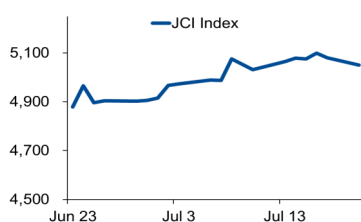


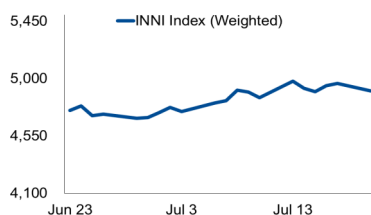
Morning Brief

Daily | July 21, 2020

JCI Movement



INNI Movement



Today's Outlook:

Restrained due to Rupiah Slumping

The S&P 500 and Nasdaq Index closed significantly higher, while the Dow Jones rose slightly. Investors are starting to take positions ahead of the release of performance data for several major companies this week. Meanwhile, news of the Covid-19 vaccine from Oxford University also became a positive catalyst.

Domestically, the JCI movement was restrained by the weakening of Rupiah against US Dollar, which had redeemed IDR14,800 /USD. However, news of the development of the Covid-19 vaccine and the agreement on a new stimulus package are expected to be able to hold the pace of the index down.

Company News

- BBCA : Wealth Management AUM Grows
- BMRI : Optimization of Asset Auction to Press NPL
- BSDE : Marketing Sales Up in the 1H20
- TPIA : Bags Funding from DBS Indonesia Bank

Domestic & Global News

Directorate General of Taxes' Tax Revenue Grew 45.32% Until June
Hong Kong's April-June Unemployment Rises to 6.2%

Sectors

	Last	Chg.	%
Miscellaneous Industry	909.71	14.93	-1.62%
Mining	1,295.23	16.44	-1.25%
Property, Real Estate, and Construction	306.12	3.13	-1.01%
Basic Industries	779.41	5.98	-0.76%
Trade, Services and Investment	603.92	3.86	-0.64%
Finance	1,093.08	6.92	-0.63%
Infrastructure, Utilities, and Transportation	886.05	5.03	-0.57%
Consumer Goods	1,866.00	1.76	0.09%
Agriculture	1,146.97	33.25	2.99%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.25%	Real GDP	2.97%	4.97%
FX Reserve (USD bn)	131.70	130.50	Current Acc (USD bn)	(3.92)	(8.08)
Trd Balance (USD bn)	1.27	2.09	Govt. Spending Yoy	3.74%	0.48%
Exports Yoy	2.28%	-28.95%	FDI (USD bn)	4.51	4.60
Imports Yoy	-6.36%	-42.20%	Business Confidence	104.82	105.33
Inflation Yoy	1.96%	2.19%	Cons. Confidence*	83.80	77.80

JCI Index

July 20	5,051.10
Chg.	-28.47pts (-0.56%)
Volume (bn shares)	85.84
Value (IDR tn)	6.57
Adv 132 Dec 299 Unc 276 Untr 126	

INNI Index

Last	4,902.77
Chg.	-59.10pts (-1.19%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
AALI	+3.0%	JWIKA	-3.6%
KLBF	+1.4%	JSMR	-3.6%
SMGR	+1.1%	CTRA	-3.1%
ICBP	+0.5%	PTBA	-2.8%
BBCA	+0.3%	INCO	-2.2%

Foreign Transaction

	(IDR bn)
Buy	1,596
Sell	1,352
Net Buy (Sell)	243

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	97.4	BBRI	55.8
ICBO	42.2	INTP	30.1
ASII	13.4	TLKM	21.0
BMRI	12.1	BBNI	16.8
UNVR	10.8	INDF	16.4

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.08%	0.02%
USDIDR	14,785	0.56%
KRWIDR	12.29	0.70%

Global Indices

Index	Last	Chg.	%
Dow Jones	26,680.87	8.92	0.03%
S&P 500	3,251.84	27.11	0.84%
FTSE 100	6,261.52	(28.78)	-0.46%
DAX	13,046.92	127.31	0.99%
Nikkei	22,717.48	21.06	0.09%
Hang Seng	25,057.99	(31.18)	-0.12%
Shanghai	3,314.15	100.02	3.11%
KOSPI	2,198.20	(2.99)	-0.14%
EIDO	18.60	(0.24)	-1.27%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,817.8	7.4	0.41%
Crude Oil (USD/B)	40.81	0.22	0.54%
ICE NewCastle (USD/ton)	53.90	(0.60)	-1.10%
LME Nickel (USD/MT)	13,236	16.0	0.12%
LME Tin (USD/MT)	17,360	30.0	0.17%
CPO (MYR/ton)	2,661	47.0	1.80%

BBCA : Wealth Management AUM Grows

PT Bank Central Asia Tbk (BBCA) posted AUM growth in May of 15% YoY, which was driven by customers' interest in buying government bonds since February. This performance is supported by the convenience for customers to access BCA's Wealth Management Mobile Application (WELMA). BBCA is also optimistic that the wealth management business will increase as the financial sector begins to improve. (Bisnis Indonesia)

BSDE : Marketing Sales Up in the 1H20

PT Bumi Serpong Damai Tbk (BSDE) recorded marketing sales of IDR2.9 trillion in 1H20, up 6% YoY which was equivalent to 40% of the company's initial yearly target. This performance was supported by the launch of the Move in Quickly (MIQ) program at the end of March which contributed around IDR650 billion to marketing sales. During the pandemic, BSDE still plans to spur the MIOQ program in 2H20 to pursue the 2020 marketing sales target. (Kontan)

BMRI : Optimization of Asset Auction to Press NPL

PT Bank Mandiri Tbk (BMRI) will optimize the auction of mortgage rights execution and fiduciary guarantees which are managed and in collaboration with the Directorate General of State Assets. The auction is one of BMRI's efforts to reduce the NPL ratio by getting good and safe recovery asset. Throughout 1H20, the auction was able to raise IDR163 billion in funds through the e-auction process. (Investor Daily)

TPIA : Bags Funding from DBS Indonesia Bank

PT Chandra Asri Petrochemical Tbk (TPIA) obtained funding of USD195 million from DBS Bank Indonesia which will be allocated for working capital needs. The fund will also be used by TPIA to boost the growth of the downstream petrochemical business in Indonesia. TPIA as a corporate customer of Bank Indonesia DBS is also facilitated with the features of DBS Rapid to simplify the process of transferring money. (Kontan)

Domestic & Global News

Directorate General of Taxes' Tax Revenue Grew 45.32% Until June

The Ministry of Finance (Kemenkeu) noted, in the first half of 2020 the realization of the Directorate General of Customs and Excise (DJBC) revenue reached IDR93.21 trillion or grew by 45.32% of the Perpres target of 72/2020. tax revenue grew 8.84% driven by excise revenue which grew 13% year on year (yoy) compared to 2019. (Kontan)

Hong Kong's April-June Unemployment Rises to 6.2%

Hong Kong's seasonally adjusted unemployment rate rose to 6.2% in the April-to-June period, the highest in more than 15 years, as the coronavirus outbreak restricted activity in an economy already in recession. The jobless rate rose from 5.9% in the March to May period, the government said on Monday. The underemployment rate hit 3.7%, the highest in close to 17 years, from 3.5% in the previous three-month rolling period. (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)	2,073.2							
BBCA	30,700	33,425	28,950	Hold	(5.7)	(1.0)	756.9	26.0x	4.4x	17.6	1.8	13.9	8.5	1.1
BBRI	3,050	4,400	3,010	Hold	(1.3)	(31.9)	376.2	10.9x	2.1x	18.6	5.5	13.0	(0.3)	1.3
Consumer						(22.9)	1,070.5							
GGRM	49,300	53,000	59,550	Buy	20.8	(37.8)	94.9	8.6x	1.8x	21.8	5.3	4.1	3.9	0.9
KINO	3,280	3,430	2,950	Hold	(10.1)	12.3	4.7	17.3x	1.7x	10.5	3.3	11.1	(81.3)	0.9
ICBP	9,325	11,150	9,850	Hold	5.6	(14.1)	108.7	19.1x	4.0x	22.6	1.5	6.7	47.8	0.8
KLBF	1,485	1,620	1,630	Hold	9.8	(0.3)	69.6	27.0x	4.2x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(28.7)	620.12							
TLKM	3,060	3,917	3,800	Buy	24.2	(27.4)	303.1	16.6x	2.8x	17.3	5.0	(1.9)	(5.8)	1.0
JSMR	4,240	5,175	4,600	Hold	8.5	(31.9)	30.8	13.9x	1.6x	12.0	0.4	(45.3)	0.5	1.3
Trade						(26.3)	537.1							
UNTR	18,400	21,525	19,000	Hold	3.3	(32.5)	68.6	6.8x	1.1x	16.9	6.6	(19.0)	(40.2)	0.9
MAPI	685	1,055	870	Buy	27.0	(26.7)	11.4	14.2x	1.9x	14.0	N/A	0.6	N/A	1.2
Property						(38.5)	290.4							
CTRA	625	1,040	810	Buy	29.6	(47.5)	11.6	10.9x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	710	1,485	820	Buy	15.5	(66.7)	9.6	36.4x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,205	1,990	1,840	Buy	52.7	(50.8)	10.8	5.2x	0.8x	14.3	4.2	(35.4)	(65.3)	1.8
Basic Ind.						(6.8)	626.6							
SMGR	9,450	12,000	10,925	Buy	15.6	(24.9)	56.1	21.8x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(27.9)	276.3							
ASII	5,100	6,925	5,800	Hold	13.7	(28.2)	206.5	9.7x	1.3x	14.4	4.2	(9.4)	(7.8)	1.3
Mining						(21.8)	299.5							
TINS	630	825	830	Buy	31.7	(41.9)	4.7	N/A	1.0x	(22.6)	N/A	5.2	N/A	1.5
PTBA	2,080	2,660	2,900	Buy	39.4	(27.8)	24.0	6.0x	1.2x	20.6	15.7	(4.0)	(25.0)	1.1
INCO	3,130	3,640	3,500	Hold	11.8	(0.3)	31.1	19.8x	1.1x	5.6	N/A	38.1	N/A	1.6
ANTM	650	840	600	Hold	(7.7)	(30.9)	15.6	N/A	0.9x	(1.4)	0.4	(16.3)	N/A	1.5
Agriculture						(15.7)	73.3							
AALI	9,425	14,575	10,000	Hold	6.1	(6.9)	18.1	33.3x	1.0x	2.9	0.5	13.3	891.7	1.4

* Target Price

Source: Bloomberg, NHKSI Research

INNI Summary

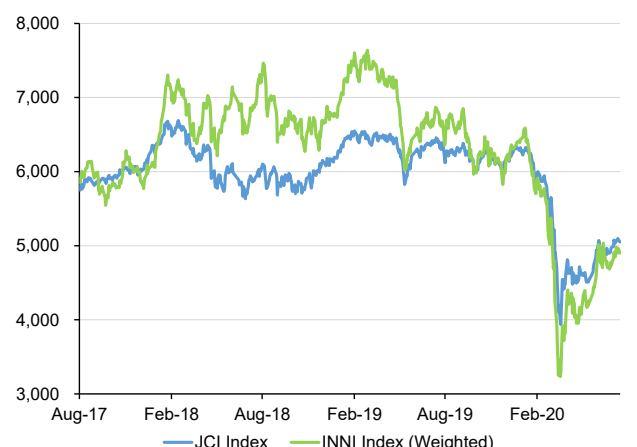
INNI Index Movement

YTD Change	-21.2%
YTD Change Gap (vs JCI)	-1.6%
Weekly Change	-1.6%
Weekly Change Gap (vs JCI)	-1.3%

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
Wednesday	US	18:00	MBA Mortgage Applications	Jun			5.1%
22 - July	US	21:00	Existing Home Sales	May		4.80m	3.91m
Thursday	US	19:30	Initial Jobless Claims	Jul			1300k
23 - July	US	21:00	Leading Index	Jun		2.4%	2.8%
Friday	UK	13:00	Retail Sales Ex Auto Fuel MoM	Jun			10.2%
24 - July	UK	13:00	Retail Sales Inc Auto Fuel MoM	Jun		9.0%	12.0%
	GE	14:30	Markit Germany Manufacturing PMI	Jul		47	45.2
	EC	15:00	Markit Eurozone Manufacturing PMI	Jul		49.3	47.4
	UK	15:30	Markit UK PMI Manufacturing SA	Jul		52	50.1
	US	20:40	Markit US Manufacturing PMI	Jul		52	49.8
	US	21:00	New Home Sales	Jun		700k	676k

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	STTP, DUTI
20 - July	RUPS	NFCX, MCAS, ISAT, AMAG
	IPO	PPGL
	Warrant Seri 1	PPGL
Tuesday	Dividend	KEJU
21 - July	RUPS	TFAS, NIKL, FISH, DIVA, BUKK
Wednesday	Dividend	ASBI
22 - July	RUPS	SUPR, SOTS, SHIP, SAPX, LPLI
Thursday	RUPS	WINS, VOKS, KDSI, BUMI, BJTM, ABDA
23 - July		
Friday	RUPS	UNVR, SOCI, SMSM, RELI, RANC, PBSA, NOBU, ITIC, INDX
24 - July		

Source: RTI Analytics

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