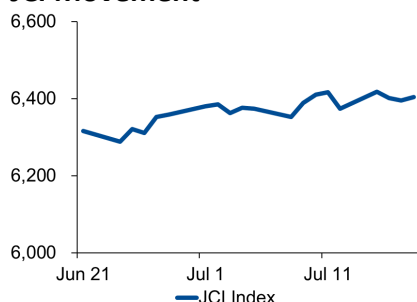
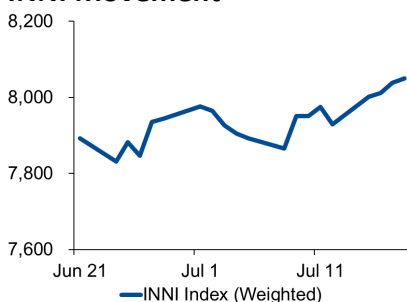


Morning Brief

JCI Movement



INNI Movement



Market Recap

JCI was rebounding, underpinned by the infrastructure sector. **JCI's Top Gainers: Basic. Ind (+2.0%), Mining (+0.9%), Consumer (+0.6%)**

INNI index nudged up 0.14% as did JCI. Mining stocks, i.e. ANTM (5.6%) and PTBA (1.8%) rallied and drove INNI up.

Daily Foreign & Domestic Sector Movement

JCI recorded IDR309 billion worth of foreign funds fled from its portfolios. From the global highlights, the Fed's hint of cute rate and Trump's additional measures of USD325 billion tariffs on Chinese goods sent the yellow metal's price up.

From the domestic highlights, crossing shares of IDR1.21 trillion by PT Merdeka Copper Gold Tbk is part of pre-emptive rights.

Today's Outlook: BI Easing Rate to 5.75%

The Dow Jones slightly dropped 0.01% to end its trading session at 27,222 as the Fed's decided to take more dovish stance of directing its monetary policy. From the domestic highlights, BI finally decided to slash its benchmark rate by 25 bps to 5.75% to drive economy up. BI's accommodative monetary stance strengthened the rupiah's exchange rate to USD to 0.16%. Today, we estimate INNI index to advance as banking and property stocks are likely to rally after the easing monetary policy.

Company News

- ASII : Cooperates with Gojek to Launch Gofleet
- BMRI : Collaborates with Traveloka
- JSMR : Issues Islamic Bonds

Domestic & Global News

- BI Slashed BI 7DRRR to 5.75%
- US-China Talks Stuck in Rut over Huawei

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

JCI Index

July 18	6,403.29
Chg.	+8.685pts (+0.13%)
Volume (bn shares)	189.97
Value (IDR tn)	10.28
Adv 191 Dec 208 Unc 270 Untr 132	

INNI Index

Last	8,049.90
Chg.	+11.50pts (+0.14%)

INNI Top Gainers & Losers

Gainers	%	Losers	%
ANTM	5.6%	SILO	-2.7%
JSMR	4.2%	RALS	-2.6%
INTP	2.7%	UNTR	-2.6%
UNVR	1.9%	WSKT	-1.8%
PTBA	1.8%	PTPP	-1.8%

Foreign Transaction

	(IDR bn)
Buy	2,176
Sell	2,534
Net Buy (Sell)	358

Top Buy	NB Val.	Top Sell	NS Val.
UNTR	37.9	ASII	153.1
GGRM	30.1	BBCA	133.4
MAPI	15.5	BMRI	131.4
INDF	12.2	TLKM	34.4
BDMN	11.1	SRIL	34.1

Government Bond Yield & FX

	Last	Chg.
Tenor: 10 year	7.14%	0.00%
USDIDR	13,960	-0.16%
KRWIDR	11.86	0.17%

Global Indexes

Index	Last	Chg.	%
Dow Jones	27,222.97	3.12	0.01%
S&P 500	2,995.11	10.69	0.36%
FTSE 100	7,493.09	(42.37)	-0.56%
DAX	12,227.85	(113.18)	-0.92%
Nikkei	21,046.24	(422.94)	-1.97%
Hang Seng	28,461.66	(131.51)	-0.46%
Shanghai	2,901.18	(30.52)	-1.04%
KOSPI	2,066.55	(6.37)	-0.31%
EIDO	26.61	0.31	1.18%

Commodities

Commodity	Last	Chg.	%
Gold (USD / troy oz.)	1,446.1	19.5	1.37%
Crude Oil (USD / bbl)	55.30	(1.48)	-2.61%
Coal Newcas(USD/ton)	75.75	(0.30)	-0.39%
Nickel LME (USD / MT)	14,860	410.0	2.84%
Tin LME (USD / MT)	17,845	(80.0)	-0.45%
CPO (MYR/Ton)	1,983	(5.0)	-0.25%

ASII : Cooperates with Gojek to Launch Gofleet

PT Astra International Tbk (ASII) and Gojek incorporated a JV to launch “Gofleet”, providing vehicles solutions for driver-partners using ASII’s 4W units: Toyota, New Avanza, and Daihatsu Xenia. The Gofleet launch was attended by the Indonesia’s former vice president Jusuf Kalla. (Kontan)

BMRI : Collaborates with Traveloka

PT Bank Mandiri (Persero) Tbk (BMRI) collaborates with Traveloka to develop a multi-cities flight feature. BMRI gives special discount to customers using Mandiri credit card to pay their multi-cities flight booking through the feature. (Kontan)

JSMR : Issues Islamic Bonds

PT Jasa Marga (Persero) Tbk (JSMR) through its subsidiary, PT Jasa Marga Pandaan Tol, issues IDR785 billion worth of Islamic bonds (Sukuk Ijarah) to fund its subsidiary business expansion. KSEI informed that the bonds are issued into two series. Series A are worth of IDR100 billion with an 8.5% annual coupon rate and 3-year tenor; series B are worth of IDR685 billion with a 9% annual coupon rate and 5-year tenor. (Investor Daily)

Domestic & Global News

BI Slashed BI 7DRRR to 5.75%

Bank Indonesia (BI) at the Board of Governors Meeting decided to cut its benchmark rate (BI 7-DRRR) by 25bps to 5.75%. BI Governor Perry Warjiyo stated that its accommodative monetary policy was on the basis of a careful consideration on varied assessments and global and domestic circumstances. (Kontan)

US-China Talks Stuck in Rut Over Huawei

The Wall Street Journal reported Wednesday that trade negotiations between the world's two largest economies are at an impasse over restrictions on Chinese tech giant Huawei. No face-to-face meetings have taken place and none has been scheduled since President Trump and President Xi Jinping of China met last month in Japan and agreed to resume talks. (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						28.3	2,484.9							
BBCA	30,725	26,000	32,000	Hold	4.1	32.4	757.5	28.7x	4.8x	17.9	1.1	15.1	10.3	1.0
BBRI	4,450	3,660	4,950	Hold	11.2	54.0	548.9	16.4x	2.8x	18.8	3.0	11.2	10.3	1.4
BMRI	7,850	7,375	8,000	Hold	1.9	23.1	366.3	13.9x	2.0x	15.0	3.1	13.4	11.1	1.4
Consumer						(0.5)	1,352.2							
GGRM	77,225	83,625	110,000	Buy	42.4	11.5	148.6	18.0x	3.1x	18.0	3.4	19.2	24.5	1.0
UNVR	45,750	45,400	59,000	Buy	29.0	2.2	349.1	38.7x	38.5x	112.2	2.6	(0.8)	(4.6)	1.0
ICBP	10,725	10,450	11,800	Hold	10.0	24.7	125.1	26.6x	5.4x	21.6	1.8	13.9	10.6	0.8
INDF	7,050	7,450	8,700	Buy	23.4	11.5	61.9	14.3x	1.8x	12.8	3.3	8.7	14.1	1.2
KAEF	3,250	2,600	4,100	Buy	26.2	40.7	18.1	45.2x	8.0x	16.6	0.5	21.8	(44.6)	1.0
KLBF	1,475	1,520	1,870	Buy	26.8	15.2	69.1	28.1x	4.5x	16.9	1.8	7.0	1.0	1.3
Infrastructure						14.7	855.13							
TLKM	4,240	3,698	4,350	Hold	2.6	10.0	420.0	22.7x	4.0x	18.2	3.9	7.7	8.6	0.9
JSMR	6,175	4,280	6,000	Hold	(2.8)	22.3	44.8	20.3x	2.6x	13.3	0.7	(20.8)	0.3	1.0
Trade						(5.5)	730.1							
UNTR	27,275	27,350	35,000	Buy	28.3	(17.3)	101.7	8.7x	1.8x	22.3	4.4	19.0	20.6	0.9
SILO	5,350	3,590	4,350	Sell	(18.7)	55.1	8.7	457.3x	1.4x	0.3	N/A	18.2	583.3	0.9
MIKA	1,920	1,575	2,300	Buy	19.8	(3.3)	27.9	43.6x	6.6x	15.7	0.9	15.8	18.2	0.6
LPPF	3,250	5,600	5,500	Buy	69.2	(61.3)	9.1	9.6x	5.1x	45.6	10.3	(1.7)	(41.2)	0.9
RALS	1,300	1,420	2,050	Buy	57.7	(8.1)	9.2	13.4x	2.2x	17.5	3.8	(0.4)	428.0	0.7
MAPI	970	805	1,300	Buy	34.0	21.3	16.1	35.6x	2.9x	10.5	1.0	8.4	(62.3)	0.8
Property						10.9	461.3							
PWON	710	620	725	Hold	2.1	30.3	34.2	12.7x	2.6x	22.3	1.0	3.9	28.1	1.3
CTRA	1,170	1,010	1,080	Hold	(7.7)	14.7	21.7	16.3x	1.5x	9.5	1.7	21.3	114.3	1.8
PTPP	2,200	1,805	2,450	Hold	11.4	4.3	13.6	9.0x	1.1x	12.4	2.2	34.9	12.0	1.6
WSKT	2,140	1,680	2,600	Buy	21.5	7.0	29.0	9.2x	1.6x	18.5	3.4	(30.0)	(53.0)	1.4
WIKA	2,460	1,655	2,500	Hold	1.6	69.1	22.1	11.9x	1.5x	13.2	1.6	3.9	66.9	1.3
Basic Ind.						4.8	635.7							
KRAS	388	402	600	Buy	54.6	(4.9)	7.5	N/A	0.3x	(7.3)	N/A	(13.8)	(966.7)	1.2
SMGR	12,550	11,500	13,600	Hold	8.4	81.2	74.4	25.4x	2.4x	9.7	1.7	22.8	(34.8)	1.3
INTP	21,825	18,450	19,000	Hold	(12.9)	60.5	80.3	62.8x	3.4x	5.3	2.5	8.5	50.2	1.5
Misc Ind.						7.6	376.4							
ASII	7,150	8,225	8,600	Buy	20.3	6.7	289.5	13.2x	2.0x	16.2	3.0	6.8	4.9	1.2
Mining						(19.4)	382.4							
ADRO	1,300	1,215	1,750	Buy	34.6	(30.5)	41.6	6.5x	0.8x	12.6	6.9	10.8	59.2	1.3
PTBA	2,870	4,300	5,100	Buy	77.7	(34.8)	33.1	6.4x	1.7x	29.2	11.8	(7.2)	(21.7)	1.1
INCO	3,180	3,260	4,400	Buy	38.4	(26.6)	31.6	67.0x	1.2x	1.8	N/A	(25.8)	N/A	1.6
ANTM	950	765	1,200	Buy	26.3	8.6	22.8	28.5x	1.1x	4.1	1.3	8.5	(30.1)	1.5

* Target Price for December 2019

Source: Bloomberg, NHKS Research

INNI Summary

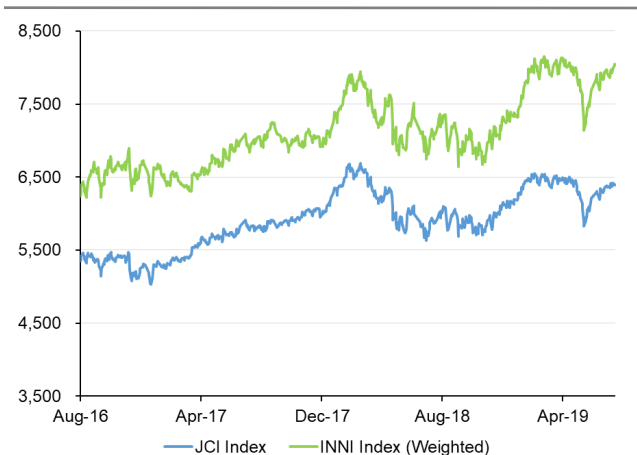
INNI Index Movement

YTD Change	10.8%
YTD Change Gap (vs JCI)	7.5%
Weekly Change	0.9%
Weekly Change Gap (vs JCI)	1.2%

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	CHN	09:00	GDP SA QoQ	2Q	1.60%	1.50%	1.40%
<i>15 - July</i>	CHN	09:00	Industrial Production YoY	Jun	6.30%	5.20%	5.00%
	CHN	09:00	GDP YoY	2Q	6.20%	6.20%	6.40%
	USA	19:30	Empire Manufacturing	Jul	4.3	2.0	-8.6
Tuesday	UK	15:30	Claimant Count Rate	Jun	3.20%	--	3.10%
<i>16 - July</i>	UK	15:30	ILO Unemployment Rate 3Mths	May	3.80%	3.80%	3.80%
	UK	15:30	Jobless Claims Change	Jun	38.0k	--	23.2k
	EU	16:00	Trade Balance SA	May	20.2b	17.5b	15.3b
	GER	16:00	ZEW Survey Expectations	Jul	-24.5	-22	-21.1
	USA	19:30	Retail Sales Advance MoM	Jun	0.40%	0.10%	0.50%
	USA	20:15	Industrial Production MoM	Jun	0.00%	0.10%	0.40%
Wednesday	UK	15:30	CPI YoY	Jun	2.00%	2.00%	2.00%
<i>17 - July</i>	EU	16:00	CPI YoY	Jun F	1.30%	1.20%	1.20%
	USA	18:00	MBA Mortgage Applications	12-Jul	-1.10%	--	-2.40%
	USA	19:30	Housing Starts	Jun	1253k	1260k	1269k
Thursday	JPN	06:50	Trade Balance	Jun	¥589.5b	¥405.0b	-¥967.1b
<i>18 - July</i>	USA	19:30	Initial Jobless Claims	13-Jul	216k	216k	209k
	USA	21:00	Leading Index	Jun	-0.30%	0.10%	0.00%
Friday	JPN	06:30	Natl CPI YoY	Jun		0.70%	0.70%
<i>19 - July</i>	JPN	11:30	All Industry Activity Index MoM	May		0.30%	0.90%
	GER	13:00	PPI YoY	Jun		1.50%	1.90%
	USA	21:00	U. of Mich. Sentiment	Jul P		98.6	98.2

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	11:00	Exports YoY	Jun	-8.98%	-6.75%	-8.99%
<i>15 - July</i>	11:00	Imports YoY	Jun	2.80%	-0.85%	-17.71%
	11:00	Trade Balance	Jun	\$196m	\$658m	\$208m
	Tentative	Local Auto Sales	Jun	59539	--	84146
Tuesday	Tentative	Bank Indonesia 7D Reverse Repo	18-Jul		5.75%	6.00%
<i>16 - July</i>						

Source: Bloomberg

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

Wisma Korindo 7th Floor
Jl. M.T. Haryono Kav. 62
Pancoran, Jakarta 12780
Indonesia
Telp: +62 21 7976202
Fax : +62 21 7976206

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

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta