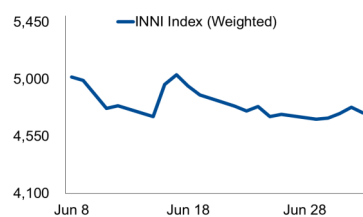


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

External Factors in the Beginning of the Week

After closing early last weekend, the movement of exchanges in the US is predicted to move horizontally this week. Improvements in economic data were still offset by the high rise in positive cases of Covid-19 in early July.

As for the price movement of the JCI at the beginning of this week will be driven more by external sentiment. The movement of world commodity prices and the development of Corona vaccines are some of the issues that can be a market driver.

Company News

WSKT : Planning Divestment of 3 Toll Road Sections

KLBF : Has used IDR600 Billion for Capex

TLKM : Ready to Pay Off IDR2.5 Trillion Due Debt

Domestic & Global News

Consumer Confidence in Government Declines

PMI: Historic Slump Among UK Companies Levels Off in June

Sectors

	Last	Chg.	%
Mining	1,268.50	25.71	2.07%
Basic Industry and Chemicals	750.46	13.24	1.80%
Infrastructure, Utilities, and Transportation	897.58	2.42	0.27%
Trade, Service and Investment	605.60	0.23	0.04%
Consumer Goods	1,815.48	0.48	0.03%
Finance	1,073.30	2.45	-0.23%
Agriculture	1,035.20	3.36	-0.32%
Miscellaneous Industry	874.94	3.18	-0.36%
Property, Real Estate and Construction	321.16	5.10	-1.56%

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	1.96%	2.19%	Cons. Confidence*	77.80	84.80

JCI Index

July 03	4,973.79
Chg.	+7.01pts (+0.14%)
Volume (bn shares)	67.35
Value (IDR tn)	6.14
Adv 176 Dec 222 Unc 305 Untr 133	

INNI Index

Last	4,736.17
Chg.	-42.93pts (-0.90%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
SMGR	+1.8%	KINO	-3.4%
GGRM	+0.5%	MAPI	-3.3%
		CTRA	-3.1%
		WSKT	-2.7%
		TINS	-1.6%

Foreign Transaction

	(IDR bn)
Buy	1,414
Sell	1,320
Net Buy (Sell)	93

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	95.7	UNVR	24.8
TLKM	43.3	TKIM	17.1
BMRI	37.9	WIKA	15.8
INDF	34.9	INTP	15.6
CPIN	33.5	SMRA	14.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.22%	-0.01%
USDIDR	14,523	1.01%
KRWIDR	12.11	1.00%

Global Indices

Index	Last	Chg.	%
Dow Jones	25,827.36	92.39	0.36%
S&P 500	3,130.01	14.15	0.45%
FTSE 100	6,157.30	(83.06)	-1.33%
DAX	12,528.18	(80.28)	-0.64%
Nikkei	22,306.48	160.52	0.72%
Hang Seng	25,373.12	248.93	0.99%
Shanghai	3,152.81	62.24	2.01%
KOSPI	2,152.41	17.04	0.80%
EIDO	18.50	0.26	1.43%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,772.1	(3.3)	-0.19%
Crude Oil (USD/B)	40.65	0.83	2.08%
ICE NewCastle (USD/ton)	55.90	0.10	0.18%
LME Nickel (USD/MT)	12,996	49.0	0.38%
LME Tin (USD/MT)	16,840	10.0	0.06%
CPO (MYR/ton)	2,358	(4.0)	-0.17%

WSKT : Planning Divestment of 3 Toll Road Sections

PT Waskita Karya Tbk (WSKT) plans to divest three toll roads, namely the Bekasi-Cawang-Kampung Melayu Toll Road, the Kanci-Pejagan Toll Road, and the Penjaga-Pemalang Toll Road. This divestment is expected to be carried out this year in order to reduce the balance sheet burden due to the ownership of 16 Toll Road Business Entity (BUJT) which are consolidated with WSKT financial statements. (Bisnis Indonesia)

TLKM : Ready to Pay Off IDR2.5 Trillion Due Debt

PT Telekomunikasi Indonesia Tbk (TLKM) owns bonds and MTN that will mature in 2020 including Telkom Bond II Year 2010 Series B with a principal amount of IDR1.99 trillion on July 6, 2020 and two MTNs with a total of IDR496 billion in September 2020. TLKM will use internal funds to pay off the debt and state that it will not interfere with company liquidity. (Bisnis Indonesia)

KLBF : Has used IDR600 Billion for Capex

PT Kalbe Farma Tbk (KLBF) until semester I / 2020 has spent up to IDR600 billion in capital expenditure, or equivalent to 50% -60% of this year's capital budget of IDR1 trillion. The funds are used for the completion of new factories and warehouse construction. In Semester II / 2020, KLBF plans to launch 1-2 new products. (Bisnis Indonesia)

Domestic & Global News

Consumer Confidence in Government Declines

The government has poured various stimulus in protecting Indonesia's economy amid the threat of Covid-19. However, those efforts appear to have not increased consumer confidence in the government. This is shown in the Consumer Confidence Index in the Government (IKKP) survey results of the Danareksa Research Institute (DRI), where IKKP in June 2020 fell 4.0% MoM to 113.2. (Kontan)

PMI: Historic Slump Among UK Companies Levels Off in June

The historic slump across British businesses levelled off last month as some of the economy reopened following an easing of the coronavirus lockdown, a business survey showed on Friday. The IHS Markit/CIPS UK Services Purchasing Managers' Index (PMI) rose to 47.1 from 29.0 in May, slightly higher than a preliminary reading of 47.0 but still below the 50 threshold for growth. (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						(17.5)	2,032.7							
BBCA	29,350	33,425	28,950	Hold	(1.4)	(1.7)	723.6	24.9x	4.2x	17.6	1.9	13.9	8.5	1.1
BBRI	3,050	4,400	3,010	Hold	(1.3)	(30.7)	376.2	10.9x	2.1x	18.6	5.5	13.0	(0.3)	1.3
Consumer						(24.8)	1,041.5							
GGRM	47,125	53,000	59,550	Buy	26.4	(39.0)	90.7	8.3x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,550	3,430	2,950	Sell	(16.9)	24.1	5.1	18.7x	1.9x	10.5	3.0	11.1	(81.3)	0.9
ICBP	9,425	11,150	9,850	Hold	4.5	(6.7)	109.9	19.3x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,495	1,620	1,630	Hold	9.0	3.8	70.1	27.2x	4.3x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(27.5)	628.19							
TLKM	3,120	3,917	3,800	Buy	21.8	(26.1)	309.1	16.9x	2.9x	17.3	4.9	(1.9)	(5.8)	1.0
JSMR	4,490	5,175	4,600	Hold	2.4	(20.5)	32.6	14.7x	1.7x	12.0	0.3	(45.3)	0.5	1.3
Trade						(24.8)	538.4							
UNTR	17,150	21,525	19,000	Hold	10.8	(38.8)	64.0	6.3x	1.0x	16.9	7.1	(19.0)	(40.2)	0.9
MAPI	740	1,055	820	Hold	10.8	(16.9)	12.3	15.4x	2.1x	14.0	N/A	0.6	N/A	1.2
Property						(33.8)	304.7							
CTRA	620	1,040	810	Buy	30.6	(45.9)	11.5	10.8x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	710	1,485	960	Buy	35.2	(63.8)	9.6	36.4x	0.6x	1.5	0.5	(51.9)	(94.1)	1.7
WIKA	1,205	1,990	1,840	Buy	52.7	(48.3)	10.8	5.2x	0.8x	14.3	4.2	(35.4)	(65.3)	1.7
Basic Ind.						(6.4)	603.3							
SMGR	9,775	12,000	10,925	Hold	11.8	(22.4)	58.0	22.6x	1.8x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(30.5)	265.7							
ASII	4,850	6,925	5,800	Buy	19.6	(32.2)	196.3	9.2x	1.3x	14.4	4.4	(9.4)	(7.8)	1.3
Mining						(24.2)	292.9							
TINS	610	825	830	Buy	36.1	(42.2)	4.5	N/A	0.9x	(10.7)	N/A	3.5	N/A	1.5
PTBA	2,050	2,660	2,900	Buy	41.5	(32.8)	23.6	5.9x	1.2x	20.6	15.9	(4.0)	(25.0)	1.1
INCO	2,920	3,640	3,500	Buy	19.9	1.4	29.0	18.8x	1.0x	5.6	N/A	38.1	N/A	1.7
ANTM	600	840	600	Hold	-	(25.9)	14.4	N/A	0.8x	(1.4)	0.5	(16.3)	N/A	1.6
Agriculture						(25.8)	65.6							
AALI	8,550	14,575	10,000	Buy	17.0	(17.6)	16.5	30.2x	0.9x	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	-23.9%
YTD Change Gap (vs JCI)	-3.0%
Weekly Change	0.3%
Weekly Change Gap (vs JCI)	-1.1%

INNI Market Capitalization

Market Cap (IDR tn)	3,464
Market Cap (%)	47.27

INNI Index



Source: Bloomberg, NHKSI 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	50.9	50.5	50.6
	UK	13.00	GDP QoQ	1Q20	-2.2%	-2.0%	-2.0%
	UK	13.00	GDP YoY	1Q20	-1.7%	-1.6%	-1.6%
	US	21.00	Conf. Board Consumer Confidence	Jun	98.1	90.5	86.6
Wednesday 01 - July	CH	08.45	Caixin China PMI Mfg	Jun	51.2	50.5	50.7
	UK	13.00	Nationwide House PX MoM	Jun	-1.4%	-0.6%	-1.7%
	UK	13.00	Nationwide House Px NSA YoY	Jun	-0.1%	0.9%	1.8%
	GE	14.55	Markit Germany Manufacturing PMI	Jun	45.2	44.6	44.6
	GE	14.55	Unemployment Change (000's)	Jun	69.0k	120.0k	238.0k
	EC	15.00	Markit Eurozone Manufacturing PMI	Jun	47.4	46.9	46.9
	UK	15.30	Markit UK PMI Manufacturing SA	Jun	50.1	50.1	50.1
	US	18.00	MBA Mortgage Applications	Jun	-1.8%	--	-8.7%
	US	19.15	ADP Employment Change	Jun	2369k	2850k	-2760k
	US	20.45	Markit US Manufacturing PMI	Jun	49.8	49.6	49.6
	US	21.00	ISM Manufacturing	Jun	52.6	49.5	43.1
Thursday 02 - July	US	19.30	Change in Nonfarm Payrolls	Jun	4800k	3000k	2509k
	US	19.30	Unemployment Rate	Jun	11.1%	12.5%	13.3%
	US	19.30	Initial Jobless Claims	Jun	1427k	1350k	1480k
	US	21.00	Durable Goods Orders	May	15.7%	15.8%	15.8%

Source: Bloomberg

Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Tuesday 01 - July	07.30	Markit Indonesia PMI Mfg	Jun	39.1	--	28.6
	11.00	CPI YoY	Jun	1.96%	1.84%	2.19%

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 :

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

A Member of NH Investment & Securities Global Network

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