

Weekly Brief (Jun. 13 – 17, 2022)

Summary:

Last week review:

The Fed's hawkish stance ineffective, and inflation still high. The US CPI MoM increased 1.0% (Vs. Apr. 0.3% MoM), even after the 50 bps increase to FFR at the beginning of May. Concerns about the ineffectiveness of the Fed's Hawkish stance also led to yields on UST10Y and GIDN10Y to be traded above the psychological 3% and 7% levels, respectively. Meanwhile, inflation will remain high, as the price of Brent crude oil penetrated USD 120/barrel again, potentially revising the inflation outlook and increasing the FFR more aggressively. JCI closed at 7,086, or weakened 1.3% for the week.

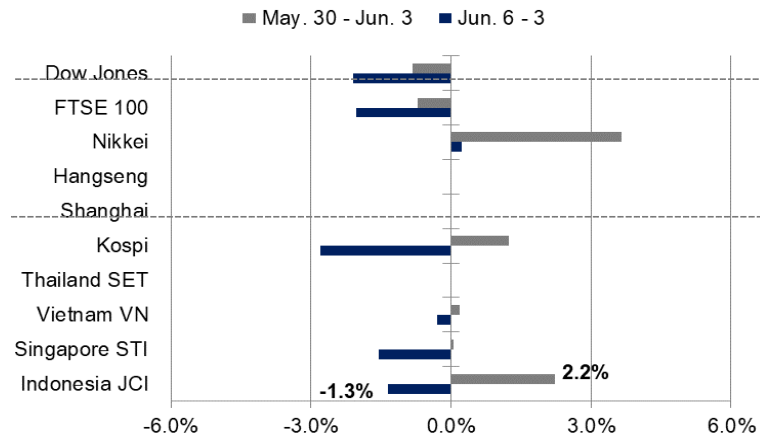
This week's outlook:

May's trade balance narrowed, projected to only be a surplus of USD 2.3 billion (Vs. Apr. USD 7.6 billion), in line with the CPO export ban during that period. This is already reflected in the forex reserves of May which was booked at USD 135.6 billion (Vs. Apr. USD 135.7 billion), or a three consecutive months decline. The decline in forex reserves limits BI's room for movement, amid the depreciation of the rupiah, which had been traded above the level of IDR 14,500 last week. Investors are also waiting for confirmation of the 50 bps FFR rate hike in June at the FOMC Rate Decision meeting. Apart from the consumer level, inflation also occurred at the producer level. The US PPI May MoM Final Demand is projected to increase by 0.8% (Vs. Apr. 0.5%). NHKSI Research projects that the JCI this week will move in the range of 7,000-7,350.

JCI Index	: 7,086.64 (-1.3%)
Foreign Flow	: Net buy of IDR 1.3 trillion (vs. last week's net buy of IDR 4.7 trillion)
USD/IDR	: 14,550 (+0.78%)

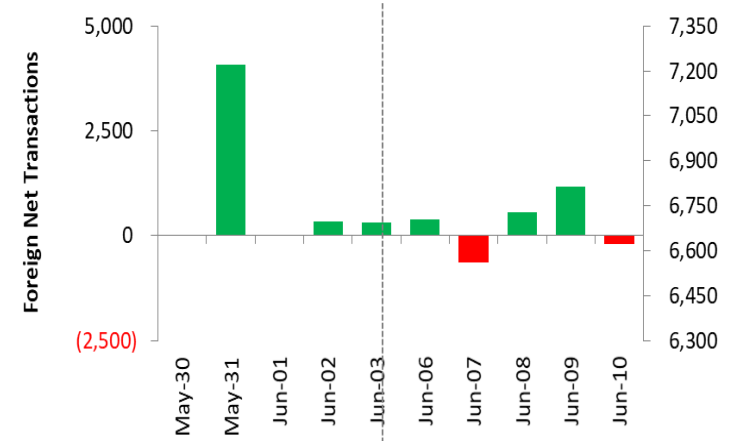
Last Week's JCI Movement

Global Market Movement



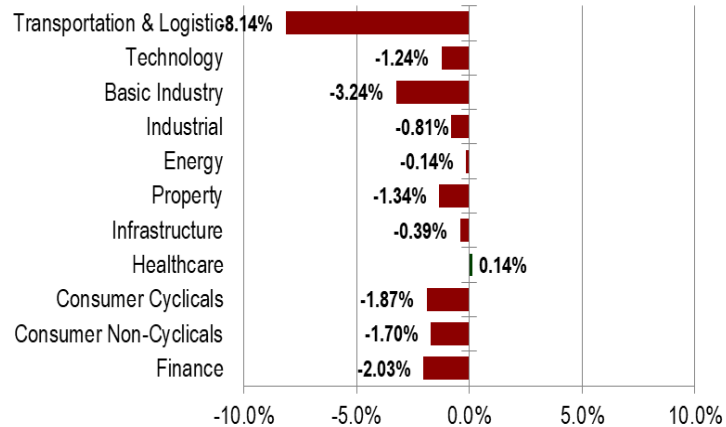
Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

JCI Sector Movement



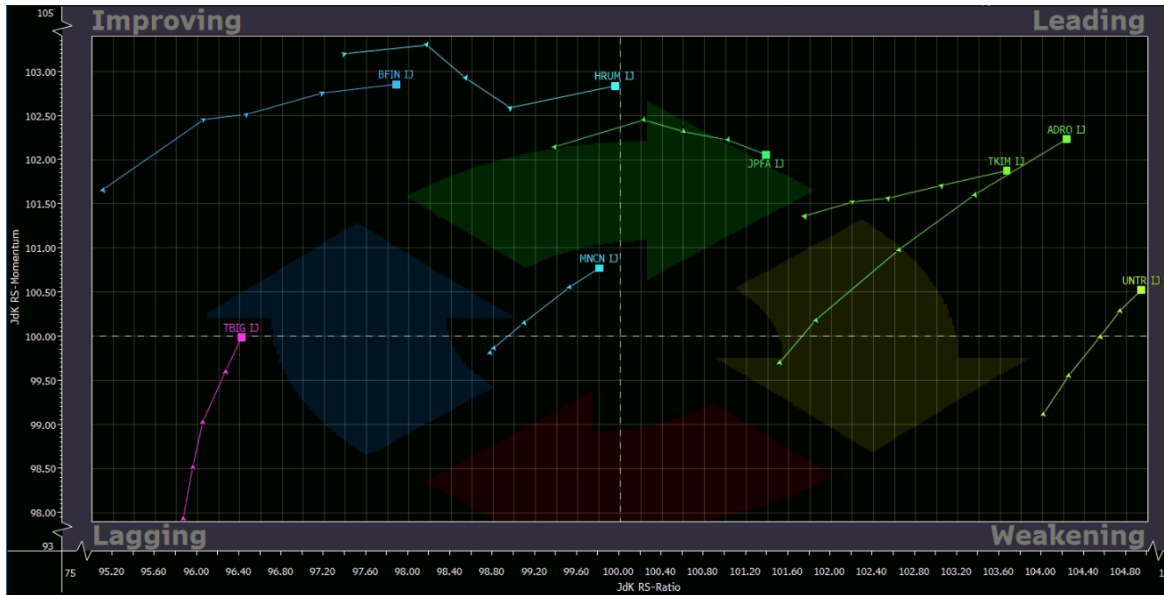
Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val. (IDR Mn)	Top Sell (RG)	NS Value (IDR Mn)
BMRI	1,490,937	TLKM	622,749
ASII	399,900	BBNI	290,727
UNTR	165,329	ADRO	165,167
INCO	135,998	BBCA	153,857
PGAS	102,627	ADMR	55,041

Source: Bloomberg, NHKSI Research

Stocks Recommendation



Source: Bloomberg, NHKSI Research

Stocks	TP	SL
ADRO	3,710	3,450
BFIN	1,250	1,100
HRUM	2,440	2,100
JPFA	1,515	1,400
MNCN	1,080	980
TBIG	2,870	2,800
TKIM	7,500	6,800
UNTR	33,950	31,800

JCI Index

Support: 7,000 Resistance: 7,350



Source: NHKSI Research, Bloomberg

Economic Calendar

Date	Country	Hour JKT	Event	Period	Consensus	Previous
Monday, 13-June.	UK	13:00	Industrial Production MoM	Apr.	--	-0.2%
	UK	13:00	Industrial Production YoY	Apr.	--	0.7%
	UK	13:00	Manufacturing Production MoM	Apr.	--	-0.2%
	UK	13:00	Manufacturing Production YoY	Apr.	--	1.9%
Tuesday, 14-June.	JP	11:30	Capacity Utilization MoM	Apr.	--	-1.6%
	JP	11:30	Industrial Production MoM	Apr.	--	-1.3%
	US	19:30	PPI Final Demand MoM	May	0.8%	0.5%
	US	19:30	PPI Final Demand YoY	May	10.8%	11.0%
Wednesday, 15-June.	ID	11:00	Trade Balance	May	\$2,250Mn	\$7,560Mn
	ID	11:00	Exports YoY	May	33.80%	47.76%
	ID	11:00	Imports YoY	May	40.50%	21.97%
	US	18:00	MBA Mortgage Applications	Jun.	--	-6.5%
Thursday, 16-June.	US	01:00	FOMC Rate Decision (Lower Bound)	Jun.	1.25%	0.75%
	US	01:00	FOMC Rate Decision (Upper Bound)	Jun.	1.50%	1.00%
	US	19:30	Housing Starts	May	1,714k	1,724k
	US	19:30	Initial Jobless Claims	Jun.	--	229k
Friday, 17-June.	EC	16:00	CPI YoY	May	8.1%	7.4%
	EC	16:00	CPI MoM	May	0.8%	0.8%
	US	20:15	Industrial Production MoM	May	0.5%	1.1%
	US	21:00	Leading Index	May	-0.4%	-0.3%

Source: Bloomberg, NHKSI Research

Corporate Action Calendar

Date	Event	Company
Monday, 13-June.	RUPS	SDMU
	Cum Dividend	LTLS, LPIN, HAIS, BLUE
Tuesday, 14-June.	RUPS	SPTO, SOFA, SMMA, IGAR, GSMF, DUTI, DADA, BSIM, BSDE, ASDM
	Cum Dividend	SMAR, PPGL, NELY, HRUM, DMAS, BOBA
Wednesday, 15-June.	RUPS	WMUU, WMPP, UNVR, SAMF, MASA, KOPI, KOBX, KINO, DYAN, BBRM
	Cum Dividend	SCCO, MBAP, IFII, ESSA
Thursday, 16-June.	RUPS	WSKT, POWR, MBSS, LPGI, EDGE, DLTA, COCO, BOLT, AMFG
	Cum Dividend	XAFA, TPMA, BRAM, ANJT
Friday, 17-June.	RUPS	VOKS, TRST, MTSM, GGRP, DPNS, BNBR
	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							3,244.9							
BBCA	7,350	7,300	9,000	Buy	22.4	11.0	906.1	28.0x	4.7x	17.4	2.0	3.9	13.6	0.9
BBRI	4,400	4,110	5,500	Buy	25.0	4.9	666.9	16.1x	2.4x	15.7	4.0	3.9	30.3	1.3
BBNI	8,300	6,750	10,700	Buy	28.9	46.3	154.8	12.4x	1.2x	10.4	1.8	2.7	66.2	1.4
BMRI	8,175	7,025	9,800	Buy	19.9	31.9	381.5	11.9x	2.0x	17.1	4.4	5.8	69.5	1.1
Consumer Non-Cyclicals							1,139.6							
ICBP	8,500	8,700	9,400	Overweight	10.6	4.3	99.1	15.0x	2.7x	19.5	2.5	13.9	11.4	0.5
UNVR	4,750	4,110	5,700	Buy	20.0	(10.4)	181.2	29.8x	28.4x	94.0	3.5	5.4	17.8	0.5
GGRM	30,850	30,600	34,200	Overweight	10.9	(8.2)	59.4	12.0x	1.0x	8.2	8.4	(1.5)	(38.3)	0.8
HMSP	1,075	965	1,000	Underweight	(7.0)	(11.5)	125.0	19.5x	4.0x	20.2	6.8	11.0	(27.3)	0.9
CPIN	5,025	5,950	5,600	Overweight	11.4	(28.2)	82.4	24.5x	3.1x	13.1	2.1	15.2	(18.0)	0.8
AALI	11,000	9,500	14,900	Buy	35.5	23.2	21.2	9.2x	1.0x	11.4	4.2	30.7	197.6	0.8
Consumer Cyclicals							404.5							
ERAA	500	600	1,100	Buy	120.0	(22.5)	8.0	7.7x	1.2x	17.0	2.8	5.8	11.8	0.6
MAPI	925	710	1,100	Buy	18.9	30.3	15.4	16.5x	2.4x	15.7	N/A	30.6	1450.0	1.0
Healthcare							257.1							
KLBF	1,625	1,615	1,800	Overweight	10.8	12.8	76.2	23.1x	3.8x	17.1	2.2	16.6	16.7	0.7
SIDO	975	865	1,100	Overweight	12.8	26.8	29.5	22.7x	9.5x	42.8	3.9	11.0	9.6	0.4
MIKA	2,620	2,260	2,700	Hold	3.1	7.4	37.3	31.5x	7.0x	22.7	1.4	(9.2)	(13.6)	0.2
Infrastructure							879.61							
TLKM	4,020	4,040	4,940	Buy	22.9	15.5	398.2	16.0x	3.1x	21.0	3.7	3.7	1.7	1.0
JSMR	3,930	3,890	5,100	Buy	29.8	1.3	28.5	15.4x	1.4x	9.2	N/A	5.0	142.7	1.0
EXCL	2,560	3,170	3,800	Buy	48.4	(0.4)	27.5	24.7x	1.3x	5.6	2.0	7.9	(56.7)	0.9
TOWR	920	1,125	1,520	Buy	65.2	(26.1)	46.9	13.1x	3.6x	29.4	2.6	33.9	6.3	0.5
TBIG	2,810	2,950	3,240	Buy	15.3	(8.5)	63.7	35.5x	6.3x	17.9	1.3	15.4	62.0	0.3
WIKA	935	1,105	1,280	Buy	36.9	(27.8)	8.4	71.3x	0.6x	0.9	N/A	7.7	(36.7)	1.5
PTPP	935	990	1,700	Buy	81.8	(16.5)	5.8	22.4x	0.5x	2.4	N/A	50.8	(16.7)	1.6

Source : Bloomberg, NH KSI Research

NHKSI 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							223.0							
CTRA	940	970	1,400	Buy	48.9	(7.4)	17.4	9.1x	1.0x	11.6	0.9	20.7	76.9	1.3
PWON	480	464	690	Buy	43.8	1.7	23.1	15.2x	1.4x	9.7	N/A	17.1	56.8	1.3
Energy							897.4							
PGAS	1,680	1,375	1,770	Overweight	5.4	46.1	40.7	7.7x	1.1x	14.6	7.4	14.2	96.9	1.4
PTBA	3,920	2,710	3,420	Underweight	(12.8)	78.2	45.2	4.6x	1.7x	44.3	17.6	105.4	342.4	1.0
ADRO	3,430	2,250	3,900	Overweight	13.7	183.5	109.7	5.9x	1.6x	30.0	8.8	77.0	472.3	0.9
Industrial							500.7							
UNTR	32,200	22,150	32,000	Hold	(0.6)	42.5	120.1	9.4x	1.6x	18.5	3.9	56.3	131.6	0.8
ASII	6,925	5,700	8,000	Buy	15.5	28.2	280.3	12.0x	1.6x	13.7	3.5	39.0	83.7	1.0
Basic Ind.							1,008.4							
SMGR	6,900	7,250	9,500	Buy	37.7	(33.2)	40.9	19.8x	1.1x	6.0	2.5	0.7	10.5	1.1
INTP	9,400	12,100	12,700	Buy	35.1	(19.3)	34.6	21.2x	1.6x	7.5	10.6	3.5	(45.7)	1.1
INCO	7,400	4,680	8,200	Overweight	10.8	56.4	73.5	25.3x	2.3x	9.3	0.6	13.8	100.0	1.3
ANTM	2,290	2,250	3,450	Buy	50.7	(5.4)	55.0	20.4x	2.5x	12.8	1.7	5.8	132.5	1.9

Source : Bloomberg, NHKSI Research

PT NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Senior Technical Analyst

Dimas Wahyu Putra P

Technical

T +62 21 5088 ext 9128

E dimas.wahyu@nhsec.co.id

Economist

Arief Machrus

Macroeconomics, Banking

T +62 21 5088 ext 9127

E arief.machrus@nhsec.co.id

Analyst

Cindy Alicia

Consumer, Healthcare

T +62 21 5088 ext 9129

E cindy.alicia@nhsec.co.id

Research Support

Jasmine Kusumawardani

Editor & Translator

T +62 21 5088 ext 9132

E jasmine.kusumawardani@nhsec.co.id

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PT NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head Office :

District 8 Treasury Tower 51st Fl. Unit A,
SCBD Lot.28
Jl. Jendral Sudirman Kav. 52-53 Jakarta
Selatan 12190
Telp : +62 21 50889100
Fax : +62 21 50889101

Branch Office BSD:

ITC BSD Blok R No.48
Jl. Pahlawan Seribu Serpong
Tangerang Selatan 15322
Indonesia
Telp : +62 21 5316 2049
Fax : +62 21 5316 1687

Branch Office Medan:

Jl. Timor No. 147
Medan
Sumatera Utara 20234
Indonesia
Telp : +62 61 4156500
Fax : +62 61 4568560

Branch Office Semarang:

Jl. MH Thamrin No. 152
Semarang
Jawa Tengah 50314
Indonesia
Telp : +62 24 8446878
Fax : +62 24 8446879

Branch Office Jakarta Utara:

Jl. Bandengan Utara Kav. 81
Blok A No.02, Lt 1
Jakarta Utara 14440
Indonesia
Telp : +62 21 6667 4959
Fax : +62 21 6667 4960

Branch Office Pekanbaru:

Sudirman City Square
Jl. Jend. Sudirman Blok A No.7
Pekanbaru
Indonesia
Telp : +62 761 801 133

Branch Office Surabaya:

Spazio Tower Lt. 10, Unit S05
Jl. Mayjen Yono Suwoyo
Surabaya 60226
Indonesia
Telp : +62 31 9914 1344

Branch Office Makassar:

Jl. Gunung Latimojong No.120A
Makassar
Indonesia
Telp : +62 411 361 5255

Branch Office Bandung:

Paskal Hypersquare Blok A1
Jl. Pasirkaliki No 25-27
Bandung 40181
Indonesia
Telp : +62 22 8606 1012

Branch Office Denpasar:

Ruko Griya Alamanda No.9
Jl. Cok Agung Tresna
Denpasar
Indonesia