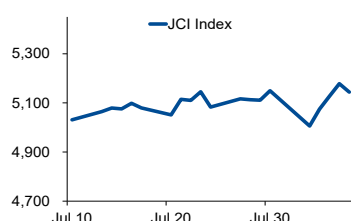
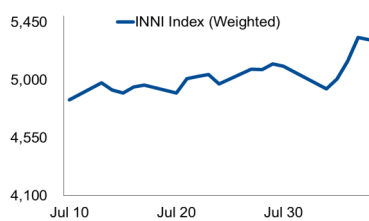


# Morning Brief

## JCI Movement



## INNI Movement



## Today's Outlook:

### JCI Continues Consolidation

Wall Street stocks closed varied at the end of last week, where the Dow Jones and S&P 500 edged higher while the Nasdaq declined. The new employment data for July was reported at 1.7 million or down considerably from the previous month at the level of 4.8 million.

Domestically, the JCI closed relatively stagnant after moving with high volatility over the past week. This week, investors will pay attention to the release of inflation data in the US and China as well as the announcement of the Current Account Deficit (CAD) for the second quarter of 2020.

## Company News

- INCO : Optimistic for 2H20 Target
- MARK : Adds around IDR25 Billion to Capex
- JSMR : Adds Rest Area Facilities in the Batang-Semarang Toll Road
- BJTM : Syndicated Loans Have Reached IDR3.2 Trillion

## Domestic & Global News

- Foreign Exchange Reserves Highest Records in History
- US Black-white Unemployment Rate gap Widens again in July

## Sectors

	Last	Chg.	%
Infrastructure, Utilities, Transportation	891.39	15.66	-1.73%
Property, Real Estate, and Construction	287.69	4.03	-1.38%
Mining	1,420.03	17.39	-1.21%
Basic Industries	750.02	7.72	-1.02%
Consumer Goods	1,901.37	17.73	-0.92%
Finance	1,123.70	6.89	-0.61%
Agriculture	1,182.12	4.50	0.38%
Miscellaneous Industry	936.51	5.33	0.57%
Trade, Services, and Investment	635.01	7.24	1.15%

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.25%	Real GDP	-5.32%	2.97%
FX Reserve (USD bn)	135.10	131.70	Current Acc (USD bn)	(3.92)	(8.08)
Trd Balance (USD bn)	1.27	2.09	Govt. Spending Yoy	-6.90%	3.75%
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	1.54%	1.96%	Cons. Confidence*	86.20	83.80

## JCI Index

Aug. 7	5,143.89
Chg.	-34.37pts (-0.66%)
Volume (bn shares)	122.74
Value (IDR tn)	10.10
<b>Adv 163 Dec 263 Unc 280 Untr 121</b>	

## Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
TOWR	1,450.7	TLKM	234.1
UNTR	361.0	ANTM	223.3
MDKA	290.9	ASII	182.3
BBRI	278.5	BBKP	163.4
BBCA	269.9	BMRI	131.3

## Foreign Transaction

(IDR bn)			
Buy		Sell	
Buy	3,102	Sell	4,432
Net Buy (Sell)		1,330	
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	79.4	TOWR	925.9
MDKA	45.3	BBCA	83.7
ASII	44.7	ICBP	32.9
UNTR	29.5	INDF	26.4
ANTM	14.4	PWON	24.8

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.80%	0.02%
USDIDR	14,625	0.27%
KRWIDR	12.34	0.41%

## Global Indices

Index	Last	Chg.	%
Dow Jones	27,433.48	46.50	0.17%
S&P 500	3,351.28	2.12	0.06%
FTSE 100	6,032.18	5.24	0.09%
DAX	12,674.88	83.20	0.66%
Nikkei	22,329.94	(88.21)	-0.39%
Hang Seng	24,531.62	(398.96)	-1.60%
Shanghai	3,354.04	(32.43)	-0.96%
KOSPI	2,351.67	9.06	0.39%
EIDO	18.81	(0.41)	-2.13%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	2,035.6	(28.0)	-1.36%
Crude Oil (USD/B)	41.22	(0.73)	-1.74%
ICE NewCastle (USD/ton)	54.60	0.95	1.77%
LME Nickel (USD/MT)	14,380	(98.0)	-0.68%
LME Tin (USD/MT)	17,771	(69.0)	-0.39%
CPO (MYR/ton)	2,758	(7.0)	-0.25%

### **INCO : Optimistic for 2H20 Target**

PT Vale Indonesia Tbk (INCO) is still optimistic about pursuing the 2H20 volume and nickel production target to reach 71,000 tons by the end of the year. INCO believes that the target as the company can operate four furnaces in 2020 after the furnace 4 rebuild project has been postponed this year. The price of nickel in matte sold by INCO will still be stable during the pandemic because it is already bound by a long-term agreement. (Kontan)

### **JSMR : Adds Rest Area Facilities in the Batang-Semarang Toll Road**

PT Jasa Marga Tbk (JSMR) plans to add four rest area facilities on the Batang-Semarang toll road which aims to improve service and comfort for toll users. The four facilities will complement the other 58 existing facilities. In addition, the rest area will use go green concept and will implement health protocols during pandemic. (Bisnis Indonesia)

### **MARK : Adds around IDR25 Billion to Capex**

PT Mark Dynamics Tbk (MARK) will add capex in 3Q20 of IDR25 billion to be used as capital to increase factory capacity. At the beginning of the year, the factory capacity owned by MARK reached 700,000 units / month and the addition of capex could increase the capacity to 780,000 units / month. This strategy is followed by an increasing trend in demand for gloves, which in the last 10 years has continued to increase. (Kontan)

### **BJTM : Syndicated Loans Have Reached IDR3.2 Trillion**

PT Bank Pembangunan Daerah Jawa Timur Tbk (BJTM) has distributed syndicated loans amounting to IDR3.2 trillion, or grew by around 68% YoY during 1H20. This performance was due to last year's commitment to state-owned banks as lead arranger which was run in 1H20. Although still increasing, syndicated loan growth in 1H20 was still smaller than 1H19 which recorded a growth of around 118% YoY. (Bisnis Indonesia)

## Domestic & Global News

### **Foreign Exchange Reserves Highest Records in History**

Indonesia's foreign exchange (forex) reserves in July 2020 broke a record high. Bank Indonesia (BI) noted that cadev at the end of July 2020 was in the position of USD135.1 billion or surpassing the highest record for cadev in January 2018 which amounted to USD131.98 billion, this cadev also increased from the position of USD131.7 billion at the end of June 2020. (Kontan)

### **US Black-white Unemployment Rate gap Widens again in July**

The gap in the U.S. jobless rate between whites and Blacks widened for a third straight month in July, making the gulf between the races the widest in more than five years, Labor Department data released on Friday showed. The rate for both races fell in July, but the rate for whites dropped more, by 0.9 percentage point to 9.2%. The rate for Blacks dropped by 0.8 percentage point to 14.6%, widening the gap to 5.4 points. (Reuters)

# INNI Components

	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>						(12.4)	2,136.4							
BBCA	30,900	33,425	30,100	Hold	(2.6)	1.9	761.8	27.3x	4.5x	17.0	1.8	6.6	(5.0)	1.1
BBRI	3,110	4,400	3,010	Hold	(3.2)	(28.2)	383.6	11.1x	2.2x	18.6	5.4	13.0	(0.3)	1.3
<b>Consumer</b>						(19.4)	1,091.3							
GGRM	50,475	53,000	59,550	Buy	18.0	(31.4)	97.1	9.3x	1.8x	21.0	5.2	1.7	(10.7)	0.9
KINO	3,290	3,430	2,950	Hold	(10.3)	6.1	4.7	17.2x	1.8x	10.7	3.3	(1.3)	(67.6)	0.9
ICBP	10,175	11,150	9,850	Hold	(3.2)	(10.0)	118.7	20.3x	4.1x	22.7	2.1	4.1	31.2	0.8
KLBF	1,580	1,620	1,630	Hold	3.2	9.7	74.1	28.1x	4.5x	17.0	1.3	3.8	10.3	1.1
<b>Infrastructure</b>						(25.5)	623.87							
TLKM	2,980	3,917	3,800	Buy	27.5	(29.1)	295.2	15.9x	3.1x	19.6	5.2	(3.6)	(0.8)	1.0
JSMR	4,030	5,175	4,550	Hold	12.9	(29.6)	29.2	23.3x	1.6x	6.9	0.4	(51.0)	(90.0)	1.3
EXCL	2,440	3,150	3,350	Buy	37.3	(26.3)	26.1	12.0x	1.3x	11.1	0.8	8.9	2740.0	1.1
TOWR	1,080	805	1,140	Hold	5.6	47.9	55.1	20.5x	5.9x	31.1	2.2	21.7	30.0	1.0
PGAS	1,210	2,170	1,400	Buy	15.7	(39.0)	29.3	39.8x	0.8x	1.9	3.4	(0.3)	(26.6)	1.6
<b>Trade</b>						(20.7)	564.7							
UNTR	24,700	21,525	19,000	Sell	(23.1)	6.6	92.1	9.4x	1.6x	17.3	4.9	(23.4)	(28.3)	0.9
MAPI	700	1,055	870	Buy	24.3	(30.0)	11.6	441.0x	2.1x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,620	1,795	2,000	Buy	23.5	(15.4)	5.2	17.3x	1.0x	6.3	N/A	(6.3)	5.9	1.5
<b>Property</b>						(40.4)	272.9							
CTRA	635	1,040	810	Buy	27.6	(48.2)	11.8	11.3x	0.8x	7.0	1.6	(10.8)	(43.8)	1.5
WSKT	620	1,485	820	Buy	32.3	(65.2)	8.4	31.8x	0.5x	1.5	0.6	(51.9)	(94.1)	1.8
WIKA	1,100	1,990	1,840	Buy	67.3	(52.4)	9.9	4.7x	0.7x	14.3	4.6	(35.4)	(65.3)	1.7
PWON	376	570	545	Buy	44.9	(46.7)	18.1	9.9x	1.3x	13.2	1.9	(43.7)	(64.7)	1.5
<b>Basic Ind.</b>						(10.1)	603.0							
SMGR	9,675	12,000	10,925	Hold	12.9	(24.4)	57.4	22.8x	1.8x	8.0	0.4	(2.0)	25.6	1.3
<b>Misc Ind.</b>						(22.6)	284.4							
ASII	5,275	6,925	5,350	Hold	1.4	(22.1)	213.6	9.2x	1.4x	15.9	4.1	(22.7)	16.1	1.3
<b>Mining</b>						(12.8)	328.4							
TINS	795	825	750	Hold	(5.7)	(20.1)	5.9	N/A	1.2x	(22.6)	N/A	(17.3)	N/A	1.5
PTBA	2,050	2,660	2,900	Buy	41.5	(19.3)	23.6	5.9x	1.2x	20.6	15.9	(4.0)	(25.0)	1.1
INCO	3,650	3,640	3,500	Hold	(4.1)	12.3	36.3	18.1x	1.2x	7.1	N/A	23.3	N/A	1.6
ANTM	840	840	850	Hold	1.2	(21.1)	20.2	N/A	1.1x	(0.5)	0.3	(36.0)	(80.2)	1.6
<b>Agriculture</b>						(13.9)	75.5							
AALI	9,750	14,575	10,000	Hold	2.6	(7.6)	18.8	33.6x	1.0x	3.0	0.5	6.5	796.6	1.4
LSIP	995	1,485	1,000	Hold	0.5	(16.0)	6.8	20.2x	0.8x	4.0	1.5	(1.9)	550.0	1.6

\* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	ID	07:30	Markit Indonesia PMI Mfg	Jul	46.9	-	39.1
<i>03 - Aug</i>	CH	08:45	Caixin China PMI Mfg	Jul	52.8	51.2	51.2
	ID	11:00	CPI YoY	Jul	1.54%	1.70%	1.96%
	GE	14:55	Markit Germany Manufacturing PMI	Jul	51.0	50.0	50.0
	EC	15:00	Markit Eurozone Manufacturing PMI	Jul	51.8	51.1	51.1
	UK	15:30	Markit UK PMI Manufacturing SA	Jul	53.3	53.6	53.6
	US	20:45	Markit US Manufacturing PMI	Jul	50.9	51.3	51.3
	US	21:00	ISM Manufacturing	Jul	54.2	53.5	52.6
<b>Tuesday</b>	US	21:00	Durable Goods Orders	Jun	7.3%	7.6%	7.3%
<i>04 - Aug</i>							
<b>Wednesday</b>	ID	11:00	GDP YoY	2Q20	-5.32%	-4.49%	2.97%
<i>05 - Aug</i>	US	18:00	MBA Mortgage Applications	Jul	-5.1%	-	-0.8%
<b>Thursday</b>	GE	13:00	Factory Orders MoM	Jun	27.9%	10.1%	10.4%
<i>06 - Aug</i>	UK	13:00	Bank of England Bank Rate	Aug	0.1%	0.1%	0.1%
	US	19:30	Initial Jobless Claims	Aug	1186k	1400k	1434k
<b>Friday</b>	GE	13:00	Industrial Production SA MoM	Jun	8.9%	8.2%	7.8%
<i>07 - Aug</i>	US	19:30	Change in Nonfarm Payrolls	Jul	1763k	1480k	4800k
	US	19:30	Unemployment Rate	Jul	10.2%	10.6%	11.1%

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday</b>	Cum Dividend	TPMA, SLIS, IFII, CTRA
<i>10 - Aug</i>	IPO & Warrant Seri I	SGER
	RUPS	PTSN, OPMS, INPC, ECII, BESS, ASJT
	Right Issue	IMJS
<b>Tuesday</b>	RUPS	RISE, RDTX, PORT, MARK, KPIG, BMTR, APLI
<i>11 - Aug</i>		
<b>Wednesday</b>	RUPS	TNCA, SMRA, SMMT, SCMA, OCAP, MREI, MPOW, MOLLI, HRTA, HERO, GEMS, FAST, EMTK, BWPT, BBLD, AKSI
<i>12 - Aug</i>		
<b>Thursday</b>	Cum Dividend	ACES
<i>13 - Aug</i>	RUPS	WICO, TARA, SDRA, PTIS, MORE, OKAS, LMSH, LION, LEAD, JAST, HOTL, GSMF, DEWA, CSIS
<b>Friday</b>	RUPS	YPAS, WOOD, TBLA, SWAT, SONA, RALS, PYFA, PTSP, MIRA, MICE, MGNA, MFIN, GJTL, GGRP
<i>14 - Aug</i>		

Source: RTI Analytics

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