightly above the 5,140 resistance level yesterday, but investors need to be aware of the decline that occurred in the US stock exchange.

## Company News

- BMRI : Digital Credit Reached IDR128 Billion
- WSKT : Revised Contract Target for 2020
- UNVR : Recorded Sales Increase in Semester-I
- LINK : New Customers Keep Increasing

## Domestic & Global News

- Investment Realization Starts to Even in the First Semester of 2020
- U.S. Weekly Jobless Claims Unexpectedly Rise as Labor Market Takes Step Back

## Sectors

	Last	Chg.	%
Mining	1,358.23	15.64	1.17%
Basic Industries	783.62	7.68	0.99%
Finance	1,121.18	10.50	0.95%
Consumer Goods	1,886.28	14.81	0.79%
Infrastructure, Utilities, and Transportation	899.37	5.05	0.56%
Trade, Service, and Investment	618.21	2.86	0.47%
Property, Real Estate and Construction	306.56	0.67	0.22%
Agriculture	1,149.39	1.00	-0.09%
Miscellaneous Industry	921.80	14.45	-1.54%

## 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 23	5,145.01
Chg.	+34.82pts (+0.68%)
Volume (bn shares)	116.56
Value (IDR tn)	9.27
<b>Adv 229 Dec 187 Unc 289 Untr 118</b>	

## INNI Index

Last	5,039.83
Chg.	+8.81pts (+0.18%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
WIKA	+3.7%	ASII	-2.4%
WSKT	+2.8%	SMGR	-1.6%
KLBF	+2.5%	INCO	-1.2%
CTRA	+2.3%	JSMR	-0.9%
KINO	+1.5%	TINS	-0.7%

## Foreign Transaction

	(IDR bn)
Buy	2,163
Sell	2,327
Net Buy (Sell)	164

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	103.2	KLBF	114.5
BMRI	103.1	ASII	70.7
MDKA	58.8	BBNI	58.2
BNLI	39.3	TLKM	57.4
ICBP	27.0	TOWR	40.4

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.88%	-0.07%
USDIDR	14,580	-0.48%
KRWIDR	12.19	-0.37%

## Global Indices

Index	Last	Chg.	%
Dow Jones	26,652.33	(353.51)	-1.31%
S&P 500	3,235.66	(40.36)	-1.23%
FTSE 100	6,211.44	4.34	0.07%
DAX	13,103.39	(0.86)	-0.01%
Nikkei	22,751.61	(132.61)	-0.58%
Hang Seng	25,263.00	205.06	0.82%
Shanghai	3,325.11	(8.05)	-0.24%
KOSPI	2,216.19	(12.47)	-0.56%
EIDO	18.95	(0.16)	-0.84%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,887.4	16.0	0.86%
Crude Oil (USD/B)	41.07	(0.83)	-1.98%
ICE NewCastle (USD/ton)	53.50	0.00	0.00%
LME Nickel (USD/MT)	13,689	553.0	4.21%
LME Tin (USD/MT)	17,813	232.0	1.32%
CPO (MYR/ton)	2,708	52.0	1.96%

### **BMRI : Digital Credit Reached IDR128 Billion**

PT Bank Mandiri Tbk (BMRI) recorded digital lending in the January-June 2020 period reaching IDR128 billion, targeting 6,639 debtors. This performance cannot be separated from the collaboration of BMRI with several e-Commerce and Fintech as well as facilitating customer scoring. BMRI will continue to adapt businesses to the digital ecosystem but will continue to hold traditional financing. (Bisnis Indonesia)

### **UNVR : Recorded Sales Increase in Semester-I**

PT Unilever Indonesia Tbk (UNVR) recorded 1H20 sales of IDR21 trillion, up 1.5% YoY thanks to an increase in domestic sales of 1.6% YoY supported by retail sales without UFS. Going forward, UNVR will continue to focus on providing products while maintaining health, safety and community welfare amidst pandemic conditions. (Kontan)

### **WSKT : Revised Contract Target for 2020**

PT Waskita Karya Tbk (WSKT) revised the total contract target in 2020 to a lower IDR26 trillion from IDR50 trillion by considering the impact of the Covid-19 pandemic on the infrastructure sector this year. As of 1H20, WSKT has succeeded in pocketing new contracts worth IDR4.3 trillion, which are still dominated by toll road construction projects. (Bisnis Indonesia)

### **LINK : New Customers Keep Increasing**

PT Link Net Tbk (LINK) recorded a 47% increase in internet traffic and a 40% increase in the number of customers in the March-May 2020 period compared to the January-February 2020 period. The business segment was run by its subsidiary, First Media, which benefited from the implementation of WFH . As for the end of May, First Media has managed to add 75,274 customers, which surpassed its 2019 achievement. (Kontan)

## Domestic & Global News

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### **Investment Realization Starts to Even in the First Semester of 2020**

Based on data from the Investment Coordinating Board (BKPM) the realization of Java's investment amounted to IDR208.9 trillion, equivalent to 51.9% of the total investment of IDR402.6 trillion in semester I-2020. Meanwhile, investment achievements outside Java were worth IDR193.7 trillion. (Kontan)

### **U.S. Weekly Jobless Claims Unexpectedly Rise as Labor Market Takes Step Back**

The weekly jobless claims report from the Labor Department on Thursday, the most timely data on the economy's health, also showed nearly 32 million people were collecting unemployment checks in early July. Relentless labor market weakness puts pressure on the U.S. Congress to extend a \$600 weekly jobless benefit supplement, which expires on July 31. (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>						(14.9)	2,126.8							
BBCA	31,000	33,425	28,950	Hold	(6.6)	(0.8)	764.3	26.3x	4.5x	17.6	1.8	13.9	8.5	1.1
BBRI	3,140	4,400	3,010	Hold	(4.1)	(29.4)	387.3	11.2x	2.2x	18.6	5.4	13.0	(0.3)	1.3
<b>Consumer</b>						(20.9)	1,082.1							
GGRM	49,375	53,000	59,550	Buy	20.6	(36.7)	95.0	8.7x	1.8x	21.8	5.3	4.1	3.9	0.9
KINO	3,400	3,430	2,950	Hold	(13.2)	8.6	4.9	17.9x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,400	11,150	9,850	Hold	4.8	(11.1)	109.6	19.3x	4.0x	22.6	2.3	6.7	47.8	0.8
KLBF	1,615	1,620	1,630	Hold	0.9	12.2	75.7	29.3x	4.6x	16.3	1.2	8.0	12.5	1.1
<b>Infrastructure</b>						(24.4)	629.45							
TLKM	3,070	3,917	3,800	Buy	23.8	(25.7)	304.1	16.6x	2.9x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,190	5,175	4,600	Hold	9.8	(30.7)	30.4	13.8x	1.6x	12.0	0.4	(45.3)	0.5	1.3
<b>Trade</b>						(24.1)	549.8							
UNTR	20,075	21,525	19,000	Hold	(5.4)	(25.6)	74.9	7.4x	1.2x	16.9	6.0	(19.0)	(40.2)	0.9
MAPI	695	1,055	870	Buy	25.2	(24.5)	11.5	14.5x	1.9x	14.0	N/A	0.6	N/A	1.2
<b>Property</b>						(38.0)	290.8							
CTRA	660	1,040	810	Buy	22.7	(46.6)	12.2	11.5x	0.8x	7.2	1.5	(8.3)	(33.3)	1.5
WSKT	730	1,485	820	Hold	12.3	(65.1)	9.9	37.4x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,255	1,990	1,840	Buy	46.6	(47.3)	11.3	5.4x	0.8x	14.3	4.1	(35.4)	(65.3)	1.8
<b>Basic Ind.</b>						(6.1)	630.0							
SMGR	9,450	12,000	10,925	Buy	15.6	(25.0)	56.1	21.8x	1.7x	8.0	0.4	5.6	66.7	1.3
<b>Misc Ind.</b>						(27.4)	280.0							
ASII	5,175	6,925	5,800	Hold	12.1	(27.9)	209.5	9.8x	1.4x	14.4	4.1	(9.4)	(7.8)	1.3
<b>Mining</b>						(17.3)	314.1							
TINS	690	825	830	Buy	20.3	(33.3)	5.1	N/A	1.1x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,110	2,660	2,900	Buy	37.4	(24.1)	24.3	6.1x	1.2x	20.6	15.5	(4.0)	(25.0)	1.1
INCO	3,250	3,640	3,500	Hold	7.7	6.6	32.3	20.8x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	690	840	600	Hold	(13.0)	(27.0)	16.6	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
<b>Agriculture</b>						(15.2)	73.4							
AALI	9,425	14,575	10,000	Hold	6.1	(7.1)	18.1	33.3x	1.0x	2.9	0.5	13.3	891.7	1.4

\* Target Price

Source: Bloomberg, NHKSI Research

## INNI Summary

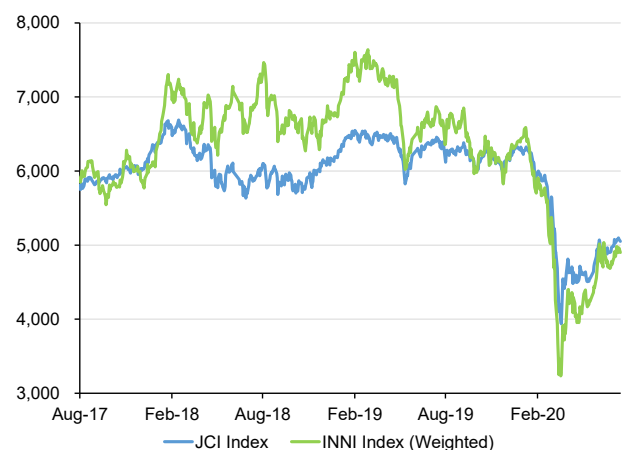
### INNI Index Movement

YTD Change	-18.9%
YTD Change Gap (vs JCI)	-0.8%
Weekly Change	2.0%
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
<b>Wednesday</b>	US	18:00	MBA Mortgage Applications	Jun	4.1%		5.1%
22 - July	US	21:00	Existing Home Sales	May	4.72m	4.75m	3.91m
<b>Thursday</b>	US	19:30	Initial Jobless Claims	Jul	1416k	1295k	1300k
23 - July	US	21:00	Leading Index	Jun	2.0%	2.4%	2.8%
<b>Friday</b>	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
<b>Monday</b>	Cum Dividend	STTP, DUTI
20 - July	RUPS	NFCX, MCAS, ISAT, AMAG
	IPO	PPGL
	Warrant Seri 1	PPGL
<b>Tuesday</b>	Dividend	KEJU
21 - July	RUPS	TFAS, NIKL, FISH, DIVA, BUKK
<b>Wednesday</b>	Dividend	ASBI
22 - July	RUPS	SUPR, SOTS, SHIP, SAPX, LPLI
<b>Thursday</b>	RUPS	WINS, VOKS, KDSI, BUMI, BJTM, ABDA
23 - July		
<b>Friday</b>	RUPS	UNVR, SOCI, SMSM, RELI, RANC, PBSA, NOBU, ITIC, INDX
24 - July		

Source: RTI Analytics

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