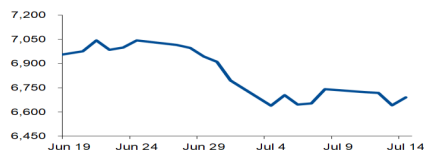


Morning Brief

Daily | July. 15, 2022

JCI Movement



Today's Outlook:

Quarterly results of two major US banks were below expectations, leaving Wall Street under pressure of nearly 2% in early trading. Profit expectations missed, after the Bank increased the Loan Loss Provision in anticipation of 2Q22 NPL. Investors also responded negatively to producer level inflation which exceeded expectations, with the PPI June US Final Demand rose to 1.1% MoM (Surv. 0.8% MoM) and 11.3% YoY (Surv. 10.7% YoY). Banks are facing high inflation which is worrying the public, and the economy is Soft Landing with a tendency towards Hard Landing. The pressure eased after technology stocks boosted the Nasdaq, and Fed Governor Christopher Waller's statement supporting an FFR increase of only 75 bps, compared to 100 bps at the end of July.

Expectations of an increase in the Trade Balance surplus and export growth became positive catalysts, pushing the JCI's Technical Rebound to strengthen 49 points to a level of 6,690. Indonesia's Trade Balance in June is projected to have a surplus of +USD3.5B (Vs. May +USD2.9B); June exports are projected to grow +30.3% YoY (Vs. May +27% YoY), as the rupiah exchange rate stabilizes and depreciates in the range of IDR15,000/USD. Meanwhile, investors are keeping a close eye on foreign investors who again recorded net sells, and the development of the July BI 7DRRR issue, based on Bloomberg survey data, remained at the level of 3.50%. Industry led the sectoral strengthening, rising more than 2%. NHKSI Research projects that the JCI will move upward in the range of 6,600-6,800.

Company News

- CPIN : Starts Exporting to Singapore
- AMRT : Adds 645 New Outlets
- FREN : Prepares Digital Technology Ecosystem

Domestic & Global News

- Carbon Tax Applicable This Year
- Singapore Q2 GDP Rises 4.8%

Sectors

	Last	Chg.	%
Industrial	1,196.24	26.72	2.29%
Energy	1,674.50	14.13	0.85%
Consumer Non-Cyclicals	709.14	4.49	0.64%
Healthcare	1,538.80	8.69	0.57%
Technology	7,605.34	40.52	0.54%
Infrastructure	955.01	3.43	0.36%
Transportation & Logistic	1,931.27	1.18	0.06%
Consumer Cyclicals	862.20	0.47	0.05%
Basic Material	1,217.36	-3.77	-0.31%
Property	660.62	-4.04	-0.61%
Finance	1,394.25	-11.63	-0.83%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	3.50%	3.50%	Real GDP	5.01%	3.51%
FX Reserve (USD bn)	136.40	135.60	Current Acc (USD bn)	0.20	4.97
Trd Balance (USD bn)	2.90	7.56	Govt. Spending Yoy	-7.74%	5.25%
Exports Yoy	27.00%	47.76%	FDI (USD bn)	5.67	4.70
Imports Yoy	30.74%	21.97%	Business Confidence	104.82	105.33
Inflation Yoy	4.35%	3.55%	Cons. Confidence*	128.20	113.10

JCI Index

July 14	6,690.09
Chg.	49.10 pts (+0.74%)
Volume (bn shares)	14.64
Value (IDR tn)	10.56
Up 199 Down 282 Unchanged 166	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	766.1	ANTM	276.3
BBCA	586.6	TLKM	273.9
BMRI	578.1	BEBS	265.3
ASII	359.4	GOTO	257.1
ADRO	286.4	MDKA	250.2

Foreign Transaction

(IDR bn)			
Buy			
Buy	3,262		
Sell	3,727		
Net Buy (Sell)	(465)		
Top Buy	NB Val.	Top Sell	NS Val.
PTBA	58.9	BBRI	275.0
TLKM	43.2	BMRI	131.3
ASII	34.0	BBCA	112.6
ADMR	23.3	ANTM	93.5
MDKA	14.0	BBNI	41.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.36%	0.12%
USDIDR	14,993	0.03%
KRWIDR	11.45	-0.20%

Global Indices

Index	Last	Chg.	%
Dow Jones	30,630.17	(142.62)	-0.46%
S&P 500	3,790.38	(11.40)	-0.30%
FTSE 100	7,039.81	(116.56)	-1.63%
DAX	12,519.66	(236.66)	-1.86%
Nikkei	26,643.39	164.62	0.62%
Hang Seng	20,751.21	(46.74)	-0.22%
Shanghai	3,281.74	(2.55)	-0.08%
Kospi	2,322.32	(6.29)	-0.27%
EIDO	21.48	0.02	0.09%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,709.9	(25.6)	-1.47%
Crude Oil (\$/bbl)	95.78	(0.52)	-0.54%
Coal (\$/ton)	416.35	(13.65)	-3.17%
Nickel LME (\$/MT)	19,402	(1748.0)	-8.26%
Tin LME (\$/MT)	24,318	(1046.0)	-4.12%
CPO (MYR/Ton)	3,568	(193.0)	-5.13%

CPIN : Starts Exporting to Singapore

PT Charoen Pokphand Indonesia Tbk (CPIN) after passing an audit from the Singapore Food Agency (SFA), will start its first export of poultry products to Singapore, valued at IDR40 billion. Under the agreement, the Company will send 1,000 tons of products in stages until the end of 2022. In addition, the Company also participates in sending further exports to Japan and the Democratic Republic of Timor Leste. (Emiten News)

AMRT : Adds 645 New Outlets

PT Sumber Alfaria Trijaya Tbk (AMRT) has added 645 new outlets in Semester I 2022, bringing the total number of outlets throughout Indonesia to 17,173 outlets. In percentage, about 27% of outlets are in Greater Jakarta, 41% in Java (non-0.Jabodetabek) and 32% outside Java. However, the Company is now focusing on developing potential outside Java, such as NTT. (Emiten News)

FREN : Prepares Digital Technology Ecosystem

In order to become a game changer in the digital technology sector in Indonesia, PT Smartfren Telecom Tbk (FREN) built a Digital Infrastructure Platform as an effort to achieve the target. The Company emphasizes the importance of digitization to optimize business. This is done by connecting various needs from various stakeholder points. (Emiten News)

Domestic & Global News

Carbon Tax Applicable This Year

The government has postponed the implementation of the carbon tax twice, most recently the implementation of the carbon tax which was supposed to be implemented in July 2022 was postponed. This delay is the second time in 2022. Actually, the carbon tax would be implemented in April 2022. However, the policy was postponed and the plan is to take effect in July 2022. Unfortunately, this policy is delayed again. The Minister of Finance confirmed that the implementation of the carbon tax would still be carried out this year by targeting coal-fired power plants (PLTU). (Kontan)

Singapore Q2 GDP Rises 4.8%

Singapore's economy grew slower than expected in the second quarter, preliminary data showed on Thursday. The Asian financial hub's economy grew 4.8% in April-July, according to advance estimates from the Ministry of Trade and Industry (MTI), faster than the 4.0% revised growth figure seen in the first quarter, but missing forecasts. Economists polled by Reuters had expected an increase of 5.2% YoY for the second quarter. Singapore has eased most of its COVID-19 local and travel restrictions since early April this year, supporting the city-state's economic recovery. (Reuters)

	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							2,988.4							
BBCA	7,025	7,300	9,000	Buy	28.1	14.9	866.0	26.7x	4.4x	17.4	2.1	3.9	13.6	0.9
BBRI	4,070	4,110	5,500	Buy	35.1	9.5	616.8	14.9x	2.3x	15.7	4.3	3.9	30.3	1.3
BBNI	7,275	6,750	10,700	Buy	47.1	54.1	135.7	10.8x	1.1x	10.4	2.0	2.7	66.2	1.4
BMRI	7,275	7,025	9,800	Buy	34.7	23.8	339.5	10.6x	1.7x	17.1	5.0	5.8	69.5	1.2
Consumer Non-Cyclicals							1,131.3							
ICBP	9,250	8,700	10,400	Overweight	12.4	6.6	107.9	16.4x	3.0x	19.5	2.3	13.9	11.4	0.5
UNVR	4,900	4,110	5,700	Buy	16.3	(4.9)	186.9	30.7x	29.3x	94.0	3.1	5.4	17.8	0.5
GGRM	29,225	30,600	32,700	Overweight	11.9	(28.2)	56.2	11.4x	0.9x	8.2	7.7	(1.5)	(38.3)	0.8
HMSP	955	965	1,000	Hold	4.7	(14.3)	111.1	17.3x	3.6x	20.2	6.6	11.0	(27.3)	0.9
CPIN	5,875	5,950	5,600	Hold	(4.7)	(8.2)	96.3	28.6x	3.7x	13.1	1.8	15.2	(18.0)	0.8
AALI	9,100	9,500	14,900	Buy	63.7	20.9	17.5	7.6x	0.8x	11.4	5.1	30.7	197.6	0.9
Consumer Cyclicals							378.4							
ERAA	490	600	640	Buy	30.6	(19.0)	7.8	7.5x	1.2x	17.0	4.7	5.8	11.8	0.7
MAPI	870	710	1,100	Buy	26.4	37.0	14.4	15.5x	2.3x	15.7	N/A	30.6	1450.0	1.0
Healthcare							264.1							
KLBF	1,720	1,615	1,800	Hold	4.7	26.0	80.6	24.4x	4.0x	17.1	2.0	16.6	16.7	0.6
SIDO	970	865	1,100	Overweight	13.4	27.8	29.1	22.6x	9.4x	42.8	3.9	11.0	9.6	0.4
MIKA	2,790	2,260	3,000	Overweight	7.5	3.0	39.7	33.4x	7.5x	22.7	1.3	(9.2)	(13.8)	0.2
Infrastructure							876.70							
TLKM	4,020	4,040	4,940	Buy	22.9	28.4	398.2	16.0x	3.1x	21.0	3.7	3.7	1.7	1.0
JSMR	3,530	3,890	5,100	Buy	44.5	(3.3)	25.6	13.9x	1.2x	9.2	N/A	5.0	142.7	1.0
EXCL	2,280	3,170	3,800	Buy	66.7	(8.1)	24.5	22.0x	1.2x	5.6	2.2	7.9	(56.7)	0.9
TOWR	1,145	1,125	1,520	Buy	32.8	(14.2)	58.4	16.4x	4.4x	29.4	2.1	33.9	6.3	0.4
TBIG	2,980	2,950	3,240	Overweight	8.7	(9.4)	67.5	37.6x	6.7x	17.9	1.2	15.4	62.0	0.3
WIKA	915	1,105	1,280	Buy	39.9	(6.2)	8.2	200.9x	0.6x	0.3	N/A	(19.4)	(98.3)	1.4
PTPP	895	990	1,700	Buy	89.9	7.2	5.5	21.4x	0.5x	2.4	N/A	50.8	(16.7)	1.5
Property & Real Estate							217.1							
CTRA	820	970	1,500	Buy	82.9	(8.9)	15.2	7.9x	0.9x	11.6	1.0	20.7	76.9	1.3
PWON	442	464	690	Buy	56.1	7.8	21.3	14.0x	1.3x	9.7	0.9	17.1	56.8	1.3
Energy							853.3							
PGAS	1,570	1,375	1,770	Overweight	12.7	57.0	38.1	6.9x	1.0x	14.6	7.9	14.2	96.9	1.4
PTBA	4,060	2,710	4,900	Buy	20.7	93.3	46.8	4.8x	1.8x	44.3	17.0	105.4	342.4	1.1
ADRO	2,930	2,250	3,900	Buy	33.1	139.2	93.7	4.9x	1.3x	30.0	10.3	77.0	472.3	1.0
Industrial							441.4							
UNTR	29,800	22,150	32,000	Overweight	7.4	55.0	111.2	8.7x	1.5x	18.5	4.2	56.3	131.6	0.8
ASII	6,100	5,700	8,000	Buy	31.1	26.8	246.9	10.6x	1.4x	13.7	3.9	39.0	83.7	1.0
Basic Ind.							906.3							
SMGR	6,525	7,250	9,500	Buy	45.6	(23.0)	38.7	18.7x	1.1x	6.0	2.6	0.7	10.5	1.1
INTP	9,050	12,100	12,700	Buy	40.3	(12.8)	33.3	20.4x	1.6x	7.5	11.0	3.5	(45.7)	1.1
INCO	5,075	4,680	8,200	Buy	61.6	(2.9)	50.4	16.7x	1.5x	9.3	N/A	13.8	100.0	1.4
ANTM	1,650	2,250	3,450	Buy	109.1	(36.8)	39.7	14.7x	1.8x	12.8	2.3	5.8	132.5	1.9

* Target Price

Source: Bloomberg, NHKS Research

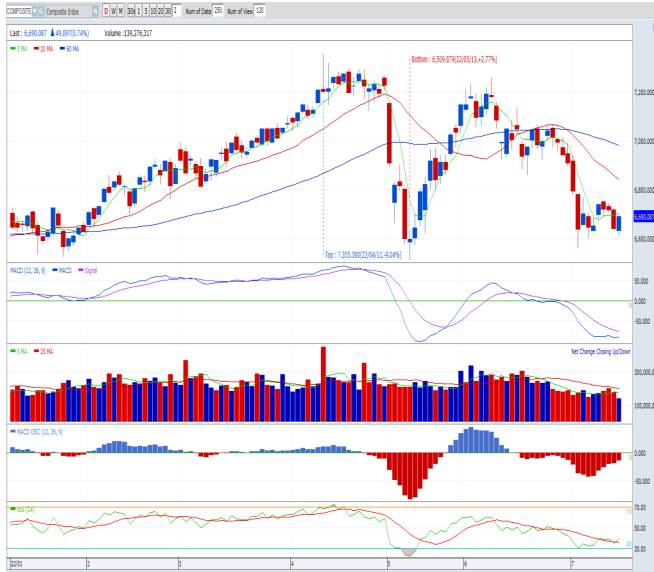
Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	JP	06:50	Core Machine Orders MoM	May	-5.6%	-5.5%	10.8%
<i>11 - July</i>	JP	06:50	Core Machine Orders YoY	May	7.4%	5.6%	19.0%
	JP	13:00	Machine Tool Orders YoY	Jun.	17.1%	--	23.7%
Tuesday	JP	06:50	PPI YoY	Jun.	9.2%	8.9%	9.3%
<i>12 - July</i>	JP	06:50	PPI MoM	Jun.	0.7%	0.6%	0.1%
Wednesday	GE	13:00	CPI YoY	Jun.	7.6%	7.6%	7.6%
<i>13 - July</i>	US	18:00	MBA Mortgage Applications	Jul.	-1.7%	--	-5.4%
	US	19:30	CPI MoM	Jun.	1.3%	1.1%	1.0%
	US	19:30	CPI YoY	Jun.	9.1%	8.8%	8.6%
Thursday	US	19:30	PPI Final Demand MoM	Jun.	1.1%	0.8%	0.9%
<i>14 - July</i>	US	19:30	PPI Final Demand YoY	Jun.	11.3%	10.7%	10.9%
	US	19:30	Initial Jobless Claims	Jul.	244K	235K	235K
	US	19:30	Continuing Claims	Jul.	1,380K	1,331K	1,372K
Friday	ID	11:00	Trade Balance	Jun.		\$3,250Mn	\$2,900Mn
<i>15 - July</i>	ID	11:00	Exports YoY	Jun.		27.64%	27.00%
	ID	11:00	Imports YoY	Jun.		20.10%	30.74%
	US	21:00	U. of Mich. Sentiment	Jul.		49.0	50.0

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	PMMP, APIC
<i>11 - July</i>	Cum Dividend	MTLA, BALI
Tuesday	RUPS	TURI, TRUK, SOCI, SCPI, GDST, FREN, BTON
<i>12 - July</i>	Cum Dividend	--
Wednesday	RUPS	PANS, NFCX, MTPS, MCAS, KPIG, CNKO, BTEK, ANDI
<i>13 - July</i>	Cum Dividend	PWON
Thursday	RUPS	TOYS, TFAS, NOBU, IPAC, INDO, GPSO, DMMX, DIVA, BSML
<i>14 - July</i>	Cum Dividend	--
Friday	RUPS	WOOD, UFOE, TGRA, STAA, RUNS, RODA, POSA, PKPK, NASI, MSKY, LRNA, LPLI, LMSH, LION, IPTV, INRU, FORU, EMDE, DSFI, CSIS, COWL, BBSI
<i>15 - July</i>	Cum Dividend	XCIS, SMRA, MICE, KBAG

Source: Bloomberg



PREVIOUS 14 JULI 2022

INDEX 6690.09 (+0.74%)

TRANSACTIONS 10.56 TRILLION

NETT FOREIGN 465 BILLION (SELL)

PREDICTION 15 JULI 2022

UPWARD

6600-6800

CANDLE DITUTUP Menguat di bawah MA5. Tekanan jual mulai mereda terlihat dari indikator MACD histogram menuju ke area positif. Volume lebih rendah. RSI Golden Cross.

ASII—PT ASTRA INTERNATIONAL TBK



PREVIOUS 14 JULI 2022

CLOSING 1570 (+1.95%)

PREDICTION 15 JULI 2022

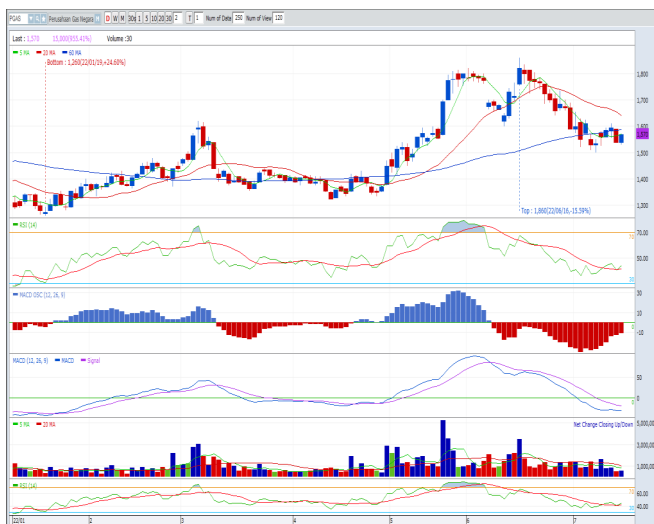
BUY

TARGET PRICE 6400

STOPLOSS 5800

CANDLE DITUTUP Menguat. Tekanan jual mereda dilihat dari indikator MACD histogram. Indikator Stochastic Golden Cross. Volume meningkat tipis.

PGAS—PT PERUSAHAAN GAS NEGARA TBK



PREVIOUS 14 JULI 2022

CLOSING 1570 (+1.95%)

PREDICTION 15 JULI 2022

BUY

TARGET PRICE 1600

STOPLOSS 1520

CANDLE DITUTUP Menguat. Tekanan jual mulai mereda ditunjukkan oleh indikator MACD histogram. Indikator MACD berpotensi Golden Cross. Indikator RSI Oversold.

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