

# Morning Brief

Daily | 21 July, 2021

## JCI Movement



## Today's Outlook:

The three major US indexes successfully rallied to rebound significantly at closing (20/07), after a massive sell-off at the beginning of the week. Investors are back to hunting industrial and transportation stocks which had sharply declined due to fears of rising Delta variant Covid-19 cases. Meanwhile, US 10-year Treasury yield continued its decline to around 1.2%.

Domestically, the movement of JCI today will be influenced by the reaction of market participants to the decision to extend the Emergency PPKM until July 25, 2021. The government plans to open gradual activities if the downward trend in the number of Covid-19 cases continue. Technically, JCI still has the potential to be depressed within the range of 5,950 - 6,130.

## Company News

INCO : Records Nickel Production Volume of 15,048 Tons in 2Q21

PALM : Prepares IDR 54.28 Billion Fund for Share Buyback

ROTI : Prepares IDR 480 Billion for Share Buyback

## Domestic & Global News

Credit Disbursement Increases in 2Q21

US Housing Starts Rise in June

## Sectors

	Last	Chg.	%
Industrial	925.82	-14.97	-1.59%
Basic Material	1150.85	-18.22	-1.56%
Healthcare	1440.69	-17.06	-1.17%
Consumer Non-Cyclicals	701.73	-7.36	-1.04%
Finance	1333.38	-13.80	-1.02%
Technology	10860.82	-103.67	-0.95%
Consumer Cyclicals	753.99	-6.91	-0.91%
Transportation & Logistic	1001.73	-6.89	-0.68%
Property	785.84	-3.74	-0.47%
Energy	738.17	0.53	0.07%
Infrastructure	900.83	2.25	0.25%

## Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	-0.74%	-0.74%
FX Reserve (USD bn)	137.09	136.40	Current Acc (USD bn)	(1.00)	(1.00)
Trd Balance (USD bn)	1.31	2.36	Govt. Spending Yoy	2.96%	2.96%
Exports Yoy	58.74%	51.94%	FDI (USD bn)	4.92	4.92
Imports Yoy	68.68%	29.93%	Business Confidence	104.82	104.82
Inflation Yoy	1.33%	1.68%	Cons. Confidence*	107.40	104.40

## JCI Index

July 19	6,017.39
Chg.	-55.11pts (-0.91%)
Volume (bn shares)	134.52
Value (IDR tn)	9.13
Adv. 166 Dec. 326 Unc. 236 Untr. 93	

## Most Active Stocks

(IDR bn)

### by Value

Stocks	Val.	Stocks	Val.
BRIS	478.5	BBRI	239.7
AGRO	399.5	BGTG	235.4
TLKM	372.7	DMMX	220.4
BBCA	283.7	ANTM	195.9
AGII	242.0	ARTO	188.6

## Foreign Transaction

(IDR bn)

Buy			1,926
Sell			1,666
Net Buy (Sell)			260
Top Buy	NB Val.	Top Sell	NS Val.
TLKM	172.2	BBCA	99.9
AGRO	77.7	ARTO	54.3
ANTM	35.9	DMMX	36.0
INDF	33.7	BBRI	24.9
BBNI	33.3	GGRM	18.0

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.32%	-0.05%
USDIDR	14,518	0.14%
KRWIDR	12.64	-0.57%

## Global Indices

Index	Last	Chg.	%
Dow Jones	34,511.99	549.95	1.62%
S&P 500	4,323.06	64.57	1.52%
FTSE 100	6,881.13	36.74	0.54%
DAX	15,216.27	83.07	0.55%
Nikkei	27,388.16	(264.58)	-0.96%
Hang Seng	27,259.25	(230.53)	-0.84%
Shanghai	3,536.79	(2.33)	-0.07%
KOSPI	3,232.70	(11.34)	-0.35%
EIDO	19.96	0.07	0.35%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,810.4	(2.3)	-0.13%
Crude Oil (\$/bbl)	67.20	0.85	1.28%
Coal (\$/ton)	127.75	0.10	0.08%
Nickel LME (\$/MT)	18,684	222.0	1.20%
Tin LME (\$/MT)	33,505	125.0	0.37%
CPO (MYR/Ton)	4,137	26.0	0.63%

### **INCO : Records Nickel Production Volume of 15,048 Tons in 2Q21**

PT Vale Indonesia Tbk (INCO) reported a production volume of 15,048 metric tons (MT) of nickel in matte in the second quarter of 2021. This production volume decreased by 1% from the production in the first quarter of 2021 (15,198 MT). This decrease in production was mainly due to some planned maintenance carried out at the processing plant. (Kontan)

### **PALM : Prepares IDR 54.28 Billion Fund for Share Buyback**

PT Provident Agro Tbk (PALM) plans to buy back its shares listed on the Indonesia Stock Exchange (IDX) for a maximum of 110 million shares or 1.55% of the issued and fully paid capital. The total value of the shares to be repurchased is a maximum of IDR 54.28 billion. Stock buybacks are carried out to make stock prices more stable and increase shareholder value and stock performance. (Kontan)

### **ROTI : Prepares IDR 480 Billion for Share Buyback**

PT Nippon Indosari Corpindo Tbk (ROTI) intends to hold a second share buyback. The owner of Sari Roti has prepared a maximum of IDR 480 billion to buy a maximum of 300 million ROTI shares. Management said the fund used is an internal fund originating from operational activities and would not result in revenue decrease, and would not have an impact on Nippon Indosari's financing costs. (Kontan)

## Domestic & Global News

### **Credit Disbursement Increases in 2Q21**

Bank Indonesia (BI) said the increase in credit was evident from the Weighted Net Balance (WNB) of new loan requests which amounted to 53.9%. WNB in the quarter under review was up from 30.4% in 1Q21. New credit growth can be seen for all types of credit; the highest is for working capital loans, followed by consumption loans, then investment loans. In more detail, working capital loans recorded WNB of 45.0% or much higher than WNB in 1Q21 which was only 19.7%. Meanwhile, consumption loans recorded WNB of 31.3% and investment loans at 13.3%. (Kontan)

### **US Housing Starts Rise in June**

US homebuilding increased more than expected in June, though expensive lumber, as well as shortages of labor and land, continued to constrain builders' ability to fully take advantage of robust demand for housing. Housing starts rose 6.3% to a seasonally adjusted annual rate of 1.643 million units last month, the Commerce Department said on Tuesday. Data for May was revised down to a rate of 1.546 million units from the previously reported 1.572 million units. (CNBC)

	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>							2,693.4							
BBCA	30,025	33,850	38,000	Buy	26.6	(3.1)	740.3	26.8x	4.1x	15.8	1.8	(4.6)	7.1	1.1
BBRI	3,780	4,170	5,100	Buy	34.9	20.0	466.2	26.7x	2.4x	9.4	2.6	(4.2)	(15.9)	1.3
BBNI	4,820	6,175	6,050	Buy	25.5	3.0	89.9	63.5x	0.8x	1.3	0.9	(12.2)	(44.4)	1.5
BMRI	5,750	6,325	7,900	Buy	37.4	8.5	268.3	17.7x	1.5x	8.5	3.8	0.8	(25.1)	1.3
<b>Consumer Non-Cyclicals</b>							1,063.4							
GGRM	37,400	41,000	34,200	Underweight	(8.6)	(23.9)	72.0	10.4x	1.2x	12.2	7.0	9.1	(28.6)	0.9
ICBP	8,500	9,575	11,300	Buy	32.9	(8.8)	99.1	15.6x	3.1x	21.6	2.5	25.7	(12.4)	0.7
INDF	6,650	6,850	8,000	Buy	20.3	(0.4)	58.4	8.6x	1.3x	16.1	4.2	27.2	23.1	0.8
MYOR	2,380	2,710	2,700	Overweight	13.4	7.2	53.2	27.2x	4.5x	17.4	1.3	36.4	(11.9)	0.8
HMSF	1,110	1,505	1,300	Buy	17.1	(39.2)	129.1	16.5x	3.9x	21.8	6.6	(0.6)	(24.1)	1.0
UNVR	5,075	7,350	5,500	Overweight	8.4	(36.6)	193.6	27.6x	29.5x	101.6	3.7	(7.8)	(8.2)	0.8
CPIN	6,450	6,525	6,675	Hold	3.5	7.5	105.8	24.2x	4.3x	18.7	1.3	23.8	61.8	1.3
AALI	7,900	12,325	12,000	Buy	51.9	(17.3)	15.2	24.3x	0.8x	3.3	2.5	5.0	(56.2)	1.4
LSIP	1,120	1,375	1,380	Buy	23.2	11.4	7.6	11.0x	0.8x	7.8	1.3	(4.4)	175.7	1.5
<b>Consumer Cyclicals</b>							309.5							
ERAA	580	440	800	Buy	37.9	95.9	9.3	11.8x	1.6x	14.9	2.4	39.0	165.6	1.3
MAPI	630	790	975	Buy	54.8	(8.0)	10.5	N/A	1.9x	(9.5)	N/A	(8.7)	309.4	1.2
ACES	1,390	1,715	1,900	Buy	36.7	(15.8)	23.8	34.4x	4.6x	14.9	2.3	(9.0)	(28.1)	1.0
SCMA	2,040	2,290	2,050	Hold	0.5	66.5	30.1	23.8x	7.2x	26.6	N/A	7.6	23.9	1.2
<b>Healthcare</b>							253.8							
KLBF	1,390	1,480	1,750	Buy	25.9	(8.6)	65.2	23.4x	3.6x	16.0	4.0	3.8	7.1	0.9
SIDO	760	805	930	Buy	22.4	22.6	22.8	23.3x	7.7x	31.2	4.1	8.6	16.2	0.8
MIKA	2,710	2,730	3,250	Buy	19.9	16.3	38.6	40.4x	7.4x	19.8	1.3	37.6	57.1	0.3
<b>Infrastructure</b>							707.19							
TLKM	3,220	3,269	4,400	Buy	36.6	6.6	319.0	15.2x	2.9x	19.5	5.2	(0.7)	2.6	1.1
ISAT	6,150	5,050	6,400	Hold	4.1	140.2	33.4	547.5x	2.8x	0.5	N/A	12.6	N/A	1.4
JSMR	3,620	4,630	5,100	Buy	40.9	(15.2)	26.3	350.5x	1.4x	0.4	0.4	(16.4)	(72.5)	1.3
EXCL	2,470	2,730	3,150	Buy	27.5	(13.0)	26.5	N/A	1.4x	(4.1)	1.3	(3.8)	(78.9)	1.2
TOWR	1,350	960	1,520	Overweight	12.6	25.0	68.9	21.7x	6.2x	30.8	2.1	7.5	60.0	0.9
TBIG	3,200	1,630	3,200	Hold	-	167.8	72.5	64.2x	7.5x	15.2	1.0	12.7	11.1	0.8
WIKA	985	1,985	1,390	Buy	41.1	(19.3)	8.8	53.6x	0.6x	1.2	5.2	(6.5)	(21.2)	1.8
PTPP	840	1,865	1,220	Buy	45.2	(16.0)	5.2	34.1x	0.5x	1.4	N/A	(16.7)	50.0	1.8
<b>Property &amp; Real Estate</b>							248.7							
CTRA	930	985	1,320	Buy	41.9	42.0	17.3	12.5x	1.1x	9.2	0.9	22.6	30.0	1.4
BSDE	945	1,225	1,450	Buy	53.4	28.6	20.0	34.7x	0.6x	2.1	N/A	11.6	104.6	1.4
PWON	404	510	585	Buy	44.8	(5.6)	19.5	17.7x	1.3x	7.7	N/A	(32.4)	253.2	1.5
<b>Energy</b>							348.5							
PGAS	1,000	1,655	2,030	Buy	103.0	(13.4)	24.2	N/A	0.7x	(10.3)	N/A	(16.1)	28.9	1.7
PTBA	2,140	2,810	2,250	Overweight	5.1	1.4	24.7	12.0x	1.4x	10.7	3.5	(22.0)	(44.4)	1.1
ITMG	15,475	13,850	16,250	Overweight	5.0	98.4	17.5	17.3x	1.3x	7.5	3.1	(22.3)	300.0	1.2
ADRO	1,250	1,430	1,580	Buy	26.4	10.1	40.0	22.9x	0.7x	3.2	8.8	(7.8)	(27.0)	1.4
<b>Industrial</b>							332.2							
UNTR	19,100	26,600	25,500	Buy	33.5	(1.2)	71.2	11.8x	1.1x	9.5	3.4	(2.3)	2.2	0.9
ASII	4,780	6,025	6,000	Buy	25.5	(11.1)	193.5	12.8x	1.2x	9.6	2.4	(4.3)	(22.7)	1.2
<b>Basic Ind.</b>							762.1							
SMGR	8,600	12,425	12,275	Buy	42.7	(9.2)	51.0	18.2x	1.5x	8.4	2.2	(5.9)	1.3	1.3
INTP	10,200	14,475	15,600	Buy	52.9	(17.1)	37.5	21.4x	1.7x	7.6	12.0	2.2	(12.3)	1.2
INCO	5,350	5,100	5,500	Hold	2.8	63.6	53.2	41.9x	1.8x	4.4	0.9	18.3	17.2	1.6
ANTM	2,640	1,935	3,270	Buy	23.9	285.4	63.4	30.8x	3.2x	10.9	0.6	77.0	N/A	1.8

\* Target Price

Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Wednesday</b> 21 - July	US	18:00	MBA Mortgage Applications	Jul		--	16.0%
<b>Thursday</b> 22 - July	ID	14:20	Bank Indonesia 7D Reverse Repo	Jul		3.50%	3.50%
	EC	18:45	ECB Marginal Lending Facility	Jul		0.25%	0.25%
	EC	18:45	ECB Deposit Facility Rate	Jul		-0.5%	-0.5%
	US	19:30	Initial Jobless Claims	Jul		--	360k
<b>Friday</b> 23 - July	UK	13:00	Retail Sales Ex Auto Fuel MoM	Jun		--	-2.1%
	GE	14:30	Markit Germany Manufacturing PMI	Jul		65	65.1
	EC	15:00	Markit Eurozone Manufacturing PMI	Jul		62.1	63.4
	UK	15:30	Markit UK PMI Manufacturing SA	Jul		62	63.9
	US	20:45	Markit US Manufacturing PMI	Jul		62.1	62.1

Source: Bloomberg

## Corporate Calendar

Date	Event	Company
<b>Monday, 19-July</b>	RUPS	YELO; SSIA; MLPL
<b>Wednesday, 21-July</b>	RUPS	YPAS; PNSE; MAYA; IATA; ELSA; BPPI
<b>Thursday, 22-July</b>	RUPS	SOTS; SKRN; SKBN; RDTX; PURE; PEGE; INPP; HOTL; CMNP; BLTZ; BBRI; BAPA; BAJA; ALTO
<b>Friday, 23-July</b>	RUPS	PBSA; MYOR; LPIN; GPRA; BCIC; AKPI

Source: NHKSI Research

## JAKARTA COMPOSITE INDEX



PREVIOUS 19 JULI 2021

INDEX 6017.39 (-0.91%)

TRANSACTIONS 9.13 TRILLION

NETT FOREIGN 260 BILLION (BUY)

PREDICTION 21 JULI 2021

DOWNWARD

5950-6130

EVENING STAR

MACD NEGATIF

STOCHASTIC DOWNTREND

## ERAA—PT ERAJAYA SWASEMBADA TBK



PREVIOUS 19 JULI 2021

CLOSING 580 (0%)

PREDICTIONS 21 JULI 2021

BUY

TARGET PRICE 620

STOPLOSS 570

DRAGONFLY DOJI

MACD NEGATIF

STOCHASTIC UPTREND

## ADRO—PT ADARO ENERGY TBK



PREVIOUS 16 JULI 2021

CLOSING 1250 (+0.81%)

PREDICTIONS 19 JULI 2021

BUY

TARGET PRICE 1300

STOPLOSS 1235

DOJI

MACD NEGATIF MENGECEIL

STOCHASTIC UPTREND

## IPCM—PT JASA ARMADA INDONESIA TBK



PREVIOUS 19 JULI 2021

CLOSING 432 (+11.92%)

PREDICTIONS 21 JULI 2021

BUY ON WEAKNESS

TARGET PRICE 480

STOPLOSS 416

LONG WHITE MARUBOZZU

MACD POSITIF

STOCHASTIC OVERBOUGHT

## INAF—PT INDOFARMA TBK



PREVIOUS 19 JULI 2021

CLOSING 3080 (-3.45%)

PREDICTIONS 21 JULI 2021

BUY

TARGET PRICE 3300

STOPLOSS 3030

BOTTOM FISHING AREA

MACD POSITIF

STOCHASTIC OVERSOLD

## MTDL—PT METRODATA ELECTRONICS TBK



PREVIOUS 19 JULI 2021

CLOSING 2330 (+6.88%)

PREDICTIONS 21 JULI 2021

ACCUM BUY

TARGET PRICE 2510

STOPLOSS 2300

TWO WHITE SOLDIERS

MACD POSITIF

STOCHASTIC UPTREND

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