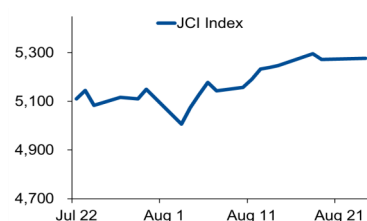
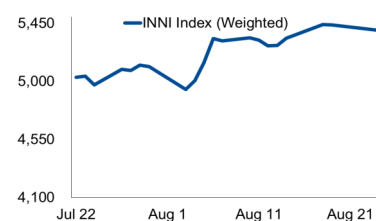


# Morning Brief

## JCI Movement



## INNI Movement



## Today's Outlook:

### Vaccine Development Sentiment

US markets continued to rally (24/08/2020) with the S&P 500 and Nasdaq again setting new highs. The market has enthusiastically welcomed the FDA's decision to approve the use of blood plasma as a cure for Covid-19 patients.

From the domestic market, JCI today has the opportunity to continue yesterday's slight strengthening in line with the increases experienced by almost all global exchanges. The JCI has also received positive wind from the Covid-19 vaccine distribution agreement that has been signed with the Chinese side.

## Company News

- GGRM : Sales Volume Decreases in 1H20
- SMBR : Develops White Clay and Mortar Products
- MIKA : Prepares Funds for Hospital Expansions
- ADHI : Completes Longest LRT Rail in Indonesia

## Domestic & Global News

- April-July 2020 Tax Incentive Absorption Slows
- Singapore's Core Inflation Gauge Hits Lowest in Over a Decade

## Sectors

	Last	Chg.	%
Property, Real Estate, and Construction	300.64	4.10	1.39%
Finance	1,188.23	5.73	0.48%
Miscellaneous Industry	942.74	1.24	0.13%
Consumer Goods	1,942.56	1.20	-0.06%
Infrastructure, Utilities, and Transportation	881.02	0.88	-0.10%
Trade, Services, and Investment	631.06	2.96	-0.47%
Mining	1,418.77	6.96	-0.49%
Basic Industries	758.09	4.63	-0.61%
Agriculture	1,173.80	13.84	-1.17%

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.00%	4.25%	Real GDP	-5.32%	2.97%
FX Reserve (USD bn)	135.10	131.70	Current Acc (USD bn)	(2.90)	(8.08)
Trd Balance (USD bn)	3.26	1.27	Govt. Spending Yoy	-6.90%	3.75%
Exports Yoy	-9.90%	2.28%	FDI (USD bn)	4.07	4.60
Imports Yoy	-32.55%	-6.36%	Business Confidence	104.82	105.33
Inflation Yoy	1.54%	1.96%	Cons. Confidence*	86.20	83.80

## JCI Index

Aug. 24	5,277.04
Chg.	+4.23pts (+0.08%)
Volume (bn shares)	152.50
Value (IDR tn)	9.29
<b>Adv 228 Dec 211 Unc 268 Untr 112</b>	

## Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	701.3	ENVY	312.6
BRIS	582.2	BBNI	268.6
BBKP	423.8	PGAS	232.1
BBCA	422.4	TLKM	230.3
BMRI	397.3	TOWR	199.7

## Foreign Transaction

(IDR bn)			
Buy			
Buy	2,344		
Sell			
Sell	2,982		
Net Buy (Sell)	638		
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	159.7	BMRI	206.3
BRIS	19.1	BBNI	136.4
CTRA	15.1	TLKM	81.2
PTBA	13.0	BBCA	56.1
MDKA	10.9	TOWR	54.7

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.70%	-0.01%
USDIDR	14,671	-0.69%
KRWIDR	12.35	-0.82%

## Global Indices

Index	Last	Chg.	%
Dow Jones	28,308.46	378.13	1.35%
S&P 500	3,431.28	34.12	1.00%
FTSE 100	6,104.73	102.84	1.71%
DAX	13,066.54	301.74	2.36%
Nikkei	22,985.51	65.21	0.28%
Hang Seng	25,551.58	437.74	1.74%
Shanghai	3,385.64	4.96	0.15%
KOSPI	2,329.83	25.24	1.10%
EIDO	19.75	0.26	1.33%

## Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,928.9	(11.6)	-0.60%
Crude Oil (USD/B)	42.62	0.28	0.66%
ICE NewCastle (USD/ton)	49.50	(0.60)	-1.20%
LME Nickel (USD/MT)	14,926	235.0	1.60%
LME Tin (USD/MT)	17,310	(260.0)	-1.48%
CPO (MYR/ton)	2,662	(19.0)	-0.71%

### **GGRM : Sales Volume Decreases in 1H20**

PT Gudang Garam Tbk (GGRM) recorded sales volume in 1H20 of 42.5 billion units, down 8.8% YoY. This occurred due to the decrease in sales of machine-made kretek cigarettes with low tar nicotine (SKM LTN) by 45% YoY in 1H20. However, GGRM's revenue in 1H20 continued to increase thanks to the selling price of products such as Surya and Gudang Garam International, which increased from February 2020. (Kontan)

### **MIKA : Prepares Funds for Hospital Expansions**

PT Mitra Keluarga Karyasehat Tbk (MIKA) continues to expand by preparing funds of up to IDR400 billion to build two hospitals in 2021. Both will become the 27th and 28th hospitals owned by MIKA with development targets in 4Q19 and 1Q20 respectively. Meanwhile, MIKA will use the remaining proceeds from the IPO in 2015 to expand the hospital in 2021. (Bisnis Indonesia)

### **SMBR : Develops White Clay and Mortar Products**

PT Semen Baturaja Tbk (SMBR) has developed downstream products, namely white clay and mortar products this year. SMBR plans to market the product in 2H20 after successfully conducting a market trial in Bandar Lampung. To continue to boost downstream products as a form of product diversification, SMBR has prepared an investment fund of IDR3.8 billion with IDR3 billion used for white clay. (Kontan)

### **ADHI : Completes Longest LRT Rail in Indonesia**

PT Adhi Karya Tbk (ADHI) has completed the longest U-shaped girder LRT train line in Indonesia and will be listed on MURI. The total length of the LRT track reaches 43.057 km with a U-shaped girder weighing 363.912 tons. Furthermore, it is hoped that the Jabodetabek LRT will use third rail technology to distribute its electricity supply so that there is no use of cables along the route. (Bisnis Indonesia)

## Domestic & Global News

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### **April-July 2020 Tax Incentive Absorption Slows**

The absorption of tax incentives in order to support the business world is in fact slowing down. From the April tax period to the reported July tax period until 19 August 2020, it only increased by 4.1% from the total tax period April-June which grew 22.5% on a monthly basis. Based on data from the Ministry of Finance (Kemenkeu) until August 19, 2020, the realization of business incentives was IDR17.23 trillion. (Kontan)

### **Singapore's Core Inflation Gauge Hits Lowest in Over a Decade**

Singapore's core inflation gauge fell to its lowest level in more than a decade in July, official data showed on Monday, amid soft consumer spending due to the coronavirus pandemic and a steep fall in electricity prices. The measure, which strips out more volatile indicators and is closely watched by the central bank, fell to minus 0.4% year-on-year, hitting its lowest level since January 2010, according to official data. (Reuters)

# INNI Components

	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>						(5.2)	2,259.1							
BBCA	31,575	33,425	30,100	Hold	(4.7)	5.3	778.5	27.9x	4.6x	17.0	1.8	6.6	(5.0)	1.1
BBRI	3,640	4,400	3,010	Sell	(17.3)	(10.8)	449.0	15.7x	2.4x	15.2	4.6	2.0	(37.2)	1.3
<b>Consumer</b>						(19.2)	1,114.9							
GGRM	52,725	53,000	59,600	Hold	13.0	(31.1)	101.4	9.7x	1.9x	21.0	4.9	1.7	(10.7)	0.9
KINO	3,190	3,430	2,950	Hold	(7.5)	3.2	4.6	16.7x	1.7x	10.7	3.4	(1.3)	(67.6)	0.9
ICBP	10,225	11,150	9,850	Hold	(3.7)	(13.2)	119.2	20.4x	4.2x	22.7	2.1	4.1	31.2	0.8
KLBF	1,600	1,620	1,870	Buy	16.9	(1.2)	75.0	28.4x	4.6x	17.0	1.3	3.8	10.3	1.1
<b>Infrastructure</b>						(27.6)	616.61							
TLKM	3,000	3,917	3,800	Buy	26.7	(30.6)	297.2	16.0x	3.1x	19.6	5.1	(3.6)	(0.8)	1.0
JSMR	3,950	5,175	4,550	Buy	15.2	(30.7)	28.7	22.9x	1.5x	6.9	0.4	(51.0)	(90.0)	1.3
EXCL	2,490	3,150	3,350	Buy	34.5	(25.2)	26.7	12.2x	1.3x	11.1	0.8	8.9	2740.0	1.1
TOWR	1,060	805	1,140	Hold	7.5	46.2	54.1	20.1x	5.8x	31.1	2.3	21.7	30.0	1.0
PGAS	1,315	2,170	1,400	Hold	6.5	(28.1)	31.9	43.0x	0.8x	1.9	3.2	(0.3)	(26.6)	1.6
TBIG	1,240	1,230	1,400	Hold	12.9	22.2	28.1	27.3x	4.7x	21.9	2.3	13.2	33.8	1.0
<b>Trade</b>						(19.6)	561.2							
UNTR	23,000	21,525	19,000	Sell	(17.4)	12.2	85.8	8.8x	1.5x	17.3	5.3	(23.4)	(28.3)	0.9
MAPI	710	1,055	870	Buy	22.5	(29.0)	11.8	447.3x	2.2x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,765	1,795	2,000	Hold	13.3	19.3	5.6	18.8x	1.1x	6.3	N/A	(6.3)	5.9	1.5
<b>Property</b>						(39.7)	285.2							
CTRA	735	1,040	810	Hold	10.2	(39.8)	13.6	13.1x	0.9x	7.0	1.1	(10.8)	(43.8)	1.5
WSKT	675	1,485	820	Buy	21.5	(62.3)	9.2	34.6x	0.6x	1.5	0.5	(51.9)	(94.1)	1.8
WIKA	1,315	1,990	1,840	Buy	39.9	(43.8)	11.8	7.2x	0.9x	11.3	3.9	(37.2)	(71.9)	1.8
PWON	416	570	545	Buy	31.0	(37.9)	20.0	10.9x	1.4x	13.2	1.7	(43.7)	(64.7)	1.5
<b>Basic Ind.</b>						(9.9)	609.4							
SMGR	9,700	12,000	11,500	Buy	18.6	(25.8)	57.5	22.8x	1.8x	8.0	0.4	(2.0)	25.6	1.3
<b>Misc Ind.</b>						(19.6)	287.0							
ASII	5,300	6,925	5,350	Hold	0.9	(19.4)	214.6	9.2x	1.4x	15.9	4.0	(22.7)	16.1	1.3
<b>Mining</b>						(10.8)	328.1							
TINS	750	825	750	Hold	-	(23.1)	5.6	N/A	1.2x	(21.4)	N/A	(18.5)	N/A	1.5
PTBA	2,100	2,660	2,900	Buy	38.1	(15.7)	24.2	6.1x	1.2x	20.6	15.5	(4.0)	(25.0)	1.1
INCO	3,690	3,640	3,500	Hold	(5.1)	11.8	36.7	18.2x	1.2x	7.1	N/A	23.3	N/A	1.6
ANTM	780	840	850	Hold	9.0	(23.2)	18.7	N/A	1.0x	(0.5)	0.4	(36.0)	(80.2)	1.5
<b>Agriculture</b>						(14.3)	75.0							
AALI	9,950	14,575	14,200	Buy	42.7	(6.6)	19.2	34.2x	1.0x	3.0	0.5	6.5	796.6	1.5
LSIP	955	1,485	1,200	Buy	25.7	(19.4)	6.5	19.4x	0.8x	4.0	1.6	(1.9)	550.0	1.6

\* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Tuesday</b>	GE	15:00	IFO Business Climate	Aug	--		90.5
<i>25 - Aug</i>	GE	15:00	IFO Expectations	Aug	--		97
	US	21:00	Conf. Board Consumer Confidence	Aug		93.2	92.6
	US	21:00	New Home Sales	Jul		766k	776k
<b>Wednesday</b>	US	19:30	MBA Mortgage Applications	Aug	--		--
<i>26 - Aug</i>	US	18:00	Durable Goods Orders	Jul		4.0%	7.6%
<b>Thursday</b>	EC	15:00	M3 Money Supply YoY	Jul	--		9.2%
<i>27 - Aug</i>	US	19:30	GDP Annualized QoQ	2Q20		-32.5%	-32.9%
	US	19:30	Initial Jobless Claims	Aug	--		--
<b>Friday</b>	US	19:30	Personal Income	Jul		-0.1%	-1.1%
<i>28 - Aug</i>	US	19:30	Wholesale Inventories MoM	Jul		--	-1.4%
	US	19:30	Personal Spending	Jul		1.5%	5.6%
	US	20:45	MNI Chicago PMI	Aug	--		51.9
	US	21:00	U. of Mich. Sentiment	Aug		72.8	72.8

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday</b>	Cum Dividend	MBAP, MARK
<i>24 - Aug</i>	RUPS	ZINC, WOWS, SMDM, RICY, POSA, PJAA, LAND, KARW, INCI, IFSH, HITS, FORZ, FITT, FILM, EMDE, CASS, APIC
<b>Tuesday</b>	Cum Dividend	MREI, MOLI, HRTA, GEMS
<i>25 - Aug</i>	RUPS	TRST, TMPO, TKIM, TFCO, TALF, PWON, PSKT, PSAB, POLU, NASA, MDRN, MAMI, LCKM, KPAS, KOPI, JTPE, JMAS, INKP, INAI, IKAN, HRUM, FINN, DGIK, DADA, CPIN, CEKA, CAMP, BMAS, BISI, BBKP, BAPI, ALMI, AGRS
<b>Wednesday</b>	Cum Dividend	RDTX
<i>26 - Aug</i>	RUPS	WAPO, TRUS, TRIM, TOBA, TIRA, PSGO, POLL, POLI, PDES, MNCN, MKNT, MDLN, MAPB, MAPA, LCGP, KOIN, KKG, KIAS, JSKY, INTD, IKBI, IBFN, HRME, GDST, GAMA, FOOD, DLTA, CSMI, CITY, BYAN, BTON, BAYU, ASRI, ARTI, AMAR
<b>Thursday</b>	Cum Dividend	MFIN
<i>27 - Aug</i>	RUPS	WEHA, TRJA, TIFA, SRAJ, SIDO, SGRO, SBAT, PSDN, PBRX, PADI, MTFN, MINA, MAPI, KONI, KOBX, KICI, JAYA, ITMA, HOME, HADE, COCO, BLTA, BIPI, BCIC, BATA, ARTA, ADES
<b>Friday</b>	RUPS	VICO, TIRT, TEBE, SULI, SQMI, PTPW, PRAS, POOL, PNLF, PNIN, PANR, NATO, MYTX, MTSM, MRAT, MPRO, MLBI, MAIN, LPPS, LAPD, JKSW, JAWA, INRU, IIKP, HKMU, HDFA, GZCO, GTBO, GGRM, GEMA, DKFT, DEFI, DART, BUVA, BOSS, BGTG, BALI, ASMI, ARII, ARGO, AHAP, AGII, AGAR

Source: RTI Analytics

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