

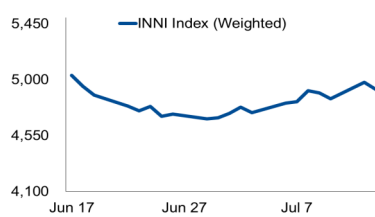
Morning Brief

Daily | July 15, 2020

JCI Movement



INNI Movement



Today's Outlook:

Trade Balance Predicted to Surplus

Wall Street exchanges closed higher as investors began eyeing stocks in the energy and industrial sectors. The high number of new Covid-19 cases in various states was balanced by news that Moderna's vaccine trial was reportedly effective.

Meanwhile, the JCI movement today is estimated to be able to strengthen in a limited manner. Announcement of June 2020 trade balance data which is projected to still have a surplus, will be the main focus for investors.

Company News

- UNVR : Working with Blue Bird
- BBRI : Got Additional KRPS FLPP Quota
- JSMR : Toll Projects will be Completed in the Third Quarter

Domestic & Global News

- Economy Slows Down in Quarter II-2020, Sluggish Tax Revenue
- U.S. Consumer Prices Rebound in June

Sectors

	Last	Chg.	%
Basic Industries	779.24	11.75	1.53%
Consumer Goods	1,834.16	20.79	1.15%
Miscellaneous Industry	890.37	7.99	0.91%
Agriculture	1,082.11	3.40	0.32%
Finance	1,118.44	0.87	0.08%
Trade, Services and Investment	605.11	0.59	-0.10%
Infrastructure, Utilities, and Transportation	889.14	3.43	-0.39%
Mining	1,314.35	11.40	-0.86%
Property, Real Estate, and Construction	311.88	3.26	-1.04%

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)	131.70	130.50	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 14	5,079.12
Chg.	+14.67pts (+0.29%)
Volume (bn shares)	85.05
Value (IDR tn)	7.23
Adv 179 Dec 225 Unc 301 Untr 129	

INNI Index

Last	4,922.89
Chg.	-56.81pts (-1.14%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
SMGR	+3.2%	MAPI	-2.8%
KLBF	+3.1%	TINS	-2.3%
ICBP	+2.2%	CTRA	-2.3%
ASII	+1.0%	ANTM	-2.2%
KINO	+0.6%	INCO	-2.1%

Foreign Transaction

	(IDR bn)
Buy	1,688
Sell	1,848
Net Buy (Sell)	160

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	105.2	TLKM	157.4
ASII	29.7	BBNI	63.7
CPIN	18.3	JPFA	12.2
BBCA	18.2	INTP	11.1
BMRI	14.8	TKIM	10.4

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.09%	0.02%
USDIDR	14,450	0.17%
KRWIDR	11.98	-0.21%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,642.59	556.79	2.13%
S&P 500	3,197.52	42.30	1.34%
FTSE 100	6,179.75	3.56	0.06%
DAX	12,697.36	(102.61)	-0.80%
Nikkei	22,587.01	(197.73)	-0.87%
Hang Seng	25,477.89	(294.23)	-1.14%
Shanghai	3,414.62	(28.67)	-0.83%
KOSPI	2,183.61	(2.45)	-0.11%
EIDO	19.29	0.27	1.42%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,809.4	6.6	0.37%
Crude Oil (USD/B)	40.29	0.19	0.47%
ICE NewCastle (USD/ton)	55.40	0.90	1.65%
LME Nickel (USD/MT)	13,585	(126.0)	-0.92%
LME Tin (USD/MT)	17,310	(125.0)	-0.72%
CPO (MYR/ton)	2,502	73.0	3.01%

UNVR : Working with Blue Bird

PT Unilever Indonesia Tbk (UNVR) has collaborated with PT Blue Bird Tbk (BIRD) to provide Lifebuoy Handsanitizer products in every taxi owned by BIRD. UNVR and BIRD decided to do this after the recommendations and health protocol provided by WHO. In the future, BIRD hopes that this collaboration will help the public to calmly use public transportation modes. (Bisnis Indonesia)

BBRI : Got Additional KRPS FLPP Quota

PT Bank Rakyat Indonesia Tbk (BBRI) received an additional quota for distributing Prosperous Home Ownership Loan (KPRS) through housing loan liquidity facility (FLPP) to 2,000 units. The requirements for people who want to apply for the KPRS FLPP are their income must amount to IDR8 million and have never received KPRS FLPP. (Bisnis Indonesia)

JSMR : Toll Projects will be Completed in the Third Quarter

PT Jasa Marga Tbk (JSMR) has worked on several government infrastructure projects and will operate several toll roads in the third quarter. The list of projects is the South Sentul interchange and the Balikpapan toll road that will connect several sections in Samboja and Sepingan. Meanwhile JSMR is still working on two other large toll road projects with an estimated operation of 2021. (Bisnis Indonesia)

Domestic & Global News

Economy Slows Down in Quarter II-2020, Sluggish Tax Revenue

The Covid-19 pandemic has weakened the domestic economy. Especially in the second quarter of 2020 which became a very heavy period due to the cessation of community economic activity, which then affect tax revenue. Directorate General of Tax of the Ministry of Finance (MoF) tax revenue realization in the first half of 2020 reached IDR531.8 trillion or corrected by 12% year on year (yoy) to the same period last year which reached IDR604.3 trillion. Meanwhile, the realization of tax revenue in the first semester of 2020 has reached 44.3% of the target of the end of 2020 income of IDR1,198.3 trillion. (Kontan)

U.S. Consumer Prices Rebound in June

U.S. consumer prices rebounded in June after three straight monthly declines as businesses reopened, but the underlying trend suggested inflation would remain muted and allow the Federal Reserve to keep injecting money into the ailing economy. The Labor Department said on Tuesday its consumer price index increased 0.6% last month after easing 0.1% in May. In the 12 months through June, the CPI climbed 0.6% after gaining 0.1% in May, which was the smallest year-on-year rise since September 2015. (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						(16.0)	2,120.1							
BBCA	31,000	33,425	28,950	Hold	(6.6)	1.6	764.3	26.3x	4.5x	17.6	1.8	13.9	8.5	1.1
BBRI	3,170	4,400	3,010	Hold	(5.0)	(30.0)	391.0	11.3x	2.2x	18.6	5.3	13.0	(0.3)	1.3
Consumer						(21.9)	1,052.2							
GGRM	46,975	53,000	59,550	Buy	26.8	(37.3)	90.4	8.2x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,290	3,430	2,950	Hold	(10.3)	17.1	4.7	17.3x	1.7x	10.5	3.3	11.1	(81.3)	0.9
ICBP	9,450	11,150	9,850	Hold	4.2	(8.9)	110.2	19.4x	4.0x	22.6	1.4	6.7	47.8	0.8
KLBF	1,505	1,620	1,630	Hold	8.3	3.1	70.5	27.3x	4.3x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(28.3)	622.28							
TLKM	3,080	3,917	3,800	Buy	23.4	(27.1)	305.1	16.7x	2.9x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,400	5,175	4,600	Hold	4.5	(24.5)	31.9	14.4x	1.6x	12.0	0.3	(45.3)	0.5	1.3
Trade						(26.1)	538.1							
UNTR	18,325	21,525	19,000	Hold	3.7	(34.6)	68.4	6.8x	1.1x	16.9	6.6	(19.0)	(40.2)	0.9
MAPI	700	1,055	820	Buy	17.1	(24.7)	11.6	14.6x	2.0x	14.0	N/A	0.6	N/A	1.2
Property						(37.6)	295.8							
CTRA	645	1,040	810	Buy	25.6	(46.5)	12.0	11.3x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	715	1,485	820	Hold	14.7	(66.7)	9.7	36.7x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,255	1,990	1,840	Buy	46.6	(48.8)	11.3	5.4x	0.8x	14.3	4.1	(35.4)	(65.3)	1.7
Basic Ind.						(3.5)	626.5							
SMGR	9,650	12,000	10,925	Hold	13.2	(22.8)	57.2	22.3x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(31.8)	270.4							
ASII	4,950	6,925	5,800	Buy	17.2	(33.3)	200.4	9.4x	1.3x	14.4	4.3	(9.4)	(7.8)	1.3
Mining						(19.4)	304.0							
TINS	645	825	830	Buy	28.7	(37.1)	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	(24.6)	24.7	6.2x	1.2x	20.6	15.3	(4.0)	(25.0)	1.1
INCO	3,250	3,640	3,500	Hold	7.7	8.3	32.3	20.9x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	660	840	600	Hold	(9.1)	(25.0)	15.9	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
Agriculture						(20.8)	69.1							
AALI	8,575	14,575	10,000	Buy	16.6	(15.7)	16.5	30.3x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price

Source: Bloomberg, NHKSI Research

INNI Summary

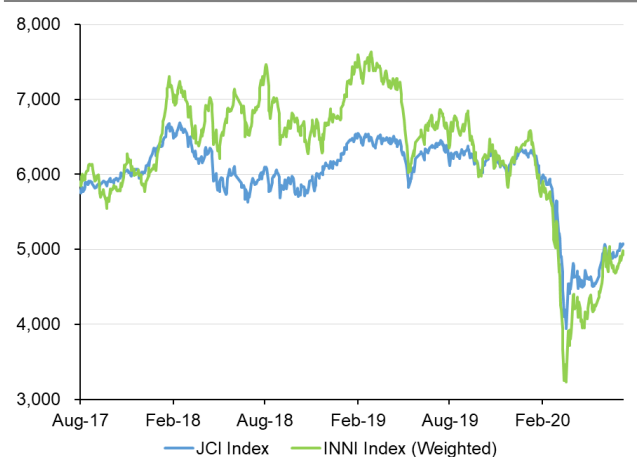
INNI Index Movement

YTD Change	-20.9%
YTD Change Gap (vs JCI)	-1.7%
Weekly Change	2.0%
Weekly Change Gap (vs JCI)	0.2%

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		0.0%	0.0%
<i>15 - July</i>	UK	13:00	CPI YoY	Jun		0.5%	0.5%
	UK	13:00	CPI Core YoY	Jun		1.2%	1.2%
	US	19:30	Import Price Index MoM	Jun		1.0%	1.0%
Thursday	CH	09:00	Industrial Production YoY	Jun		4.8%	4.4%
<i>16 - July</i>	CH	09:00	GDP YoY	2Q20		2.5%	-6.8%
	CH	09:00	Retail Sales YoY	Jun		0.2%	-2.8%
	US	19:30	Retail Sales Advance MoM	Jun		5.5%	17.7%
Friday	EC	16:00	CPI YoY	Jun		0.3%	0.1%
<i>17 - July</i>	EC	16:00	CPI MoM	Jun		0.3%	0.3%
	US	19:30	Housing Starts	Jun		1180k	974k
	US	21:00	U. of Mich. Sentiment	Jul		80	78.1

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Wednesday	11:00	Trade Balance	Jun		\$895m	\$2092m
<i>15 - July</i>						
Thursday	14:20	Bank Indonesia 7D Reverse Repo	Jul		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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