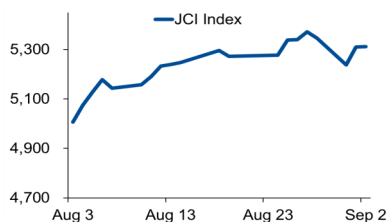
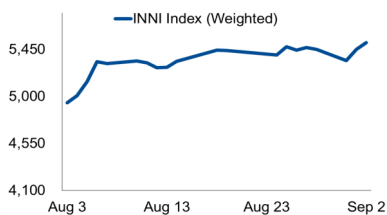


Morning Brief

JCI Movement



INNI Movement



Today's Outlook:

JCI Continues Consolidation

Bullish market conditions continued in the US with the three main markets recording significant gains again on (02/09/2020). The low interest rate policy as well as the signal that the Trump administration will try to speed up the distribution of the Covid-19 vaccine, have become catalysts for boosting the stock exchange.

Meanwhile, today's JCI movement will continue its consolidation with a slight tendency to weaken after yesterday's stagnant closing. Investors will observe the weakening of the rupiah exchange rate that will occur in early September.

Company News

- KINO : Provides Loans to Subsidiaries
- ISAT : Focuses on the 4G Network
- WSKT : Received Rating Downgrade

Domestic & Global News

- Early September 2020, Bulog's Rice Procurement Reached 931,577 Tons
- German Retail Sales Fall Unexpectedly in July

Sectors

	Last	Chg.	%
Agriculture	1,246.50	40.69	3.37%
Infrastructure, Utilities, and Transportation	874.79	8.93	1.03%
Trade, Services, and Investment	636.68	6.10	0.97%
Property, Real Estate, and Construction	299.34	2.52	0.85%
Mining	1,466.21	11.00	0.77%
Miscellaneous Industry	939.00	7.10	0.76%
Finance	1,206.14	2.72	-0.23%
Consumer Goods	1,943.96	7.50	-0.38%
Basic Industries	753.95	13.04	-1.70%

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	1.32%	1.54%	Cons. Confidence*	86.20	83.80

JCI Index

Sept. 2	5,311.97
Chg.	+1.29pts (+0.02%)
Volume (bn shares)	139.77
Value (IDR tn)	8.05
Adv 225 Dec 206 Unc 278 Untr 125	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	424.1	BBNI	240.5
BBRI	387.8	MDKA	198.2
ADRO	317.8	ZINC	169.8
TLKM	316.3	BOGA	165.1
BMRI	284.9	LSIP	154.5

Foreign Transaction

(IDR bn)			
Buy		Sell	
Buy		1,518	
Sell		2,189	
Net Buy (Sell)		671	
Top Buy	NB Val.	Top Sell	NS Val.
BMRI	70.9	BBCA	156.7
BBRI	28.1	BBNI	78.8
WOOD	13.0	UNVR	56.2
ZINC	11.7	MDKA	53.5
MEDC	9.0	ICBP	37.5

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.94%	0.08%
USDIDR	14,745	1.18%
KRWIDR	12.44	0.98%

Global Indices

Index	Last	Chg.	%
Dow Jones	29,100.50	454.84	1.59%
S&P 500	3,580.84	54.19	1.54%
FTSE 100	5,940.95	78.90	1.35%
DAX	13,243.43	269.18	2.07%
Nikkei	23,247.15	109.08	0.47%
Hang Seng	25,120.09	(64.76)	-0.26%
Shanghai	3,404.80	(5.81)	-0.17%
KOSPI	2,364.37	14.82	0.63%
EIDO	19.61	0.03	0.15%

Commodities

Commodity	Last	Chg.	%
Gold (USD/t oz)	1,942.9	(27.3)	-1.38%
Crude Oil (USD/B)	41.51	(1.25)	-2.92%
ICE NewCastle (USD/ton)	50.60	(0.80)	-1.56%
LME Nickel (USD/MT)	15,706	172.0	1.11%
LME Tin (USD/MT)	18,348	162.0	0.89%
CPO (MYR/ton)	2,811	27.0	0.97%

KINO : Provides Loans to Subsidiaries

PT Kino Indonesia Tbk (KINO) provides loans to its subsidiary, PT Ristra Klinik Indonesia (RKI) with a maximum transaction value of IDR 2 billion on Thursday (27/8). The source of funds comes from internal cash and will be used to support the implementation of the subsidiary's business activities. In addition, RKI is a company controlled by KINO with a 99% share ownership. (Kontan)

ISAT : Focuses on the 4G Network

PT Indosat Tbk (ISAT) managed to record a solid performance by recording revenue of IDR 13.45 trillion or up 9.4% YoY in 1H20. This is supported by ISAT's aggressive expansion of the 4G network, where there was a significant addition of 4G BTS in semester I-2020 to 52,776 BTS (24,874 BTS in semester I-2020). (Kontan)

WSKT : Received Rating Downgrade

PT Waskita Karya Tbk (WSKT) in mid-August received a rating downgrade from Fitch Ratings from BBB + with a negative outlook to B with a negative rating watch. This is due to Fitch's assessment of WSKT's liquidity risk in connection with the Covid-19 pandemic. The pandemic has hampered project work and has the potential to have an impact on meeting short-term financial obligations. (Kontan)

Domestic & Global News

Early September 2020, Bulog's Rice Procurement Reached 931,577 Tons

Until early September 2020, the procurement of rice and unhulled rice for Bulog had reached 931,577 tons. This means rice absorption reached around 66.5% of the 2020 Bulog procurement target of 1.4 million tons. Procurement has reached around 930,000 tons. This is almost 70%, Bulog has distributed 947,984 tons. The distribution of rice is divided into the operation of the government rice reserve market of 849,835 tons and for the non-cash food assistance program (BPNT) of 247,732 tons. (Kontan)

German Retail Sales Fall Unexpectedly in July

German retail sales fell unexpectedly on the month in July, data showed on Wednesday, dashing hopes that household spending in Europe's largest economy will be powerful enough to drive a strong recovery in the third quarter from the coronavirus shock. Retail sales were down by 0.9% on the month in real terms after a revised drop of 1.9% in June, data from the Federal Statistics Office showed. A Reuters forecast had predicted a 0.5% increase. On the year, retail sales rose by 4.2% in real terms after an upwardly revised increase of 6.7% the previous month, the data showed. (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						(3.1)	2,293.9							
BBCA	32,175	33,425	30,100	Hold	(6.4)	6.3	793.3	28.4x	4.7x	17.0	1.7	6.6	(5.0)	1.1
BBRI	3,660	4,400	3,010	Sell	(17.8)	(11.8)	451.4	15.8x	2.4x	15.2	4.6	(2.1)	(37.2)	1.3
Consumer						(17.7)	1,115.7							
GGRM	47,500	53,000	59,600	Buy	25.5	(29.7)	91.4	8.8x	1.7x	21.0	N/A	1.7	(10.7)	0.9
KINO	3,100	3,430	2,950	Hold	(4.8)	(5.8)	4.4	16.2x	1.7x	10.7	3.5	(1.3)	(67.6)	0.9
ICBP	10,200	11,150	9,850	Hold	(3.4)	(15.0)	119.0	20.4x	4.1x	22.7	2.1	4.1	31.2	0.8
KLBF	1,600	1,620	1,870	Buy	16.9	(3.0)	75.0	28.4x	4.6x	17.0	1.3	3.8	10.3	1.0
Infrastructure						(27.6)	612.62							
TLKM	2,950	3,917	3,800	Buy	28.8	(31.3)	292.2	15.7x	3.0x	19.6	5.2	(3.6)	(0.8)	1.0
JSMR	3,910	5,175	4,550	Buy	16.4	(26.9)	28.4	22.6x	1.5x	6.9	0.4	(51.0)	(90.0)	1.3
EXCL	2,410	3,150	3,350	Buy	39.0	(31.1)	25.8	11.9x	1.3x	11.1	0.8	6.7	526.9	1.1
TOWR	1,060	805	1,140	Hold	7.5	57.0	54.1	20.1x	5.8x	31.1	2.3	21.7	30.0	1.0
PGAS	1,330	2,170	1,400	Hold	5.3	(33.8)	32.2	43.4x	0.8x	1.9	3.1	(0.3)	(26.6)	1.6
TBIG	1,285	1,230	1,400	Hold	8.9	6.6	29.1	28.3x	4.9x	21.9	2.2	13.2	33.8	1.0
Trade						(20.5)	566.9							
UNTR	23,350	21,525	19,000	Sell	(18.6)	14.5	87.1	8.9x	1.5x	17.3	5.2	(23.4)	(28.3)	0.9
MAPI	695	1,055	870	Buy	25.2	(29.8)	11.5	437.9x	2.1x	0.5	N/A	(32.2)	N/A	1.2
ERAA	1,690	1,795	2,000	Buy	18.3	15.0	5.4	18.0x	1.1x	6.3	N/A	(6.3)	5.9	1.5
Property						(39.5)	283.7							
CTRA	750	1,040	810	Hold	8.0	(26.8)	13.9	13.4x	0.9x	7.0	1.1	(10.8)	(43.8)	1.5
WSKT	645	1,485	820	Buy	27.1	(61.8)	8.8	N/A	0.6x	(7.0)	0.5	(45.7)	N/A	1.8
WIKA	1,250	1,990	1,840	Buy	47.2	(36.1)	11.2	6.8x	0.8x	11.3	4.1	(37.2)	(71.9)	1.8
PTPP	985	1,585	1,250	Buy	26.9	(44.0)	6.1	10.5x	0.6x	4.9	3.4	(36.6)	(94.5)	1.8
PWON	410	570	545	Buy	32.9	(33.9)	19.7	10.7x	1.4x	13.2	N/A	(43.7)	(64.7)	1.5
Basic Ind.						(14.8)	606.1							
SMGR	10,700	12,000	11,500	Hold	7.5	(19.5)	63.5	25.2x	1.9x	8.0	0.4	(2.0)	25.6	1.3
Misc Ind.						(18.9)	285.9							
ASII	5,300	6,925	5,350	Hold	0.9	(18.1)	214.6	9.2x	1.4x	15.9	4.0	(22.7)	16.1	1.3
Mining						(11.7)	334.1							
TINS	825	825	750	Hold	(9.1)	(21.8)	6.1	N/A	1.3x	(21.4)	N/A	(18.5)	N/A	1.5
PTBA	2,150	2,660	2,900	Buy	34.9	(11.9)	24.8	6.2x	1.2x	20.6	15.2	(4.0)	(25.0)	1.1
INCO	3,980	3,640	3,500	Hold	(12.1)	3.9	39.5	19.6x	1.3x	7.1	N/A	23.3	N/A	1.6
ANTM	850	840	850	Hold	-	(23.4)	20.4	N/A	1.1x	(0.5)	0.3	(36.0)	(80.2)	1.5
Agriculture						(8.5)	79.8							
AALI	11,000	14,575	14,200	Buy	29.1	4.5	21.2	37.9x	1.1x	3.0	0.4	6.5	796.6	1.5
LSIP	1,055	1,485	1,200	Hold	13.7	(12.4)	7.2	21.4x	0.8x	4.0	1.4	(1.9)	550.0	1.6

* Target Price

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH	8:00	Manufacturing PMI	Aug	51.0	51.2	51.1
<i>31 - Aug</i>	GE	19:00	CPI MoM	Aug	-0.1%	0.0%	-0.5%
	GE	19:00	CPI YoY	Aug	-0.1%	0.1%	-0.1%
Tuesday	ID	11:00	CPI YoY	Aug	1.32%	1.40%	1.54%
<i>01 - Sep</i>	EC	15:00	Markit Eurozone Manufacturing PMI	Aug	51.7	51.7	51.7
	EC	16:00	CPI MoM	Aug	-0.4%	-0.1%	-0.4%
	US	20:45	Markit US Manufacturing PMI	Aug	50.1	53.6	53.6
Wednesday	UK	13:00	Nationwide House PX MoM	Aug	2.0%	0.5%	1.7%
<i>02 - Sep</i>	US	18:00	MBA Mortgage Applications	Aug	-2.0%	--	-6.5%
	US	21:00	Durable Goods Orders	Jul	11.4%	11.2%	11.2%
Thursday	US	19:30	Initial Jobless Claims	Aug		950k	1006k
<i>03 - Sep</i>	US	19:30	Trade Balance	Jul		-\$51.7b	-\$50.7b
Friday	GE	13:00	Factory Orders MoM	Jul		6.0%	27.9%
<i>04 - Sep</i>	US	19:30	Change in Nonfarm Payrolls	Aug		1518k	1763k
	US	19:30	Unemployment Rate	Aug		9.9%	10.2%

Source: Bloomberg

Corporate Calendar

Date	Event	Company
Monday	Cum Dividend	MKPI, JSPT, INOV, ESIP, EKAD, BNBA
<i>31 - Aug</i>	RUPS	ZBRA, VRNA, SMRU, SMMA, SAFE, PRIM, PKPK, MMLP, MCOR, KPAL, KOTA, KBAG, ISSP, INTA, INDR, HDIT, ESTA, DUCK, DNET, CTTH, CLPI, BTEL, BSIM, BOLA, BEEF, BAJA, AKKU, AIMS
	IPO	PNGO
Tuesday	Cum Dividend	INCI
<i>01 - Sep</i>	RUPS	BPFI, BJBR
Wednesday	Cum Dividend	ULTJ, TKIM, JTPE, INKP, CPIN, BISI
<i>02 - Sep</i>	RUPS	GGRP, BBNI, BACA
Thursday	Cum Dividend	KKGI, DLTA
<i>03 - Sep</i>	RUPS	GOOD, DEWA

Source: RTI Analytics

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