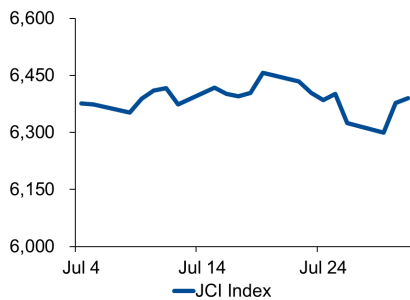
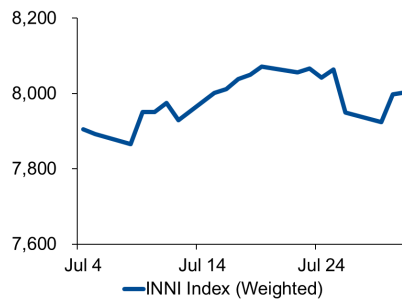


Morning Brief

JCI Movement



INNI Movement



JCI Index

July 31	6,390.50
Chg.	+13.509pts (+0.21%)
Volume (bn shares)	178.22
Value (IDR tn)	11.61
Adv 181 Dec 250 Unc 238 Untr 113	

INNI Index

Last	8,003.51
Chg.	+5.26pts (+0.07%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
MAPI	2.7%	CTRA	-4.6%
INDF	2.5%	SILO	-3.8%
RALS	2.3%	ASII	-3.8%
SMGR	1.8%	LPPF	-2.9%
UNVR	1.3%	WSKT	-2.4%

Foreign Transaction

	(IDR bn)
Buy	3,953
Sell	3,999
Net Buy (Sell)	46

Top Buy	NB Val.	Top Sell	NS Val.
HMSP	169.5	ASII	242.3
UNVR	110.0	BBRI	128.1
GGRM	76.0	BMRI	67.0
TLKM	72.8	INTP	61.2
ICBP	51.0	CTRA	53.8

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.38%	0.04%
USDIDR	14,022	-0.02%
KRWIDR	11.86	-0.08%

Global Indexes

Index	Last	Chg.	%
Dow Jones	26,864.27	(333.75)	-1.23%
S&P 500	2,980.38	(32.80)	-1.09%
FTSE 100	7,586.78	(59.99)	-0.78%
DAX	12,189.04	41.80	0.34%
Nikkei	21,521.53	(187.78)	-0.86%
Hang Seng	27,777.75	(368.75)	-1.31%
Shanghai	2,932.51	(19.83)	-0.67%
KOSPI	2,024.55	(14.13)	-0.69%
EIDO	25.72	(0.25)	-0.96%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,413.8	(17.1)	-1.20%
Crude Oil (USD / bbl)	58.58	0.53	0.91%
Coal Newcas(USD/ton)	72.30	0.20	0.28%
Nickel LME (USD / MT)	14,490	130.0	0.91%
Tin LME (USD / MT)	17,315	(135.0)	-0.77%
CPO (MYR/Ton)	2,070	9.0	0.44%

Market Recap

JCI closed higher as its consumer portfolio advanced. **JCI's Top Gainers: Basic Ind. (+1.5%), Consumer (+1.4%), Agriculture (+0.6%)**

INNI index made a 0.07% gain on the back of sound retail stocks, i.e. MAPI (+2.7%) and RALS (2.3%). MAPI cheered net revenues of 10% y-y led the rally in INNI index.

Daily Foreign & Domestic Sector Movement

JCI still saw IDR46 billion to leave its portfolios. On Wednesday's trading session, ASII posting a flood of foreign outflows of roughly IDR243 billion after the release of its IH19 financial statement disclosed a 5.59% decline in profits. Wednesday's lesser foreign outflows, followed by domestic funds of IDR282 billion and IDR82 billion respectively running out from the consumer and property portfolios.

From global highlights, most of Asia markets were bearish as the optimism about the progress of trade deal between the US and China dampened.

Today's Outlook: FFR Fell Shortly at 2%-2.25%

Dow Jones fell 1.23% to 26,864, held back by a 0.7% decline in stocks of General Electric Co after posting losses in 2Q19. The Fed finally decided to cut FFR by 25bps falling shortly to 2%-2.25: the first cut since December 2018. But, the Fed emphasized the looser monetary policy not to be the beginning of a trend. Today, take a close look at banking stocks.

Company News

UNTR	: Coking Coal Production Jumped
INCO	: Revenues & EBITDA Doubled
WIKA	: IH19 Net Profits Surged
CTRA	: Revenues Matched Targets

Domestic & Global News

BI: June M2 Was at Slow Growth
Fed Cuts Rate by A Quarter Point

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	6.00%	Real GDP	5.07%	5.18%
FX Reserve (USD bn)	123.80	120.35	Current Acc (USD bn)	(6.97)	(9.15)
Trd Balance (USD bn)	0.20	0.21	Govt. Spending Yoy	5.21%	5.56%
Exports Yoy	-8.98%	-8.99%	FDI (USD bn)	6.04	3.62
Imports Yoy	2.80%	-17.71%	Business Confidence	108.05	112.82
Inflation Yoy	3.28%	3.32%	Cons. Confidence*	128.10	125.10

UNTR : Coking Coal Production Jumped

PT United Tractors Tbk (UNTR) cheered the rising coking coal production in IH19 as its production reached 674.00 tons or a 98.24% increase from IH18 production. UNTR targets the 2019 production to double the 2018 production. Of note, its coking coal is exported to the Japan market. (Kontan)

WIKA : IH19 Net Profits Surged

PT Wijaya Karya (Persero) Tbk (WIKA) attained profits of IDR1,015 trillion or surging 60.48% y-y thanks to its backward-forward integrated strategy applied in its 7 business lines. The strategy accelerates supply chains, cost-production efficiency, profitability. In future years, it will focus on targeting mega projects. (Kontan)

INCO : Revenues & EBITDA Doubled

PT Vale Indonesia Tbk (INCO) made sound performance in IH19 due to the increasing ASP and surging nickel production. Nickel sales growth of 34.79% to 17,631 metric tons, followed by an 7.2% increase in ASP to USD9,774 q-q resulted in a 31.17% q-q hike in revenue and a 620% q-q surge in EBITDA. Indeed, INCO also succeeded in reducing COGS per metric ton of matte nickel. (Kontan)

CTRA : Revenues Matched Targets

PT Ciputra Development Tbk (CTRA) targets the 2019 marketing sales to reach IDR6 trillion and proved its IH19 outstanding performance by attaining IDR2.4 trillion worth of marketing sales realization. Thus, in II19, it has but to realize IDR3.6 trillion worth of the remaining target by launching 4 new projects. (Kontan)

Domestic & Global News

BI: June M2 Was at Slow Growth

Bank Indonesia (BI) reported June's money supply amounted to IDR5,911.2 trillion showing June's slow economic liquidity. June's figure grew but 6.8% y-y lower than May's 7.8% growth. The currency component made the slowest growth as the public liquidity run at its normal state after Ramadan and Idulfitri seasons. (Kontan)

Fed Cuts Rate by A Quarter Point

The policymaking Federal Open Market Committee drops the target range for its overnight lending rate to 2% to 2.25%, or 25 bps from the previous level. The Fed cites "implications of global developments for the economic outlook as well as muted inflation pressures" in its first rate cut since December 2008. The Fed also leaves the door open to future cuts, saying it will "act as appropriate to sustain the expansion." (CNBC)

	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 (%)	Adjusted Beta
Finance						23.5	2,498.4							
BBCA	30,950	26,000	32,000	Hold	3.4	31.8	763.1	28.0x	4.8x	18.4	1.1	16.8	12.7	1.0
BBRI	4,480	3,660	4,950	Hold	10.5	40.4	552.6	16.5x	2.8x	18.8	3.0	11.2	10.3	1.4
BMRI	7,975	7,375	8,000	Hold	0.3	13.9	372.2	14.1x	2.0x	15.0	3.0	9.1	11.1	1.3
Consumer						(4.5)	1,335.0							
GGRM	75,500	83,625	110,000	Buy	45.7	0.7	145.3	17.1x	3.3x	20.0	3.4	16.4	20.5	1.0
UNVR	43,600	45,400	59,000	Buy	35.3	(2.5)	332.7	35.9x	65.5x	183.9	2.7	1.3	5.2	1.0
ICBP	10,700	10,450	11,800	Hold	10.3	22.6	124.8	25.7x	5.5x	22.9	1.8	13.7	12.8	0.8
INDF	7,075	7,450	8,700	Buy	23.0	10.1	62.1	13.1x	1.8x	14.4	3.3	7.2	30.0	1.2
KAEF	3,200	2,600	4,100	Buy	28.1	36.8	17.8	44.5x	7.9x	16.6	0.5	21.8	(44.6)	1.0
KLBF	1,470	1,520	1,870	Buy	27.2	8.1	68.9	27.6x	4.7x	17.9	1.8	7.7	3.5	1.3
Infrastructure						16.3	836.53							
TLKM	4,300	3,698	4,350	Hold	1.2	22.8	426.0	20.9x	4.5x	22.8	3.8	7.7	27.4	0.9
JSMR	6,000	4,280	6,000	Hold	-	24.7	43.5	19.6x	2.5x	13.3	0.8	(25.9)	1.4	1.0
Trade						(5.7)	730.8							
UNTR	24,925	27,350	35,000	Buy	40.4	(30.7)	93.0	8.3x	1.7x	21.6	4.8	11.2	1.8	0.9
SILO	6,300	3,590	4,350	Sell	(31.0)	106.6	10.2	222.0x	1.6x	0.3	N/A	18.5	N/A	0.8
MIKA	2,030	1,575	2,300	Hold	13.3	0.5	29.5	44.6x	7.0x	15.7	0.9	16.0	13.6	0.5
LPPF	3,730	5,600	5,500	Buy	47.5	(53.1)	10.5	11.6x	5.8x	45.2	8.9	0.6	(11.5)	0.8
RALS	1,345	1,420	2,050	Buy	52.4	(3.9)	9.5	14.1x	2.3x	17.5	3.7	(0.2)	21.1	0.7
MAPI	945	805	1,300	Buy	37.6	6.8	15.7	21.2x	2.7x	14.5	1.1	10.2	25.0	0.8
Property						11.0	464.6							
PWON	735	620	725	Hold	(1.4)	34.9	35.4	12.7x	2.6x	22.4	1.0	3.8	20.9	1.3
CTRA	1,235	1,010	1,080	Hold	(12.6)	24.1	22.9	17.6x	1.6x	9.4	0.8	12.1	74.3	1.7
PTPP	2,150	1,805	2,450	Hold	14.0	4.9	13.3	9.6x	1.0x	12.4	2.3	12.8	(23.4)	1.6
WSKT	2,050	1,680	2,600	Buy	26.8	(2.8)	27.8	14.1x	1.5x	11.3	3.6	(35.4)	(66.8)	1.4
WIKA	2,340	1,655	2,500	Hold	6.8	48.1	21.0	10.0x	1.4x	14.9	1.6	#N/A N/A	72.2	1.4
Basic Ind.						2.6	652.3							
KRAS	346	402	600	Buy	73.4	(17.2)	6.7	N/A	0.3x	(7.3)	N/A	(17.8)	(775.0)	1.3
SMGR	12,875	11,500	13,600	Hold	5.6	49.3	76.4	29.5x	2.5x	8.7	1.6	#N/A N/A	(50.0)	1.4
INTP	22,475	18,450	19,000	Sell	(15.5)	50.8	82.7	57.8x	3.8x	6.5	2.4	7.7	80.2	1.5
Misc Ind.						(3.5)	369.0							
ASII	7,000	8,225	8,600	Buy	22.9	(6.4)	283.4	13.4x	2.0x	16.2	3.1	3.2	(5.8)	1.2
Mining						(23.7)	378.9							
ADRO	1,270	1,215	1,750	Buy	37.8	(35.9)	40.6	6.2x	0.8x	12.6	7.1	10.8	59.2	1.3
PTBA	2,740	4,300	5,100	Buy	86.1	(39.6)	31.6	6.1x	1.7x	29.2	12.4	(7.2)	(21.7)	1.2
INCO	3,030	3,260	4,400	Buy	45.2	(33.3)	30.1	63.1x	1.1x	1.8	N/A	(25.8)	N/A	1.6
ANTM	935	765	1,200	Buy	28.3	(0.5)	22.5	28.1x	1.1x	4.1	1.4	8.5	(30.1)	1.5

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

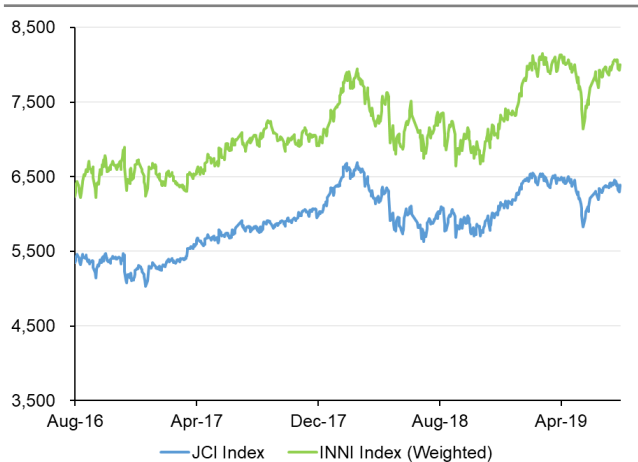
INNI Index Movement

YTD Change	10.2%
YTD Change Gap (vs JCI)	7.0%
Weekly Change	-0.5%
Weekly Change Gap (vs JCI)	-0.6%

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
Monday	JPN	06:50	Retail Sales MoM	Jun	0.00%	-0.30%	0.30%
<i>29 - July</i>	UK	15:30	Mortgage Approvals	Jun	66.4	65.8k	65.4k
Tuesday	JPN	06:30	Job-To-Applicant Ratio	Jun	1.61	1.62	1.62
<i>30 - July</i>	JPN	06:30	Jobless Rate	Jun	2.30%	2.40%	2.40%
	JPN	06:50	Industrial Production MoM	Jun P	-3.60%	-1.70%	2.00%
	GER	19:00	CPI YoY	Jul P	1.70%	1.50%	1.60%
	USA	19:30	Personal Income	Jun	0.40%	0.40%	0.50%
	USA	19:30	Personal Spending	Jun	0.30%	0.30%	0.40%
	USA	21:00	Conf. Board Consumer Confidence	Jul	135.7	125	121.5
Wednesday	CHN	08:00	Manufacturing PMI	Jul	49.7	49.6	49.4
<i>31 - July</i>	UK	13:00	Nationwide House PX MoM	Jul	0.30%	0.20%	0.10%
	GER	14:55	Unemployment Change (000's)	Jul	1.0k	2.0k	-1.0k
	EU	16:00	GDP SA QoQ	2Q A	0.20%	0.20%	0.40%
	USA	18:00	MBA Mortgage Applications	26-Jul	-1.40%	--	-1.90%
	USA	19:15	ADP Employment Change	Jul	156k	150k	102k
	USA	20:45	MNI Chicago PMI	Jul	44.4	51.1	49.7
Thursday	USA	01:00	FOMC Rate Decision	31-Jul	2.25%	2.25%	2.50%
<i>1 - Aug</i>	JPN	07:30	Jibun Bank Japan PMI Mfg	Jul F	49.4	--	49.6
	CHN	08:45	Caixin China PMI Mfg	Jul		49.5	49.4
	EU	15:00	Markit Eurozone Manufacturing PMI	Jul F		46.4	46.4
	UK	15:30	Markit UK PMI Manufacturing SA	Jul		47.6	48
	UK	18:00	Bank of England Bank Rate	1-Aug		0.75%	0.75%
	USA	19:30	Initial Jobless Claims	27-Jul		214k	206k
	USA	20:45	Markit US Manufacturing PMI	Jul F		50	50
	USA	21:00	Construction Spending MoM	Jun		0.30%	-0.80%
	USA	21:00	ISM Manufacturing	Jul		52	51.7
Friday	USA	19:30	Trade Balance	Jun		-\$54.6b	-\$55.5b
<i>2 - Aug</i>	USA	19:30	Unemployment Rate	Jul		3.70%	3.70%
	USA	19:30	Change in Nonfarm Payrolls	Jul		165k	224k
	USA	21:00	Factory Orders	Jun		0.70%	-0.70%
	USA	21:00	Durable Goods Orders	Jun F		--	2.00%
	USA	21:00	U. of Mich. Sentiment	Jul F		98.5	98.4

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Thursday	07:30	Markit Indonesia PMI Mfg	Jul	50.60	--	50.6
<i>1 - Aug</i>	Tentative	CPI YoY	Jul	3.28	3.27%	3.28%
	Tentative	CPI NSA MoM	Jul	0.55	0.26%	0.55%
	Tentative	CPI Core YoY	Jul	3.25	3.16%	3.25%
	Tentative	Danareksa Consumer Confidence	Jul	100.70	--	100.7

Source: Bloomberg

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