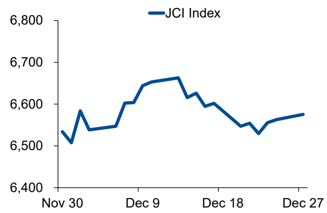
Morning Brief

NH KORINDO SEKURITAS INDONESIA

Daily | Dec 28, 2021

JCI Movement



Today's Outlook:

US stock markets rose again after the Christmas holiday (27/12); with the S&P 500 index continuing a new all-time high. The energy and technology sectors became the pillars of the rally that marked the start of the Santa Klaus rally period. Oil prices managed to rebound almost by 3% after previously slumped due to the sentiment of flight delays following the increase in cases of the Omicron variant.

From the domestic market, the JCI posted a slight gain of 0.19% to 5,575; supported by foreign net buys worth IDR 365 billion. The Raw Materials Sector was the leader of gains in the midst of relatively low trading volume; with an increase of 1.41%. For today, the benchmark index is still likely to continue moving higher with a projected range at 6,500 - 6,620.

Company News

ISAT : Pefindo Assigns Positive Rating
KRAS : Pays Debt of IDR 2.7 Trillion
ADRO : Extends Share Buyback Period

Domestic & Global News

Government Issues PMK for Tax Amnesty Volume II
China to Roll Out Fiscal Policies

Sectors

	Last	Chg.	%
Basic Material	1234.81	17.21	1.41%
Infrastructure	956.56	7.91	0.83%
Energy	1131.95	5.06	0.45%
Consumer Non-Cyclicals	664.87	2.08	0.31%
Property	775.84	0.33	0.04%
Healthcare	1404.82	-1.17	-0.08%
Finance	1537.90	-2.13	-0.14%
Industrial	1034.81	-1.56	-0.15%
Technology	8501.36	-19.02	-0.22%
Transportation & Logistic	1616.76	-6.03	-0.37%
Consumer Cyclicals	896.10	-6.41	-0.71%

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 27	6,575.44
Chg.	12.54 pts (+0.19%)
Volume (bn shares)	23.00
Value (IDR tn)	9.82

Adv. 263 Dec. 244 Unc. 233 Untr. 74

Most Active Stocks (IDR bn)

by Value

Stocks	Val.	Stocks	Val.
ARTO	298.0	BEBS	197.8
ADRO	274.0	JAST	194.2
BBRI	267.2	AYLS	188.5
CARE	259.1	NATO	170.9
MDKA	227.7	BBCA	151.6

Foreign Transaction (IDR bn)

Buy	1,693
Sell	1,328
Net Buy (Sell)	365

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	119.7	ADRO	76.6
TBIG	99.2	BBYB	53.4
BUKA	72.4	BBRI	49.1
EMTK	50.9	ASII	21.8
AVIA	67.3	MTEL	19.4

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.35%	0.01%
USDIDR	14,227	0.04%
KRWIDR	11.99	0.19%

Global Indices

Index	Last	Chg.	%
Dow Jones	36,302.38	351.82	0.98%
S&P 500	4,791.19	65.40	1.38%
FTSE 100	7,372.10	0.00	0.00%
DAX	15,835.25	78.94	0.50%
Nikkei	28,676.46	(106.13)	-0.37%
Hang Seng	23,223.76	0.00	0.00%
Shanghai	3,615.97	(2.08)	-0.06%
Kospi	2,999.55	(12.88)	-0.43%
EIDO	23.20	0.23	1.00%

Commodities

Commodity	Last	Chg.	%
Gold ($/troy oz.)	1,812.1	1.9	0.10%
Crude Oil ($/bbl)	75.57	1.78	2.41%
Coal ($/ton)	166.60	1.10	0.66%
Nickel LME ($/MT)	20,045	24.00	0.12%
Tin LME ($/MT)	39,260	667.50	1.73%
CPO (MYR/Ton)	4,604	(45.0)	-0.97%

ISAT : Pefindo Assigns Positive Rating

The Indonesian Securities Rating Agency (Pefindo) has assigned an idAAA rating to the bonds issued by PT Indosat Tbk. (ISAT). Among them are Shelf-Registered Bonds (OB) III 2018-2020, OB II Years 2017-2019, OB I Years 2014-2016, and Bonds VIII Year 2012 Series B. This include the Shelf-Registered Sukuk Ijarah (SIB) III Year 2018- 2020, SIB II Year 2017-2019, and SIB I Year 2014-2016. (Bisnis Indonesia)

KRAS : Pays Debt of IDR 2.7 Trillion

PT Krakatau Steel (Persero) Tbk. (KRAS) said it had fulfilled its debt settlement obligations for Tranche B of IDR 2.7 trillion. Thus, KRAS is able to complete the Working Capital Bridging Loan (WCBL) facility of USD 200 million to three state-owned banks, PT Bank Mandiri (Persero) Tbk. (BMRI), PT Bank Rakyat Indonesia (Persero) Tbk. (BBRI), and PT Bank Negara Indonesia (Persero) Tbk. (BBNI). (Bisnis Indonesia)

ADRO : Extends Share Buyback Period

PT Adaro Energy Tbk (ADRO) has extended the buyback period of shares by three months. This time extension was carried out because there are still remaining shares that can be bought back by the company. Previously, the buyback period of ADRO shares ended on December 26, 2021. As planned, the buyback of ADRO shares will be carried out from December 24, 2021 to March 23, 2022. (Investor Daily)

Domestic & Global News

Government Issues PMK for Tax Amnesty Volume II

The government issues the regulations for tax amnesty volume II or the Voluntary Disclosure Program (PPS). As stated in Law (UU) Number 7 of 2021 concerning Harmonization of Tax Regulations (HPP), PPS will take effect from January 1, 2022 to June 30, 2022. The agenda is stated in the Minister of Finance Regulation (PMK) Number 196/PMK.03/2021. (Kontan)

China to Roll Out Fiscal Policies

China will roll out fiscal policies proactively next year to stabilise economic growth, vowing that the impact of the drive would be felt earlier than usual. The government will launch another round of tax and fee cuts to support businesses and help them make infrastructure investments "appropriately" ahead of time. China has issued 1.46 trillion yuan (USD 229 billion) in the 2022 advance quota for local government special bonds to help spur investment and support the economy. (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							3,205.1							
BBCA	7,350	6,770	8,375	Overweight	13.9	8.4	906.1	29.9x	4.6x	16.1	1.5	0.6	15.7	1.1
BBRI	4,060	4,068	4,800	Buy	18.2	(2.1)	614.2	21.6x	2.2x	10.1	2.4	8.3	37.3	1.3
BBNI	6,750	6,175	9,000	Buy	33.3	4.7	125.9	18.7x	1.0x	5.8	0.7	(6.8)	79.8	1.5
BMRI	7,000	6,325	8,600	Buy	22.9	7.3	326.7	14.6x	1.7x	11.7	3.1	10.7	37.1	1.3
Consumer Non-Cyclicals							1,040.3							
ICBP	8,650	9,575	11,300	Buy	30.6	(8.7)	100.9	13.3x	3.2x	25.8	2.5	25.7	25.3	0.7
INDF	6,375	6,850	8,000	Buy	25.5	(7.9)	56.0	6.9x	1.2x	19.1	4.4	23.9	44.3	0.9
MYOR	2,000	2,710	2,700	Buy	35.0	(31.3)	44.7	30.1x	4.1x	13.9	2.6	13.1	(37.1)	0.8
CPIN	5,900	6,525	6,350	Overweight	7.6	(12.9)	96.7	22.8x	4.0x	18.4	1.9	23.7	19.0	1.2
AALI	9,600	12,325	12,000	Buy	25.0	(21.6)	18.5	10.7x	0.9x	8.8	2.7	35.2	152.2	1.4
LSIP	1,200	1,375	1,380	Buy	15.0	(11.8)	8.2	7.0x	0.8x	12.6	1.7	46.6	168.3	1.6
Consumer Cyclicals							375.2							
ERAA	610	440	850	Buy	39.3	29.2	9.7	9.4x	1.7x	18.9	2.3	34.6	141.9	1.1
MAPI	710	790	1,100	Buy	54.9	(21.5)	11.8	N/A	2.2x	(0.6)	N/A	18.3	86.5	1.2
ACES	1,285	1,715	1,460	Overweight	13.6	(28.0)	22.0	41.8x	4.4x	10.7	2.5	(14.3)	(39.1)	1.0
Healthcare							252.8							
KLBF	1,610	1,480	1,750	Overweight	8.7	7.3	75.5	25.2x	4.1x	16.8	1.7	11.7	12.9	0.9
SIDO	870	799	1,030	Buy	18.4	7.6	26.3	22.5x	8.5x	36.4	3.9	23.0	36.1	0.7
MIKA	2,210	2,730	2,750	Buy	24.4	(21.1)	31.5	26.3x	6.1x	24.8	1.6	47.1	67.6	0.3
Infrastructure							853.85							
TLKM	4,080	3,269	4,940	Buy	21.1	20.4	404.2	17.6x	3.9x	22.3	4.1	6.1	13.1	1.0
ISAT	5,900	5,050	6,400	Overweight	8.5	4.4	32.1	5.8x	1.8x	36.9	29.6	12.0	N/A	1.3
JSMR	3,860	4,630	5,100	Buy	32.1	(18.2)	28.0	25.6x	1.4x	5.7	N/A	0.8	375.6	1.3
EXCL	3,090	2,730	3,150	Hold	1.9	10.0	33.1	N/A	1.7x	(3.4)	1.0	0.7	(51.0)	1.1
TOWR	1,160	960	1,520	Buy	31.0	20.2	59.2	16.5x	5.0x	33.2	2.4	9.2	36.8	0.8
TBIG	3,000	1,630	3,240	Overweight	8.0	76.5	68.0	46.8x	7.1x	17.8	1.1	15.9	44.6	0.7
WIKA	1,125	1,985	1,410	Buy	25.3	(44.0)	10.1	534.5x	0.7x	0.1	N/A	(5.1)	(66.7)	1.7
PTPP	1,035	1,865	1,700	Buy	64.3	(41.9)	6.4	27.8x	0.6x	2.1	N/A	10.8	200.0	1.8
Property & Real Estate							244.1							
CTRA	990	985	1,400	Buy	41.4	(4.3)	18.4	8.7x	1.1x	13.6	0.9	56.8	323.1	1.5
BSDE	1,025	1,225	1,345	Buy	31.2	(19.6)	21.7	20.5x	0.7x	3.5	N/A	39.2	N/A	1.4
PWON	466	510	690	Buy	48.1	(12.9)	22.4	21.4x	1.5x	7.1	N/A	24.3	20.2	1.5
Energy							552.8							
PGAS	1,405	1,655	2,030	Buy	44.5	(20.6)	34.1	N/A	0.9x	(1.3)	N/A	4.8	437.1	1.7
PTBA	2,700	2,810	3,420	Buy	26.7	(5.3)	31.1	5.6x	1.5x	29.2	2.8	50.8	174.8	1.1
ITMG	20,150	13,850	16,250	Sell	(19.4)	40.4	22.8	5.7x	1.5x	28.3	6.9	51.8	525.0	1.2
ADRO	2,180	1,430	1,840	Sell	(15.6)	44.9	69.7	10.7x	1.2x	11.9	3.0	31.4	284.8	1.3
Industrial							384.0							
UNTR	22,025	26,600	25,500	Buy	15.8	(18.2)	82.2	9.7x	1.2x	13.4	3.7	24.4	46.5	0.9
ASII	5,675	6,025	6,650	Buy	17.2	(6.6)	229.7	13.4x	1.4x	10.6	2.3	28.4	6.6	1.3
Basic Ind.							905.9							
SMGR	7,400	12,425	12,275	Buy	65.9	(41.0)	43.9	16.6x	1.3x	7.8	2.5	(1.1)	(10.0)	1.2
INTP	11,825	14,475	14,225	Buy	20.3	(18.4)	43.5	22.9x	2.0x	8.6	4.2	4.5	8.2	1.2
INCO	4,690	5,100	5,500	Buy	17.3	(12.3)	46.6	25.4x	1.6x	6.3	1.0	20.2	55.0	1.6
ANTM	2,300	1,935	3,270	Buy	42.2	15.0	55.3	27.3x	2.7x	10.3	0.7	46.8	104.7	1.8

*** Target Price**

Source: Bloomberg, NHKSI Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Friday	—	—	—	—	—	—	—
24 - Dec.	—	—	—	—	—	—	—
Monday	—	—	—	—	—	—	—
27 - Dec.	—	—	—	—	—	—	—
Tuesday	—	—	—	—	—	—	—
28 - Dec.	—	—	—	—	—	—	—
Wednesday	EC	16:00	M3 Money Supply YoY	Nov.		7.6%	7.7%
29 - Dec.	US	20:30	Wholesale Inventories MoM	Nov.		1.7%	2.3%
	US	22:00	Pending Home Sales MoM	Nov.		0.5%	7.5%
Thursday	US	20:30	Initial Jobless Claims	Dec.		—	205k
30 - Dec.	US	21:45	MNI Chicago PMI	Dec.		62.2	61.8
Friday	CH	08:00	Non-Manufacturing PMI	Dec.		52.0	52.3
31 - Dec.	CH	08:00	Manufacturing PMI	Dec.		50.0	50.1

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	—
27 - Dec.	Cum Dividend	—
Tuesday	RUPS	ISAT
28 - Dec.	Cum Dividend	—
Wednesday	RUPS	MAMI, BBYB, BACA
29 - Dec.	Cum Dividend	ADRO
Thursday	RUPS	GPSO, AKSI
30 - Dec.	Cum Dividend	—
Friday	RUPS	ELSA
31 - Dec.	Cum Dividend	—

Source: Bloomberg

JAKARTA COMPOSITE INDEX

PREVIOUS 27 DESEMBER 2021

INDEX	**6575.44 (+0.19%)**
TRANSACTIONS	**9.82 TRILLION**
NETT FOREIGN	**365 BILLION (BUY)**

PREDICTION 28 DESEMBER 2021

UPWARD

6500-6620

GRAVESTONE DOJI

MACD NEGATIF MENGECIL

STOCHASTIC UPTREND

ISAT—PT INDOSAT TBK

PREVIOUS 27 DESEMBER 2021

CLOSING 5900 (+6.79%)

PREDICTIONS 28 DESEMBER 2021

BUY

TARGET PRICE	**6700**
STOPLOSS	**5850**

MORNING STAR

MACD NEGATIF MENGECIL

STOCHASTIC GOLDEN CROSS

PTPP—PT PP (PERSERO) TBK

PREVIOUS 27 DESEMBER 2021

CLOSING 1035 (+5.61%)

PREDICTIONS 28 DESEMBER 2021

BUY ON WEAKNESS

TARGET PRICE	**1100**
STOPLOSS	**990**

WHITE MARUBOZZU

MACD NEGATIF MENGECIL

STOCHASTIC GOLDEN CROSS

INKP—PT INDAH KIAT PULP & PAPER TBK

PREVIOUS 27 DESEMBER 2021

CLOSING 8200 (+8.25%)

PREDICTIONS 28 DESEMBER 2021

BUY

TARGET PRICE 8800

STOPLOSS 8150

TWO WHITE SOLDIERS

MACD NEGATIF MENGECIL

STOCHASTIC UPTREND

SMGR—PT SEMEN INDONESIA (PERSERO) TBK

PREVIOUS 27 DESEMBER 2021

CLOSING 7400 (+1.72%)

PREDICTIONS 28 DESEMBER 2021

ACCUM BUY

TARGET PRICE 7850

STOPLOSS 7300

WHITE CROSSING

MACD NEGATIF MENGECIL

STOCHASTIC GOLDEN CROSS

PGAS—PT PERUSAHAAN GAS NEGARA TBK

PREVIOUS 27 DESEMBER 2021

CLOSING 1405 (+3.31%)

PREDICTIONS 28 DESEMBER 2021

ACCUM BUY

TARGET PRICE 1480

STOPLOSS 1390

MORNING STAR

MACD NEGATIF MENGECIL

STOCHASTIC GOLDEN CROSS

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