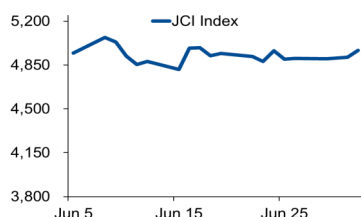
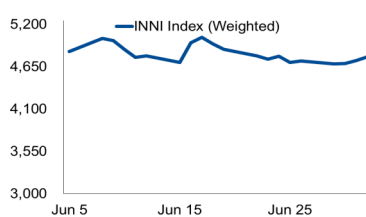


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

US Employment Data Far Beyond Estimates

Main US indices all closed stronger in accordance to the June employment data which recorded 4.8 million new jobs or far beyond the economists' expectations of 2.9 million. With the additional jobs, unemployment rate has dropped from 13.3% in May to 11.1%. Meanwhile the US exchanges will close early this weekend to welcome the celebration of the US Independence Day.

The strengthening global economic data will bring positive sentiment to the JCI movement today, and continuing the hike from yesterday. However, investors must pay close attention to the high number of new cases of Covid-19, which has just been received as many as 1,624 cases daily.

Company News

- UNVR : Supplies Stay Safe Even though Factory Closed
- BBRI : Building Cooperation with Google Cloud
- WIKA : Distributed Assistance for Covid-19 Patients

Domestic & Global News

Quarter II-2020, the Government Earns IDR304 Trillion from SUN and SBSN
U.S. Factory Orders Rebound in May

Sectors

	Last	Chg.	%
Property, Real Estate and Construction	318.84	7.42	2.33%
Infrastructure, Utilities, and Transportation	887.78	17.38	1.98%
Basic Industry and Chemicals	724.44	12.79	1.76%
Consumer Goods	1,786.43	28.57	1.60%
Miscellaneous Industry	867.91	10.20	1.18%
Finance	1,070.55	5.20	0.49%
Agriculture	1,033.61	4.95	0.48%
Mining	1,237.13	5.66	0.46%
Trade, Service and Investment	605.02	0.35	0.06%

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 02	4,966.78
Chg.	+52.39pts (+1.07%)
Volume (bn shares)	77.21
Value (IDR tn)	7.62
Adv 218 Dec 191 Unc 294 Untr 144	

INNI Index

Last	4,799.10
Chg.	49.97pts (+1.06%)

INNI's Top Gainers & Losers

Gainers	%	Losers	%
CTRA	+6.6%	MAPI	-2.9%
WIKA	+5.2%	PTBA	-1.0%
WSKT	+5.0%	SMGR	-0.3%
INCO	+5.0%	KINO	-0.3%
TINS	+4.2%	GGRM	-0.3%

Foreign Transaction

	(IDR bn)
Buy	2,065
Sell	2,275
Net Buy (Sell)	210

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	193.7	BBRI	260.6
TLKM	85.2	PGAS	56.0
ICBP	37.1	TKIM	47.2
UNVR	31.9	WIKA	45.9
INDF	28.1	MNCN	45.7

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.23%	-0.01%
USDIDR	14,378	0.67%
KRWIDR	11.99	1.10%

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	6,240.36	82.40	1.34%
DAX	12,608.46	347.89	2.84%
Nikkei	22,145.96	24.23	0.11%
Hang Seng	25,124.19	697.00	2.85%
Shanghai	3,090.57	64.59	2.13%
KOSPI	2,135.37	28.67	1.36%
EIDO	18.50	0.26	1.43%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,775.4	5.3	0.30%
Crude Oil (USD/B)	40.65	0.83	2.08%
ICE NewCastle (USD/ton)	55.80	1.50	2.76%
LME Nickel (USD/MT)	12,947	100.0	0.78%
LME Tin (USD/MT)	16,830	80.0	0.48%
CPO (MYR/ton)	2,362	35.0	1.50%

UNVR : Supplies Stay Safe Even though Factory Closed

PT Unilever Indonesia Tbk (UNVR) closed one of the factories in Cikarang an engineering employee was confirmed positive for Covid-19. UNVR stated that the incident will not affect supply to consumers because the existing stock in the UNVR warehouse and in the distributor and customer warehouses are still sufficient. (CNBC)

BBRI : Building Cooperation with Google Cloud

PT Bank Rakyat Indonesia Tbk (BBRI) cooperates with Google Cloud to expand the reach and capacity of digital technology services for MSME businesses. The aim is to foster the people's economy, create new micropreneurs, and create advantages for BBRI in creating Artificial Intelligence. (CNBC)

WIKA : Distributed Assistance for Covid-19 Patients

PT Wijaya Karya Tbk (WIKA) distributed assistance for the countermeasures of Covid-19 with funds originating from the directors' and commissioner's holiday allowances. This assistance will be used by the East Jakarta Regional Government to purchase herbal supplements to support the speedy recovery of Covid-19 patients. Until now the total assistance that has been distributed by WIKA is IDR2.93 billion. (Kontan)

Domestic & Global News

Quarter II-2020, the Government Earns IDR304 Trillion from SUN and SBSN

The government has earned IDR304 trillion during the second quarter of 2020 through auctions, additional auctions, and private placements of Government Debt Securities (SUN) and Islamic Government Bonds (SBSN). In detail, the issuance of SUN reached IDR93.65 trillion and SBSN reached IDR110.35 trillion. (Kompas)

U.S. Factory Orders Rebound in May

New orders for U.S.-made goods rebounded in May, suggesting a turnaround in manufacturing, though business spending will likely contract again in the second quarter amid cheaper crude oil as the COVID-19 pandemic depressed global growth. The Commerce Department said on Thursday factory orders increased 8.0% after falling 13.5% in April. Economists polled by Reuters had forecast factory orders increasing 8.9% in May. (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						(17.8)	2,037.2							
BBCA	29,350	33,425	28,950	Hold	(1.4)	(2.2)	723.6	24.9x	4.2x	17.6	1.9	13.9	8.5	1.1
BBRI	3,060	4,400	3,010	Hold	(1.6)	(30.5)	377.4	10.9x	2.1x	18.6	5.5	13.0	(0.3)	1.3
Consumer						(24.0)	1,041.3							
GGRM	46,850	53,000	59,550	Buy	27.1	(39.7)	90.1	8.2x	1.7x	21.8	5.5	4.1	3.9	0.9
KINO	3,570	3,430	2,950	Sell	(17.4)	23.1	5.1	18.8x	1.9x	10.5	3.0	11.1	(81.3)	0.9
ICBP	9,550	11,150	9,850	Hold	3.1	(5.7)	111.4	19.6x	4.1x	22.6	1.4	6.7	47.8	0.8
KLBF	1,495	1,620	1,630	Hold	9.0	3.5	70.1	27.2x	4.3x	16.3	1.3	8.0	12.5	1.1
Infrastructure						(26.9)	626.49							
TLKM	3,140	3,917	3,800	Buy	21.0	(24.9)	311.1	17.0x	2.9x	17.3	4.9	(1.9)	(5.8)	1.0
JSMR	4,490	5,175	4,600	Hold	2.4	(22.6)	32.6	14.7x	1.7x	12.0	0.3	(45.3)	0.5	1.3
Trade						(24.8)	538.2							
UNTR	17,150	21,525	19,000	Hold	10.8	(39.3)	64.0	6.3x	1.0x	16.9	7.1	(19.0)	(40.2)	0.9
MAPI	765	1,055	820	Hold	7.2	(13.6)	12.7	15.9x	2.1x	14.0	N/A	0.6	N/A	1.2
Property						(32.7)	309.5							
CTRA	645	1,040	810	Buy	25.6	(42.9)	12.0	11.3x	0.8x	7.2	1.6	(8.3)	(33.3)	1.5
WSKT	735	1,485	960	Buy	30.6	(63.0)	10.0	37.7x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,225	1,990	1,840	Buy	50.2	(49.2)	11.0	5.2x	0.8x	14.3	4.2	(35.4)	(65.3)	1.7
Basic Ind.						(7.9)	592.7							
SMGR	9,625	12,000	10,925	Hold	13.5	(24.2)	57.1	22.2x	1.7x	8.0	0.4	5.6	66.7	1.3
Misc Ind.						(31.1)	266.7							
ASII	4,870	6,925	5,800	Buy	19.1	(33.1)	197.2	9.3x	1.3x	14.4	4.4	(9.4)	(7.8)	1.3
Mining						(25.1)	287.0							
TINS	620	825	830	Buy	33.9	(40.1)	4.6	N/A	0.9x	(10.7)	N/A	3.5	N/A	1.5
PTBA	2,070	2,660	2,900	Buy	40.1	(31.0)	23.8	6.0x	1.2x	20.6	15.8	(4.0)	(25.0)	1.2
INCO	2,940	3,640	3,500	Buy	19.0	0.3	29.2	19.0x	1.0x	5.6	N/A	38.1	N/A	1.7
ANTM	610	840	600	Hold	(1.6)	(25.2)	14.7	N/A	0.8x	(1.4)	0.5	(16.3)	N/A	1.6
Agriculture						(26.0)	65.8							
AALI	8,450	14,575	10,000	Buy	18.3	(19.1)	16.3	29.9x	0.9x	2.9	0.6	13.3	891.7	1.4

* Target Price for December 2020

Source: Bloomberg, NHKSI Research

INNI Summary

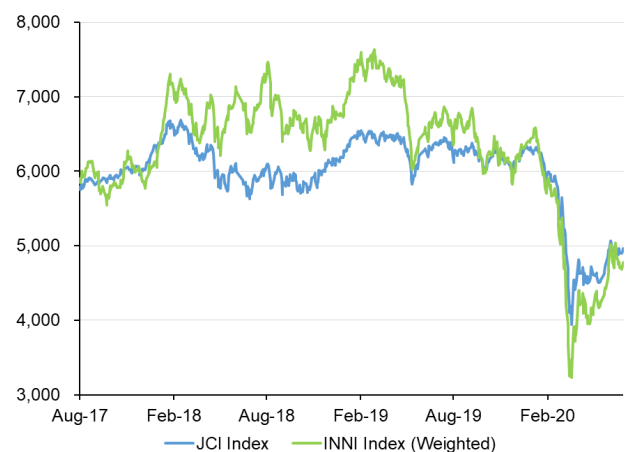
INNI Index Movement

YTD Change	-23.2%
YTD Change Gap (vs JCI)	-2.2%
Weekly Change	1.6%
Weekly Change Gap (vs JCI)	0.2%

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 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

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