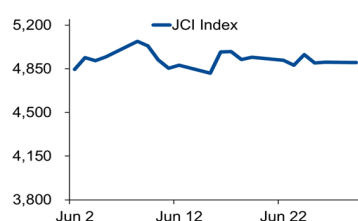


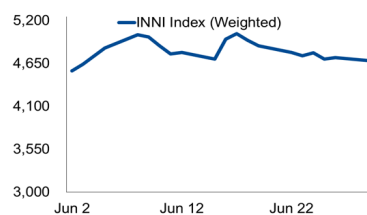
Morning Brief

Daily | June 30, 2020

JCI Movement



INNI Movement



Today's Outlook:

Continuing Consolidation at the End of Quarter II

The Dow Jones managed to rebound on Monday's market (29/06/2020) led by significant rise in the Boeing stocks. Investors turns their attention from the still rising Covid-19 positive cases and hope the US government will provide additional stimulus.

Domestically, the JCI on the last market day in this quarter seem to be moving in a flat direction and continuing consolidation. Investors are still waiting on the quarter II/2020 data releases to decide on investments.

Company News

- WIKA : TOD Housing Sales Target Missed
- KLBF : Adds Capital to Subsidiary
- ANTM : Pushing Domestic Market Due to the Pandemic
- UNTR : Gold Sales Increase in May

Domestic & Global News

- Interest on PEN Program Funding Reaches IDR66.5 Trillion
- U.S. Home Contracts Post Record Jump, Factory Activity Improves in Texas

Sectors

	Last	Chg.	%
Miscellaneous Industry	884.86	16.13	-1.82%
Agriculture	1,033.79	18.75	-1.81%
Property, Real Estate, and Construction	327.96	3.42	-1.04%
Infrastructure, Utilities, and Transportation	910.97	4.74	-0.52%
Mining	1,233.71	5.56	-0.45%
Basic Industry and Chemicals	713.06	0.58	0.08%
Consumer Goods	1,800.02	3.14	0.17%
Trade, Service and Investment	601.48	1.92	0.32%
Finance	1,047.42	3.85	0.37%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	4.50%	Real GDP	2.97%	4.97%
FX Reserve (USD bn)	130.50	127.88	Current Acc (USD bn)	(3.92)	(8.08)
Trd Balance (USD bn)	2.09	(0.34)	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	-28.95%	-7.02%	FDI (USD bn)	4.51	4.60
Imports Yoy	-42.20%	-18.58%	Business Confidence	104.82	105.33
Inflation Yoy	2.19%	2.67%	Cons. Confidence*	77.80	84.80

JCI Index

June 29	4,901.81
Chg.	-2.27pts (-0.05%)
Volume (bn shares)	66.23
Value (IDR tn)	5.30
Adv 154 Dec 251 Unc 297 Untr 146	

INNI Index

Last	4,685.35
Chg.	-37.13pts (-0.79%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
ICBP	+1.9%	WIKA	-2.8%
UNTR	+1.4%	CTRA	-2.4%
TINS	+0.8%	ASII	-2.0%
BBCA	+0.5%	AALI	-1.8%
BBRI	+0.3%	ANTM	-1.7%

Foreign Transaction

	(IDR bn)
Buy	1,287
Sell	1,887
Net Buy (Sell)	600

Top Buy	NB Val.	Top Sell	NS Val.
ICBP	22.1	TLKM	124.6
INDF	14.1	BMRI	114.7
TOWR	6.2	BBRI	68.1
HMSP	5.8	ASII	58.0
SMGR	5.3	PGAS	27.3

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.23%	0.04%
USDIDR	14,245	0.18%
KRWIDR	11.87	0.04%

Global Indices

Index	Last	Chg.	%
Dow Jones	25,595.80	580.25	2.32%
S&P 500	3,053.24	44.19	1.47%
FTSE 100	6,225.77	66.47	1.08%
DAX	12,232.12	142.73	1.18%
Nikkei	21,995.04	(517.04)	-2.30%
Hang Seng	24,301.28	(248.71)	-1.01%
Shanghai	2,961.52	(18.04)	-0.61%
KOSPI	2,093.48	(41.17)	-1.93%
EIDO	18.33	0.17	0.94%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,772.8	1.5	0.09%
Crude Oil (USD/B)	39.70	1.21	3.14%
ICE NewCastle (USD/ton)	52.70	(1.50)	-2.77%
LME Nickel (USD/MT)	12,806	122.0	0.96%
LME Tin (USD/MT)	16,775	(40.0)	-0.24%
CPO (MYR/ton)	2,341	(27.0)	-1.14%

WIKA : TOD Housing Sales Target Missed

PT Wijaya Karya Tbk (WIKA) revealed that the sales target for TOD housing in the first semester had missed due to the Covid-19 pandemic. WIKA Realty as a subsidiary building TOD housing said there are still sales in areas such as East Jakarta through the Tamansari Equine project. For the target in the second semester, WIKA is still in the process of reviewing and focusing on selling TOD residences. (Kontan)

ANTM : Pushing Domestic Market Due to the Pandemic

PT Aneka Tambang Tbk (ANTM) wants to push sales in the domestic market as the Covid-19 pandemic slows down export. To launch the strategy, ANTM will boost its commodity production in the second semester and optimistic with the competitive domestic price. Meanwhile, ANTM is still carrying out two smelter projects to support the government's program on mining downstreaming. (Bisnis Indonesia)

KLBF : Adds Capital to Subsidiary

PT Kalbe Farma Tbk (KLBF) is injecting capital of Rp11.5 billion to its subsidiary, Emos Global Digital (EGD). The fund injection makes the capital owned by EGD amount to IDR36.5 billion and KLBF ownership in EGD to 45%. KLBF said that the decision would not interfere with the operational, legal, financial condition and business continuity of the company. (Kontan)

UNTR : Gold Sales Increase in May

PT United Tractors Tbk (UNTR) recorded an increase in gold sales in May to 40,000 ounces, up by 122% MoM while the YTD sales had reached 153,300 ounces. This condition occurred because of the delayed sales realization from the previous month due to the large scale social restriction policy. The gold segment is the only business sector of UNTR that recorded growth compared to other segments. (Bisnis Indonesia)

Domestic & Global News

Interest on PEN Program Funding Reaches IDR66.5 Trillion

Financing needs within the framework of the National Economy Recovery (PEN) program due to the impact of corona virus disease reaches IDR903.46 trillion. Assuming that the current interest rate is at 7.36%, the interest expense from the impact of Covid-19 reaches IDR66.5 trillion per year. The government debt tenor also reaches 10 years. It is adjusted to the average tenure of Government Securities (SBN). (Kontan)

U.S. Home Contracts Post Record Jump, Factory Activity Improves in Texas

Contracts to buy U.S. previously owned homes rebounded by the most on record in May, suggesting the housing market was starting to turn around after being hammered by the COVID-19 pandemic along with the rest of the economy. The National Association of Realtors said its Pending Home Sales Index, based on contracts signed last month, surged 44.3%, the largest gain since the series started in 2001. Still, contracts remain 10.6% below their level in February before businesses were shuttered in a bid to slow the spread of coronavirus, almost grounding the economy to a halt. (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
Finance						(19.5)	1,990.6							
BBCA	28,375	33,425	28,950	Hold	2.0	(5.3)	699.6	24.1x	4.1x	17.6	2.0	13.9	8.5	1.1
BBRI	3,040	4,400	3,010	Hold	(1.0)	(30.3)	375.0	10.8x	2.1x	18.6	5.5	13.0	(0.3)	1.3
Consumer						(24.7)	1,034.5							
GGRM	46,850	53,000	59,550	Buy	27.1	(39.1)	90.1	8.2x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,400	3,430	2,950	Hold	(13.2)	17.6	4.9	17.9x	1.8x	10.5	3.2	11.1	(81.3)	0.9
ICBP	9,400	11,150	9,850	Hold	4.8	(7.4)	109.6	19.3x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,440	1,620	1,630	Hold	13.2	(1.4)	67.5	26.2x	4.1x	16.3	1.4	8.0	12.5	1.1
Infrastructure						(25.4)	634.24							
TLKM	3,180	3,970	3,800	Buy	19.5	(23.2)	315.0	16.9x	3.2x	18.8	4.8	3.7	3.5	1.0
JSMR	4,400	5,175	4,600	Hold	4.5	(23.1)	31.9	14.4x	1.6x	12.0	0.3	(45.3)	0.5	1.3
Trade						(25.0)	543.5							
UNTR	16,700	21,525	19,000	Hold	13.8	(40.8)	62.3	6.2x	1.0x	16.9	7.3	(19.0)	(40.2)	0.9
MAPI	780	1,055	820	Hold	5.1	(13.3)	12.9	13.9x	2.1x	16.1	1.3	14.0	27.3	1.2
Property						(33.5)	300.4							
CTRA	615	1,040	810	Buy	31.7	(46.5)	11.4	10.8x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	710	1,485	960	Buy	35.2	(64.7)	9.6	36.4x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,195	1,990	1,840	Buy	54.0	(50.8)	10.7	5.1x	0.7x	14.3	4.3	(35.4)	(65.3)	1.7
Basic Ind.						(8.2)	569.6							
SMGR	9,475	12,000	10,925	Buy	15.3	(18.1)	56.2	21.9x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(32.8)	263.9							
ASII	4,800	6,925	5,800	Buy	20.8	(35.6)	194.3	9.1x	1.3x	14.4	4.5	(9.4)	(7.8)	1.3
Mining						(28.4)	285.8							
TINS	600	825	830	Buy	38.3	(47.1)	4.5	N/A	0.8x	(10.7)	4.2	3.5	N/A	1.5
PTBA	2,030	2,660	2,900	Buy	42.9	(31.4)	23.4	5.9x	1.1x	20.6	16.1	(4.0)	(25.0)	1.2
INCO	2,800	3,640	3,500	Buy	25.0	(10.3)	27.8	18.4x	1.0x	5.6	N/A	38.1	N/A	1.7
ANTM	595	840	600	Hold	0.8	(29.6)	14.3	73.8x	0.8x	1.1	0.5	29.4	(88.1)	1.6
Agriculture						(27.8)	64.3							
AALI	8,200	14,575	10,000	Buy	22.0	(21.2)	15.8	29.0x	0.8x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

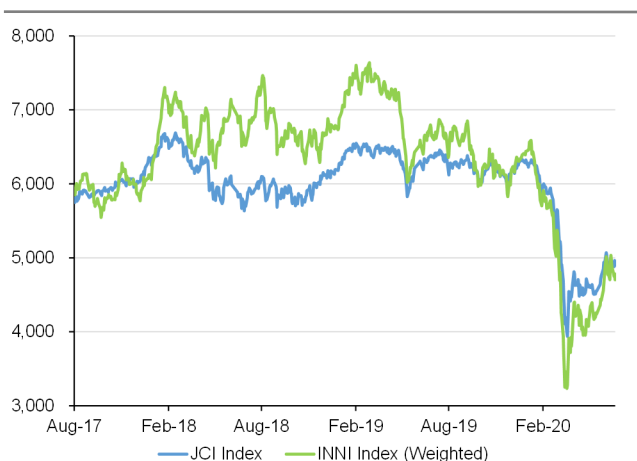
INNI Index Movement

YTD Change	-24.7%
YTD Change Gap (vs JCI)	-2.7%
Weekly Change	-2.2%
Weekly Change Gap (vs JCI)	-1.8%

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 29 - June	GE	19.00	CPI YoY	Jun	0.9%	0.6%	0.6%
Tuesday 30 - June	CH	08.00	Manufacturing PMI	Jun		50.5	50.6
	UK	13.00	GDP QoQ	1Q20		-2.0%	-2.0%
	UK	13.00	GDP YoY	1Q20		-1.6%	-1.6%
	US	21.00	Conf. Board Consumer Confidence	Jun		90.5	86.6
Wednesday 01 - July	CH	08.45	Caixin China PMI Mfg	Jun		50.5	50.7
	UK	13.00	Nationwide House PX MoM	Jun		-0.6%	-1.7%
	UK	13.00	Nationwide House Px NSA YoY	Jun		0.9%	1.8%
	GE	14.55	Markit Germany Manufacturing PMI	Jun		44.6	44.6
	GE	14.55	Unemployment Change (000's)	Jun		120.0k	238.0k
	EC	15.00	Markit Eurozone Manufacturing PMI	Jun		46.9	46.9
	UK	15.30	Markit UK PMI Manufacturing SA	Jun		50.1	50.1
	US	18.00	MBA Mortgage Applications	Jun		--	-8.7%
	US	19.15	ADP Employment Change	Jun		2850k	-2760k
	US	20.45	Markit US Manufacturing PMI	Jun		49.6	49.6
	US	21.00	ISM Manufacturing	Jun		49.5	43.1
Thursday 02 - July	US	19.30	Change in Nonfarm Payrolls	Jun		3000k	2509k
	US	19.30	Unemployment Rate	Jun		12.50%	13.30%
	US	19.30	Initial Jobless Claims	Jun		1350k	1480k
	US	21.00	Durable Goods Orders	May		15.80%	15.80%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday 08 - June	07.30	Markit Indonesia PMI Mfg	Jun			28.6
	11.00	CPI YoY	Jun		1.8%	2.2%

Source: Bloomberg

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