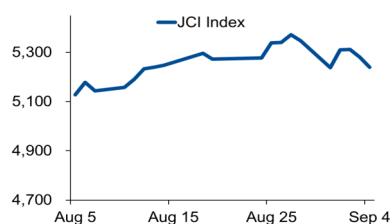
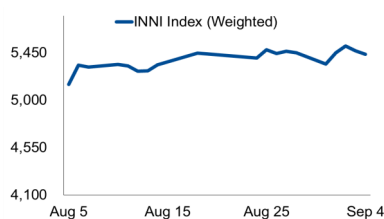


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

Lack of Positive Sentiment

US market fell at the end of last week after an extended bullish phase. Concerns about stock price valuations and no meaningful progress regarding new stimulus package were the main negative sentiments.

The JCI movement for this week still lacks of new positive catalysts. Market participants will monitor the persistently high new Covid-19 cases and the proposition regarding the formation of monetary council for Bank Indonesia, which raised concerns about the central bank's independency.

Company News

- JSMR : Gives Discount Rates for Toll Road
- WSKT : Records Highest Income Among BUMN Karya
- PGAS : Net Profit Decreases 87% in Semester-I
- SMRA : Books Marketing Sales of IDR1.7 Trillion

Domestic & Global News

- National Biodiesel Absorption Reaches 4.36 million KL in Semester I-2020
- Oil Falls 3%, Posts Weekly Drop on Demand Concerns

Sectors

	Last	Chg.	%
Basic Industries	732.19	13.71	-1.84%
Miscellaneous Industry	904.54	15.40	-1.67%
Infrastructure, Utilities, and Transportation	852.42	10.62	-1.23%
Finance	1,188.69	13.92	-1.16%
Trade, Services, and Investment	633.29	6.02	-0.94%
Agriculture	1,234.58	9.61	-0.77%
Mining	1,424.15	8.59	-0.60%
Property, Real Estate, and Construction	295.38	0.99	-0.34%
Consumer Goods	1,953.66	18.90	0.98%

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	1.32%	1.54%	Cons. Confidence*	86.20	83.80

JCI Index

Sept. 4	5,239.85
Chg.	-40.96pts (-0.78%)
Volume (bn shares)	107.08
Value (IDR tn)	7.41
Adv 121 Dec 310 Unc 278 Untr 124	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	513.2	AISA	267.2
BBNI	488.3	ASII	242.5
BBRI	474.9	KAEF	183.8
TLKM	410.8	BOGA	146.8
BMRI	315.6	BRIS	146.5

Foreign Transaction

(IDR bn)	
Buy	1,576
Sell	2,567
Net Buy (Sell)	991

Top Buy	NB Val.	Top Sell	NS Val.
UNVR	27.5	BBNI	198.1
BSDE	6.6	BBCA	146.7
BNLI	6.5	ASII	143.9
BRIS	5.0	BBRI	96.3
ERAA	4.2	BMRI	78.4

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.93%	-0.02%
USDIDR	14,750	-0.19%
KRWIDR	12.40	-0.31%

Global Indices

Index	Last	Chg.	%
Dow Jones	28,133.31	(159.42)	-0.56%
S&P 500	3,426.96	(28.10)	-0.81%
FTSE 100	5,799.08	(51.78)	-0.88%
DAX	12,842.66	(215.11)	-1.65%
Nikkei	23,205.43	(260.10)	-1.11%
Hang Seng	24,695.45	(312.15)	-1.25%
Shanghai	3,355.37	(29.61)	-0.88%
KOSPI	2,368.25	(27.65)	-1.15%
EIDO	19.38	0.07	0.36%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,933.9	3.0	0.16%
Crude Oil (USD/B)	39.77	(1.60)	-3.87%
ICE NewCastle (USD/ton)	54.00	(1.30)	-2.35%
LME Nickel (USD/MT)	15,293	198.0	1.31%
LME Tin (USD/MT)	18,250	25.0	0.14%
CPO (MYR/ton)	2,835	(56.0)	-1.94%

JSMR : Gives Discount Rates for Toll Road

PT Jasa Marga Tbk (JSMR) has implemented toll road tariff discounts for private vehicles passing through the Cipularang and Padaleunyi, Jakarta-Bandung toll roads. The discount paid is the initial rate prior to the tariff adjustment and will take effect starting on Sunday, 6 September 2020. This JSMR decision was made after previously receiving protests from the Governor of West Java, namely Ridwan Kamil. (Bisnis Indonesia)

PGAS : Net Profit Decreases 87% in Semester-I

PT Perusahaan Gas Negara Tbk (PGAS) recorded a decrease in net profit during 1H20 by 87% YoY or to USD6.7 million. PGAS explained that the decline in performance was due to three things, namely the Covid-19 pandemic, the decline in world crude oil prices, and the weakening of the IDR to USD exchange rate. However, PGAS will continue to carry out its projects which are expected to be optimal in cost efficiency. (Kontan)

WSKT : Records Highest Income Among BUMN Karya

PT Waskita Karya Tbk (WSKT) recorded the highest revenue compared to other Karya BUMN even though it generated a net loss of IDR1.1 trillion in 1H20. WSKT remains optimistic that the operations will go up in line with the increase of the Average Cross Daily (LHR) realization and the ongoing divestment strategy. WSKT may potentially reduce debt by up to IDR21 trillion if this year's divestment process goes well. (Bisnis Indonesia)

SMRA : Books Marketing Sales of IDR1.7 Trillion

PT Summarecon Agung Tbk (SMRA) recorded marketing sales for the January-August 2020 period amounting to IDR1.7 trillion or reaching 68% of the company's initial target. The marketing sales were mostly contributed by sales from the Home segment, which had a price of IDR1-2 billion per unit. Meanwhile, SMRA will launch a new home product worth IDR1.9 billion in 4Q20, which is located in Bogor. (Kontan)

Domestic & Global News

National Biodiesel Absorption Reaches 4.36 million KL in Semester I-2020

Since its implementation in January 2020, a mixture of 30% biodiesel (Fatty Acid Methyl Ester / FAME) in diesel oil (B30) has boosted the use of biodiesel in the country. Until mid-2020, biodiesel absorption has been recorded to have reached 4.36 million kilo liters (kL) or around 68% compared to the absorption rate throughout 2019. (Kontan)

Oil Falls 3%, Posts Weekly Drop on Demand Concerns

Oil prices fell more than 3% on Friday and posted their biggest weekly decline since June as fears of a slow economic recovery from the COVID-19 pandemic compounded worries about weak oil demand. Brent crude LCOc1, the international benchmark, fell \$1.41, or 3.2%, to settle at \$42.66 a barrel. U.S. West Texas Intermediate (WTI) CLc1 fell \$1.6, or 3.9%, to settle at \$39.77 a barrel. (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						(5.5)	2,265.2							
BBCA	31,900	33,425	30,100	Hold	(5.6)	5.9	786.5	28.1x	4.6x	17.0	1.7	6.6	(5.0)	1.1
BBRI	3,550	4,400	3,010	Sell	(15.2)	(16.9)	437.9	15.3x	2.3x	15.2	4.7	(2.1)	(37.2)	1.3
Consumer						(17.2)	1,121.3							
GGRM	47,475	53,000	59,600	Buy	25.5	(29.9)	91.3	8.8x	1.7x	21.0	N/A	1.7	(10.7)	0.9
KINO	3,030	3,430	2,950	Hold	(2.6)	(7.3)	4.3	15.9x	1.7x	10.7	3.6	(1.3)	(67.6)	0.9
ICBP	10,300	11,150	9,850	Hold	(4.4)	(13.4)	120.1	20.6x	4.2x	22.7	2.1	4.1	31.2	0.8
KLBF	1,590	1,620	1,870	Buy	17.6	(5.1)	74.5	28.3x	4.6x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(28.4)	596.96							
TLKM	2,860	3,917	3,800	Buy	32.9	(31.1)	283.3	15.3x	3.0x	19.6	5.4	(3.6)	(0.8)	1.0
JSMR	3,880	5,175	4,550	Buy	17.3	(28.8)	28.2	22.5x	1.5x	6.9	0.4	(51.0)	(90.0)	1.3
EXCL	2,300	3,150	3,350	Buy	45.7	(29.7)	24.6	11.3x	1.2x	11.1	0.9	6.7	526.9	1.1
TOWR	1,025	805	1,140	Hold	11.2	54.1	52.3	19.5x	5.6x	31.1	2.3	21.7	30.0	1.0
PGAS	1,290	2,170	1,400	Hold	8.5	(33.7)	31.3	104.8x	0.8x	0.8	3.2	(17.9)	(85.0)	1.6
TBIG	1,275	1,230	1,400	Hold	9.8	2.8	28.9	28.1x	4.9x	21.9	2.2	13.2	33.8	1.0
Trade						(22.2)	563.9							
UNTR	23,100	21,525	19,000	Sell	(17.7)	7.1	86.2	8.8x	1.5x	17.3	5.3	(23.4)	(28.3)	0.9
MAPI	685	1,055	870	Buy	27.0	(32.2)	11.4	431.6x	2.1x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,685	1,795	2,000	Buy	18.7	11.2	5.4	18.0x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(39.4)	280.9							
CTRA	740	1,040	810	Hold	9.5	(29.2)	13.7	13.2x	0.9x	7.0	1.1	(10.8)	(43.8)	1.5
WSKT	625	1,485	820	Buy	31.2	(63.5)	8.5	N/A	0.6x	(7.0)	0.6	(45.7)	N/A	1.8
WIKA	1,220	1,990	1,840	Buy	50.8	(41.3)	10.9	6.7x	0.8x	11.3	4.2	(37.2)	(71.9)	1.8
PTPP	950	1,585	1,250	Buy	31.6	(46.9)	5.9	10.1x	0.5x	4.9	3.6	(36.6)	(94.5)	1.8
PWON	406	570	545	Buy	34.2	(35.6)	19.6	10.6x	1.4x	13.2	N/A	(43.7)	(64.7)	1.5
Basic Ind.						(19.4)	588.6							
SMGR	10,350	12,000	11,500	Hold	11.1	(23.0)	61.4	24.4x	1.9x	8.0	0.4	(2.0)	25.6	1.3
Misc Ind.						(24.3)	275.4							
ASII	5,050	6,925	5,350	Hold	5.9	(25.2)	204.4	8.8x	1.3x	15.9	4.2	(22.7)	16.1	1.3
Mining						(15.8)	329.0							
TINS	820	825	750	Hold	(8.5)	(30.2)	6.1	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.5
PTBA	2,100	2,660	2,900	Buy	38.1	(19.2)	24.2	6.1x	1.2x	20.6	15.5	(4.0)	(25.0)	1.1
INCO	3,910	3,640	3,500	Hold	(10.5)	5.1	38.9	19.3x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	825	840	850	Hold	3.0	(23.3)	19.8	N/A	1.1x	(0.5)	0.3	(36.0)	(80.2)	1.5
Agriculture						(8.0)	79.1							
AALI	11,225	14,575	14,200	Buy	26.5	7.9	21.6	38.6x	1.1x	3.0	0.4	6.5	796.6	1.4
LSIP	1,040	1,485	1,200	Buy	15.4	(10.7)	7.1	21.1x	0.8x	4.0	1.4	(1.9)	550.0	1.6

* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	10:00	Foreign Reserves	Aug		--	\$135.10b
<i>07 - Sep</i>	GE	13:00	Industrial Production SA MoM	Jul		4.5%	8.9%
Tuesday	EC	16:00	GDP SA QoQ	2Q20		-12.1%	-12.1%
<i>08 - Sep</i>	EC	16:00	GDP SA YoY	2Q20		-15.0%	-15.0%
	ID	--	Consumer Confidence Index	Aug		--	86.2
Wednesday	CH	08:30	PPI YoY	Aug		-1.9%	-2.4%
<i>09 - Sep</i>	CH	08:30	CPI YoY	Aug		2.4%	2.7%
	US	16:00	MBA Mortgage Applications	Sep		--	-2.0%
Thursday	EC	18:45	ECB Main Refinancing Rate	Sep		0.0%	0.0%
<i>10 - Sep</i>	EC	18:45	ECB Deposit Facility Rate	Sep		-0.5%	-0.5%
	US	19:30	PPI Final Demand MoM	Aug		0.2%	0.6%
Friday	UK	13:00	Industrial Production MoM	Jul		4.2%	9.3%
<i>11 - Sep</i>	UK	13:00	Manufacturing Production MoM	Jul		--	11.0%
	GE	13:00	CPI YoY	Aug		0.0%	0.0%
	US	19:30	CPI MoM	Aug		0.3%	0.6%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	XISC, XIIT, TEBE, GEMA, DPNS
<i>07 - Sep</i>	RUPS	INCO
	IPO	SCNP, KMDS, BBSI
Tuesday	IPO	SOHO, PURI
<i>08 - Sep</i>	Right Issue	MEDC
Wednesday	RUPS	POLY
<i>09 - Sep</i>		
Thursday	IPO	ROCK, HOMI
<i>10 - Sep</i>	RUPS	LMAS, JAYA

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 Darmawan

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

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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

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