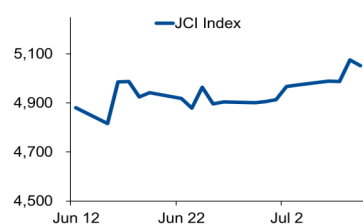


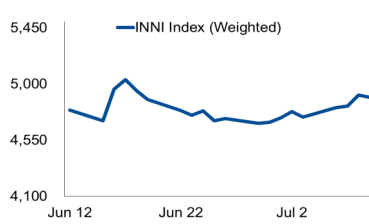
Morning Brief

Daily | July 10, 2020

JCI Movement



INNI Movement



Today's Outlook:

New Daily Cases Reach Record High

US markets closed varied with Dow Jones and S&P500 lower, while Nasdaq closed higher. Unemployment claims data is reported to be at 1.3 million or as expected. However, investors are still concerned as Covid-19 positive cases in the US reach 3 million.

Meanwhile, today's JCI movement may potentially weaken. The daily case numbers booked yesterday reach record high at 2.657 cases, which will be the main burdening sentiment for JCI towards the weekend.

Company News

- TLKM : Built Data Center for Digital Platform
- KLBF : Released Vitamin D3 Supplement
- BBRI : Continues Work from Home Culture
- CTRA : Recorded Marketing Sales of IDR2 Trillion

Domestic & Global News

- Semester I 2020, Tax Revenue Down by 12%
- PMI: Dubai Non-oil Private Sector Emerges from Contraction in June

Sectors

	Last	Chg.	%
Infrastructure, Utilities, and Transportation	898.83	7.72	-0.85%
Finance	1,110.60	7.75	-0.69%
Basic Industry	736.28	4.11	-0.54%
Consumer Goods	1,817.29	7.71	-0.42%
Miscellaneous Industry	882.41	2.07	-0.23%
Trade, Services, and Investment	606.55	0.63	-0.10%
Property, Real Estate and Construction	319.85	0.23	-0.07%
Mining	1,291.60	6.12	0.48%
Agriculture	1,063.69	10.41	0.99%

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	1.96%	2.19%	Cons. Confidence*	83.80	77.80

JCI Index

July 09	5,052.79
Chg.	-23.38pts (-0.46%)
Volume (bn shares)	98.18
Value (IDR tn)	9.15
Adv 195 Dec 205 Unc 305 Untr 130	

INNI Index

Last	4,893.88
Chg.	-13.87pts (-0.28%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
CTRA	+5.5%	KINO	-3.5%
WIKA	+2.8%	SMGR	-2.3%
PTBA	+1.0%	MAPI	-2.0%
AALI	+1.0%	BBRI	-1.6%
KLBF	+0.7%	BBCA	-1.6%

Foreign Transaction

	(IDR bn)
Buy	2,720
Sell	2,851
Net Buy (Sell)	131

Top Buy	NB Val.	Top Sell	NS Val.
MDKA	107.0	WSKT	35.3
BBCA	70.0	TKIM	34.2
TLKM	37.6	BBRI	32.1
UNTR	25.8	TOWR	26.7
PTBA	17.3	BSDE	25.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.10%	-0.02%
USDIDR	14,395	-0.10%
KRWIDR	12.05	-0.04%

Global Indices

Index	Last	Chg.	%
Dow Jones	25,706.09	(361.19)	-1.39%
S&P 500	3,152.05	(17.89)	-0.56%
FTSE 100	6,049.62	(106.54)	-1.73%
DAX	12,489.46	(5.35)	-0.04%
Nikkei	22,529.29	90.64	0.40%
Hang Seng	26,210.16	80.98	0.31%
Shanghai	3,450.59	47.15	1.39%
KOSPI	2,167.90	9.02	0.42%
EIDO	19.07	(0.29)	-1.50%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,803.6	(5.3)	-0.30%
Crude Oil (USD/B)	39.62	(1.28)	-3.13%
ICE NewCastle (USD/ton)	57.60	(0.80)	-1.37%
LME Nickel (USD/MT)	13,249	(244.0)	-1.81%
LME Tin (USD/MT)	17,340	265.0	1.55%
CPO (MYR/ton)	2,403	(4.0)	-0.17%

TLKM : Built Data Center for Digital Platform

PT Telekomunikasi Indonesia Tbk (TLKM) built a unit called Telkom Hyperscale Data Center (HDC) which will house 22 data centers. The creation of a new data center aims to accelerate the digital platform business being accelerated by TLKM. As for the green data center concept, Telkom HyperScale Data Center is committed to reducing the use of carbon dioxide emissions. (Bisnis Indonesia)

BBRI : Continues Work from Home Culture

PT Bank Rakyat Indonesia Tbk (BBRI) will continue to develop the Work From Home (WFH) work culture even though the pandemic period is over. BBRI plans to develop cluster work patterns by preparing facilities in certain areas to support work. In the future BBRI will begin to develop a recruitment pattern that targets personal talents who are actively innovating. (Investor Daily)

KLBF : Released Vitamin D3 Supplement

PT Kalbe Farma Tbk (KLBF) launched a new vitamin D3 supplement product called Prove D3 in the form of drops. The purpose of launching the new product is KLBF's commitment to improve health and market quality health products. During the first semester, KLBF has spent nearly 60% of the total capex in 2020 for product innovation. (Bisnis Indonesia)

CTRA : Recorded Marketing Sales of IDR2 Trillion

PT Ciputra Development Tbk (CTRA) recorded marketing sales of IDR2 trillion for the first semester of 2020, equivalent to 29% of the company's initial target. The performance achievement was down 16% YoY due to the pandemic conditions which resulted in the PSBB regulations. However, CTRA remains optimistic that in the second semester there will be improvement in occupancy and will remain focused on residential segment sales. (Kontan)

Domestic & Global News

Semester I 2020, Tax Revenue Down by 12%

Tax revenue throughout the first half of 2020 recorded a 12% drop in annual basis. This achievement is worse than last year, due to the economic impact caused by the 2019 corona virus disease pandemic (Covid-19). Data from the Ministry of Finance (MoF) shows that in the first half of 2020, tax revenue reached IDR531.8 trillion, corrected by 12% year on year (yoy), where in the same period last year it was IDR604.3 trillion. (Kontan)

PMI: Dubai Non-oil Private Sector Emerges from Contraction in June

Dubai's non-oil private sector was steady in June, the first time it did not contract since February, a survey showed on Thursday, after the emirate lifted many restrictions to stem the spread of the new coronavirus. The seasonally adjusted IHS Markit Dubai Purchasing Managers' Index (PMI) increased to 50.0 in June from 46.0 in May, settling at the mark that separates growth from contraction. (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						(15.5)	2,105.1							
BBCA	30,500	33,425	28,950	Hold	(5.1)	1.7	752.0	25.9x	4.4x	17.6	1.8	13.9	8.5	1.1
BBRI	3,140	4,400	3,010	Hold	(4.1)	(29.8)	387.3	11.2x	2.2x	18.6	5.4	13.0	(0.3)	1.3
Consumer						(23.8)	1,042.6							
GGRM	47,225	53,000	59,550	Buy	26.1	(38.2)	90.9	8.3x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,330	3,430	2,950	Hold	(11.4)	16.4	4.8	17.5x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,350	11,150	9,850	Hold	5.3	(7.7)	109.0	19.2x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,530	1,620	1,630	Hold	6.5	4.4	71.7	27.8x	4.4x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(27.6)	629.07							
TLKM	3,110	3,917	3,800	Buy	22.2	(26.5)	308.1	16.8x	2.9x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,430	5,175	4,600	Hold	3.8	(21.9)	32.2	14.5x	1.7x	12.0	0.3	(45.3)	0.5	1.3
Trade						(25.5)	539.4							
UNTR	18,450	21,525	19,000	Hold	3.0	(34.2)	68.8	6.8x	1.1x	16.9	6.6	(19.0)	(40.2)	0.9
MAPI	720	1,055	820	Hold	13.9	(21.7)	12.0	15.0x	2.0x	14.0	N/A	0.6	N/A	1.2
Property						(35.0)	303.4							
CTRA	675	1,040	810	Buy	20.0	(40.0)	12.5	11.8x	0.9x	7.2	1.5	(8.3)	(33.3)	1.5
WSKT	725	1,485	960	Buy	32.4	(63.9)	9.8	37.2x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,270	1,990	1,840	Buy	44.9	(45.7)	11.4	5.4x	0.8x	14.3	4.0	(35.4)	(65.3)	1.7
Basic Ind.						(6.3)	613.6							
SMGR	9,500	12,000	10,925	Hold	15.0	(24.3)	56.3	21.9x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(32.6)	268.0							
ASII	4,900	6,925	5,800	Buy	18.4	(34.2)	198.4	9.3x	1.3x	14.4	4.4	(9.4)	(7.8)	1.3
Mining						(21.7)	298.3							
TINS	630	825	830	Buy	31.7	(39.1)	4.7	N/A	1.0x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,100	2,660	2,900	Buy	38.1	(28.6)	24.2	6.1x	1.2x	20.6	15.5	(4.0)	(25.0)	1.1
INCO	3,100	3,640	3,500	Hold	12.9	6.2	30.8	20.1x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	650	840	600	Hold	(7.7)	(20.7)	15.6	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
Agriculture						(23.8)	68.0							
AALI	8,675	14,575	10,000	Buy	15.3	(17.4)	16.7	30.6x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

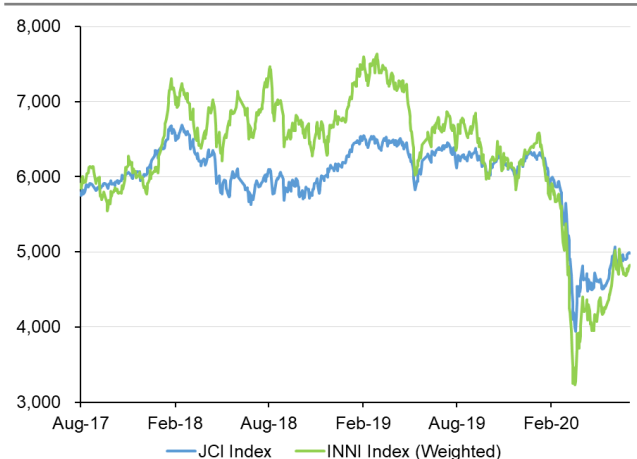
INNI Index Movement

YTD Change	-21.3%
YTD Change Gap (vs JCI)	-1.7%
Weekly Change	2.4%
Weekly Change Gap (vs JCI)	0.7%

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
Monday	GE	13.00	Factory Orders MoM	May	10.4%	15.4%	-25.8%
<i>06 - July</i>	UK	15.30	Markit/CIPS UK Construction PMI	June	55.3	46	28.9
	US	20.45	Markit US Services PMI	June	47.9	47	46.7
	US	20.45	Markit US Composite PMI	June	47.9	-	46.8
	US	21.00	ISM Non-Manufacturing Index	June	57.1	50	45.4
Tuesday	GE	13.00	Industrial Production SA MoM	May	7.8%	11.0%	-17.9%
<i>07 - July</i>							
Wednesday	US	18.00	MBA Mortgage Applications	July	2.2%	-	-1.8%
<i>08 - July</i>							
Thursday	CH	08.30	PPI YoY	June	-3.0%	-3.2%	-3.7%
<i>09 - July</i>	CH	08.30	CPI YoY	June	2.5%	2.5%	2.4%
	US	19.30	Initial Jobless Claims	July	1314k	1375k	1427k
	US	21.00	Wholesale Inventories MoM	May	-1.2%	-1.2%	-1.2%
Friday	US	19.30	PPI Final Demand MoM	June		0.4%	0.4%
<i>10 - July</i>							

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday	10.00	Foreign Reserves	June	\$131.70	-	\$130.50
<i>07 - July</i>						

Source: Bloomberg

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