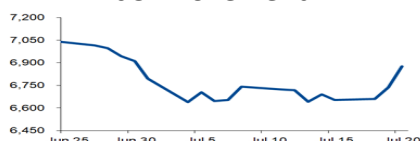


Morning Brief

Daily | July. 21, 2022

JCI Movement



Today's Outlook:

Investors expect the market to have bottomed out, as the USD's safe-haven demand eases. The USD DXY index, which had jumped to its highest level of 108.5 last week, fell to 106.4 yesterday. Investors returned to risk assets, especially technology stocks, making the Nasdaq consistently traded in the green zone, closing up 1.6%. Wall Street's appreciation occurred in the midst of a cooling US property market. Data shows US Existing Home Sales in June fell 5.4% MoM to as much as 5.12 million units, or sales on a downward trend since January 2022, as June 30-year Mortgage Rates came to nearly 6%, compared to 3.3% at the start of the year. Mortgage Rates soared as FFR increased by 150 Bps during 2022. Investors are also anticipating the impact of the Strong Dollar on 3Q22 Earning Results.

BI Behind the Curve. The potential for BI to maintain the BI 7DRRR at 3.50%, and allow the Rupiah to be relatively stable at the level of IDR15,000/USD, will put BI behind the curve, amid the potential for an increase in FFR of 75 bps - 100 bps next week. The underlying assumption of this projection is that Indonesia's core inflation remains low at 2.63% YoY, below the median value of BI's 2%-4% annual target. Thus, the issue of inflation in the near future has not become a concern for market participants. Unlike the case with the US, which recorded headline inflation of up to 9.1% YoY. Another opinion states that a 25 bps increase in BI 7DRRR is needed to reduce the potential for higher inflation in 3Q22. The wait-and-see attitude of investors ahead of the results of the BI RDG has pushed NHKSI Research project that the JCI will move downward in the range of 6,700-6,900.

Company News

PTBA : Uses Heavy Equipment Electric Vehicle
INCO : Produces 12,567 MT of Nickel
ANJT : Signs USD15 Million Loan

Domestic & Global News

1H22 Investment Realization at IDR 584.6 Trillion
UK Inflation Hits 9.4%

Sectors

	Last	Chg.	%
Industrial	1,216.93	29.06	2.45%
Finance	1,470.68	34.60	2.41%
Transportation & Logistic	1,998.70	46.53	2.38%
Technology	7,893.67	168.56	2.18%
Energy	1,695.21	24.09	1.44%
Healthcare	1,546.49	19.03	1.25%
Consumer Cyclical	885.99	9.07	1.03%
Infrastructure	973.99	5.30	0.55%
Consumer Non-Cyclical	719.11	3.55	0.50%
Property	675.20	3.13	0.47%
Basic Material	1,260.17	2.53	0.20%

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)	5.09	2.90	Govt. Spending Yoy	-7.74%	5.25%
Exports Yoy	40.68%	27.00%	FDI (USD bn)	5.67	4.70
Imports Yoy	21.98%	30.74%	Business Confidence	104.82	105.33
Inflation Yoy	4.35%	3.55%	Cons. Confidence*	128.20	113.10

JCI Index

July 20	6,874.74
Chg.	138.65 pts (+2.06%)
Volume (bn shares)	20.95
Value (IDR tn)	14.23
Up 362 Down 139 Unchanged 148	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBRI	939.1	TLKM	345.6
BMRI	847.7	GOTO	300.7
BBCA	776.5	ADRO	298.8
ASII	439.0	MDKA	292.8
BBNI	381.2	BUKA	282.1

Foreign Transaction

(IDR bn)

Buy	4,407
Sell	4,028
Net Buy (Sell)	379

Top Buy	NB Val.	Top Sell	NS Val.
BMRI	277.0	MDKA	141.4
BBRI	245.2	BBNI	115.4
BBCA	111.8	PGAS	42.7
PTBA	76.1	INCO	34.3
ADRO	55.2	ANTM	33.3

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.47%	0.01%
USDIDR	14,988	0.07%
KRWIDR	11.42	0.15%

Global Indices

Index	Last	Chg.	%
Dow Jones	31,874.84	47.79	0.15%
S&P 500	3,959.90	23.21	0.59%
FTSE 100	7,264.31	(31.97)	-0.44%
DAX	13,281.98	(26.43)	-0.20%
Nikkei	27,680.26	718.58	2.67%
Hang Seng	20,890.22	229.16	1.11%
Shanghai	3,304.72	25.29	0.77%
Kospi	2,386.85	15.88	0.67%
EIDO	22.46	0.34	1.54%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,696.6	(15.1)	-0.88%
Crude Oil (\$/bbl)	99.88	(0.86)	-0.85%
Coal (\$/ton)	408.60	8.95	2.24%
Nickel LME (\$/MT)	21,179	583.0	2.83%
Tin LME (\$/MT)	24,691	(119.0)	-0.48%
CPO (MYR/Ton)	3,935	123.0	3.23%

PTBA : Uses Heavy Equipment Electric Vehicle

PT Bukit Asam Tbk is gradually switching to electricity-based vehicles for mining operations. This effort was made to support the target of Net Zero Emission in 2060 which was proclaimed by the government. As for this year, PTBA plans to operate 15 electric buses. (Emiten News)

INCO : Produces 12,567 MT of Nickel

PT Vale Indonesia Tbk (INCO) produced 12,567 metric tons of nickel in matte in 1H22 with a recorded production volume of around 9%. Furnace 1 roof replacement and a full maintenance shutdown in early June have resulted in lower production in 2Q22 compared to 1Q22. (Emiten News)

ANJT : Signs USD15 Million Loan

PT Austindo Nusantara Jaya Tbk (ANJT) subsidiaries, PT Austindo Nusantara Jaya Agri (ANJA) and PT Sahabat Luxurious and Makmur (SMM) have signed a USD15 million loan agreement with an interest rate of 3.25% per annum. Meanwhile, the purpose of using the funds is the financing of operational activities and working modes. (Emiten News)

Domestic & Global News

1H22 Investment Realization at IDR 584.6 Trillion

The Investment Coordinating Board (BKPM) reported investment realization data for the 2Q22 period, which reached Rp 302.2 trillion (+7% YoY). Cumulatively, investment realization data for the 1H22 period reached IDR 584.6 trillion (+32% YoY). The distribution of investment realization outside Java in this quarter was again superior to Java with a contribution of IDR 157.1 trillion or 52% of total investment, an increase of 38% YoY. (Kompas)

UK Inflation Hits 9.4%

Surging petrol and food prices last month pushed British inflation to its highest rate in 40 years, according to official figures that bolstered the chances of a rare half percentage-point Bank of England interest rate hike next month. The Office for National Statistics said annual consumer price inflation rose in June to 9.4%, the highest since February 1982, up from May's 9.1% and above the 9.3% consensus in a Reuters poll of economists. Wednesday's data bolstered bets that the BoE will opt for a 50-bps rate hike next month, which would be the biggest since 1995. The European Central Bank is considering such a move this week, sources told Reuters on Tuesday. (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							3,150.9							
BBCA	7,400	7,300	9,000	Buy	21.6	23.1	912.2	28.2x	4.7x	17.4	2.0	3.9	13.6	0.9
BBRI	4,300	4,110	5,500	Buy	27.9	15.4	651.7	15.7x	2.4x	15.7	4.1	3.9	30.3	1.3
BBNI	7,675	6,750	10,700	Buy	39.4	56.6	143.1	11.4x	1.1x	10.4	1.9	2.7	66.2	1.4
BMRI	7,900	7,025	9,800	Buy	24.1	33.3	368.7	11.5x	1.9x	17.1	4.6	5.8	69.5	1.2
Consumer Non-Cyclicals							1,145.9							
ICBP	9,450	8,700	10,400	Overweight	10.1	11.2	110.2	16.7x	3.0x	19.5	2.3	13.9	11.4	0.5
UNVR	4,970	4,110	5,700	Overweight	14.7	(3.0)	189.6	31.2x	29.7x	94.0	3.0	5.4	17.8	0.5
GGRM	29,700	30,600	32,700	Overweight	10.1	(17.4)	57.1	11.6x	0.9x	8.2	7.6	(1.5)	(38.3)	0.8
HMSP	960	965	1,000	Hold	4.2	(13.5)	111.7	17.4x	3.6x	20.2	6.6	11.0	(27.3)	0.9
CPIN	5,900	5,950	5,600	Underweight	(5.1)	(8.5)	96.7	28.8x	3.7x	13.1	1.8	15.2	(18.0)	0.8
AALI	9,500	9,500	14,900	Buy	56.8	21.4	18.3	8.0x	0.9x	11.4	4.9	30.7	197.6	0.9
Consumer Cyclicals							385.9							
ERAA	500	600	640	Buy	28.0	(15.3)	8.0	7.7x	1.2x	17.0	4.6	5.8	11.8	0.7
MAPI	940	710	1,100	Buy	17.0	44.6	15.6	16.8x	2.4x	15.7	N/A	30.6	1450.0	1.0
Healthcare							265.5							
KLBF	1,730	1,615	1,800	Hold	4.0	28.1	81.1	24.5x	4.0x	17.1	2.0	16.6	16.7	0.6
SIDO	970	865	1,100	Overweight	13.4	28.6	29.1	22.6x	9.4x	42.8	3.9	11.0	9.6	0.4
MIKA	2,830	2,260	3,000	Overweight	6.0	5.2	40.3	33.9x	7.7x	22.7	1.3	(9.2)	(13.8)	0.2
Infrastructure							901.09							
TLKM	4,210	4,040	4,940	Buy	17.3	31.2	417.1	16.8x	3.3x	21.0	3.6	3.7	1.7	1.0
JSMR	3,540	3,890	5,100	Buy	44.1	(4.8)	25.7	13.9x	1.2x	9.2	N/A	5.0	142.7	1.0
EXCL	2,530	3,170	3,800	Buy	50.2	2.4	27.1	24.4x	1.3x	5.6	2.0	7.9	(56.7)	0.9
TOWR	1,140	1,125	1,520	Buy	33.3	(15.6)	58.2	16.3x	4.4x	29.4	2.1	33.9	6.3	0.4
TBIG	3,030	2,950	3,240	Overweight	6.9	(2.6)	68.7	38.2x	6.8x	17.9	1.2	15.4	62.0	0.3
WIKA	930	1,105	1,280	Buy	37.6	(15.5)	8.3	204.2x	0.6x	0.3	N/A	(19.4)	(98.3)	1.4
PTPP	895	990	1,700	Buy	89.9	(2.2)	5.5	21.4x	0.5x	2.4	N/A	50.8	(16.7)	1.5
Property & Real Estate							221.6							
CTRA	890	970	1,500	Buy	68.5	(4.3)	16.5	8.6x	0.9x	11.6	1.0	20.7	76.9	1.3
PWON	456	464	690	Buy	51.3	8.6	22.0	14.5x	1.3x	9.7	0.9	17.1	56.8	1.3
Energy							845.9							
PGAS	1,605	1,375	1,770	Overweight	10.3	55.1	38.9	7.1x	1.0x	14.6	7.8	14.2	96.9	1.4
PTBA	4,030	2,710	4,900	Buy	21.6	89.2	46.4	4.7x	1.8x	44.3	17.1	105.4	342.4	1.1
ADRO	3,020	2,250	3,900	Buy	29.1	143.5	96.6	5.0x	1.4x	30.0	10.0	77.0	472.3	1.0
Industrial							451.1							
UNTR	30,175	22,150	32,000	Overweight	6.0	58.4	112.6	8.8x	1.5x	18.5	4.1	56.3	131.6	0.8
ASII	6,275	5,700	8,000	Buy	27.5	28.9	254.0	10.9x	1.4x	13.7	3.8	39.0	83.7	1.0
Basic Ind.							927.8							
SMGR	6,500	7,250	9,500	Buy	46.2	(26.6)	38.6	18.6x	1.1x	6.0	2.7	0.7	10.5	1.1
INTP	9,325	12,100	12,700	Buy	36.2	(11.2)	34.3	21.0x	1.6x	7.5	5.4	3.5	(45.7)	1.1
INCO	5,150	4,680	8,200	Buy	59.2	(1.9)	51.2	17.1x	1.5x	9.3	N/A	13.8	100.0	1.4
ANTM	1,695	2,250	3,450	Buy	103.5	(33.8)	40.7	15.1x	1.8x	12.8	2.3	5.8	132.5	1.9

* Target Price

Source: Bloomberg, NHKS Research

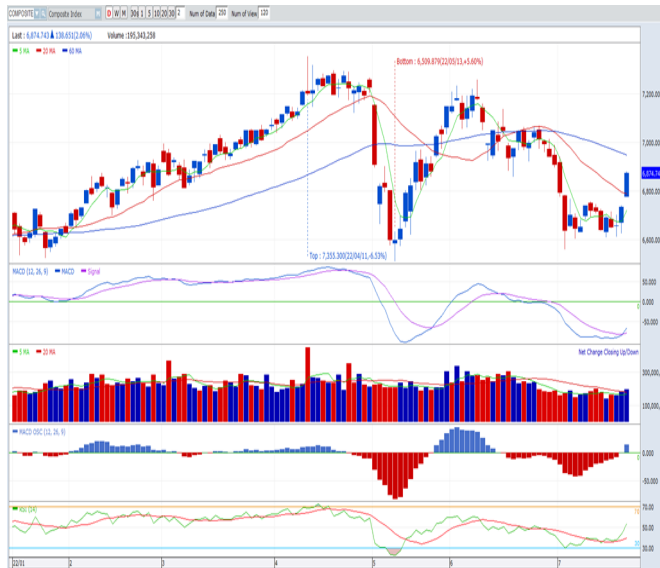
Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	—	—	—	—	—	—	—
18 - July	—	—	—	—	—	—	—
Tuesday	EC	16:00	CPI YoY	Jun.	8.6%	8.6%	8.6%
19 - July	EC	16:00	CPI MoM	Jun.	0.8%	0.8%	0.8%
	US	19:30	Housing Starts	Jun.	1,559K	1,580K	1,591K
	US	19:30	Building Permits	Jun.	1,685K	1,650K	1,695K
Wednesday	GE	13:00	PPI YoY	Jun.		33.1%	33.6%
20 - July	US	18:00	MBA Mortgage Applications	Jul.	-6.3%	--	-1.7%
	US	21:00	Existing Home Sales	Jun.	5.12Mn	5.35Mn	5.41Mn
	US	21:00	Existing Home Sales	Jun.	-5.4%	-1.1%	-3.4%
Thursday	ID	--	Bank Indonesia 7D Reverse Repo Rate	Jul.		3.50%	3.50%
21 - July	JP	06:50	Exports YoY	Jun.		17.2%	15.8%
	US	19:30	Initial Jobless Claims	Jul.		--	244K
	US	19:30	Continuing Claims	Jul.		--	1,331K
Friday	US	20:45	S&P Global US Manufacturing PMI	Jul.		51.0	52.7
22 - July	US	20:45	S&P Global US Services PMI	Jul.		52.0	52.7
	US	20:45	S&P Global US Composite PMI	Jul.		--	52.3

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	YELO, TRIN, KIOS, KAYU, INAI, BOGA, BMAS, ALMI
18 - July	Cum Dividend	ASBI
Tuesday	RUPS	TAMU, MSIN, INOV, ESIP, DNET, CLPI, ARII
19 - July	Cum Dividend	--
Wednesday	RUPS	TECH, TAXI, SHIP, RMKE, REAL, LEAD, JAST, IKAN, ENRG, ELSA, DILD, DGNS, CPRO, CLAY, BIKE, BCAP, BAPA, BABP, ALTO
20 - July	Cum Dividend	--
Thursday	RUPS	SRIL, SOCI, SMKM, SMKL, SIPD, SIMP, POLY, PLIN, OPMS, LSIP, INTD, IKAI, IBFN, HADE, ENZO, DFAM, CARS, BNBR, BMHS, BKSJ, BIMA, BBYB, BATA, ASSA, ASPI, ARKA, APLI
21 - July	Cum Dividend	PANS
Friday	RUPS	YULE, YPAS, UNSP, STAR, SLIS, SBAT, PURA, PRAS, PCAR, NATO, MLBI, MKNT, MCOR, LPPS, KARW, JMAS, INDF, IIKP, ICBP, GAMA, EKAD, DKFT, CAMP, BOLA, BIKI, AGAR
22 - July	Cum Dividend	BSML

Source: Bloomberg



PREVIOUS 20 JULI 2022

INDEX 6874.74 (+2.06%)
 TRANSACTIONS 14.23 TRILLION
 NETT FOREIGN 379 BILLION (BUY)

PREDICTION 20 JULI 2022

DOWNWARD (PROFIT TAKING)

6700-6900

CANDLE DITUTUP MENGUAT. INDIKATOR MACD
 HISTOGRAM POSITIF. VOLUME MENINGKAT.

MEDC—PT MEDCO ENERGI INTERNASIONAL TBK



PREVIOUS 20 JULI 2022

CLOSING 590 (+1.72%)

PREDICTION 21 JULI 2022

BUY

TARGET PRICE 640
 STOPLOSS 580

CANDLE DITUTUP MENGUAT. TEKANAN JUAL MERE-
 DA DILIHAT DARI INDIKATOR MACD HISTOGRAM. INDI-
 KATOR MACD BERPOTENSI GOLDEN CROSS. VOLUME
 TURUN TIPIS.

SMGR—PT SEMEN INDONESIA (PERSERO) TBK



PREVIOUS 20 JULI 2022

CLOSING 6500 (-0.76%)

PREDICTION 21 JULI 2022

BUY

TARGET PRICE 6700
 STOPLOSS 6400

CANDLE DITUTUP MELEMAH. TEKANAN JUAL MULAI
 REDA DITUNJUKKAN OLEH INDIKATOR MACD HISTO-
 GRAM. INDIKATOR RSI OVERSOLD. VOLUME MENING-
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