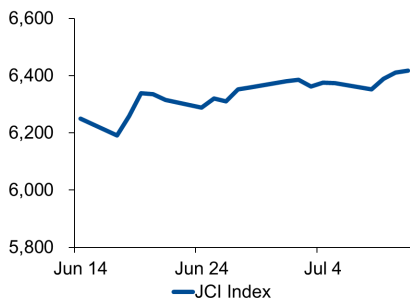
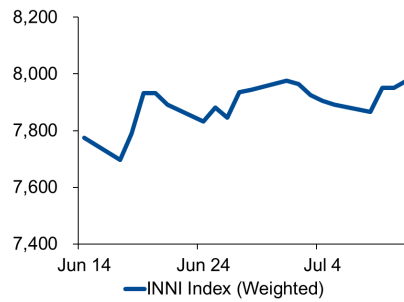


Morning Brief

JCI Movement



INNI Movement



Market Recap

JCI closed Thursday's trading session at a higher level. **JCI's Top Gainers: Property (+1.1%), Misc. Industry (+0.6%), Finance (+0.5%)**

INCO and ANTM's 4.5% and 3.7% respective gains led INNI index to end Thursday's trading session at 0.30% gains.

Daily Foreign & Domestic Sector Movement

Foreign capital of IDR866 billion flowed into JCI, as ASII attracted IDR666 billion worth of foreign inflows on Thursday's trading session. From, the global highlights, Most of Asia stocks picked up after the Fed's Powell signaled a more loosening monetary policy ahead. Rupiah's exchange rate for USD rose 0.46% to close at 14,060 on Thursday (7/11).

From the domestic highlights, domestic investors invested their funds of IDR147 billion and IDR53 billion in the consumer and retail sectors, respectively.

Today's Outlook: Banking Stocks Are on the Spotlight

The Dow Jones advanced 0.85% to close at 27,088 backed by the large cap. stocks, i.e. UnitedHealth (+5.53%) and Goldman Sachs (+2.61%). Pharmaceutical stock strengthen as Trump failed to slash the prices of prescription drugs, while prices of crude oil are likely to slump after OPEC projects that global demands for crude oil in 2020 will be at 29.27 million barrel per day, declining by 1.34 million barrel per day from 2019. Banking stocks remain robust after the Fed's dovish statement.

Company News

- BBRI : BRILink Agents Attained IDR331 Trillion Worth of Transactions
- BBCA : BCA Sharia Launched a New Branch Office
- ICBP : Reaps Profits from Healthy Lifestyle
- PWON : Build An Integrated Superblock

Domestic & Global News

- 2Q19 PMI Growth Lagged
- Singapore GDP Falls 3.4%

Indonesia Economic Data

Monthly Indicator	Last	Prev.	Quarterly Indicator	Last	Prev.
BI 7 Day Rev Repo Rate	6.00%	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)	0.21	(2.50)	Govt. Spending Yoy	5.21%	5.56%
Exports Yoy	-8.99%	-13.10%	FDI (USD bn)	6.04	3.62
Imports Yoy	-17.71%	-6.58%	Business Confidence	108.05	112.82
Inflation Yoy	3.28%	3.32%	Cons. Confidence*	128.10	125.10

JCI Index

July 10	6,417.06
Chg.	+6.383pts (+0.10%)
Volume (bn shares)	182.48
Value (IDR tn)	9.29
Adv 166 Dec 229 Unc 273 Untr 124	

INNI Index

Last	7,974.47
Chg.	+23.67pts (+0.30%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
CTRA	5.3%	RALS	-5.8%
INCO	4.5%	KLBF	-1.7%
ANTM	3.7%	PTBA	-1.0%
SILO	2.9%	SMGR	-1.0%
MAPI	1.6%	KAFF	-0.9%

Foreign Transaction

	(IDR bn)
Buy	3,450
Sell	2,583
Net Buy (Sell)	866

Top Buy	NB Val.	Top Sell	NS Val.
ASII	145.3	INKP	31.3
BBRI	132.2	PTBA	29.2
BMRI	128.6	PGAS	28.2
BBCA	58.1	LPKR	24.9
UNVR	20.7	CPIN	23.3

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.22%	-0.11%
USDIDR	14,067	-0.47%
KRWIDR	11.98	0.04%

Global Indexes

Index	Last	Chg.	%
Dow Jones	27,088.08	227.88	0.85%
S&P 500	2,999.91	6.84	0.23%
FTSE 100	7,509.82	(20.87)	-0.28%
DAX	12,332.12	(41.29)	-0.33%
Nikkei	21,643.53	110.05	0.51%
Hang Seng	28,431.80	227.11	0.81%
Shanghai	2,917.76	2.46	0.08%
KOSPI	2,080.58	21.80	1.06%
EIDO	26.31	(0.14)	-0.53%

Commodities

Commodity	Last	Chg.	%
Gold (USD /troy oz.)	1,403.8	(15.2)	-1.07%
Crude Oil (USD /bbl)	60.20	(0.23)	-0.38%
Coal Newcas(USD/ton)	76.80	(1.50)	-1.92%
Nickel LME (USD /MT)	13,130	140.0	1.08%
Tin LME (USD /MT)	18,345	150.0	0.82%
CPO (MYR/Ton)	1,941	4.0	0.21%

BBRI : BRILink Agents Attained IDR331 Trillion Worth of Transactions

PT Bank Rakyat Indonesia (Persero) Tbk (BBRI) posted BRILink transactions of IDR331 trillion in the I semester of 2019 thanks to its BRILik Agents performance. BBRI consistently retains its positive performance through the acquisitions of village-owned enterprises (BUMDes). In 2019, it targets to give a 22.5% growth to IDR550 billion worth of commission for its agents. (Kontan)

ICBP : Reaps Profits from Healthy Lifestyle

PT Indofood CBP Sukses Makmur Tbk (ICBP) reaps profits from the trend of a healthy lifestyle through the selling of its dairy products. The dairy division posted an outstanding performance by a 9.1% yoy increase in 1Q19. ICBP boosts its dairy production capacities to 10%-15% to hike sales. Of note, in 1Q19 the dairy division posted sales of IDR1.37 trillion. (Kontan)

BBCA : BCA Sharia Launched A New Branch Office

BCA Sharia, the subsidiary of PT Bank Central Asia Tbk (BBCA), officially launched its new branch office in Banda Aceh. The launch of Banda Aceh-based regional branch added to the total BCA Syariah network to 66 offices in Indonesia. It continues to expand its banking inclusion and sharia market share in Indonesia. Of note, Banda Aceh keeps a 53.17% increase to the composition of sharia banking. (Kontan)

PWON : Build An Integrated Superblock

PT Pakuwon Jati Tbk (PWON) will build an integrated block in Bekasi in late 2019. The area consists of one mall, 2 hotels, and 4 apartment towers as PWON allocated funds of roughly IDR2 trillion to build the integrated area the development of which imitates Kokas bloc. Of note, it has 445,500 hectares landbank in Jakarta, Bekasi, and Surabaya. (Kontan)

Domestic & Global News

2Q19 PMI Growth Lagged

Bank Indonesia reported 2Q19 PMI at 52.66%, a slight growth from 52.65% in 1Q19 and a lagged growth than 4.5% in 2Q18. Based on PMI subsector, food& beverages and tobaccos gave the biggest contribution of 54.95%, as those subsectors contributed 52.19% in 1Q19. (Kontan)

Singapore GDP Falls 3.4%

Gross domestic product in Singapore fell 3.4% in the April-June period as compared to the previous quarter on an annualized and seasonally adjusted basis, according to preliminary data released Friday. That widely missed expectations of a 0.1% quarter-on-quarter increase. (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						29.1	2,491.1							
BBCA	30,125	26,000	32,000	Hold	6.2	32.0	742.7	28.1x	4.7x	17.9	1.1	15.1	10.3	1.0
BBRI	4,510	3,660	4,950	Hold	9.8	51.9	556.3	16.6x	2.9x	18.8	2.9	11.2	10.3	1.4
BMRI	8,000	7,375	8,000	Hold	-	24.0	373.3	14.1x	2.0x	15.0	3.0	10.9	23.4	1.4
Consumer						(3.2)	1,346.9							
GGRM	76,375	83,625	110,000	Buy	44.0	9.9	147.0	17.8x	3.1x	18.0	3.4	19.2	24.5	1.0
UNVR	44,800	45,400	59,000	Buy	31.7	(4.5)	341.8	37.9x	37.7x	112.2	2.6	(0.8)	(4.6)	1.0
ICBP	10,250	10,450	11,800	Buy	15.1	16.1	119.5	25.4x	5.2x	21.6	1.9	13.9	10.6	0.8
INDF	6,850	7,450	8,700	Buy	27.0	4.6	60.1	13.9x	1.7x	12.8	3.4	8.7	14.1	1.2
KAEF	3,290	2,600	4,100	Buy	24.6	40.0	18.3	45.8x	8.1x	16.6	0.5	21.8	(44.6)	1.0
KLBF	1,440	1,520	1,870	Buy	29.9	10.3	67.5	27.4x	4.4x	16.9	1.8	7.0	1.0	1.3
Infrastructure						13.4	860.10							
TLKM	4,270	3,698	4,350	Hold	1.9	5.6	423.0	22.8x	4.0x	18.2	3.8	7.7	8.6	0.9
JSMR	5,750	4,280	6,000	Hold	4.3	21.1	41.7	18.9x	2.4x	13.3	0.8	(20.8)	0.3	1.0
Trade						(7.1)	726.0							
UNTR	28,000	27,350	35,000	Buy	25.0	(12.5)	104.4	9.0x	1.9x	22.3	4.3	19.0	20.6	0.9
SILO	5,300	3,590	4,350	Sell	(17.9)	46.8	8.6	453.0x	1.4x	0.3	N/A	18.2	583.3	0.9
MIKA	1,950	1,575	2,300	Buy	17.9	(1.5)	28.4	44.3x	6.7x	15.7	0.9	15.8	18.2	0.6
LPPF	3,270	5,600	5,500	Buy	68.2	(59.0)	9.2	9.6x	5.2x	45.6	10.2	(1.7)	(41.2)	0.9
RALS	1,300	1,420	2,050	Buy	57.7	-	9.2	13.4x	2.2x	17.5	3.8	(0.4)	428.0	0.7
MAPI	935	805	1,300	Buy	39.0	17.6	15.5	34.3x	2.8x	10.5	1.1	8.4	(62.3)	0.8
Property						10.5	460.3							
PWON	740	620	725	Hold	(2.0)	27.6	35.6	13.2x	2.7x	22.3	0.9	3.9	28.1	1.3
CTRA	1,185	1,010	1,080	Hold	(8.9)	18.5	22.0	16.5x	1.5x	9.5	1.6	21.3	114.3	1.8
PTPP	2,150	1,805	2,450	Hold	14.0	4.4	13.3	8.8x	1.0x	12.4	2.3	34.9	12.0	1.6
WSKT	2,010	1,680	2,600	Buy	29.4	7.2	27.3	8.6x	1.5x	18.5	3.6	(30.0)	(53.0)	1.4
WIKA	2,340	1,655	2,500	Hold	6.8	72.7	21.0	11.4x	1.4x	13.2	1.6	3.9	66.9	1.4
Basic Ind.						3.3	627.7							
KRAS	404	402	600	Buy	48.5	(2.4)	7.8	N/A	0.3x	(7.3)	N/A	(13.8)	(966.7)	1.2
SMGR	12,425	11,500	13,600	Hold	9.5	67.3	73.7	25.1x	2.4x	9.7	1.7	22.8	(34.8)	1.3
INTP	22,000	18,450	19,000	Hold	(13.6)	59.7	81.0	63.3x	3.4x	5.3	2.5	8.5	50.2	1.5
Misc Ind.						12.2	392.2							
ASII	7,525	8,225	8,600	Hold	14.3	12.7	304.6	13.9x	2.1x	16.2	2.8	6.8	4.9	1.2
Mining						(17.5)	382.5							
ADRO	1,335	1,215	1,750	Buy	31.1	(28.6)	42.7	6.6x	0.8x	12.6	6.8	10.8	59.2	1.2
PTBA	2,910	4,300	5,100	Buy	75.3	(31.2)	33.5	6.5x	1.8x	29.2	11.7	(7.2)	(21.7)	1.1
INCO	3,050	3,260	4,400	Buy	44.3	(27.4)	30.3	63.6x	1.2x	1.8	N/A	(25.8)	N/A	1.6
ANTM	850	765	1,200	Buy	41.2	(1.2)	20.4	25.5x	1.0x	4.1	1.5	8.5	(30.1)	1.4

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

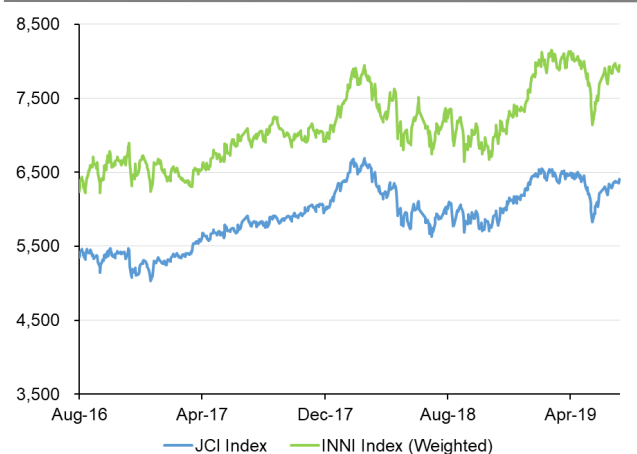
INNI Index Movement

YTD Change	9.8%
YTD Change Gap (vs JCI)	6.2%
Weekly Change	0.9%
Weekly Change Gap (vs JCI)	0.2%

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 8 - July	JPN	06:50	Core Machine Orders MoM	May	-7.80%	-3.70%	5.20%
	JPN	06:50	BoP Current Account Balance	May P	¥1305.7b	¥1380.9b	¥1707.4b
	GER	13:00	Industrial Production SA MoM	May	0.30%	0.30%	-1.90%
Tuesday 9 - July	JPN	06:50	Money Stock M3 YoY	Jun	2.00%	2.30%	2.30%
Wednesday 10 - July	JPN	06:50	PPI YoY	Jun	-0.10%	0.40%	0.70%
	CHN	08:30	PPI YoY	Jun	0.00%	0.30%	0.60%
	CHN	08:30	CPI YoY	Jun	2.70%	2.70%	2.70%
	UK	15:30	Trade Balance	May	-£4905m	-£3275m	-£2740m
	UK	15:30	Manufacturing Production MoM	May	1.40%	2.30%	-3.90%
	UK	15:30	Industrial Production MoM	May	1.40%	1.50%	-2.70%
	USA	18:00	MBA Mortgage Applications	5-Jul	-2.40%	--	-0.10%
	USA	21:00	Wholesale Inventories MoM	May F	0.40%	0.40%	0.40%
Thursday 11 - July	USA	01:00	FOMC Meeting Minutes	19-Jun		--	--
	JPN	11:30	Tertiary Industry Index MoM	May		-0.10%	0.80%
	GER	13:00	CPI EU Harmonized MoM	Jun F		0.10%	0.10%
	GER	13:00	CPI MoM	Jun F		0.30%	0.30%
	GER	13:00	CPI YoY	Jun F		1.60%	1.60%
	USA	19:30	CPI YoY	Jun		1.60%	1.80%
	USA	19:30	CPI Ex Food and Energy MoM	Jun		0.20%	0.10%
	USA	19:30	CPI MoM	Jun		0.00%	0.10%
	USA	19:30	Initial Jobless Claims	6-Jul		--	221k
Friday 12 - July	CHN	Tentative	Imports YoY	Jun		-4.60%	-8.50%
	CHN	Tentative	Exports YoY	Jun		-0.60%	1.10%
	CHN	Tentative	Trade Balance	Jun		\$45.25b	\$41.65b
	USA	01:00	Monthly Budget Statement	Jun		--	-\$207.8b
	JPN	11:30	Industrial Production MoM	May F		--	2.30%
	USA	19:30	PPI Final Demand MoM	Jun		0.10%	0.10%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday 8 - July	12:08	Consumer Confidence Index	Jun	126.4	--	128.2

Source: Bloomberg

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