



| AGRI | BSIC | CONS | FINC | INFR | MINE | MISC | PPTY | TRDE | MFTG | | | | | | | | | | |
|-----------------|---------------|-----------------|-----------------|---------------|-----------------|---------------|---------------|---------------|-----------------|------|-------|--------|--------|-------|--------|-------|--------|------|-------|
| 1,154.81 | 751.64 | 1,871.59 | 1,119.55 | 897.98 | 1,372.33 | 913.18 | 299.69 | 623.25 | 1,223.47 | | | | | | | | | | |
| 20.77 | 1.83% | 1.12 | 0.15% | 28.50 | 1.55% | -7.55 | -0.67% | 1.13 | 0.13% | 3.52 | 0.26% | -12.33 | -1.33% | -3.94 | -1.30% | -0.74 | -0.12% | 8.45 | 0.70% |

| STOCK INDEX | CLOSE | Chg | %Chg |
|-------------|-----------|-------|--------|
| JCI | 5,111.11 | (2) | -0.04% |
| LQ-45 | 795.38 | (4) | -0.54% |
| IDX30 | 433.90 | (3) | -0.64% |
| DJIA | 26,541.97 | 163 | 0.62% |
| Nasdaq | 10,542.94 | 141 | 1.35% |
| S&P 500 | 3,258.43 | 40 | 1.24% |
| Nikkei | 22,397.11 | (260) | -1.15% |
| Hang Seng | 24,883.14 | 110 | 0.45% |

TRADING STATISTICS

| | |
|---------------------------------|----------|
| Trading Volume (m shares) | 11,112 |
| Trading Value (b IDR) | 8,245 |
| Trading Frequency (in times) | 700,714 |
| Fgn Net Trade Value (b IDR) | (434) |
| YTD Fgn Net Trade Value (b IDR) | (19,547) |

| CMDTY & CCY | CLOSE | %Chg |
|-------------------|-----------|--------|
| WTI | 41.25 | 0.81% |
| Brent | 43.75 | 1.44% |
| Gold | 1,968.08 | 0.73% |
| Coal (USD/MT) | 52.33 | -0.89% |
| Copper (US\$/lb.) | 2.92 | 0.78% |
| Nickel (US\$/MT) | 13,610.00 | -0.02% |
| CPO (MYR/MT) | 2,496.00 | 1.92% |
| USDIDR | 14,570.00 | 0.19% |

| MACROECONOMIC INDICATORS | Last | Prv |
|--------------------------|-------|-------|
| BI 7-Day RR | 4.25% | 4.50% |
| Inflation Rate (June 20) | 2.19% | 1.96% |
| GDP (1Q20) | 2.97% | 4.97% |
| 10-yr Govt Bond | 6.83% | 6.86% |

FOCUS

THE SECOND STIMULUS: THE LATEST ON U.S GOVERNMENT RELIEF

The United States (US) unemployment rate reached more than eleven percent in June 2020 due to covid-19. An increase in the number of jobs in the US is driven by economic openings. US Consumer confidence fell to 92.6 in July from 98.3 in June because of a decline in short-term economic expectations and high number of new coronavirus cases. The home sales in June reached the highest level since 1960, however, the Country's economic growth is fully supported by consumer spending (70%).

US Senate Leader, Mitch McConnell, officially released a law draft to provide a new stimulus package (US\$1,200). The relief will be for unemployment, students, schools, Small Businesses (SMEs), and researchers (vaccine development & Covid-19 therapy). However, this stimulus would be the last relief from the U.S government. Previously, the US congress approved the new stimulus from the state budget (more than US\$2.5T) throughout 2020 to resolve the health crisis and a decline in economic growth which is feared leading to a recession, including the federal unemployment benefits. This unemployment relief is projected at 70% of the recipient income and extended until January 31, 2021. It was received by 40 million Americans in June 2020. Meanwhile, the SMEs relief is distributed in the form of Payroll Protection Program (PPP).

After the U.S Congress approved the stimulus proposal on July 27, the stimulus law should be completed on August 7. Asian markets respond to the US government's stimulus package amid the development of the covid-19 vaccines in many countries. Meanwhile, relationship tensions between the US and China are clear. China will respond to the US' actions by closing US diplomatic missions in its Country. Goldman Sachs stated the stimulus will not be the best way to improve the U.S economy because the unemployment level will be very high for a long-term period.

Fig 1: The Second Stimulus Timelines

| No | Original CARES Act | HEALS Act | Final Negotiated Bill |
|----|-----------------------------|--|--|
| 1 | Passed by Senate: March 25 | Proposal: July 27 | If Senate Passed: August 6 |
| 2 | Passed by House: March 26 | Negotiation: July 27 | If House Passed: August 7 |
| 3 | Signed: March 27 | Deadline before deadline: August 3 – August 6 | If President Signs: August 10 |
| 4 | First Checks Sent: April 15 | Deadline to pass a Bill: August 7 | First Checks Could be Sent: August 24 |

Sources: CNBC, CNN, US Ministry of Finance, MPIS Research



MARKET RECAP

On Wednesday trading (7/29), JCI closed lower by -1.87 points (-0.04%) to 5,111. Total transaction volume reached 11 billion shares with a transaction value of Rp8,2 trillion. Foreign investors recorded a net sell of Rp434 billion, compounding the year-to-date foreign net sell to Rp19.5 trillion.

Four sectors retreated, i.e. miscellaneous industry (-1.33%), property (-1.30%), finance (-0.67%), and trade (-0.12%). On the other hand, the advancing sectors were led by agriculture (+1.83%), consumer goods (+1.55%), and manufacturing (+0.70%). Stocks supporting the JCI were TPIA (+4.4%), HMSP (+2.4%), and GGRM (+4.7%). By contrast, stocks weighing down the JCI were BMRI (-2.6%), BRPT (-6.9%), and BBCA (-0.8%).

U.S. NEWS

U.S. stocks closed higher after the Federal Reserve left benchmark interest rates unchanged near zero as widely expected and pledged to keep monetary policy loose until the U.S. economy recovers from the slowdown caused by the

COVID-19 pandemic. The DJIA rose 0.62%, to 26,541.97, the S&P 500 gained 1.25% to 3,258.56 and the Nasdaq Composite added 1.35%, to 10,542.94.

U.S. Treasury yields ended mixed as investors weighed the depth of economic impact from COVID-19 pandemic after the Fed kept its benchmark interest rate steady at 0% - 0.25% and underlined its commitment to supporting the economy. The benchmark 10-year notes rose 5/32 to yield 0.57%. The two-year notes rose 1/32, yielding 0.13%. The 30-year bonds fell 5/32 to yield 1.23%.

Crude oil prices closed higher after the EIA reported the largest fall in US crude inventories in 7 months, fell by 10.6 million barrels for the week ended July 24, the largest weekly decline since the 11.5 million-barrel fall reported for the week ended Dec. 27. WTI crude rose up by 0.51% to US\$41.25/barrel, while Brent crude rose 1.23% to US\$43.75/barrel..

NEWS FROM THE MARKET

MACRO UPDATE

GOVERNMENT PROVIDES CORPORATE CREDIT GUARANTEE Rp100 T

The Government through the Indonesian Export Guarantee Agency (LPEI) or Indonesia Eximbank and the Indonesian Infrastructure Guarantee Corporation (PII) officially provide credit guarantees to corporations with a value of Rp10 B to Rp1 T, so that it is expected to encourage the creation of Rp100 T working capital loans until 2021. The credit guarantee is conducted by LPEI and PII in collaboration with 15 banks, namely: PT Bank Central Asia Tbk (BBCA), PT Bank Danamon Indonesia Tbk (BDMN), PT Bank Mandiri (Persero) Tbk (BMRI), PT Bank Negara Indonesia (Persero) Tbk (BBNI), PT Bank Rakyat Indonesia (Persero) Tbk (BBRI), PT Bank Tabungan Negara (Persero) Tbk (BBTN), PT Bank DBS Indonesia, PT Bank HSBC

Indonesia, PT Bank ICBC Indonesia, PT Bank Maybank Indonesia, PT Bank Resona Perdania, Tbk, Standard Chartered Bank, PT Bank UOB Indonesia, DKI Bank, and MUFG Bank, Ltd.

This working capital credit guarantee will be given to 6 priority sectors, namely:

1. Tourism (hotel and restaurant);
2. Automotive;
3. TPT (textile and textile products) and footwear;
4. Electronic;
5. Processed wood, furniture, and paper products; and
6. Other business sectors that meet the impact criteria of Covid-19 are very heavy, labor intensive and / or have a high multiplier impact and support future economic growth.



COMPANY UPDATE

WEGE BOOKED A NEW CONTRACT VALUE OF Rp1.02T

PT Wijaya Karya Bangunan Gedung Tbk (WEGE) booked a new contract value of Rp1.02T, as of 1H20. Of the Rp1.02T, 42% stemmed from SOEs, 31% from the government, and 27% from private parties. The Company said that WEGE has been focusing on carry over projects, which had been acquired the year before, amid the coronavirus pandemic. As of 1H20, WEGE posted a net profit of Rp82.9B, which grew by +6.6% (Y/Y) vs. 1H19's Rp77.7B.

ISAT'S 1H20 OPERATIONAL RESULTS

As of 1H20, PT Indosat Tbk (ISAT)'s customer base rose by +0.9% (Y/Y) to 57.2 million users, while its ARPU jumped to Rp31,400 from Rp27,900. Minutes of usage (MoU), on average, declined to 29.5 minutes (-16.8% Y/Y), which is in line with the Company's strategy to reduce dependence on legacy business. On the other hand, data traffic soared by +61%. ISAT continued its expansion, noted by an increase in BTS by 38,579 if compared with last year's number. As of 1H20, ISAT operated 124,944 BTS, and 52,776 of which were 4G BTS.

MTDL INCREASES CAPEX BUDGET TO Rp450 B

PT Metrodata Electronics Tbk (MTDL) increased the capex budget in 2020 from Rp260 B to Rp450 B. This increase was driven by the increasing demand for IT infrastructure services and products. The capex budget will be allocated to funding the IT equipment in the amount of Rp440 B, and the remaining Rp10 B will be used to upgrade the company's internal ICT system.

URBN INCREASES CAPITAL IN A SUBSIDIARY

PT Urban Jakarta Propertindo, Tbk. (URBN) increases capital in its subsidiary, PT Jakarta River City (JRC). In detail, authorized capital adds by Rp2 trillion to Rp6.03 trillion, whereas issued and fully-paid capital increases by Rp1.13 trillion to Rp2 trillion. The source of capital injection was from PT Ciptaruang Persada Property (CPP), an affiliate of URBN. As a result, URBN owns 51.01% share at JRC, while the remaining 48.99% owned by PT Wijaya Karya Realty, a subsidiary of PT Wijaya Karya (Persero), Tbk. (WIKA). Previously, URBN had acquired the Jakarta River City project worth Rp633 billion, located at MT Haryono area, Cawang. Planwise, the company will develop the 6-ha-area into a Transit-Oriented Development (TOD) which is to be released by 1Q21.

BIRD PLANS TO ADD A NEW BUSINESS LINE

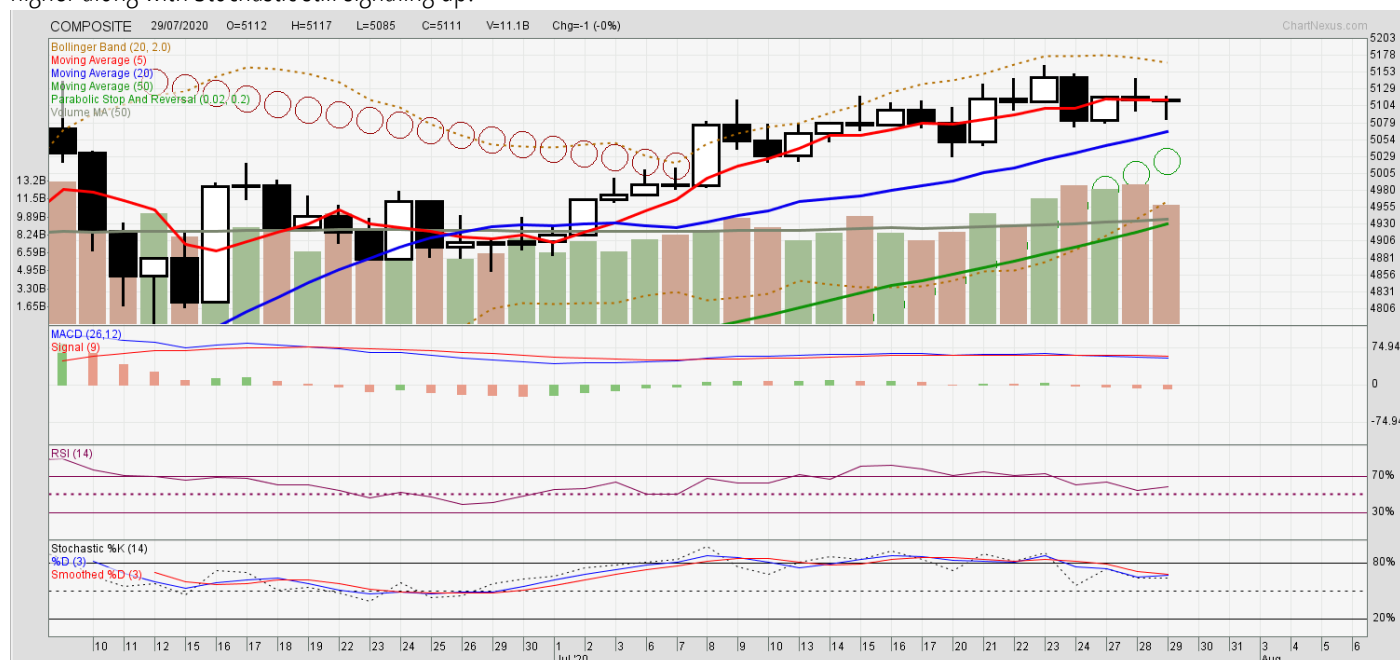
PT Blue Bird, Tbk. (BIRD) plans to add a new business line in order to propel performance which has been hardly hit by Covid-19 pandemic. It is said that BIRD will expand to logistics business, both for retail and business to business (B2B). Besides, the company also keeps improving its technology, for instance by implementing QR Code payment in taxis. As of 1H20, BIRD's performance was indeed quite severely impacted, as can be seen from falling revenue of Rp1.15 trillion (-39.9% Y/Y). Revenue from taxi business dropped by -43% Y/Y to Rp864.8 billion, whereas non-taxi segment slipped as well by -27.9% Y/Y to Rp286.6 billion. As a result, the company suffered a net loss of Rp93.7 billion, a total reversal compared to 1H19's net profit of Rp158.4 billion.



TECHNICAL OUTLOOK

JCI IS POSITIVE, WITH EXPECTED RANGE OF 5,070 to 5,180.

JCI closed slightly lower to 5,111 with the Resistance hanging at 5,160/230 while the Support lay still at 5,030/4,980. PSAR green dot still appeared along with EMA 5&20 still in a golden cross pattern. MACD turn to negative but still in sideways movement. RSI slightly curled higher along with Stochastic still signaling up.



SUMMARY OF STOCK PICKS

| TICKER | SUPPORT | RESISTANCE | ENTRY POINT | TARGET PRICE | CUTOFF PRICE | RISK-TO-REWARD RATIO | LAST PRICE | TEMPORARY GAINS / | | STATUS |
|--------|---------|------------|-------------|--------------|--------------|----------------------|------------|-------------------|---------|----------|
| | | | | | | | | PTS | % | |
| ADHI | 500 | 1,015 | 600 | 995 | 490 | 0.28 | 630 | 30 | 5.00% | BUY |
| BBTN | 900 | 1,930 | 700 | 1,800 | 650 | 0.05 | 1,285 | 585 | 83.57% | HOLD |
| BEEF | 210 | 276 | 224 | 260 | 190 | 0.94 | 208 | (16) | -7.14% | BUY |
| DMAS | 102 | 296 | 107 | 246 | 100 | 0.05 | 234 | 127 | 118.69% | HOLD |
| HOKI | 575 | 780 | 610 | 710 | 560 | 0.50 | 650 | 40 | 6.56% | BUY |
| TBIG | 1,050 | 1,250 | 1,120 | 1,250 | 1,020 | 0.77 | 1,300 | 180 | 16.07% | ACHIEVED |
| TLKM | 2,880 | 3,540 | 3,000 | 3,400 | 2,800 | 0.50 | 3,000 | - | 0.00% | BUY |
| WEGE | 107 | 290 | 110 | 240 | 100 | 0.08 | 199 | 89 | 80.91% | HOLD |



Data & Agenda

ECONOMIC CALENDAR

| Economic Indicator | Period | Date | Time (WIB) | Prv. | Forecast | Actual |
|--------------------|--------|--------|------------|--------------|------------|-------------|
| Trade Balance | Jun-20 | 15-Jul | 16.00 | US\$2,091.7M | US\$1200 M | US\$1270 M |
| Retail Sales (Y/Y) | Mei-20 | 8-Jul | 8.10 | -16.90% | -7.50% | -20.60% |
| Inflation (Y/Y) | Jun-20 | 1-Jul | 12.00 | 2.19% | 1.85% | 1.96% |
| CCI (Y/Y) | Jun-20 | 6-Jul | 16.00 | 77.8 | 85.5 | 83.8 |
| FX Reserves | Jun-20 | 7-Jul | 17.00 | US\$130.5 B | US\$132 B | US\$131.7 B |
| GDP | 1Q20 | 5-May | 16.00 | 2.97% | 2.5%-3.0% | |

Source: MPIS Research

MARKET STATISTICS

TOP GAINERS

| TICKER | Close | Chg | % Chg |
|--------|-------|-------|--------|
| AKSI | 216 | 55 | 34.16% |
| BCIC | 700 | 140 | 25.00% |
| GSMF | 117 | 23 | 24.47% |
| ARGO | 1,490 | 290 | 24.17% |
| TGKA | 7,800 | 1,300 | 20.00% |

TOP TRADING VALUE

| TICKER | Close | Chg | % Chg |
|--------|--------|-------|--------|
| TLKM | 3,000 | (20) | -0.66% |
| KRAS | 386 | 12 | 3.21% |
| BBCA | 30,675 | (250) | -0.81% |
| BBNI | 4,590 | (90) | -1.92% |
| TOWR | 1,090 | 10 | 0.93% |

MOST ACTIVE

| TICKER | Close | Chg | % Chg |
|--------|-------|------|--------|
| KRAS | 386 | 12 | 3.21% |
| FREN | 153 | 15 | 10.87% |
| BRIS | 550 | (40) | -6.78% |
| TLKM | 3,000 | (20) | -0.66% |
| IPTV | 338 | (2) | -0.59% |

TOP LOSERS

| TICKER | Close | Chg | % Chg |
|--------|-------|-------|--------|
| PGJO | 72 | (7) | -8.86% |
| AGRO | 240 | (18) | -6.98% |
| EXCL | 2,540 | (190) | -6.96% |
| AGRS | 161 | (12) | -6.94% |
| AMAR | 376 | (28) | -6.93% |

MOST TRADED

| TICKER | Close | Chg | % Chg |
|--------|-------|------|--------|
| FREN | 153 | 15 | 10.87% |
| KRAS | 386 | 12 | 3.21% |
| BRIS | 550 | (40) | -6.78% |
| REAL | 50 | - | 0.00% |
| CARE | 338 | (2) | -0.59% |

TRADING STATISTICS

| | |
|-------------------------------------|----------|
| Trading Volume (in mn shares) | 11,112 |
| Trading Value (in bn rupiah) | 8,245 |
| Trading Frequency (in times) | 700,714 |
| Foreign Net Trading Value (bn IDR) | (434) |
| YTD Fign Net Trading Value (bn IDR) | (19,547) |

Source: IDX

Disclaimer

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Our Locations

PT MINNA PADI INVESTAMA SEKURITAS, TBK

HEAD OFFICE

Equity Tower 11th Floor
Sudirman Central Business District Lot 9
Jl. Jend. Sudirman Kav 52-53
Jakarta Selatan, Indonesia
Tel: +62 21 525 5555 Fax: +62 21 527 1527

INVESTMENT GALLERIES

Jakarta - Intercon

Ruko Plaza Intercon
Taman Kebun Jeruk Blok A 15-16, 2nd Floor
Intercon
Jakarta Barat, 11630
Tel: +62 21 585 6655
Fax: +62 21 585 7755

Jakarta - Kemang

Promenade 20, Unit M&N
Jl. Bangka Raya No. 20
Jakarta Selatan, 12720
Tel: +62 21 7199 855
Fax: +62 21 7192 755

Bandung

Jl. Veteran No.42
Bandung, 40112
Tel: +62 22 4216 555
Fax: +62 22 4203 100

Solo

Jl. Monginsidi No 27A/B
Solo, 57129
Tel: +62 271 667 679
Fax: +62 271 635 470

Semarang

Jl. Sriwijaya No. 8A
Tel: +62 24 8411 555
Fax: +62 24 8313 032

Surabaya

Spazio Office Tower 2nd Floor
Kompleks Graha Festival Kav.3
Graha Famili
Jl. Mayjen Yono Sewoyo
Surabaya, 60225
Tel: +62 31 9900 1000
Fax: +62 31 9900 1001

Research Team

Andre Setiawan

andre.setiawan@minnapadi.com
+62 21 525 5555 ext. 301

Bayu Santoso

bayusantoso@minnapadi.com
+62 21 525 5555 ext. 310

Erna Hutapea

erna@minnapadi.com
+62 21 525 5555 ext. 307

Geri Eka Putra

gery@minnapadi.com
+62 21 525 5555 ext. 308

Jason Wijaya

jason@minnapadi.com
+62 21 525 5555 ext. 331