

Weekly Brief (Oct 18 – Oct 22)

Summary:

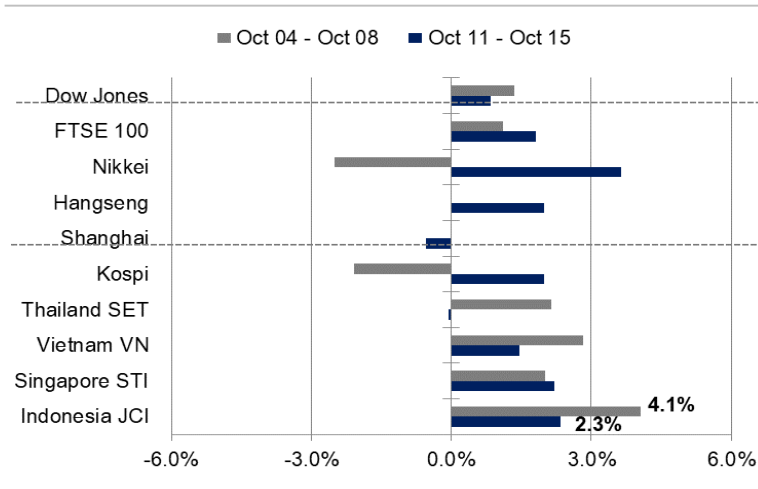
Last week review: JCI's rally continued up until last week, managing to book the all-time high, followed by foreign inflow to the Indonesian stock market. Globally, investors still paid close attention to the supply chain problems that boosted some commodity prices. Meanwhile, the release of the Fed's September meeting minutes showed most of the central bank's officials saw that tapering process would begin in mid-November. Domestically, Indonesian trade balance for September recorded another surplus of USD4.37 billion, with mineral fuel, animal fat and vegetable oil, as well as iron and steel as the main surplus drivers.

This week's outlook: After the five week-long rally, JCI may reasonably decline. Bank Indonesia is scheduled to hold the Board of Governors Meeting (RDG) at the beginning of the week, with consensus predicting the central bank to maintain BI-7DRRR benchmark interest rate at 3.5%. Low inflation rate, as well as Federal Reserve's tapering off program which is expected to start next week, are some consideration points. Globally, investors will pay close attention to the development of energy crisis in various countries; and its impact to commodity prices.

JCI Index	: 6,633.33 (+2.3%)
Foreign Flow	: Net buy of IDR4.7 trillion (vs. last week's net buy of IDR12.3 trillion)
USD/IDR	: 14,075 (-1.04%)

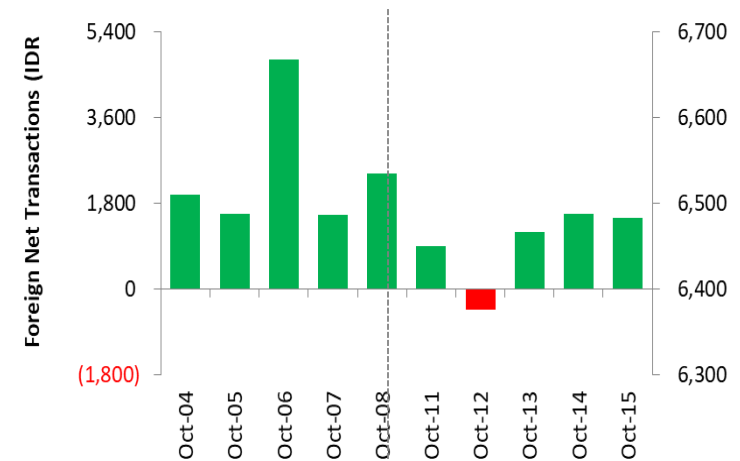
Last Week's JCI Movement

Global Market Movement



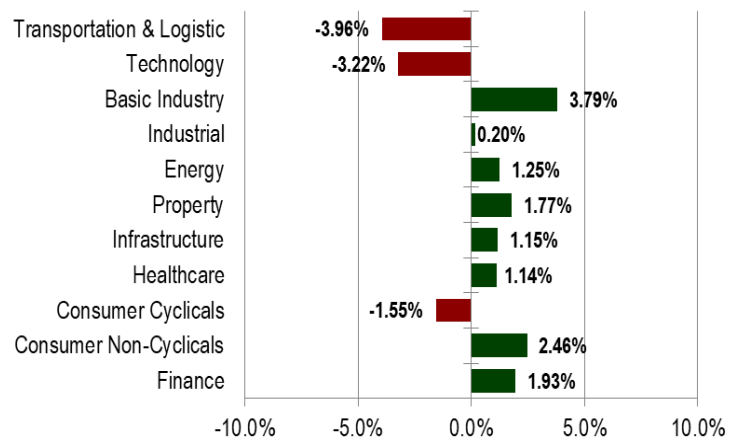
Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

JCI Sector Movement



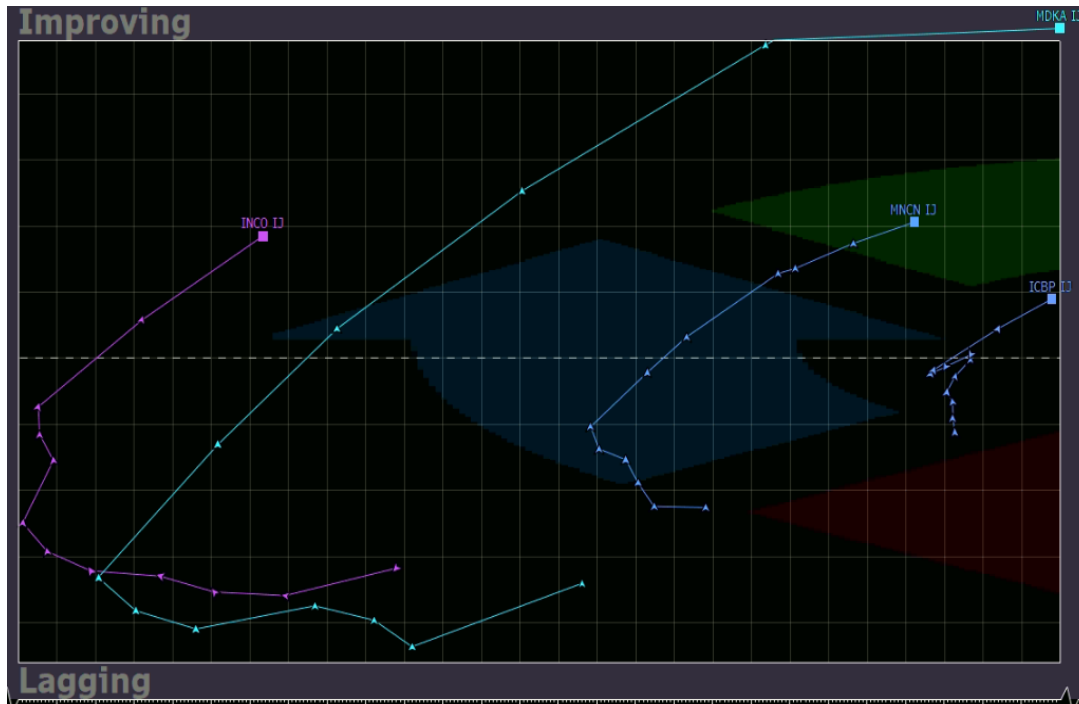
Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val.	Top Sell (RG)	NS Val.
BBRI	2,003,701	CASA	-1,022,455
BMRI	896,718	BBNI	-188,607
ASII	589,130	EXCL	-125,001
BBCA	496,146	SMGR	-92,170
TLKM	367,170	ABMM	-83,595

Source: Bloomberg, NHKSI Research

Stocks Recommendation



Stocks	TP	SL
INCO	5325	5000
INDF	7425	6700
MDKA	3450	3100
MNCN	1065	900

Source: Bloomberg, NHKSI Research

JCI Index

Support	6400	Resistance	6750
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Source: NHKSI Research, Bloomberg

Economic Calendar

Date	Country	Hour JKT	Event	Period	Consensus	Previous
Monday, 18-Oct.	CH	09:00	GDP YoY	3Q	5.0%	7.9%
	CH	09:00	Retail Sales YoY	Sept.	3.5%	2.5%
	CH	09:00	Industrial Production YoY	Sept.	3.8%	5.3%
	US	20:15	Industrial Production MoM	Sept.	--	0.4%
Tuesday, 19-Oct.	ID	14:20	Bank Indonesia 7D Reverse Repo Rate	Oct.	3.50%	3.50%
	US	19:30	Housing Starts	Sept.	1,610k	1,615k
Wednesday, 20-Oct.	UK	13:00	CPI MoM	Sept.	--	0.7%
	UK	13:00	CPI YoY	Sept.	--	3.2%
	EC	16:00	CPI YoY	Sept.	--	3.0%
	US	18:00	MBA Mortgage Applications	Oct.	--	0.2%
Thursday, 21-Oct.	US	19:30	Initial Jobless Claims	Oct.	--	293k
	US	21:00	Leading Index	Sept.	0.5%	0.9%
	US	21:00	Existing Home Sales	Sept.	6.02m	5.88m
Friday, 22-Oct.	UK	15:30	Markit UK PMI Manufacturing	Oct.	--	57.1
	GE	14:30	Markit/BME Germany Manufacturing	Oct.	--	58.4
	EC	15:00	Markit Eurozone Manufacturing	Oct.	--	58.6
	US	20:45	Markit US Manufacturing PMI	Oct.	60.5	60.7

Source: Bloomberg, NHKSI Research

Corporate Action Calendar

Date	Event	Company
Monday, 18-Oct.	RUPS	--
	Cum Dividend	--
Tuesday, 19-Oct.	RUPS	UNSP, TGKA
	Cum Dividend	--
Wednesday, 20-Oct.	RUPS	PSSI
	Cum Dividend	--
Thursday, 21-Oct.	RUPS	ZINC, PYFA, PMJS, LTLS, IKAI, CCSI, BHAT
	Cum Dividend	--
Friday, 22-Oct.	RUPS	HAI, BBRM
	Cum Dividend	--

Source: NHKSI Research

NH KSI Stocks Coverage

	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	3,170.8													
BBCA	7,650	6,770	7,240	Underweight	(5.4)	32.2	943.1	32.1x	5.0x	16.5	1.4	(0.1)	18.1	1.1
BBRI	4,320	4,068	N/A	<i>Under Review</i>		33.8	653.5	25.9x	2.8x	11.0	2.2	6.4	22.8	1.3
BBNI	6,750	6,175	6,050	Underweight	(10.4)	41.2	125.9	32.6x	1.1x	3.4	0.7	(5.7)	12.8	1.5
BMRI	7,150	6,325	7,450	Hold	4.2	27.7	333.7	17.3x	1.8x	10.5	3.1	8.0	21.5	1.3
Consumer Non-Cyclicals	1,118.9													
ICBP	9,275	9,575	11,300	Buy	21.8	(4.9)	108.2	16.8x	3.3x	20.9	2.3	22.4	(4.8)	0.7
INDF	6,775	6,850	8,000	Buy	18.1	(3.9)	59.5	8.4x	1.3x	16.3	4.1	20.1	20.7	0.9
MYOR	2,570	2,710	2,700	Overweight	5.1	6.6	57.5	27.9x	4.8x	18.2	2.0	18.7	0.0	0.8
CPIN	6,350	6,525	6,675	Overweight	5.1	9.0	104.1	20.7x	4.0x	20.6	1.8	28.8	73.0	1.2
AALI	10,425	12,325	12,000	Buy	15.1	(4.8)	20.1	18.4x	1.0x	5.7	2.4	19.3	65.7	1.4
LSIP	1,460	1,375	1,380	Underweight	(5.5)	57.0	10.0	9.0x	1.0x	12.0	1.4	39.0	461.5	1.6
Consumer Cyclicals	342.7													
ERAA	600	440	850	Buy	41.7	81.3	9.6	9.1x	1.7x	19.9	2.3	47.6	386.1	1.2
MAPI	880	790	825	Underweight	(6.3)	34.4	14.6	109.5x	2.6x	2.3	N/A	33.9	N/A	1.2
ACES	1,405	1,715	1,600	Overweight	13.9	(10.5)	24.1	37.0x	4.9x	13.1	2.3	(7.0)	(23.6)	1.0
Healthcare	245.0													
KLBF	1,445	1,480	1,750	Buy	21.1	(7.4)	67.7	23.8x	3.8x	16.6	3.9	6.6	7.9	0.9
SIDO	775	799	930	Buy	20.0	2.8	23.4	22.7x	7.3x	32.8	4.4	13.4	21.3	0.7
MIKA	2,270	2,730	3,250	Buy	43.2	(15.9)	32.3	27.7x	5.8x	23.8	1.6	65.8	115.0	0.3
Infrastructure	783.81													
TLKM	3,810	3,269	4,400	Buy	15.5	38.8	377.4	17.0x	3.8x	22.9	4.4	3.9	13.3	1.1
ISAT	6,500	5,050	6,400	Hold	(1.5)	218.6	35.3	6.8x	2.0x	34.9	N/A	11.4	N/A	1.4
JSMR	4,430	4,630	5,100	Buy	15.1	17.5	32.2	25.7x	1.6x	6.5	N/A	1.6	709.1	1.3
EXCL	3,150	2,730	3,150	Hold	-	47.9	33.8	N/A	1.7x	(3.3)	1.0	(0.8)	(58.9)	1.1
TOWR	1,205	960	1,520	Buy	26.1	18.1	61.5	18.6x	5.7x	32.6	2.3	7.8	30.8	0.8
TBIG	2,890	1,630	3,240	Overweight	12.1	99.3	65.5	51.8x	7.1x	16.1	1.1	15.3	29.9	0.7
WIKA	1,440	1,985	1,410	Hold	(2.1)	17.1	12.9	684.1x	0.9x	0.1	N/A	(5.1)	(66.7)	1.8
PTPP	1,330	1,865	1,380	Hold	3.8	46.2	8.2	41.7x	0.8x	1.8	N/A	(4.3)	366.7	1.8

Source : Bloomberg, NH KSI Research

NH KSI Stocks Coverage

	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
Property & Real Estate							272.3							
CTRA	1,130	985	1,320	Buy	16.8	49.7	21.0	12.8x	1.3x	10.7	0.8	43.4	188.9	1.4
BSDE	1,145	1,225	1,345	Buy	17.5	44.9	24.2	22.9x	0.8x	3.5	N/A	39.2	N/A	1.4
PWON	530	510	585	Overweight	10.4	34.5	25.5	28.0x	1.7x	6.2	N/A	24.6	(3.7)	1.5
Energy							508.3							
PGAS	1,525	1,655	2,030	Buy	33.1	47.3	37.0	N/A	1.1x	(3.0)	N/A	(0.3)	2600.0	1.8
PTBA	2,830	2,810	2,250	Sell	(20.5)	40.8	32.6	11.0x	1.8x	17.4	2.6	14.2	38.3	1.1
ITMG	26,000	13,850	16,250	Sell	(37.5)	221.0	29.4	15.7x	2.2x	14.3	1.8	3.6	266.7	1.3
ADRO	1,860	1,430	1,840	Hold	(1.1)	61.0	59.5	26.1x	1.1x	4.3	3.6	14.7	9.5	1.4
Industrial							417.0							
UNTR	25,500	26,600	25,500	Hold	-	17.5	95.1	14.7x	1.5x	10.5	3.2	12.4	11.2	0.9
ASII	6,250	6,025	6,000	Hold	(4.0)	31.9	253.0	18.6x	1.6x	8.6	2.1	19.6	(22.4)	1.2
Basic Ind.							814.4							
SMGR	8,775	12,425	12,275	Buy	39.9	(3.6)	52.0	17.5x	1.5x	8.9	2.1	1.2	30.1	1.3
INTP	11,350	14,475	14,225	Buy	25.3	(2.6)	41.8	21.7x	1.8x	8.3	6.4	8.0	24.8	1.2
INCO	5,100	5,100	5,500	Overweight	7.8	28.8	50.7	40.7x	1.8x	4.4	0.9	15.1	18.0	1.6
ANTM	2,470	1,935	3,270	Buy	32.4	164.2	59.4	26.7x	3.0x	11.7	0.7	87.0	N/A	1.8

Source : Bloomberg, NH KSI Research

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