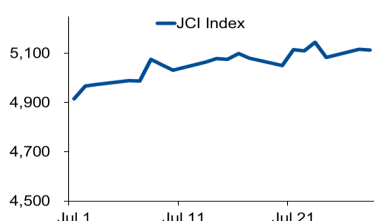
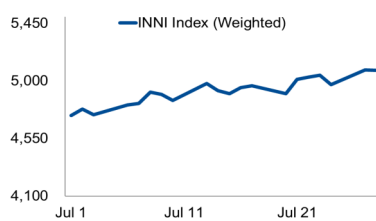


# Morning Brief

## JCI Movement



## INNI Movement



## Today's Outlook:

### US Consumer Confidence Index Down

Dow Jones closed lower at the end of trading (07/28/2020), following the release of the US Consumer Confidence Index which fell from 98.3 to 92.6. In addition, investors are still waiting for the congress to reach an agreement on a new stimulus package.

Meanwhile, the JCI movement today is also estimated to be still limited with a downtrend. As expected, several companies experienced a decline in net profit during Semester I/2020 as a result of the Covid-19 pandemic.

## Company News

- WEGE : Delays Modular Factory Construction
- BBCA : Fee Based Income Increased by 1.7% in 1H20
- PNBN : Net Profit Down 17% in Semester I
- BJBR : Bank Loans Optimism Up 9.8% in Quarter II

## Domestic & Global News

- Indonesia Unemployment Number Rises by 3.7 Million
- Malaysia's June Exports Grow 8.8% YoY

## Sectors

	Last	Chg.	%
Agriculture	1,134.03	19.31	-1.67%
Basic Industries	750.51	11.03	-1.45%
Infrastructure, Utilities, and Transportation	896.84	6.85	-0.76%
Mining	1,368.80	6.59	-0.48%
Consumer Goods	1,843.08	7.20	-0.39%
Property, Real Estate, and Construction	303.62	0.21	-0.07%
Trade, Services, and Investment	623.99	2.28	0.37%
Finance	1,127.09	6.15	0.55%
Miscellaneous Industry	925.50	9.41	1.03%

## 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 28	5,112.19
Chg.	-3.67pts (-0.07%)
Volume (bn shares)	129.02
Value (IDR tn)	8.30
<b>Adv 166 Dec 239 Unc 300 Untr 125</b>	

## INNI Index

Last	5,084.00
Chg.	-8.64pts (-0.17%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
UNTR	+2.9%	KLBF	-2.3%
TINS	+2.1%	GGRM	-2.2%
CTRA	+1.5%	AALI	-1.7%
MAPI	+1.4%	INCO	-1.2%
BBCA	+1.4%	JSMR	-1.0%

## Foreign Transaction

	(IDR bn)
Buy	2,189
Sell	2,485
Net Buy (Sell)	295

Top Buy	NB Val.	Top Sell	NS Val.
UNVR	71.9	TLKM	86.9
MDKA	40.4	BBRI	45.4
BBCA	32.0	MNCN	39.5
INCO	24.9	TOWR	31.5
CPIN	19.0	KLBF	22.4

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.84%	-0.03%
USDIDR	14,535	0.00%
KRWIDR	12.11	-0.16%

## Global Indices

Index	Last	Chg.	%
Dow Jones	26,379.28	(205.49)	-0.77%
S&P 500	3,218.44	(20.97)	-0.65%
FTSE 100	6,129.26	24.38	0.40%
DAX	12,835.28	(3.38)	-0.03%
Nikkei	22,657.38	(58.47)	-0.26%
Hang Seng	24,772.76	169.50	0.69%
Shanghai	3,227.96	22.73	0.71%
KOSPI	2,256.99	39.13	1.76%
EIDO	18.98	(0.30)	-1.56%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,958.4	16.2	0.83%
Crude Oil (USD/B)	41.04	(0.56)	-1.35%
ICE NewCastle (USD/ton)	55.20	(0.40)	-0.72%
LME Nickel (USD/MT)	13,660	(59.0)	-0.43%
LME Tin (USD/MT)	17,993	(42.0)	-0.23%
CPO (MYR/ton)	2,603	(69.0)	-2.58%

### **WEGE : Delays Modular Factory Construction**

PT Wijaya Karya Bangunan Gedung Tbk (WEGE) ensures that capex uptake in 2020 will be lower because of delays in the construction of modular factories. In 2020, WEGE will budget a capex of IDR692 for concession projects, modular plant construction, investment acquisition, and fixed assets. Until 1H20, the new capex was absorbed by the concession and fix asset projects totaling around IDR67 billion. (Kontan)

### **PNBN : Net Profit Down 17% in Semester I**

PT Bank Pan Indonesia Tbk (PNBN) recorded a net profit in 1H20 of IDR1.3 trillion, down by 17% YoY. The decline in performance was due to slowing economic growth and increased banking risk even though PNBN interest income managed to rise 2.4% YoY. PNBN plans to proactively improve credit risk management through restructuring to deal with pandemic conditions. (Kontan)

### **BBCA : Fee Based Income Increased by 1.7% in 1H20**

PT Bank Central Asia Tbk (BBCA) recorded Fee Based Income (FBI) in 1H20 of IDR6.6 trillion, up 1.7% YoY. Last year the BBCA's FBI managed to rise 17% and this year the increase was smaller due to limited economic activity due to the pandemic. To anticipate these conditions, BBCA will continue to focus on improving the excellence of banking transaction services through the internet banking network. (Kontan)

### **BJBR : Bank Loans Optimism Up 9.8% in Quarter II**

PT Bank Pembangunan Daerah Jawa Barat & Banten Tbk (BJBR) has the potential to record an increase in bank loans by 9.8% YoY in 2Q20. This will make BJBR's net profit potentially continue to grow amid the current pandemic conditions. To support the positive performance, BJBR will also continue to support the PEN program launched by the Government of Indonesia. (Bisnis Indonesia)

## Domestic & Global News

### **Indonesia Unemployment Number Rises by 3.7 Million**

The Covid-19 pandemic increases the number of unemployed in Indonesia by up to 3.7 million people. This number adds to the pre-existing unemployment data which reached 7 million. Currently there are around 10.7 million unemployed in Indonesia. To overcome the soaring unemployment rate, the government will focus the use of 2021 budget to increase employment activities. (Kontan)

### **Malaysia's June Exports Grow 8.8% YoY**

Malaysia's exports in June rose 8.8% from last year, lifted by upbeat performances in the manufacturing and agriculture sectors, government data showed on Tuesday. The expansion beat the 8% drop forecast by analysts surveyed by Reuters. In May, exports had slumped 25.5%, its the worst performance in more than a decade. (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>						(14.0)	2,142.0							
BBCA	30,925	33,425	28,950	Hold	(6.4)	(0.1)	762.5	27.3x	4.5x	17.0	1.8	6.8	(5.0)	1.1
BBRI	3,140	4,400	3,010	Hold	(4.1)	(29.6)	387.3	11.2x	2.2x	18.6	5.4	13.0	(0.3)	1.3
<b>Consumer</b>						(19.7)	1,057.4							
GGRM	47,425	53,000	59,550	Buy	25.6	(36.6)	91.2	8.3x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,330	3,430	2,950	Hold	(11.4)	7.1	4.8	17.4x	1.8x	10.7	3.2	(1.3)	(67.6)	0.9
ICBP	9,050	11,150	9,850	Hold	8.8	(14.2)	105.5	18.6x	3.9x	22.6	2.4	6.7	47.8	0.8
KLBF	1,515	1,620	1,630	Hold	7.6	3.8	71.0	27.5x	4.3x	16.3	1.3	8.0	12.5	1.1
<b>Infrastructure</b>						(24.2)	627.68							
TLKM	3,020	3,917	3,800	Buy	25.8	(27.1)	299.2	16.3x	2.8x	17.3	5.1	(1.9)	(5.8)	1.0
JSMR	4,030	5,175	4,600	Hold	14.1	(29.0)	29.2	13.2x	1.5x	12.0	0.4	(45.3)	0.5	1.3
<b>Trade</b>						(22.5)	554.9							
UNTR	21,600	21,525	19,000	Hold	(12.0)	(15.5)	80.6	8.0x	1.3x	16.9	5.6	(19.0)	(40.2)	0.9
MAPI	700	1,055	870	Buy	24.3	(24.3)	11.6	14.4x	2.0x	14.0	N/A	(100.0)	(99.9)	1.2
<b>Property</b>						(39.0)	288.0							
CTRA	665	1,040	810	Buy	21.8	(49.0)	12.3	11.6x	0.8x	7.2	1.5	(8.3)	(33.3)	1.5
WSKT	665	1,485	820	Buy	23.3	(67.7)	9.0	34.1x	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
<b>Basic Ind.</b>						(7.5)	603.4							
SMGR	9,400	12,000	10,925	Buy	16.2	(25.1)	55.8	21.7x	1.7x	8.0	0.4	5.6	66.7	1.3
<b>Misc Ind.</b>						(26.7)	281.1							
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>						(15.2)	316.6							
TINS	740	825	830	Hold	12.2	(26.7)	5.5	N/A	1.1x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,080	2,660	2,900	Buy	39.4	(23.0)	24.0	6.0x	1.2x	20.6	15.7	(4.0)	(25.0)	1.1
INCO	3,430	3,640	3,500	Hold	2.0	17.9	34.1	22.0x	1.2x	5.6	N/A	38.1	N/A	1.6
ANTM	720	840	600	Sell	(16.7)	(19.6)	17.3	N/A	1.0x	(1.4)	0.4	(16.3)	N/A	1.6
<b>Agriculture</b>						(16.5)	72.5							
AALI	9,300	14,575	10,000	Hold	7.5	(7.9)	17.9	32.9x	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	-18.3%
YTD Change Gap (vs JCI)	0.3%
Weekly Change	1.4%
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
<b>Monday</b>	EC	15:00	M3 Money Supply YoY	Jun	9.2%	9.3%	8.9%
27 - July	GE	15:00	IFO Business Climate	Jul	90.5	93.7	86.2
	US	19.30	Durable Goods Orders	Jun	7.3%	7.0%	15.7%
<b>Tuesday</b>	US	21:00	Conf. Board Consumer Confidence	Jul	92.6	94.8	98.1
28 - July							
<b>Wednesday</b>	UK	15:30	Mortgage Approvals	Jun		35.0k	9.3k
	US	18:00	MBA Mortgage Applications	Jul		--	4.10%
<b>Thursday</b>	US	13:00	FOMC Rate Decision (Upper Bound)	Jul		0.25%	0.25%
	GE	14:55	Unemployment Change (000's)	Jul		60.0k	69.0k
	GE	19:00	CPI MoM	Jul		-0.1%	0.6%
	GE	19:00	CPI YoY	Jul		0.5%	0.9%
	US	19:30	GDP Annualized QoQ	2Q20		-34.0%	-5.0%
	US	19:30	Initial Jobless Claims	Jul		--	1416k
<b>Friday</b>	EC	16:00	GDP SA QoQ	2Q20		-10.7%	-3.6%
	EC	16:00	GDP SA YoY	2Q20		-13.9%	-3.1%
	US	19:30	Personal Income	Jun		-0.5%	-4.2%
	US	19:30	Personal Spending	Jun		5.5%	8.2%
	US	21:00	U. of Mich. Sentiment	Jul		72.7	73.2

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday</b>	Cum Dividend	PWOR, GHON
	RUPS	PNBS, PLAS, PGLI, MGRO, MASA, MAGP, IATA, BCAP
27 - July		
<b>Tuesday</b>	Cum Dividend	AMAG
	RUPS	WEGE, TRUK, SRSN, MSKY, IPTV, INTP, DOID
28 - July		
<b>Wednesday</b>	Cum Dividend	FISH
	RUPS	ZONE, UNIC, UCID, TAMU, MERK, MDKA, KRAS, KEEN, KAEF, INCO, INAF, FORU, CTBN, CSRA, ATIC
29 - July		
<b>Thursday</b>	Stock Split	BELL
	Right Issue	ACST
	RUPS	YELO, TPMA, SLIS, PALM, IFII, DYAN, CTRA, CLEO, CITA, BBYB, BBKA, ASRM,
30 - 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 51<sup>st</sup>  
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