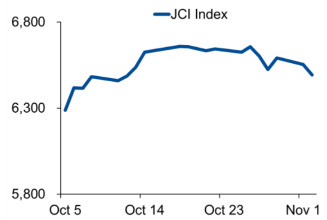
Morning Brief

NH KORINDO SEKURITAS INDONESIA

Daily | 03 Nov, 2021

JCI Movement



Today's Outlook:

The three major US indexes booked another record highs on (02/11). Investors appreciated the release of the Q3/2021 financial performance reports, the majority of which were better than estimated. Meanwhile, the market's focus will shift to the results of the Federal Reserve meeting which is expected to approve the start of the tapering program by reducing the purchase of debt securities by USD 15 billion per month.

From the domestic market, JCI's correction in early November continued with a decline of 0.91%. 10 of the 11 sectoral indexes fell, with daily transaction values lower than the previous month. For today, the movement of the benchmark index may still potentially be under pressure with a projected range of movement at 6,450-6,590.

Company News

ITMG : Distributes IDR 1.33 Trillion of Interim Dividend

CMNT : Net Profit Grows Significantly as of 3Q21

MEDC : To Issue IDR 1 Trillion Bonds with 8.5% Interest Rate

Domestic & Global News

October Inflation Under Control

China's Coal Shortage Eases

Sectors

	Last	Chg.	%
Energy	974.54	-20.19	-2.03%
Industrial	1058.07	-21.50	-1.99%
Transportation & Logistic	1223.57	19.57	-1.57%
Infrastructure	967.84	-11.85	-1.21%
Technology	9151.30	-88.88	-0.96%
Basic Material	1182.45	-11.05	-0.93%
Consumer Cyclicals	854.75	-7.90	-0.92%
Finance	1511.48	-11.32	-0.74%
Property	864.23	-5.41	-0.62%
Consumer Non-Cyclicals	688.72	-1.44	-0.21%
Healthcare	1400.49	1.37	0.10%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	7.07%	-0.74%
FX Reserve (USD bn)	146.90	144.80	Current Acc (USD bn)	(2.20)	(1.00)
Trd Balance (USD bn)	4.37	4.74	Govt. Spending Yoy	8.06%	2.96%
Exports Yoy	47.64%	64.10%	FDI (USD bn)	6.61	4.92
Imports Yoy	40.31%	55.26%	Business Confidence	104.82	105.33
Inflation Yoy	1.60%	1.59%	Cons. Confidence*	95.50	77.30

JCI Index

Nov 02	6,493.27
Chg.	-59.61pts (-0.91%)
Volume (bn shares)	175.94
Value (IDR tn)	11.37

Adv. 161 Dec. 364 Unc. 211 **Untr. 69**

Most Active Stocks (IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBCA	663.6	CARE	221.5
TLKM	624.5	NATO	221.4
BBRI	527.4	BBNI	207.3
ARTO	470.0	KLBF	202.5
PGAS	242.5	MDKA	196.0

Foreign Transaction (IDR bn)

Buy	3,246
Sell	3,391
Net Buy (Sell)	145

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	119.2	TLKM	203.2
KLBF	73.1	BBCA	184.8
AALI	49.2	BUKA	38.4
BBNI	45.1	CPIN	20.9
PGAS	41.0	CARE	16.7

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.08%	-0.02%
USDIDR	14,253	0.04%
KRWIDR	12.13	-0.01%

Global Indices

Index	Last	Chg.	%
Dow Jones	36,052.63	138.79	0.39%
S&P 500	4,630.65	16.98	0.37%
FTSE 100	7,274.81	(13.81)	-0.19%
DAX	15,954.45	148.16	0.94%
Nikkei	29,520.90	(126.18)	-0.43%
Hang Seng	25,099.67	(54.65)	-0.22%
Shanghai	3,505.63	(38.85)	-1.10%
KOSPI	3,013.49	34.55	1.16%
EIDO	23.31	(0.32)	-1.35%

Commodities

Commodity	Last	Chg.	%
Gold ($/troy oz.)	1,787.8	(5.5)	-0.31%
Crude Oil ($/bbl)	83.91	(0.14)	-0.17%
Coal ($/ton)	126.10	(0.40)	-0.32%
Nickel LME ($/MT)	19,448	(126.0)	-0.64%
Tin LME ($/MT)	36,888	1030.0	2.87%
CPO (MYR/Ton)	4,970	9.0	0.18%

ITMG : Distributes IDR 1.33 Trillion of Interim Dividend

PT Indo Tambangraya Megah Tbk (ITMG) will distribute an interim dividend of IDR 1.33 trillion, meaning each stockholder of one ITMG share will receive a dividend of IDR 1,218. Compared with the closing price of ITMG shares at the level of IDR 21,525 on Tuesday (2/11), the estimated yield is 5.65%. Meanwhile, the schedule for cum dividend in the regular and negotiation markets is on November 10, 2021, and the date for payment of dividends is November 24, 2021. (Kontan)

MEDC : To Issue IDR 1 Trillion Bonds with 8.5% Interest Rate

PT Medco Energi Internasional Tbk (MEDC) will issue Shelf-Registered Bonds IV 2021 Phase II worth IDR 1 trillion. This issuance is part of the Shelf-Registered Bonds IV with a total value of IDR 5 trillion. This time, MEDC offers two series of bonds: Series A worth IDR 941.80 billion with a 36-month tenor and interest rate of 7.75%; and a Series B of IDR 58.19 billion in a 60-month tenor with a fixed interest rate of 8.5%. (Kontan)

CMNT : Net Profit Grows Significantly as of 3Q21

PT Cemindo Gemilang Tbk (CMNT), posted a net profit of IDR 333.77 billion as of the end of September 2021. This realization grew 6,995% from net profit in the same period last year which was only IDR 4.70 billion. Net revenue rose 16.5% to IDR 5.88 trillion from IDR 5.05 trillion at the end of 3Q20. Meanwhile, customer with income value exceeding 10% of total operating income is Aastar Trading Pte. Ltd. worth IDR 1.70 trillion or equivalent to 29% of total revenue. (Kontan)

Domestic & Global News

October Inflation Under Control

The inflation rate in October 2021 was recorded at 0.12 percent on a monthly basis (month-on-month/mom) or reaching 1.66 percent on an annual basis (year-on-year/yoy). The stable inflation rate was driven by improving conditions in the health sector, allowing people's activities and consumption to be back on track. (Bisnis Indonesia)

China's Coal Shortage Eases

China's coal shortage is easing thanks to new government policies as the number of Chinese provinces with significant power shortages fell to two in mid-October — down from 18 at the start of the month. The number of coal power plants with dangerously low coal stockpiles (less than 7 days) has also decreased by 90% in the same time frame. (Reuters)

NHKSI Stock 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							3,151.9							
BBCA	7,300	6,770	8,375	Overweight	14.7	23.9	899.9	29.7x	4.5x	16.1	1.5	0.6	15.7	1.1
BBRI	4,210	4,068	N/A	*Under Review*		27.7	636.9	22.4x	2.3x	10.1	2.3	8.3	37.3	1.3
BBNI	6,800	6,175	6,050	Underweight	(11.0)	45.6	126.8	18.9x	1.1x	5.8	0.6	(6.8)	79.8	1.5
BMRI	7,025	6,325	7,450	Overweight	6.0	17.1	327.8	14.7x	1.7x	11.7	3.1	10.7	37.1	1.3
Consumer Non-Cyclicals							1,046.7							
ICBP	8,850	9,575	11,300	Buy	27.7	(9.0)	103.2	16.0x	3.1x	20.9	2.4	22.4	(4.8)	0.7
INDF	6,275	6,850	8,000	Buy	27.5	(10.4)	55.1	7.8x	1.2x	16.3	4.4	20.1	20.7	0.9
MYOR	2,360	2,710	2,700	Overweight	14.4	0.4	52.8	35.5x	4.9x	13.9	2.2	13.1	(37.1)	0.8
CPIN	6,125	6,525	6,675	Overweight	9.0	2.9	100.4	20.0x	3.8x	20.6	1.8	28.8	73.0	1.2
AALI	10,950	12,325	12,000	Overweight	9.6	1.9	21.1	12.3x	1.1x	8.8	2.3	35.2	152.2	1.4
LSIP	1,420	1,375	1,380	Hold	(2.8)	44.9	9.7	8.7x	1.0x	12.0	1.4	39.0	461.5	1.6
Consumer Cyclicals							349.5							
ERAA	625	440	850	Buy	36.0	76.1	10.0	9.5x	1.7x	19.9	2.2	47.6	386.1	1.2
MAPI	890	790	825	Underweight	(7.3)	39.1	14.8	110.7x	2.6x	2.3	N/A	33.9	N/A	1.2
ACES	1,400	1,715	1,600	Overweight	14.3	(10.5)	24.0	45.5x	4.8x	10.7	2.3	(14.3)	(39.1)	1.0
Healthcare							251.7							
KLBF	1,620	1,480	1,750	Overweight	8.0	9.8	75.9	25.4x	4.1x	16.8	3.5	11.7	12.9	0.9
SIDO	860	799	1,030	Buy	19.8	7.0	26.0	22.2x	8.4x	36.4	3.9	23.0	36.1	0.7
MIKA	2,210	2,730	3,250	Buy	47.1	(11.6)	31.5	26.3x	6.1x	24.8	1.6	47.1	67.6	0.3
Infrastructure							763.76							
TLKM	3,660	3,269	4,400	Buy	20.2	43.6	362.6	16.3x	3.7x	22.9	4.6	3.9	13.3	1.1
ISAT	7,050	5,050	6,400	Underweight	(9.2)	250.7	38.3	6.9x	2.2x	36.9	N/A	12.0	N/A	1.4
JSMR	4,120	4,630	5,100	Buy	23.8	9.0	29.9	23.9x	1.5x	6.5	N/A	1.6	709.1	1.3
EXCL	2,950	2,730	3,150	Overweight	6.8	46.8	31.6	N/A	1.6x	(3.3)	1.1	(0.8)	(58.9)	1.1
TOWR	1,145	960	1,520	Buy	32.8	16.2	58.4	17.7x	5.4x	32.6	2.5	7.8	30.8	0.8
TBIG	2,800	1,630	3,240	Buy	15.7	91.8	63.4	50.2x	6.9x	16.1	1.1	15.3	29.9	0.7
WIKA	1,220	1,985	1,410	Buy	15.6	1.2	10.9	579.6x	0.8x	0.1	N/A	(5.1)	(66.7)	1.8
PTPP	1,160	1,865	1,380	Buy	19.0	27.5	7.2	31.1x	0.7x	2.1	N/A	10.8	200.0	1.8
Property & Real Estate							273.6							
CTRA	1,040	985	1,320	Buy	26.9	26.8	19.3	11.8x	1.2x	10.7	0.8	43.4	188.9	1.4
BSDE	1,110	1,225	1,345	Buy	21.2	22.7	23.5	22.2x	0.8x	3.5	N/A	39.2	N/A	1.4
PWON	505	510	585	Buy	15.8	19.7	24.3	26.7x	1.6x	6.2	N/A	24.6	(3.7)	1.5
Energy							471.5							
PGAS	1,455	1,655	2,030	Buy	39.5	35.3	35.3	N/A	1.0x	(1.3)	N/A	4.8	437.1	1.8
PTBA	2,600	2,810	3,420	Buy	31.5	33.3	30.0	5.4x	1.4x	29.2	2.9	50.8	174.8	1.1
ITMG	21,525	13,850	16,250	Sell	(24.5)	159.3	24.3	12.8x	1.8x	14.3	2.2	3.6	266.7	1.2
ADRO	1,645	1,430	1,840	Overweight	11.9	43.7	52.6	22.8x	1.0x	4.3	4.0	14.7	9.5	1.4
Industrial							394.7							
UNTR	23,000	26,600	25,500	Overweight	10.9	10.0	85.8	10.1x	1.3x	13.4	3.5	24.4	46.5	0.9
ASII	5,900	6,025	6,000	Hold	1.7	7.3	238.9	14.0x	1.4x	10.6	2.2	28.4	6.6	1.2
Basic Ind.							814.5							
SMGR	8,975	12,425	12,275	Buy	36.8	0.6	53.2	20.2x	1.5x	7.8	2.1	(1.1)	(10.0)	1.3
INTP	11,850	14,475	14,225	Buy	20.0	(3.5)	43.6	22.7x	1.9x	8.3	6.1	8.0	24.8	1.2
INCO	4,760	5,100	5,500	Buy	15.5	12.5	47.3	25.7x	1.6x	6.3	1.0	20.2	55.0	1.6
ANTM	2,310	1,935	3,270	Buy	41.6	108.1	55.5	24.9x	2.8x	11.7	0.7	87.0	N/A	1.8

*** Target Price**

Source: Bloomberg, NHKSI Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	US	19:30	Personal Income	Sept.	-1.0%	-0.3%	0.2%
29 - Oct.	US	19:30	Personal Spending	Sept.	0.6%	0.6%	0.8%
	US	20:45	MNI Chicago PMI	Oct.	68.4	63.7	64.7
	US	21:00	U. Of Mich. Sentiment	Oct.	71.7	71.4	71.4
Monday	ID	07:30	Markit Indonesia PMI Mfg	Oct.	57.2	—	52.2
1 - Nov.	CH	08:45	Caixin China PMI Mfg	Oct.	50.6	50.0	50.0
	ID	11:00	CPI YoY	Oct.	1.66%	1.65%	1.60%
	US	21:00	ISM Manufacturing	Oct	60.8	60.5	61.1
Tuesday	—	—	—	—	—	—	—
2 - Nov.	—	—	—	—	—	—	—
Wednesday	US	18:00	MBA Mortgage Applications	Oct.		—	0.3%
3 - Nov.	US	19:15	ADP Employment Change	Oct.		400k	568k
	US	21:00	Factory Orders	Sept.		0.1%	1.2%
	US	21:00	Durable Goods Orders	Sept.		-0.4%	-0.4%
Thursday	US	01:00	FOMC Rate Decision (Upper)	Nov.		0.25%	0.25%
4 - Nov.	UK	19:00	Bank of England Bank Rate	Nov.		0.175%	0.100%
	US	19:30	Initial Jobless Claims	Oct.		—	281k
	US	19:30	Trade Balance	Sept.		-$74.2Bn	-$73.3Bn
Friday	ID	10:00	Foreign Reserves	Oct.		—	$146.90Bn
5 - Nov.	ID	11:00	GDP YoY	Oct.		3.56%	7.07%
	ID	11:00	GDP QoQ	Oct.		1.53%	3.31%
	US	19:30	Unemployment Rate	Oct.		4.7%	4.8%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	UNVR, SDPC
1 - Nov.	Cum Dividend	—
Tuesday	RUPS	FIMP, ANJT, AMOR
2 - Nov.	Cum Dividend	DVLA
Wednesday	RUPS	PNBS, DADA
3 - Nov.	Cum Dividend	—
Thursday	RUPS	TBLA, ENVY, BUDI
4 - Nov.	Cum Dividend	XCIS, XCID, KKGI
Friday	RUPS	UNSP, MDLN
5 - Nov.	Cum Dividend	—

Source: Bloomberg

JAKARTA COMPOSITE INDEX

PREVIOUS 2 NOVEMBER 2021

INDEX	**6493.27 (-0.91%)**
TRANSACTIONS	**11.37 TRILLION**
NETT FOREIGN	**145 BILLION (sell)**

PREDICTION 3 NOVEMBER 2021

DOWNWARD

6450-6590

TWO BLACK CROWS

MACD NEGATIF

STOCHASTIC OVERSOLD

BEBS—PT BERKAH BETON SEDAYA TBK

PREVIOUS 2 NOVEMBER 2021

CLOSING 7325 (+5.78%)

PREDICTIONS 3 NOVEMBER 2021

ACCUM BUY

TARGET PRICE	**2730**
STOPLOSS	**2250**

BREAK OUT FALLING WEDGE

MACD POSITIF

STOCHASTIC UPTREND

DSNG—PT DHARMA SATYA NUSANTARA TBK

PREVIOUS 2 NOVEMBER 2021

CLOSING 585 (+2.63%)

PREDICTIONS 3 NOVEMBER 2021

BUY

TARGET PRICE	**625**
STOPLOSS	**575**

WHITE CROSSING

MACD NEGATIF

STOCHASTIC GOLDEN CROSS

KAEF—PT KIMIA FARMA TBK

PREVIOUS 2 NOVEMBER 2021

CLOSING 2430 (0%)

PREDICTIONS 3 NOVEMBER 2021

BUY

TARGET PRICE 2480

STOPLOSS 2420

DOJI

MACD POSITIF

STOCHASTIC UPTREND

LPPF—PT MATAHARI DEPARTEMENT STORE TBK

PREVIOUS 2 NOVEMBER 2021

CLOSING 3100 (+0.98%)

PREDICTIONS 3 NOVEMBER 2021

BUY

TARGET PRICE 3300

STOPLOSS 3050

DIVERGENCE

MACD POSITIF

STOCHASTIC DOWNTREND

BRIS—PT BANK SYARIAH INDONESIA TBK

PREVIOUS 2 NOVEMBER 2021

CLOSING 2070 (-0.96%)

PREDICTIONS 3 NOVEMBER 2021

BUY

TARGET PRICE 2200

STOPLOSS 2050

SPINNING

MACD POSITIF

STOCHASTIC OVERSOLD

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