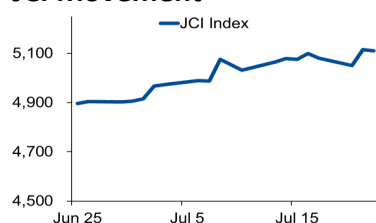


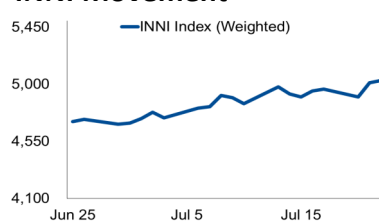
Morning Brief

Daily | July 23, 2020

JCI Movement



INNI Movement



Today's Outlook:

US-China Tension Rose Again

US market closed higher in trading (07/22/2020), supported by investor action to hunt for shares that were deemed defensive. This shift towards the defensive sector responds to the emergence of new tensions on US-China relations, after the US government ordered the closure of the Chinese consulate in Houston.

Domestically, JCI still tends to move flat in line with the lack of new sentiment from within the country. Investors will await the release of GDP data and financial statements of issuers in the Q2 / 2020 period. Indonesia's economic growth in the second quarter / 2020 is expected to experience a fairly deep contraction.

Company News

- ANTM : Nickel Commodity Sales Up in Q2
- BBRI : Deposit Funds Increase as of May 2020
- HMSF : Market Share Down Due to Declining Sales
- BBTN : Released Sustainable Bonds IV

Domestic & Global News

- June 2020, Imports of Consumption Goods Increased by 51.10%
- Malaysia's June CPI Falls 1.9% YoY

Sectors

	Last	Chg.	%
Miscellaneous Industry	936.26	11.28	-1.19%
Property, Real Estate, and Construction	305.88	2.15	-0.70%
Basic Industries	775.94	4.84	-0.62%
Agriculture	1,150.40	3.08	-0.27%
Finance	1,110.68	2.10	-0.19%
Consumer Goods	1,871.47	4.91	0.26%
Trade, Service, and Investment	615.35	2.02	0.33%
Infrastructure, Utilities, and Transportation	894.32	3.24	0.36%
Mining	1,342.58	6.05	0.45%

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 22	5,110.18
Chg.	-4.52pts (-0.09%)
Volume (bn shares)	92.68
Value (IDR tn)	8.23
Adv 172 Dec 232 Unc 301 Untr 123	

INNI Index

Last	5,031.02
Chg.	+20.12pts (+0.40%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
TINS	+6.1%	BBRI	-1.6%
KLBF	+3.6%	CTRA	-1.5%
UNTR	+3.5%	PTBA	-1.4%
MAPI	+2.2%	ASII	-1.4%
SMGR	+1.3%	WSKT	-1.4%

Foreign Transaction

	(IDR bn)
Buy	1,898
Sell	2,116
Net Buy (Sell)	218

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	120.1	BBRI	187.8
BBNI	42.5	KLBF	91.6
MDKA	26.9	MNCN	24.4
BBCA	26.2	INDF	20.7
TLKM	15.5	ASII	16.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.95%	-0.09%
USDIDR	14,650	-0.62%
KRWIDR	12.24	-0.61%

Global Indices

Index	Last	Chg.	%
Dow Jones	27,005.84	165.44	0.62%
S&P 500	3,276.02	18.72	0.57%
FTSE 100	6,207.10	(62.63)	-1.00%
DAX	13,104.25	(67.58)	-0.51%
Nikkei	22,751.61	(132.61)	-0.58%
Hang Seng	25,057.94	(577.72)	-2.25%
Shanghai	3,333.16	12.27	0.37%
KOSPI	2,228.66	(0.17)	-0.01%
EIDO	19.11	0.10	0.53%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,871.4	29.5	1.60%
Crude Oil (USD/B)	41.90	(0.02)	-0.05%
ICE NewCastle (USD/ton)	53.50	(0.50)	-0.93%
LME Nickel (USD/MT)	13,136	(330.0)	-2.45%
LME Tin (USD/MT)	17,581	16.0	0.09%
CPO (MYR/ton)	2,656	15.0	0.57%

ANTM : Nickel Commodity Sales Up in Q2

PT Aneka Tambang Tbk (ANTM) recorded sales of ferronickel in 2Q20 of 6,867 TNi, up 11% MoM supported by production of 6,447 TNi. The increase due to the currently increasing demand for nickel. ANTM is also optimistic that in 2020 it will be able to increase the profit margin of the nickel segment by considering the slowly improving world economy. (Kontan)

HMSP : Market Share Down Due to Declining Sales

PT HM Sampoerna Tbk (HMSP) recorded the realization of cigarette sales in 2Q20 was 18 billion cigarettes or down 27% YoY which caused the market share to fall 28% YoY. This condition happened as the Indonesian cigarette industry also experienced a 17% YoY decrease in 2Q20 sales. HMSP ensures investors that it will release 2Q20 financial statement data on the end of July. (Bisnis Indonesia)

BBRI : Deposit Funds Increase as of May 2020

PT Bank Rakyat Indonesia Tbk (BBRI) recorded growth in third party funds (DPK) in May 2020 at 10.5% YoY supported by a 20% YoY increase in deposits. This positive performance was supported by people who were more inclined to invest in deposits during the pandemic. These conditions have further strengthened BBRI's business when there was a slowdown in lending. (Bisnis Indonesia)

BBTN : Released Sustainable Bonds IV

PT Bank Tabungan Negara Tbk (BBTN) will hold a continuous public offering (PUB) for Phase IV bonds worth IDR1.5 trillion with a coupon of around 6.25% -8.90%. BBTN will use the funds from the bond issuance to develop the home financing business. The bidding has been started in July 10 with a target to be completed on July 23, targeting Investment Managers and Pension Funds. (Investor Daily)

Domestic & Global News

June 2020, Imports of Consumption Goods Increased by 51.10%

Imports of consumer goods in June 2020 experienced a fairly high increase. According to the Central Bureau of Statistics (BPS), imports of consumer goods in June 2020 were recorded at USD1.41 billion or equal to 51.10% increase from May 2020. When compared to June last year, the number also increased by 37.15% yoy. (Kontan)

Malaysia's June CPI Falls 1.9% YoY

Malaysia's economy remained in deflationary territory for the fourth month in a row in June, with the consumer price index (CPI) falling 1.9% from a year earlier, government data showed on Wednesday. June's decline was driven largely by lower retail fuel prices during the month, with the transport sector index falling 14.3% YoY, the Statistics Department said in a statement. (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						(15.9)	2,106.8							
BBCA	30,900	33,425	28,950	Hold	(6.3)	(0.9)	761.8	26.2x	4.4x	17.6	1.8	13.9	8.5	1.1
BBRI	3,100	4,400	3,010	Hold	(2.9)	(31.0)	382.4	11.0x	2.1x	18.6	5.4	13.0	(0.3)	1.3
Consumer						(21.9)	1,073.7							
GGRM	49,725	53,000	59,550	Buy	19.8	(37.7)	95.7	8.7x	1.8x	21.8	5.2	4.1	3.9	0.9
KINO	3,350	3,430	2,950	Hold	(11.9)	8.8	4.8	17.6x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,375	11,150	9,850	Hold	5.1	(12.6)	109.3	19.2x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,575	1,620	1,630	Hold	3.5	7.1	73.8	28.6x	4.5x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(25.9)	625.92							
TLKM	3,070	3,917	3,800	Buy	23.8	(26.8)	304.1	16.6x	2.9x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,230	5,175	4,600	Hold	8.7	(29.5)	30.7	13.9x	1.6x	12.0	0.4	(45.3)	0.5	1.3
Trade						(24.1)	547.2							
UNTR	20,000	21,525	19,000	Hold	(5.0)	(25.9)	74.6	7.4x	1.2x	16.9	6.1	(19.0)	(40.2)	0.9
MAPI	700	1,055	870	Buy	24.3	(23.5)	11.6	14.6x	2.0x	14.0	N/A	0.6	N/A	1.2
Property						(38.0)	290.2							
CTRA	645	1,040	810	Buy	25.6	(48.0)	12.0	11.3x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	710	1,485	820	Buy	15.5	(66.2)	9.6	36.4x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,210	1,990	1,840	Buy	52.1	(49.2)	10.9	5.2x	0.8x	14.3	4.2	(35.4)	(65.3)	1.8
Basic Ind.						(7.2)	623.8							
SMGR	9,600	12,000	10,925	Hold	13.8	(23.4)	56.9	22.2x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(26.0)	284.4							
ASII	5,300	6,925	5,800	Hold	9.4	(25.9)	214.6	10.1x	1.4x	14.4	4.0	(9.4)	(7.8)	1.3
Mining						(18.6)	310.5							
TINS	695	825	830	Buy	19.4	(33.5)	5.2	N/A	1.1x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,080	2,660	2,900	Buy	39.4	(26.5)	24.0	6.0x	1.2x	20.6	15.7	(4.0)	(25.0)	1.1
INCO	3,290	3,640	3,500	Hold	6.4	7.9	32.7	21.0x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	685	840	600	Hold	(12.4)	(27.1)	16.5	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
Agriculture						(14.7)	73.5							
AALI	9,475	14,575	10,000	Hold	5.5	(5.7)	18.2	33.5x	1.0x	2.9	0.5	13.3	891.7	1.4

* Target Price

Source: Bloomberg, NHKSI Research

INNI Summary

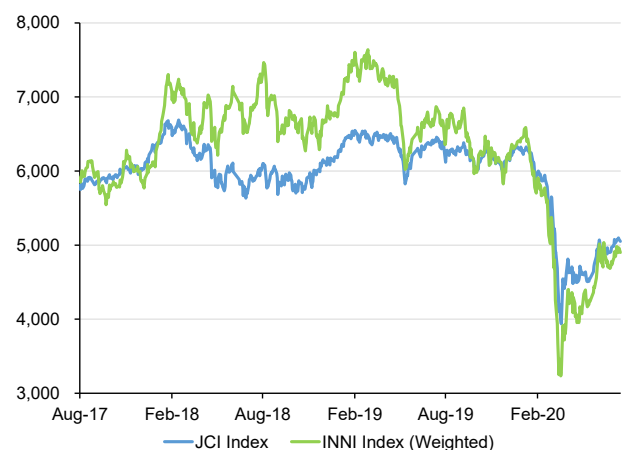
INNI Index Movement

YTD Change	-19.2%
YTD Change Gap (vs JCI)	-0.5%
Weekly Change	2.7%
Weekly Change Gap (vs JCI)	2.0%

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	4.1%		5.1%
22 - July	US	21:00	Existing Home Sales	May	4.72m	4.75m	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

Research Division

Head of Research

Anggaraksa Arismunandar

Market Strategy, Economy, Misc. Industry
T +62 21 5088 9134 ext. 9134
E anggaraksa@nhsec.co.id

Analyst

Ajeng Kartika Hapsari

Property, Construction
T +62 21 5088 ext 9130
E ajeng@nhsec.co.id

Analyst

Arief Machrus

Banking, Fixed Income
T +62 21 5088 ext 9127
E arief.machrus@nhsec.co.id

Analyst

Meilki Riyanto Darmawan S

Mining, Plantation
T +62 21 5088 ext 9128
E meilki.darmawan@nhsec.co.id

Analyst

Putu Chantika

Consumer, Retail
T +62 21 5088 ext 9129
E putu.chantika@nhsec.co.id

Analyst

Restu Pamungkas

Telco, Tower, Toll road
T +62 21 5088 ext 9133
E restu.pamungkas@nhsec.co.id

Research Support

Jasmine Kusumawardani

T +62 21 5088 ext 9132
E jasmine.kusumawardani@nhsec.co.id

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

District 8 Treasury Tower 51st
Fl. Unit A, SCBD Lot.28
Jl. Jendral Sudirman Kav. 52-53
Jakarta Selatan 12190
Telp : +62 21 50889100
Fax : +62 21 50889101

Branch Office BSD:

ITC BSD Blok R No.48
Jl. Pahlawan Seribu Serpong
Tangerang Selatan 15322
Indonesia
Telp : +62 21 5316 2049
Fax : +62 21 5316 1687

Branch Office Medan :

Jl. Timor No 147
Medan, Sumatera Utara
20234
Indonesia
Telp : +62 614 156500
Fax : +62 614 568560

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta