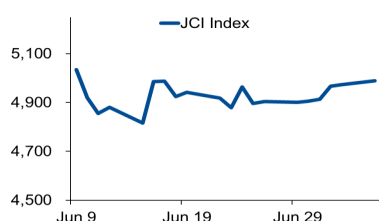


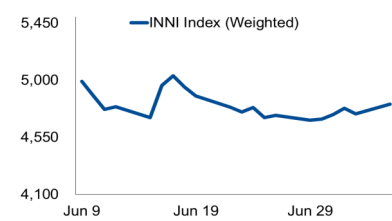
# Morning Brief

Daily | July 07, 2020

## JCI Movement



## INNI Movement



## Today's Outlook:

### Positive Sentiment from Shanghai Exchanges

Major global indices closed higher following the movement of the Shanghai Composite Index which rose 5.71%. DJIA and S&P 500 recorded a significant increase, while the Nasdaq again posted the highest closing record.

The global exchange sentiment will be the main driver of the JCI today. In addition, the increase of Consumer Confidence Index (IKK) in June and the release of foreign exchange reserves data will be a driving factor from within the country.

## Company News

- BBRI : Distributed IDR56 Trillion KUR During Pandemic
- ANTM : Actively Looking for New Reserves
- WIKA : Solvency Ratio Still Safe

## Domestic & Global News

- BI: Consumers at Pessimistic Level in the Quarter II-2020
- U.S. Service Sector Rebounds Strongly in June

## Sectors

	Last	Chg.	%
Mining	1,286.89	18.39	1.45%
Agriculture	1,045.46	10.25	0.99%
Basic Industries	757.40	6.94	0.93%
Finance	1,078.40	5.10	0.48%
Trade, Services, and Investment	606.64	1.04	0.17%
Miscellaneous Industry	875.38	0.44	0.05%
Consumer Goods	1,815.51	0.03	0.00%
Infrastructure, Utilities and Transportation	894.66	2.90	-0.32%
Property, Real Estate and Construction	319.38	1.77	-0.55%

## 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 06	4,988.86
Chg.	+15.07pts (+0.30%)
Volume (bn shares)	79.06
Value (IDR tn)	6.72
<b>Adv 226 Dec 185 Unc 293 Untr 135</b>	

## INNI Index

Last	4,808.48
Chg.	+68.12pts (+1.44%)

## INNI's Top Gainers & Losers

Gainers	%	Losers	%
INCO	+7.2%	MAPI	-2.7%
ANTM	+6.7%	TLKM	-2.2%
TINS	+4.9%	GGRM	-0.8%
KLBF	+2.3%	CTRA	-0.8%
SMGR	+1.8%	JSMR	-0.7%

## Foreign Transaction

	(IDR bn)
Buy	1,776
Sell	2,324
Net Buy (Sell)	547

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	152.7	TLKM	292.4
CPIN	50.6	BBRI	189.8
UNTR	10.4	TOWR	55.5
SMGR	10.0	WIKA	36.9
MDKA	9.2	BMRI	33.9

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.23%	0.01%
USDIDR	14,490	-0.23%
KRWIDR	12.14	0.29%

## Global Indices

Index	Last	Chg.	%
Dow Jones	26,287.03	459.67	1.78%
S&P 500	3,179.72	49.71	1.59%
FTSE 100	6,285.94	128.64	2.09%
DAX	12,733.45	205.27	1.64%
Nikkei	22,714.44	407.96	1.83%
Hang Seng	26,339.16	966.04	3.81%
Shanghai	3,332.88	180.07	5.71%
KOSPI	2,187.93	35.52	1.65%
EIDO	18.86	0.36	1.95%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,784.7	8.7	0.49%
Crude Oil (USD/B)	40.63	(0.02)	-0.05%
ICE NewCastle (USD/ton)	56.90	1.00	1.79%
LME Nickel (USD/MT)	13,336	340.0	2.62%
LME Tin (USD/MT)	17,010	170.0	1.01%
CPO (MYR/ton)	2,391	33.0	1.40%

### **BBRI : Distributed IDR56 Trillion KUR During Pandemic**

PT Bank Rakyat Indonesia Tbk (BBRI) has implemented the PEN program during the pandemic by continuing to extend credit especially to MSMEs. During the pandemic period, BBRI succeeded in distributing IDR56 trillion in People's Business Loans (KUR) with an initial target of IDR120 trillion. BBRI also said it had saved 2.7 million MSMEs from bankruptcy from May to June 2020. (Kontan)

### **ANTM : Actively Looking for New Reserves**

PT Aneka Tambang Tbk (ANTM) continues to actively search for new reserves and gold resources while world gold prices continue to rise. Currently ANTM is still active in gold exploration in Pongkor and Cibaliung with a volume of 2 tonnes per year. The ANTM hopes the rising trend of gold can be a positive catalyst that can help ANTM's operational performance and market adaptation. (Kontan)

### **WIKA : Solvency Ratio Still Safe**

PT Wijaya Karya Tbk (WIKA) recorded gearing ratios and DER 1.04x and 2.5x respectively with the company's limit at 2.5x on gearing ratio and 3.5x on DER. These conditions means WIKA is still optimistic about the condition of the company which is still at a safe level. Meanwhile, Cash and Cash Equivalent 1Q20 owned by WIKA is currently in the position of IDR 7.5 trillion with a maturing debt of IDR 6.5 trillion. (Kontan)

## Domestic & Global News

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### **BI: Consumers at Pessimistic Level in the Quarter II-2020**

Consumers seem pessimistic about economic conditions in the second quarter of 2020. This can be seen from the Consumer Survey (SK) of Bank Indonesia (BI) which shows that the Consumer Confidence Index (IKK) for the quarter was 82.1. (Kontan)

### **U.S. Service Sector Rebounds Strongly in June**

U.S. services industry activity rebounded sharply in June, almost returning to its pre-COVID-19 pandemic levels, but a resurgence in coronavirus cases that has forced some restaurants and bars to close again threatens the emerging recovery. The Institute for Supply Management (ISM) said on Monday its non-manufacturing activity index jumped to a reading of 57.1 last month, the highest since February, from 45.4 in May. It has bounced back from a reading of 41.8 in April, which was the lowest since March 2009. (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
<b>Finance</b>						(17.1)	2,042.3							
BBCA	29,675	33,425	28,950	Hold	(2.4)	(0.6)	731.6	25.2x	4.3x	17.6	1.9	13.9	8.5	1.1
BBRI	3,040	4,400	3,010	Hold	(1.0)	(30.9)	375.0	10.8x	2.1x	18.6	5.5	13.0	(0.3)	1.3
<b>Consumer</b>						(24.8)	1,041.5							
GGRM	46,725	53,000	59,550	Buy	27.4	(39.5)	89.9	8.2x	1.7x	21.8	5.6	4.1	3.9	0.9
KINO	3,530	3,430	2,950	Sell	(16.4)	23.4	5.0	18.6x	1.9x	10.5	3.1	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	1,530	1,620	1,630	Hold	6.5	6.3	71.7	27.8x	4.4x	16.3	1.3	8.0	12.5	1.1
<b>Infrastructure</b>						(27.8)	626.15							
TLKM	3,050	3,917	3,800	Buy	24.6	(27.8)	302.1	16.5x	2.8x	17.3	5.1	(1.9)	(5.8)	1.0
JSMR	4,460	5,175	4,600	Hold	3.1	(21.1)	32.4	14.6x	1.7x	12.0	0.3	(45.3)	0.5	1.3
<b>Trade</b>						(24.7)	539.5							
UNTR	17,225	21,525	19,000	Hold	10.3	(38.5)	64.3	6.4x	1.0x	16.9	7.0	(19.0)	(40.2)	0.9
MAPI	720	1,055	820	Hold	13.9	(19.1)	12.0	15.0x	2.0x	14.0	N/A	0.6	N/A	1.2
<b>Property</b>						(34.2)	303.0							
CTRA	615	1,040	810	Buy	31.7	(46.3)	11.4	10.8x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	720	1,485	960	Buy	33.3	(63.3)	9.8	36.9x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,200	1,990	1,840	Buy	53.3	(48.5)	10.8	5.1x	0.8x	14.3	4.2	(35.4)	(65.3)	1.7
<b>Basic Ind.</b>						(5.6)	608.9							
SMGR	9,950	12,000	10,925	Hold	9.8	(21.0)	59.0	23.0x	1.8x	8.0	0.4	5.6	66.7	1.3
<b>Misc Ind.</b>						(30.5)	265.9							
ASII	4,840	6,925	5,800	Buy	19.8	(32.3)	195.9	9.2x	1.3x	14.4	4.4	(9.4)	(7.8)	1.3
<b>Mining</b>						(23.1)	297.2							
TINS	640	825	830	Buy	29.7	(39.3)	4.8	N/A	0.9x	(10.7)	N/A	3.5	N/A	1.5
PTBA	2,070	2,660	2,900	Buy	40.1	(32.1)	23.8	6.0x	1.2x	20.6	15.8	(4.0)	(25.0)	1.1
INCO	3,130	3,640	3,500	Hold	11.8	8.7	31.1	20.3x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	640	840	600	Hold	(6.3)	(21.0)	15.4	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
<b>Agriculture</b>						(25.1)	66.2							
AALI	8,600	14,575	10,000	Buy	16.3	(17.1)	16.6	30.4x	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	-22.7%
YTD Change Gap (vs JCI)	-2.1%
Weekly Change	2.7%
Weekly Change Gap (vs JCI)	0.9%

### 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
<b>Monday</b>	GE	13.00	Factory Orders MoM	May	10.4%	15.4%	-25.8%
<i>06 - July</i>	UK	15.30	Markit/CIPS UK Construction PMI	June	55.3	46	28.9
	US	20.45	Markit US Services PMI	June	47.9	47	46.7
	US	20.45	Markit US Composite PMI	June	47.9	-	46.8
	US	21.00	ISM Non-Manufacturing Index	June	57.1	50	45.4
<b>Tuesday</b>	GE	13.00	Industrial Production SA MoM	May		11.0%	-17.9%
<i>07 - July</i>							
<b>Wednesday</b>	US	18.00	MBA Mortgage Applications	July		-	-1.8%
<i>08 - July</i>							
<b>Thursday</b>	CH	08.30	PPI YoY	June		-3.2%	-3.7%
<i>09 - July</i>	CH	08.30	CPI YoY	June		2.5%	2.4%
	US	19.30	Initial Jobless Claims	july		-	1427k
	US	21.00	Wholesale Inventories MoM	May		-1.2%	-1.2%
<b>Friday</b>	US	19.30	PPI Final Demand MoM	June		0.4%	0.4%
<i>10 - July</i>							

Source: Bloomberg

## Domestic Economic Calendar

Date	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Tuesday</b>	10.00	Foreign Reserves	June		-	\$130.50b
<i>07 - July</i>						

Source: Bloomberg

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