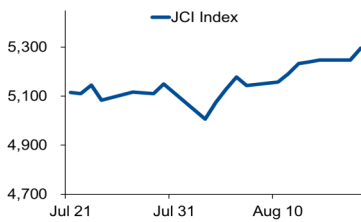


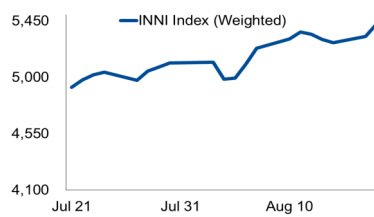
# Morning Brief

Daily | August 19, 2020

## JCI Movement



## INNI Movement



## Today's Outlook:

### New S&P 500 Record

The S&P 500 joined Nasdaq in setting a record high closing on (18/08/2020), as well as returning to pre-pandemic levels. The very fast rebound in the US markets was triggered by investor optimism for the economic recovery, hopes for new stimulus, and the development of the Covid-19 vaccine.

Meanwhile, trade balance data showing an increase in surplus were still able to lift the JCI yesterday. As for the announcement of the 7-DRRR interest rate today, markets tend not to expect changes. Approaching the long holiday, the JCI movement is prone to profit taking.

## Company News

- INDY : Boosts Performance Until End of Year
- BBNI : Net Profit in Semester-I Decreased
- TBIG : Offers Bonds Worth IDR700 Billion

## Domestic & Global News

- BPS Records Imports in July 2020 Down by 2.73%
- UK Household Finances Take New Turn for the Worse

## Sectors

|   | Last     | Chg.  | %      |
|---|----------|-------|--------|
| Finance                                       | 1,185.57 | 15.92 | 1.36%  |
| Property, Real Estate & Construction          | 297.21   | 3.56  | 1.22%  |
| Mining  | 1,424.50 | 13.45 | 0.95%  |
| Basic Industries                              | 771.17   | 7.07  | 0.93%  |
| Trade, Services, and Investment               | 632.47   | 5.82  | 0.93%  |
| Consumer Goods                                | 1,952.58 | 9.73  | 0.50%  |
| Miscellaneous Industry                        | 952.85   | 2.73  | 0.29%  |
| Infrastructure, Utilities, and Transportation | 890.15   | 2.02  | 0.23%  |
| Agriculture                                   | 1,189.31 | 2.65  | -0.22% |

## 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. 18                                 | 5,295.17           |
| Chg.                                    | +47.48pts (+0.90%) |
| Volume (bn shares)                      | 114.56             |
| Value (IDR tn)                          | 10.20              |
| <b>Adv 237 Dec 188 Unc 282 Untr 133</b> |                    |

## Most Active Stocks

| (IDR bn) |       |        |       |
|----------|-------|--------|-------|
| by Value |       |        |       |
| Stocks   | Val.  | Stocks | Val.  |
| BBRI     | 910.6 | MDKA   | 365.2 |
| BBNI     | 521.8 | BMRI   | 356.9 |
| BBCA     | 519.1 | TOWR   | 314.6 |
| MNCN     | 439.4 | ASII   | 187.9 |
| TLKM     | 424.0 | HMSP   | 164.6 |

## Foreign Transaction

| (IDR bn)       |         |          |         |
|----------------|---------|----------|---------|
| Buy            |         |          |         |
|                |         | 3,200    |         |
| Sell           |         |          |         |
|                |         | 3,071    |         |
| Net Buy (Sell) |         |          |         |
|                |         | 128      |         |
| Top Buy        | NB Val. | Top Sell | NS Val. |
| BBRI           | 399.6   | BBCA     | 108.6   |
| GGRM           | 59.4    | TLKM     | 83.6    |
| CTRA           | 26.0    | BBNI     | 74.3    |
| HMSP           | 19.0    | PTPP     | 55.2    |
| BBTN           | 16.6    | MNCN     | 47.9    |

## Government Bond Yields & FX

|                | Last   | Chg.   |
|----------------|--------|--------|
| Tenor: 10 year | 6.74%  | -0.03% |
| USDIDR         | 14,845 | 0.34%  |
| KRWIDR         | 12.53  | 0.36%  |

## Global Indices

| Index     | Last      | Chg.    | %      |
|-----------|-----------|---------|--------|
| Dow Jones | 27,778.07 | (66.84) | -0.24% |
| S&P 500   | 3,389.78  | 7.79    | 0.23%  |
| FTSE 100  | 6,076.62  | (50.82) | -0.83% |
| DAX       | 12,881.76 | (38.90) | -0.30% |
| Nikkei    | 23,051.08 | (45.67) | -0.20% |
| Hang Seng | 25,367.38 | 20.04   | 0.08%  |
| Shanghai  | 3,451.09  | 12.29   | 0.36%  |
| KOSPI     | 2,348.24  | (59.25) | -2.46% |
| EIDO      | 19.74     | 0.12    | 0.61%  |

## Commodities

| Commodity               | Last    | Chg.   | %      |
|-------------------------|---------|--------|--------|
| Gold (USD/t oz)         | 2,002.4 | 17.1   | 0.86%  |
| Crude Oil (USD/B)       | 42.89   | 0.00   | 0.00%  |
| ICE NewCastle (USD/ton) | 52.15   | (0.05) | -0.10% |
| LME Nickel (USD/MT)     | 14,675  | 76.0   | 0.52%  |
| LME Tin (USD/MT)        | 17,600  | 279.0  | 1.61%  |
| CPO (MYR/ton)           | 2,711   | 32.0   | 1.19%  |

### **INDY : Boosts Performance Until End of Year**

PT Indika Energy Tbk (INDY) will optimize production with cost efficiency and optimization of capital expenditures in the last four months of 2020. Currently, INDY has conducted a budget review and predicts that the coal market will improve in the rest of the year. The INDY production target in 2020 is still the same, at 30 million tons and it has succeeded in reaching 17 million tons or more than 50% of the target in 1H20. (Bisnis Indonesia)

### **TBIG : Offers Bonds Worth IDR700 Billion**

PT Tower Bersama Infrastructure Tbk (TBIG) will make an offer for continuous bond IV phase I 2020 with a value of IDR700 billion. The bonds have an offering period from 18 to 26 August 2020 and related to fixed interest will be further informed by TBIG. The proceeds from the bonds will be used by TBIG to pay off part of the principal debt on the II phase III sustainable bonds. (Investor Daily)

### **BBNI : Net Profit in Semester-I Decreased**

PT Bank Negara Indonesia Tbk (BBNI) posted 1H20 net profit of IDR4 trillion or a decrease of 41% YoY. The decline in performance was due to pandemic conditions which led to credit restructuring, resulting in delays in principal and interest payments. However, BBNI has mitigated risks by increasing the provision through an additional CKPN allocation of IDR16 trillion. (Kontan)

## Domestic & Global News

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### **BPS Records Imports in July 2020 Down by 2.73%**

The import value in July 2020 was recorded at USD10.47 billion. The Central Bureau of Statistics (BPS) noted that this value was down slightly by 2.73% MoM. This decline occurred due to a decrease in imports of non-oil and gas (non-oil and gas) by 5.70%. In detail, imports of consumer goods in July 2020 were recorded at USD1.11 billion or down 21.01% MoM. The decline was due to a decrease in imports of garlic from China, a decrease in imports of medicines from the UK, a decrease in imports of pears from China, and a decrease in imports of apples from the United States (US). (Kontan)

### **UK Household Finances Take New Turn for the Worse**

The financial health of British households deteriorated in August at a faster pace than last month, in an unpromising sign for the economic recovery from the COVID-19 pandemic, a survey showed on Monday. The Household Finance Index from data company IHS Markit fell to 40.8 in August from 41.5 in July, an abrupt end to the improvement shown in previous months when parts of the economy reopened following lockdown. (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>        |            |                        |               |        |                      | (6.6)             | 2,254.0             |                   |              |                      |                        |                      |                    |           |
| BBCA                  | 31,800     | 33,425                 | 30,100        | Hold   | (5.3)                | 5.7               | 784.0               | 28.1x             | 4.6x         | 17.0                 | 1.7                    | 6.6                  | (5.0)              | 1.1       |
| BBRI                  | 3,520      | 4,400                  | 3,010         | Hold   | (14.5)               | (15.8)            | 434.2               | 12.5x             | 2.4x         | 18.6                 | 4.8                    | 13.0                 | (0.3)              | 1.3       |
| <b>Consumer</b>       |            |                        |               |        |                      | (18.9)            | 1,120.7             |                   |              |                      |                        |                      |                    |           |
| GGRM                  | 54,525     | 53,000                 | 59,600        | Hold   | 9.3                  | (28.8)            | 104.9               | 10.1x             | 1.9x         | 21.0                 | 4.8                    | 1.7                  | (10.7)             | 0.9       |
| KINO                  | 3,170      | 3,430                  | 2,950         | Hold   | (6.9)                | 2.3               | 4.5                 | 16.6x             | 1.7x         | 10.7                 | 3.4                    | (1.3)                | (67.6)             | 0.9       |
| ICBP                  | 10,200     | 11,150                 | 9,850         | Hold   | (3.4)                | (11.5)            | 119.0               | 20.4x             | 4.1x         | 22.7                 | 2.1                    | 4.1                  | 31.2               | 0.8       |
| KLBF                  | 1,620      | 1,620                  | 1,630         | Hold   | 0.6                  | 3.5               | 75.9                | 28.8x             | 4.6x         | 17.0                 | 1.2                    | 3.8                  | 10.3               | 1.1       |
| <b>Infrastructure</b> |            |                        |               |        |                      | (26.9)            | 623.00              |                   |              |                      |                        |                      |                    |           |
| TLKM                  | 3,050      | 3,917                  | 3,800         | Buy    | 24.6                 | (28.8)            | 302.1               | 16.3x             | 3.1x         | 19.6                 | 5.1                    | (3.6)                | (0.8)              | 1.0       |
| JSMR                  | 4,050      | 5,175                  | 4,550         | Hold   | 12.3                 | (29.6)            | 29.4                | 23.5x             | 1.6x         | 6.9                  | 0.4                    | (51.0)               | (90.0)             | 1.3       |
| EXCL                  | 2,520      | 3,150                  | 3,350         | Buy    | 32.9                 | (22.5)            | 27.0                | 12.4x             | 1.3x         | 11.1                 | 0.8                    | 8.9                  | 2740.0             | 1.1       |
| TOWR                  | 1,055      | 805                    | 1,140         | Hold   | 8.1                  | 43.5              | 53.8                | 20.0x             | 5.7x         | 31.1                 | 2.3                    | 21.7                 | 30.0               | 1.0       |
| PGAS                  | 1,245      | 2,170                  | 1,400         | Hold   | 12.4                 | (37.6)            | 30.2                | 40.5x             | 0.8x         | 1.9                  | 3.3                    | (0.3)                | (26.6)             | 1.6       |
| TBIG                  | 1,250      | 1,230                  | 1,400         | Hold   | 12.0                 | 40.1              | 28.3                | 27.5x             | 4.8x         | 21.9                 | 2.2                    | 13.2                 | 33.8               | 1.0       |
| <b>Trade</b>          |            |                        |               |        |                      | (20.0)            | 563.0               |                   |              |                      |                        |                      |                    |           |
| UNTR                  | 23,600     | 21,525                 | 19,000        | Sell   | (19.5)               | 14.0              | 88.0                | 9.0x              | 1.5x         | 17.3                 | 5.1                    | (23.4)               | (28.3)             | 0.9       |
| MAPI                  | 690        | 1,055                  | 870           | Buy    | 26.1                 | (33.0)            | 11.5                | 434.7x            | 2.1x         | 0.5                  | N/A                    | (32.2)               | N/A                | 1.2       |
| ERAA                  | 1,680      | 1,795                  | 2,000         | Buy    | 19.0                 | (13.0)            | 5.4                 | 17.9x             | 1.1x         | 6.3                  | N/A                    | (6.3)                | 5.9                | 1.5       |
| <b>Property</b>       |            |                        |               |        |                      | (41.1)            | 281.9               |                   |              |                      |                        |                      |                    |           |
| CTRA                  | 715        | 1,040                  | 810           | Hold   | 13.3                 | (42.3)            | 13.3                | 12.8x             | 0.9x         | 7.0                  | 1.1                    | (10.8)               | (43.8)             | 1.5       |
| WSKT                  | 660        | 1,485                  | 820           | Buy    | 24.2                 | (64.4)            | 9.0                 | 33.9x             | 0.6x         | 1.5                  | 0.5                    | (51.9)               | (94.1)             | 1.8       |
| WIKA                  | 1,285      | 1,990                  | 1,840         | Buy    | 43.2                 | (44.4)            | 11.5                | 7.0x              | 0.8x         | 14.3                 | 4.0                    | (37.2)               | (71.9)             | 1.8       |
| PWON                  | 406        | 570                    | 545           | Buy    | 34.2                 | (41.2)            | 19.6                | 10.6x             | 1.4x         | 13.2                 | 1.7                    | (43.7)               | (64.7)             | 1.5       |
| <b>Basic Ind.</b>     |            |                        |               |        |                      | (9.2)             | 620.0               |                   |              |                      |                        |                      |                    |           |
| SMGR                  | 9,750      | 12,000                 | 11,500        | Buy    | 17.9                 | (26.4)            | 57.8                | 23.0x             | 1.8x         | 8.0                  | 0.4                    | (2.0)                | 25.6               | 1.3       |
| <b>Misc Ind.</b>      |            |                        |               |        |                      | (17.3)            | 290.1               |                   |              |                      |                        |                      |                    |           |
| ASII                  | 5,375      | 6,925                  | 5,350         | Hold   | (0.5)                | (16.3)            | 217.6               | 9.3x              | 1.4x         | 15.9                 | 4.0                    | (22.7)               | 16.1               | 1.3       |
| <b>Mining</b>         |            |                        |               |        |                      | (11.1)            | 329.4               |                   |              |                      |                        |                      |                    |           |
| TINS                  | 785        | 825                    | 750           | Hold   | (4.5)                | (23.8)            | 5.8                 | N/A               | 1.2x         | (21.4)               | N/A                    | (18.5)               | N/A                | 1.5       |
| PTBA                  | 2,080      | 2,660                  | 2,900         | Buy    | 39.4                 | (15.1)            | 24.0                | 6.0x              | 1.2x         | 20.6                 | 15.7                   | (4.0)                | (25.0)             | 1.1       |
| INCO                  | 3,740      | 3,640                  | 3,500         | Hold   | (6.4)                | 7.5               | 37.2                | 18.4x             | 1.3x         | 7.1                  | N/A                    | 23.3                 | N/A                | 1.6       |
| ANTM                  | 805        | 840                    | 850           | Hold   | 5.6                  | (25.8)            | 19.3                | N/A               | 1.1x         | (0.5)                | 0.4                    | (36.0)               | (80.2)             | 1.5       |
| <b>Agriculture</b>    |            |                        |               |        |                      | (13.0)            | 76.0                |                   |              |                      |                        |                      |                    |           |
| AALI                  | 10,225     | 14,575                 | 14,200        | Buy    | 38.9                 | (4.0)             | 19.7                | 35.2x             | 1.0x         | 3.0                  | 0.5                    | 6.5                  | 796.6              | 1.5       |
| LSIP                  | 985        | 1,485                  | 1,200         | Buy    | 21.8                 | (17.2)            | 6.7                 | 20.0x             | 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>Friday</b>    | CH      | 9:00         | Industrial Production YoY         | Jul    | 4.8%   | 5.1%      | 4.8%     |
| <i>14 - Aug</i>  | EC      | 16:00        | GDP SA QoQ                        | 2Q20   | -12.1% | -12.1%    | -12.1%   |
|                  | EC      | 16:00        | GDP SA YoY                        | 2Q20   | -15.0% | -15.0%    | -15.0%   |
|                  | US      | 19:30        | Retail Sales Advance MoM          | Jul    | 1.2%   | 1.7%      | 7.5%     |
|                  | US      | 20:15        | Industrial Production MoM         | Jul    | 3.0%   | 2.7%      | 5.4%     |
| <b>Tuesday</b>   | US      | 19:30        | Housing Starts                    | Jul    | 1496k  | 1230k     | 1186k    |
| <i>18 - Aug</i>  |         |              |                                   |        |        |           |          |
| <b>Wednesday</b> | UK      | 13:00        | CPI MoM                           | Jul    |        | -0.1%     | 0.1%     |
| <i>19 - Aug</i>  | UK      | 13:00        | CPI YoY                           | Jul    |        | 0.5%      | 0.6%     |
|                  | UK      | 13:00        | PPI Output NSA YoY                | Jul    |        | -0.9%     | -0.8%    |
|                  | ID      | 14:20        | Bank Indonesia 7D Reverse Repo    | Aug    |        | 4.0%      | 4.0%     |
|                  | EC      | 16:00        | CPI YoY                           | Jul    |        | 0.4%      | 0.3%     |
|                  | EC      | 16:00        | CPI MoM                           | Jul    |        | -0.3%     | -0.3%    |
| <b>Friday</b>    | GE      | 14:20        | Markit Germany Manufacturing PMI  | Aug    |        | 52        | 51       |
| <i>21 - Aug</i>  | EC      | 15:00        | Markit Eurozone Manufacturing PMI | Aug    |        | 52.6      | 51.8     |
|                  | UK      | 15:30        | Markit UK PMI Manufacturing SA    | Aug    |        | 53.8      | 53.3     |
|                  | US      | 20:45        | Markit US Manufacturing PMI       | Aug    |        | 51.5      | 50.9     |

Source: Bloomberg

## Corporate Calendar

| Date             | Event        | Company  |
|------------------|--------------|--|
| <b>Tuesday</b>   | Cum Dividend | PEGE, LPGI   |
| <i>18 - Aug</i>  | RUPS         | UNIT, STAR, SMKL, MSIN, GDYR, ESTI, DWGL, CSAP, BHIT, BBMD, ADMG,                                    |
| <b>Wednesday</b> | RUPS         | TRIN, SSTM, SKBM, RIGS, PURE, POLY, PCAR, PAMG, META, MDIA, MARI,                                    |
| <i>19 - Aug</i>  |              | MAGP, KMTR, KBLI, JSPT, FMII, ESIP, ERTX, EKAD, DSFI, CPRI, CLPI, CARE, BOGA, BNBA, BIRD, ASSA, ABBA |
| <b>Friday</b>    | RUPS         | PMJS, MKPI, MITI, ICON, CASA, BIKA   |
| <i>21 - Aug</i>  |              |  |

Source: RTI Analytics

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