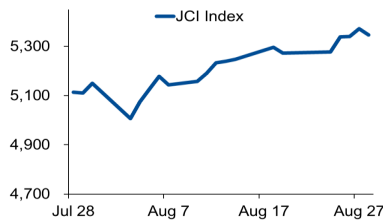
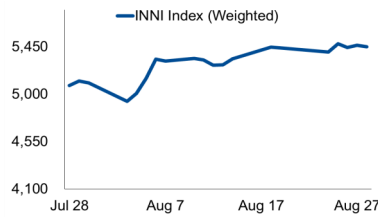


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

JCI Tries to Stay at the 5300 Level

All three major US markets closed higher at the end of last week with the S&P 500 resuming new record highs. Investors seem to still be enthusiastic in responding to the Fed's new policy direction which will keep interest rates low.

Meanwhile, JCI managed to strengthen by 1.4% over the past week even though it closed lower on Friday (28/08/20). This week, the JCI movement will tend to weaken as investors focus on the release of domestic economic data as well as the resurgence of Covid-19 cases in several countries.

Company News

- BMRI : Commission Income Is Better Than Interest Income
- UNTR : Sales Volume Starts to Improve in July
- BBRI : Distributes IDR45 Billion Loans via Ceria

Domestic & Global News

- Realization of PEN Program for Social Protection Reaches 46.87%
- Vietnam's Jan-Aug Coffee Exports Drop 1.3%, Rice Down 1.7%

Sectors

	Last	Chg.	%
Consumer Goods	1,954.69	16.46	-0.84%
Infrastructure, Utilities, and Transportation	875.65	7.44	-0.84%
Finance	1,220.62	8.70	-0.71%
Mining	1,415.32	6.54	-0.46%
Trade, Services, and Investment	637.43	0.23	0.04%
Miscellaneous Industry	942.02	1.51	0.16%
Basic Industries	769.16	1.71	0.22%
Property, Real Estate, and Construction	303.05	1.37	0.45%
Agriculture	1,183.20	7.06	0.60%

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)	(2.90)	(8.08)
Trd Balance (USD bn)	3.26	1.27	Govt. Spending Yoy	-6.90%	3.75%
Exports Yoy	-9.90%	2.28%	FDI (USD bn)	4.07	4.60
Imports Yoy	-32.55%	-6.36%	Business Confidence	104.82	105.33
Inflation Yoy	1.54%	1.96%	Cons. Confidence*	86.20	83.80

JCI Index

Aug. 28	5,346.65
Chg.	-24.81pts (-0.46%)
Volume (bn shares)	127.39
Value (IDR tn)	8.05
Adv 189 Dec 238 Unc 281 Untr 108	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
TLKM	474.9	KRAS	247.0
GGRM	361.1	BMRI	236.0
BBCA	339.5	ANTM	227.0
BBRI	287.1	BBNI	220.4
MDKA	260.4	BRIS	169.1

Foreign Transaction

(IDR bn)			
Buy		Sell	
Buy		1,253	
Sell		2,388	
Net Buy (Sell)		1,134	
Top Buy	NB Val.	Top Sell	NS Val.
BMRI	36.5	TLKM	304.4
SCMA	8.7	MDKA	125.0
RALS	7.8	BBNI	123.6
CTRA	5.6	BBCA	95.6
PTBA	5.6	BBRI	63.1

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.90%	0.09%
USDIDR	14,632	-0.19%
KRWIDR	12.35	-0.32%

Global Indices

Index	Last	Chg.	%
Dow Jones	28,653.87	161.60	0.57%
S&P 500	3,508.01	23.46	0.67%
FTSE 100	5,963.57	(36.42)	-0.61%
DAX	13,033.20	(63.16)	-0.48%
Nikkei	22,882.65	(326.21)	-1.41%
Hang Seng	25,422.06	140.91	0.56%
Shanghai	3,403.81	53.69	1.60%
KOSPI	2,353.80	9.35	0.40%
EIDO	20.24	0.34	1.71%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,964.8	35.3	1.83%
Crude Oil (USD/B)	42.97	(0.07)	-0.16%
ICE NewCastle (USD/ton)	51.90	0.60	1.17%
LME Nickel (USD/MT)	15,367	176.0	1.16%
LME Tin (USD/MT)	17,850	40.0	0.22%
CPO (MYR/ton)	2,738	56.0	2.09%

BMRI : Commission Income Is Better Than Interest Income

PT Bank Mandiri Tbk (BMRI) posted a growth of 8.6% YoY for commission-based income in 1H20. Commission-based income is the main driver for BMRI's performance and is better than interest-based income which only grew 0.1% YoY in 1H20. In the future, BMRI will still credit prudently plus plans to maintain the net interest margin (NIM) at the level of 4.4-4.6% in 2020. (Bisnis Indonesia)

BBRI : Distributes IDR45 Billion Loans via Ceria

PT Bank Rakyat Indonesia Tbk (BBRI) successfully boosted loans through its digital platform, namely Ceria during the pandemic. Since its launch, Ceria has succeeded in disbursing loans of IDR45 billion and in 2Q20 the loan application via Ceria increased sharply due to PSBB. Meanwhile, BBRI's growth performance during the second quarter of 2020 has increased by 79% YoY and credit applications have increased 153% YoY. (Kontan)

UNTR : Sales Volume Starts to Improve in July

PT United Tractors Tbk (UNTR) shows that its performance has started to improve after coal sales volume in July 2020 amounted to 691,000 tons or an increase of 20% MoM. This increase occurred after sales volume decreased by 62% MoM in May 2020. In 7M20, UNTR was still able to record an 11% YoY increase in sales volume even though gold sales volume decreased by 8.1% YoY. (Bisnis Indonesia)

Domestic & Global News

Realization of PEN Program for Social Protection Reaches 46.87%

So far, the distribution of the National Economic Recovery (PEN) program for the social protection sector has reached IDR95.57 trillion or 46.87% of the IDR203.94 trillion ceiling. The realization of the Non-Jabodetabek Cash Social Assistance program has reached IDR20.7 trillion or increased by IDR4.2 trillion when compared to 7 August 2020. Meanwhile, the realization of the Pre-employment card program has reached IDR5.3 trillion, an increase of IDR2.9 trillion from 7 August. (Kontan)

Vietnam's Jan-Aug Coffee Exports Drop 1.3%, Rice Down 1.7%

Vietnam's coffee exports in the first eight months of the year probably fell 1.3% from a year earlier, to 1.16 million tonnes, while rice exports are likely to have dropped 1.7%, government data released on Saturday showed. Coffee exports from Vietnam are expected to drop an estimated 1.3% in the first eight months on the year to 1.16 million tonnes, or 19.3 million 60-kg bags. Coffee export revenue for Vietnam, the world's biggest producer of the robusta bean, will probably be down 0.2% at \$1.98 billion in the eight-month period. (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
Finance						(3.4)	2,321.5							
BBCA	32,475	33,425	30,100	Hold	(7.3)	6.5	800.7	28.7x	4.7x	17.0	1.7	6.6	(5.0)	1.1
BBRI	3,690	4,400	3,010	Sell	(18.4)	(13.6)	455.1	15.9x	2.4x	15.2	4.6	(2.1)	(37.2)	1.3
Consumer						(18.5)	1,121.9							
GGRM	49,250	53,000	59,600	Buy	21.0	(29.1)	94.8	9.1x	1.7x	21.0	5.3	1.7	(10.7)	0.9
KINO	3,170	3,430	2,950	Hold	(6.9)	(3.9)	4.5	16.6x	1.7x	10.7	3.4	(1.3)	(67.6)	0.9
ICBP	10,325	11,150	9,850	Hold	(4.6)	(14.3)	120.4	20.6x	4.2x	22.7	2.1	4.1	31.2	0.8
KLBF	1,610	1,620	1,870	Buy	16.1	(4.7)	75.5	28.6x	4.6x	17.0	1.2	3.8	10.3	1.1
Infrastructure						(28.8)	613.22							
TLKM	2,960	3,917	3,800	Buy	28.4	(32.6)	293.2	15.8x	3.1x	19.6	5.2	(3.6)	(0.8)	1.0
JSMR	3,980	5,175	4,550	Hold	14.3	(28.9)	28.9	23.1x	1.5x	6.9	0.4	(51.0)	(90.0)	1.3
EXCL	2,550	3,150	3,350	Buy	31.4	(26.7)	27.3	12.5x	1.3x	11.1	0.8	6.7	526.9	1.1
TOWR	1,020	805	1,140	Hold	11.8	44.7	52.0	19.4x	5.6x	31.1	2.3	21.7	30.0	1.0
PGAS	1,325	2,170	1,400	Hold	5.7	(31.0)	32.1	43.7x	0.8x	1.9	3.1	(0.3)	(26.6)	1.6
TBIG	1,245	1,230	1,400	Hold	12.4	4.2	28.2	27.4x	4.8x	21.9	2.2	13.2	33.8	1.0
Trade						(20.2)	567.6							
UNTR	23,425	21,525	19,000	Sell	(18.9)	11.9	87.4	8.9x	1.5x	17.3	5.2	(23.4)	(28.3)	0.9
MAPI	685	1,055	870	Buy	27.0	(30.8)	11.4	431.6x	2.1x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,760	1,795	2,000	Hold	13.6	13.5	5.6	18.8x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(39.3)	286.9							
CTRA	785	1,040	810	Hold	3.2	(28.3)	14.6	14.0x	1.0x	7.0	1.0	(10.8)	(43.8)	1.5
WSKT	665	1,485	820	Buy	23.3	(61.9)	9.0	N/A	0.6x	(7.0)	0.5	(45.7)	N/A	1.8
WIKA	1,295	1,990	1,840	Buy	42.1	(41.4)	11.6	7.1x	0.8x	11.3	3.9	(37.2)	(71.9)	1.8
PTPP	1,000	1,585	1,250	Buy	25.0	(45.9)	6.2	10.7x	0.6x	4.9	3.4	(36.6)	(94.5)	1.8
PWON	420	570	545	Buy	29.8	(34.4)	20.2	11.0x	1.4x	13.2	1.7	(43.7)	(64.7)	1.5
Basic Ind.						(13.0)	618.4							
SMGR	10,650	12,000	11,500	Hold	8.0	(19.6)	63.2	25.1x	1.9x	8.0	0.4	(2.0)	25.6	1.3
Misc Ind.						(20.7)	286.8							
ASII	5,325	6,925	5,350	Hold	0.5	(20.2)	215.6	9.3x	1.4x	15.9	4.0	(22.7)	16.1	1.3
Mining						(12.2)	326.9							
TINS	820	825	750	Hold	(8.5)	(16.3)	6.1	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.5
PTBA	2,130	2,660	2,900	Buy	36.2	(13.8)	24.5	6.2x	1.2x	20.6	15.3	(4.0)	(25.0)	1.1
INCO	3,780	3,640	3,500	Hold	(7.4)	7.1	37.6	18.8x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	820	840	850	Hold	3.7	(23.4)	19.7	N/A	1.1x	(0.5)	0.3	(36.0)	(80.2)	1.5
Agriculture						(13.0)	75.6							
AALI	10,125	14,575	14,200	Buy	40.2	(3.6)	19.5	34.8x	1.0x	3.0	0.5	6.5	796.6	1.5
LSIP	980	1,485	1,200	Buy	22.4	(18.7)	6.7	19.9x	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
Monday	CH	8:00	Manufacturing PMI	Aug		51.2	51.1
<i>31 - Aug</i>	GE	19:00	CPI MoM	Aug		0.0%	-0.5%
	GE	19:00	CPI YoY	Aug		0.1%	-0.1%
Tuesday	ID	11:00	CPI YoY	Aug		1.40%	1.54%
<i>01 - Sep</i>	EC	15:00	Markit Eurozone Manufacturing PMI	Aug		51.7	51.7
	EC	16:00	CPI MoM	Aug		--	-0.4%
	US	20:45	Markit US Manufacturing PMI	Aug		--	53.6
Wednesday	UK	13:00	Nationwide House PX MoM	Aug		0.5%	1.7%
<i>02 - Sep</i>	US	18:00	MBA Mortgage Applications	Aug		--	-6.5%
	US	21:00	Durable Goods Orders	Jul		--	11.2%
Thursday	US	19:30	Initial Jobless Claims	Aug		--	1006k
<i>03 - Sep</i>	US	19:30	Trade Balance	Jul		-\$51.7b	-\$50.7b
Friday	GE	13:00	Factory Orders MoM	Jul		6.0%	27.9%
<i>04 - Sep</i>	US	19:30	Change in Nonfarm Payrolls	Aug		1518k	1763k
	US	19:30	Unemployment Rate	Aug		9.9%	10.2%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	MKPI, JSPT, INOV, ESIP, EKAD, BNBA
<i>31 - Aug</i>	RUPS	ZBRA, VRNA, SMRU, SMMA, SAFE, PRIM, PKPK, MMLP, MCOR, KPAL, KOTA, KBAG, ISSP, INTA, INDR, HDIT, ESTA, DUCK, DNET, CTTH, CLPI, BTEL, BSIM, BOLA, BEEF, BAJA, AKKU, AIMS
	IPO	PNGO
Tuesday	Cum Dividend	INCI
<i>01 - Sep</i>	RUPS	BPFI, BJBR
Wednesday	Cum Dividend	ULTJ, TKIM, JTPE, INKP, CPIN, BISI
<i>02 - Sep</i>	RUPS	GGRP, BBNI, BACA
Thursday	Cum Dividend	KKGI, DLTA
<i>03 - Sep</i>	RUPS	GOOD, DEWA

Source: RTI Analytics

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