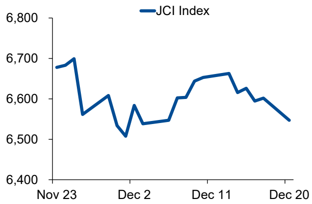
Morning Brief

NH KORINDO SEKURITAS INDONESIA

Daily | Dec 21, 2021

JCI Movement



Today's Outlook:

US stock markets fell again at the beginning of the week (20/12); with all three major indexes down more than 1% each. The spike in Covid-19 cases that occurred throughout the weekend, became a major source of concern for investors. Another negative sentiment came from Senator Joe Manchin's statement refusing to support the Biden administration's USD 1.75 trillion Investment program.

In line with the majority of global exchanges, JCI also started the week with a 0.83% correction to 6,547. Concerns about the Omicron variant, which has the potential to hamper economic recovery, put pressure on sectors such as Industrial (-1.52%) and Consumer Cyclical (-1.48%). For today, the benchmark index will try to stay above the psychological 6500 level.

Company News

TOWR : Buyback of 2.55 Billion Shares
MTEL : INA Increases Share Ownership
AKRA : Stock Split Ratio of 1:5

Domestic & Global News

BKPM Targets IDR 1,200 Trillion in Investment
China Cuts Lending Benchmark

Sectors

	Last	Chg.	%
Industrial	1027.15	-15.89	-1.52%
Consumer Cyclicals	866.50	-13.05	-1.48%
Basic Material	1192.26	-15.61	-1.29%
Finance	1537.30	-16.45	-1.06%
Infrastructure	957.20	-8.75	-0.91%
Consumer Non-Cyclicals	660.68	-2.70	-0.41%
Transportation & Logistic	1688.01	-4.89	-0.29%
Energy	1104.70	-3.03	-0.27%
Property	782.40	-0.85	-0.11%
Healthcare	1440.68	1.86	0.13%
Technology	8811.14	83.05	0.95%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	3.51%	7.07%
FX Reserve (USD bn)	145.90	145.46	Current Acc (USD bn)	4.50	(1.97)
Trd Balance (USD bn)	3.51	5.74	Govt. Spending Yoy	0.66%	8.03%
Exports Yoy	49.70%	53.35%	FDI (USD bn)	4.77	6.52
Imports Yoy	52.62%	51.06%	Business Confidence	104.82	105.33
Inflation Yoy	1.75%	1.66%	Cons. Confidence*	118.50	113.40

JCI Index

Dec 20	6,547.11
Chg.	54.82 pts (-0.83%)
Volume (bn shares)	24.19
Value (IDR tn)	11.56

Adv. 167 Dec. 384 Unc. 188 Untr. 68

Most Active Stocks (IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBYB	558.9	CARE	225.5
BBCA	550.9	MDKA	207.1
ARTO	394.0	BMRI	205.6
BBRI	366.1	ADRO	203.2
TLKM	297.1	MLPL	191.1

Foreign Transaction (IDR bn)

Buy	3,083
Sell	2,540
Net Buy (Sell)	543

Top Buy	NB Val.	Top Sell	NS Val.
TLKM	39.6	BMRI	95.1
BBCA	26.8	ASII	26.8
EMTK	21.6	PTBA	25.5
INTP	7.4	BBRI	22.3
ISAT	6.6	UNVR	21.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.41%	-0.02%
USDIDR	14,378	0.07%
KRWIDR	12.09	-0.53%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,932.16	(433.28)	-1.23%
S&P 500	4,568.02	(52.62)	-1.14%
FTSE 100	7,198.03	(71.89)	-0.99%
DAX	15,239.67	(292.02)	-1.88%
Nikkei	27,937.81	(607.87)	-2.13%
Hang Seng	22,744.86	(447.77)	-1.93%
Shanghai	3,593.60	(38.76)	-1.07%
Kospi	2,963.00	(54.73)	-1.81%
EIDO	22.71	(0.08)	-0.35%

Commodities

Commodity	Last	Chg.	%
Gold ($/troy oz.)	1,790.9	(7.2)	-0.40%
Crude Oil ($/bbl)	68.61	(2.11)	-2.98%
Coal ($/ton)	183.15	3.05	1.69%
Nickel LME ($/MT)	19,320	(305.5)	-1.55%
Tin LME ($/MT)	38,222	(212.5)	-0.55%
CPO (MYR/Ton)	4,295	(113.0)	-2.56%

TOWR : Buyback of 2.55 Billion Shares

PT Sarana Menara Nusantara Tbk (TOWR) will carry out a share buyback of a maximum of 2,550,731,250 shares, or the equivalent of 5% of the total issued and fully paid capital of the company. The share buyback will be carried out within the next 18 months since the approval of the shareholders is obtained. In the last 3.5 years, TOWR has conducted two share buyback programs. (Kontan)

MTEL : INA Increases Share Ownership

The Investment Management Agency or the Indonesia Investment Authority (INA) has increased its share ownership in the tower issuer owned by Telkom, PT Dayamitra Telekomunikasi Tbk. (MTEL) or Mitratel. INA recorded 16 transactions of MTEL shares, with a price range of IDR 759 - IDR 793 per share. This share purchase was carried out by INA in the period of November 22, 2021 to December 13, 2021. (Bisnis Indonesia)

AKRA : Stock Split Ratio of 1:5

The shareholders of PT AKR Corporindo Tbk (AKRA) have approved the stock split corporate action with a ratio of 1:5. Meanwhile, the par value per share of AKRA is currently IDR 100 per share, while the par value per share after the stock split will be IDR 20 per share. Furthermore, the stock split will be effective in January 2022. (Kontan)

Domestic & Global News

BKPM Targets IDR 1,200 Trillion in Investment

The Ministry of Investment/Investment Coordinating Board (BKPM) targets the value of direct investment in Indonesia in 2022 to reach IDR 1,200 trillion. Meanwhile, BKPM's strategy is that as much as 40% will be encouraged to invest in the downstream sector of commodities, such as nickel, bauxite, and also tin. BKPM also directs investment in environmentally friendly industries (green industry). (Kontan)

China Cuts Lending Benchmark

China cut its lending benchmark loan prime rate (LPR) for the first time in 20 months on Monday, in a bid to prop up growth in the slowing economy. The one-year LPR was lowered by 5 bps to 3.80% from 3.85% previously, while the five-year LPR remained at 4.65%. The reduction marks the first LPR cut since April 2020. (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							3,209.5							
BBCA	7,375	6,770	8,375	Overweight	13.6	8.0	909.2	30.0x	4.6x	16.1	1.5	0.6	15.7	1.1
BBRI	4,120	4,068	4,800	Buy	16.5	0.3	623.3	21.9x	2.2x	10.1	2.3	8.3	37.3	1.3
BBNI	6,725	6,175	9,000	Buy	33.8	1.9	125.4	18.7x	1.0x	5.8	0.7	(6.8)	79.8	1.5
BMRI	7,075	6,325	8,600	Buy	21.6	5.6	330.2	14.8x	1.7x	11.7	3.1	10.7	37.1	1.3
Consumer Non-Cyclicals							1,033.6							
ICBP	8,825	9,575	11,300	Buy	28.0	(9.7)	102.9	13.6x	3.2x	25.8	2.4	25.7	25.3	0.7
INDF	6,375	6,850	8,000	Buy	25.5	(9.6)	56.0	6.9x	1.2x	19.1	4.4	23.9	44.3	0.9
MYOR	2,010	2,710	2,700	Buy	34.3	(27.4)	44.9	30.2x	4.2x	13.9	2.6	13.1	(37.1)	0.8
CPIN	5,875	6,525	6,350	Overweight	8.1	(15.8)	96.3	22.7x	4.0x	18.4	1.9	23.7	19.0	1.2
AALI	9,550	12,325	12,000	Buy	25.7	(20.9)	18.4	10.7x	0.9x	8.8	2.7	35.2	152.2	1.4
LSIP	1,200	1,375	1,380	Buy	15.0	(8.7)	8.2	7.0x	0.8x	12.6	1.7	46.6	168.3	1.6
Consumer Cyclicals							359.5							
ERAA	595	440	850	Buy	42.9	36.5	9.5	9.2x	1.6x	18.9	2.3	34.6	141.9	1.1
MAPI	725	790	1,100	Buy	51.7	(21.2)	12.0	N/A	2.3x	(0.6)	N/A	18.3	86.5	1.2
ACES	1,290	1,715	1,460	Overweight	13.2	(29.5)	22.1	41.9x	4.4x	10.7	2.5	(14.3)	(39.1)	1.0
Healthcare							259.3							
KLBF	1,615	1,480	1,750	Overweight	8.4	4.5	75.7	25.3x	4.1x	16.8	1.7	11.7	12.9	0.9
SIDO	865	799	1,030	Buy	19.1	10.3	26.1	22.3x	8.4x	36.4	3.9	23.0	36.1	0.7
MIKA	2,300	2,730	2,750	Buy	19.6	(13.2)	32.8	27.4x	6.3x	24.8	1.6	47.1	67.6	0.3
Infrastructure							855.32							
TLKM	4,080	3,269	4,940	Buy	21.1	17.4	404.2	17.6x	3.9x	22.3	4.1	6.1	13.1	1.0
ISAT	5,925	5,050	6,400	Overweight	8.0	7.7	32.2	5.8x	1.8x	36.9	29.5	12.0	N/A	1.3
JSMR	3,920	4,630	5,100	Buy	30.1	(17.5)	28.5	26.0x	1.4x	5.7	N/A	0.8	375.6	1.2
EXCL	3,180	2,730	3,150	Hold	(0.9)	9.7	34.1	N/A	1.7x	(3.4)	1.0	0.7	(51.0)	1.1
TOWR	1,140	960	1,520	Buy	33.3	12.9	58.2	16.2x	5.0x	33.2	2.5	9.2	36.8	0.8
TBIG	3,090	1,630	3,240	Hold	4.9	89.0	70.0	48.2x	7.3x	17.8	1.0	15.9	44.6	0.7
WIKA	1,040	1,985	1,410	Buy	35.6	(50.0)	9.3	494.1x	0.7x	0.1	N/A	(5.1)	(66.7)	1.7
PTPP	985	1,865	1,700	Buy	72.6	(48.7)	6.1	26.4x	0.6x	2.1	N/A	10.8	200.0	1.8
Property & Real Estate							246.3							
CTRA	995	985	1,400	Buy	40.7	(5.7)	18.5	8.8x	1.1x	13.6	0.9	56.8	323.1	1.5
BSDE	995	1,225	1,345	Buy	35.2	(24.3)	21.1	19.9x	0.7x	3.5	N/A	39.2	N/A	1.4
PWON	472	510	690	Buy	46.2	(17.9)	22.7	21.6x	1.5x	7.1	N/A	24.3	20.2	1.5
Energy							538.6							
PGAS	1,415	1,655	2,030	Buy	43.5	(21.2)	34.3	N/A	0.9x	(1.3)	N/A	4.8	437.1	1.7
PTBA	2,650	2,810	3,420	Buy	29.1	(12.8)	30.5	5.5x	1.5x	29.2	2.8	50.8	174.8	1.1
ITMG	20,025	13,850	16,250	Sell	(18.9)	32.8	22.6	5.6x	1.5x	28.3	6.9	51.8	525.0	1.2
ADRO	2,050	1,430	1,840	Underweight	(10.2)	31.8	65.6	9.9x	1.1x	11.9	3.2	31.4	284.8	1.4
Industrial							382.3							
UNTR	21,300	26,600	25,500	Buy	19.7	(24.7)	79.5	9.4x	1.2x	13.4	3.8	24.4	46.5	0.9
ASII	5,675	6,025	6,650	Buy	17.2	(7.7)	229.7	13.4x	1.4x	10.6	2.3	28.4	6.6	1.3
Basic Ind.							876.5							
SMGR	7,325	12,425	12,275	Buy	67.6	(41.4)	43.4	16.5x	1.3x	7.8	2.6	(1.1)	(10.0)	1.2
INTP	11,425	14,475	14,225	Buy	24.5	(22.7)	42.1	22.2x	2.0x	8.6	4.4	4.5	8.2	1.2
INCO	4,620	5,100	5,500	Buy	19.0	(14.4)	45.9	24.7x	1.5x	6.3	1.0	20.2	55.0	1.6
ANTM	2,220	1,935	3,270	Buy	47.3	13.0	53.3	26.4x	2.6x	10.3	0.8	46.8	104.7	1.8

*** Target Price**

Source: Bloomberg, NHKSI Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	—	—	—	—	—	—	—
17 - Dec.	—	—	—	—	—	—	—
Monday	—	—	—	—	—	—	—
20 - Dec.	—	—	—	—	—	—	—
Tuesday	EC	22:00	Consumer Confidence	Dec.		-8.1%	-6.8%
21 - Dec.	—	—	—	—	—	—	—
Wednesday	US	19:00	MBA Mortgage Applications	Dec.		—	-4.0%
22 - Dec.	US	20:30	GDP Annualized QoQ	3Q21		2.1%	2.1%
	US	22:00	Conf. Board Consumer Confidence	Dec.		110.8	109.5
	US	22:00	Existing Home Sales MoM	Nov.		6.55Mn	6.34Mn
Thursday	US	20:30	Initial Jobless Claims	Dec.		—	—
23 - Dec.	US	20:30	Durable Goods Orders	Nov.		1.7%	-0.4%
	US	22:00	U. of Mich. Sentiment	Dec.		70.4	70.4
	US	22:00	New Home Sales	Nov.		765k	745k
Friday	—	—	—	—	—	—	—
24 - Dec.	—	—	—	—	—	—	—

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	ZBRA, TOWR, BBSI, AKRA
20 - Dec.	Cum Dividend	XAFA
Tuesday	RUPS	SMGR, MDRN, CNKO
21 - Dec.	Cum Dividend	—
Wednesday	RUPS	PKPK, JSMR, HITS, DSSA, BGTG
22 - Dec.	Cum Dividend	—
Thursday	RUPS	UANG, TNCA, TINS, TAXI, PTBA, BUMI, BUKA, BKSW, ANTM
23 - Dec.	Cum Dividend	—
Friday	RUPS	—
24 - Dec.	Cum Dividend	—

Source: Bloomberg

JAKARTA COMPOSITE INDEX

PREVIOUS 20 DESEMBER 2021

INDEX	**6547.11 (-0.83%)**
TRANSACTIONS	**11.56 TRILLION**
NETT FOREIGN	**543 BILLION (BUY)**

PREDICTION 21 DESEMBER 2021

UPWARD 9REBOUND)

6500-6620

SPINNING

MACD NEGATIF

STOCHASTIC OVERSOLD

MIKA—PT MITRA KELUARGA KARYASEHAT TBK

PREVIOUS 20 DESEMBER 2021

CLOSING 2300 (+2.68%)

PREDICTIONS 21 DESEMBER 2021

BUY

TARGET PRICE	**2440**
STOPLOSS	**2280**

HAMMER

MACD NEGATIF MENGECIL

STOCHASTIC GOLDEN CROSS

KRAS—PT KRAKATAU STEELS (PERSERO) TBK

PREVIOUS 20 DESEMBER 2021

CLOSING 426 (+4.93%)

PREDICTIONS 21 DESEMBER 2021

BUY

TARGET PRICE	**460**
STOPLOSS	**420**

WHITE CROSSING

MACD NEGATIF MENGECIL

STOCHASTIC UPTREND

CTRA—PT CIPUTRA DEVELOPMENT TBK

PREVIOUS 20 DESEMBER 2021

CLOSING 995 (+1.53%)

PREDICTIONS 21 DESEMBER 2021

BUY

TARGET PRICE 1025

STOPLOSS 985

HAMMER

MACD NEGATIF MENGECIL

STOCHASTIC GOLDEN CROSS

KAEF—PT KIMIA FARMA TBK

PREVIOUS 20 DESEMBER 2021

CLOSING 2560 (0%)

PREDICTIONS 21 DESEMBER 2021

BUY

TARGET PRICE 2720

STOPLOSS 2550

LONG LEG DOJI

MACD POSITIF

STOCHASTIC UPTREND

BBYB—PT BANK NEO COMMERCE TBK

PREVIOUS 20 DESEMBER 2021

CLOSING 2630 (-2.59%)

PREDICTIONS 21 DESEMBER 2021

BUY

TARGET PRICE 2900

STOPLOSS 2620

INVERTED HAMMER

MACD POSITIF

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