

Weekly Brief (Jul. 11 – 15, 2022)

Summary:

Last week review:

With large export portion, Energy and Basic Materials led sectoral strengthening last week. The steady depreciation of the Rupiah at IDR15,000/USD has benefited the export-based Basic Materials sector. In addition, the Energy sector also benefited from rising prices for Coal ICE Newcastle and WTI Crude Oil contracts in August 2022, which surpassed the psychological levels of USD400/ton and USD100/barrel respectively, returning investors' focus to supply shortages, despite fears of a potential global recession. Last week, the JCI closed lower by 0.8% to 6,740, with foreign investors recording a net sell of IDR 2.5 trillion. Meanwhile, Indonesian forex reserves in June rose to USD136.4 billion, supported by the issuance of Samurai Bonds of JPY81 billion, ending three consecutive months of decline in reserves.

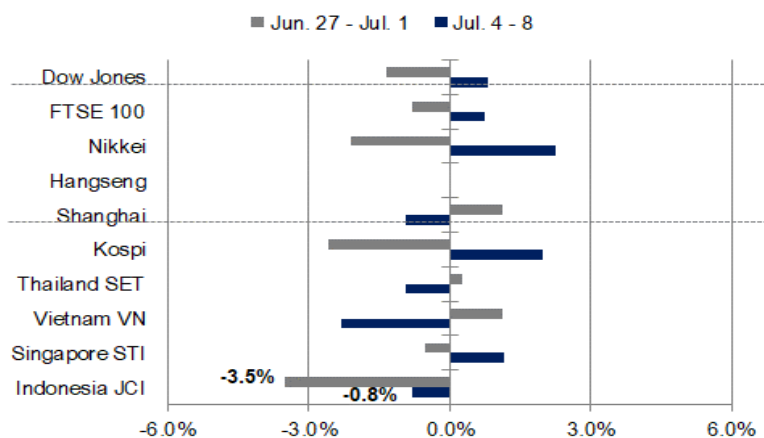
This week's outlook:

LCS offsets USD risk exposure. The rupiah was stable at the psychological level of IDR15,000/USD for a week, amid BI's efforts to accelerate the use of Bilateral LCS. This week, investors will observe the release of US inflation data for June which is projected to remain high, even after the 75 bps increase in FFR. The survey projects consumer-level inflation, the US CPI, to rise to 1.1% MoM (Vs. May 1.0% MoM), and 8.8% YoY (Vs. May. 8.6% YoY). Inflation surveys remain high on the producer side as well, with US June PPI at 0.8% MoM (Vs. May 0.8% MoM) and 10.4% YoY (Vs. May 10.8% YoY). Meanwhile, investors' anticipation of a number of Earning Results in the Banking subsector and the Consumer Non-Cyclicals sector at the end of July could offset negative external sentiment. NHKSI Research projects that the JCI will move in the range of 6,600-6,900 this week.

JCI Index	: 6,740.21 (-0.8%)
Foreign Flow	: Net sell of IDR 2.5 trillion (Vs. last week's net sell of IDR 3.9 trillion)
USD/IDR	: 14,977 (+0.3%)

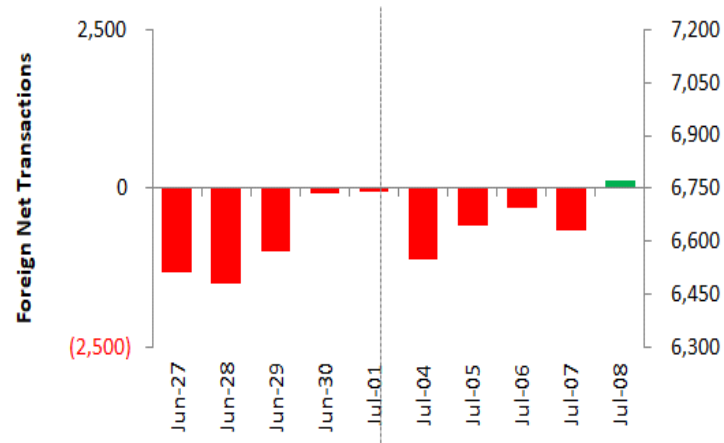
Last Week's JCI Movement

Global Market Movement



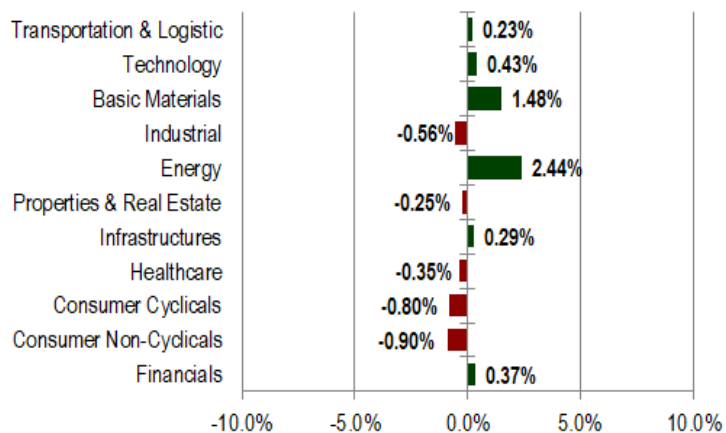
Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

JCI Sector Movement



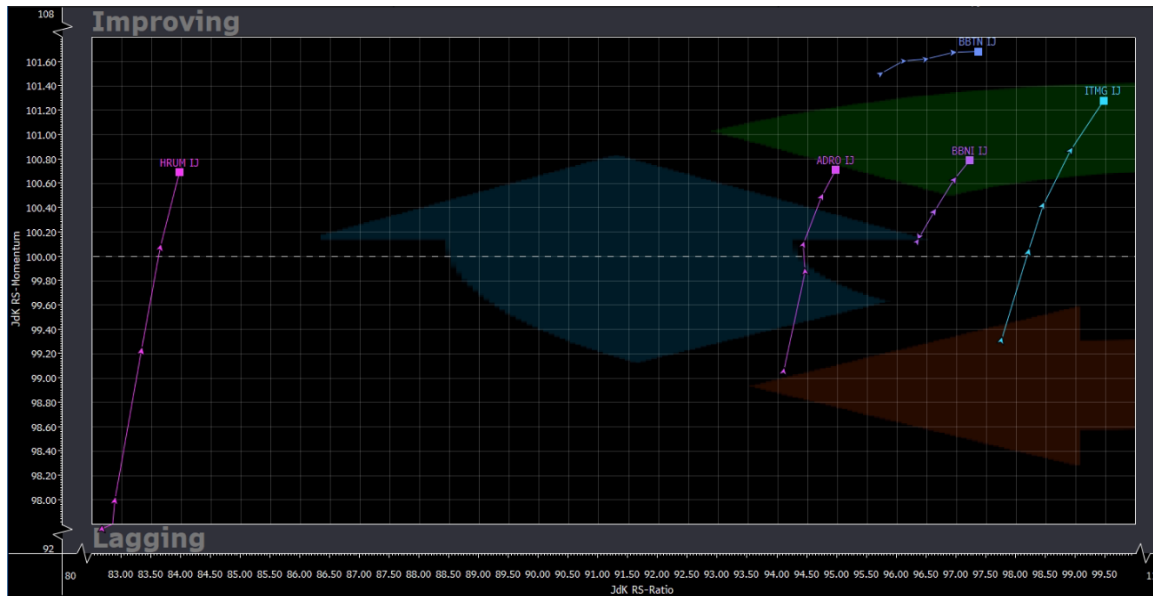
Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val. (IDR Mn)	Top Sell (RG)	NS Value (IDR Mn)
AMRT	212,489	BBRI	865,606
ASII	81,680	BBCA	705,249
UNVR	38,247	MDKA	195,146
BUMI	34,954	BMRI	188,401
UNTR	26,819	ANTM	124,544

Source: Bloomberg, NHKSI Research

Stocks Recommendation



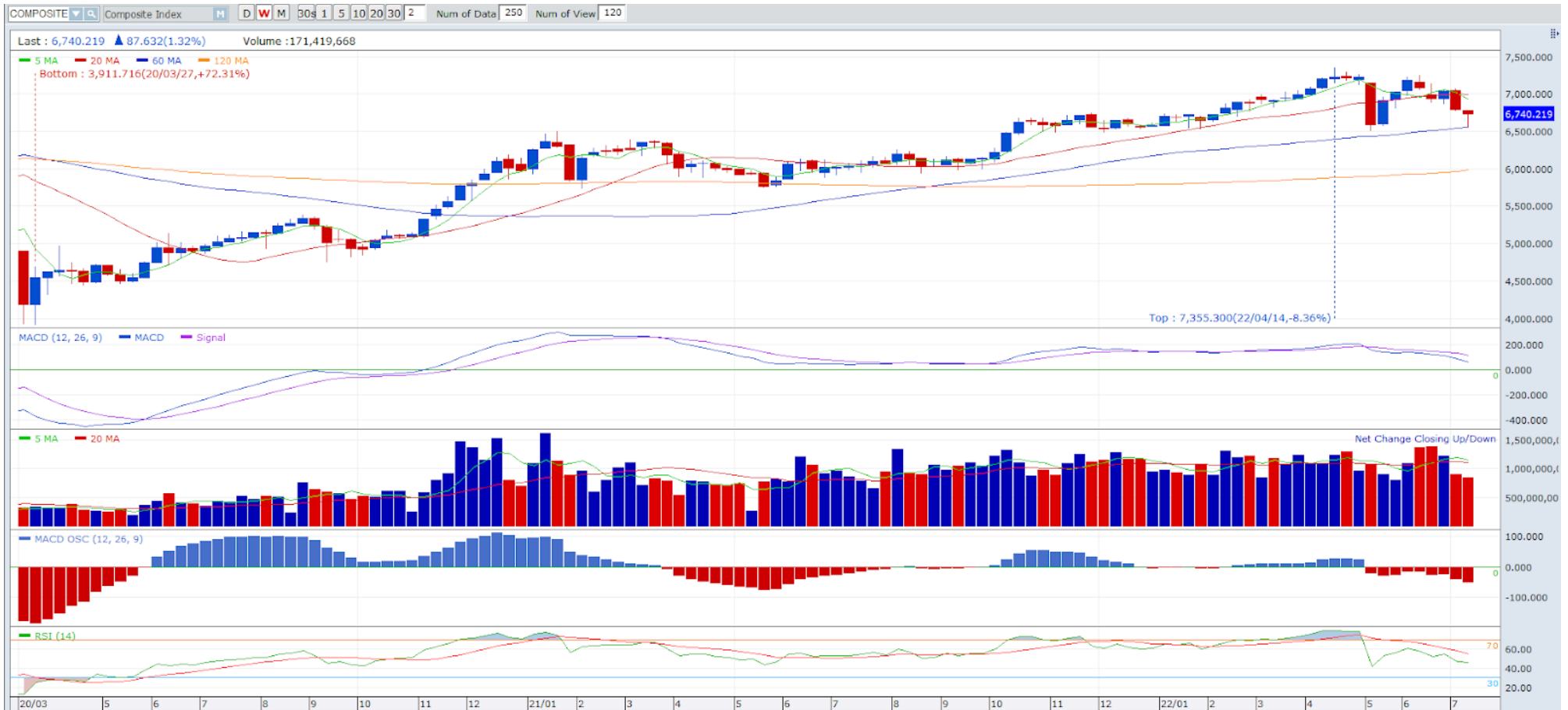
Source: Bloomberg, NHKSI Research

Stocks	TP	SL
ADRO	3,100	2,810
BBNI	8,000	7,525
BBTN	1,460	1,380
HRUM	1,650	1,460
ITMG	35,300	31,900

Source: Bloomberg, NHKSI Research

JCI Index

Support: 6,600 Resistance: 6,900



Source: NHKSI Research, Bloomberg

Economic Calendar

Date	Country	Hour JKT	Event	Period	Consensus	Previous
Monday, 11-July.	JP	06:50	Core Machine Orders MoM	May	-5.6%	10.8%
	JP	06:50	Core Machine Orders YoY	May	5.1%	19.0%
	JP	13:00	Machine Tool Orders YoY	Jun.	--	23.7%
Tuesday, 12-July.	JP	06:50	PPI YoY	Jun.	8.9%	9.1%
	JP	06:50	PPI MoM	Jun.	0.6%	0.0%
Wednesday, 13-July.	GE	13:00	CPI YoY	Jun.	7.6%	7.6%
	US	18:00	MBA Mortgage Applications	Jul.	--	-5.4%
	US	19:30	CPI MoM	Jun.	1.1%	1.0%
	US	19:30	CPI YoY	Jun.	8.8%	8.6%
Thursday, 14-July.	US	19:30	PPI Final Demand MoM	Jun.	0.8%	0.8%
	US	19:30	PPI Final Demand YoY	Jun.	10.4%	10.8%
	US	19:30	Initial Jobless Claims	Jul.	--	235K
	US	19:30	Continuing Claims	Jul.	--	1,375K
Friday, 15-July.	ID	11:00	Trade Balance	Jun.	\$3,250Mn	\$2,900Mn
	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 Action Calendar

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

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							3,041.8							
BBCA	7,150	7,300	9,000	Buy	25.9	18.8	881.4	27.2x	4.5x	17.4	2.0	3.9	13.6	0.9
BBRI	4,200	4,110	5,500	Buy	31.0	13.3	636.5	15.4x	2.3x	15.7	4.1	3.9	30.3	1.3
BBNI	7,600	6,750	10,700	Buy	40.8	63.8	141.7	11.3x	1.1x	10.4	1.9	2.7	66.2	1.4
BMRI	7,475	7,025	9,800	Buy	31.1	29.4	348.8	10.8x	1.8x	17.1	4.8	5.8	69.5	1.2
Consumer Non-Cyclicals							1,134.8							
ICBP	9,425	8,700	10,400	Overweight	10.3	10.2	109.9	16.7x	3.0x	19.5	2.3	13.9	11.4	0.5
UNVR	4,890	4,110	5,700	Buy	16.6	-	186.6	30.7x	29.2x	94.0	3.1	5.4	17.8	0.5
GGRM	31,675	30,600	32,700	Hold	3.2	(23.0)	60.9	12.3x	1.0x	8.2	7.1	(1.5)	(38.3)	0.8
HMSP	960	965	1,000	Hold	4.2	(16.9)	111.7	17.4x	3.6x	20.2	6.6	11.0	(27.3)	0.9
CPIN	5,750	5,950	5,600	Hold	(2.6)	(9.1)	94.3	28.0x	3.6x	13.1	1.9	15.2	(18.0)	0.8
AALI	9,575	9,500	14,900	Buy	55.6	26.4	18.4	8.0x	0.9x	11.4	4.8	30.7	197.6	0.9
Consumer Cyclicals							378.8							
ERAA	498	600	640	Buy	28.5	(21.0)	7.9	7.6x	1.2x	17.0	4.6	5.8	11.8	0.7
MAPI	910	710	1,100	Buy	20.9	40.0	15.1	16.3x	2.4x	15.7	N/A	30.6	1450.0	1.0
Healthcare							258.3							
KLBF	1,670	1,615	1,800	Overweight	7.8	26.5	78.3	23.7x	3.9x	17.1	2.1	16.6	16.7	0.6
SIDO	970	865	1,100	Overweight	13.4	30.3	29.1	22.6x	9.4x	42.8	3.9	11.0	9.6	0.4
MIKA	2,700	2,260	2,700	Hold	-	-	38.5	32.4x	7.3x	22.7	1.3	(9.2)	(13.8)	0.2
Infrastructure							878.60							
TLKM	4,010	4,040	4,940	Buy	23.2	26.9	397.2	16.0x	3.1x	21.0	3.7	3.7	1.7	1.0
JSMR	3,520	3,890	5,100	Buy	44.9	6.0	25.5	13.8x	1.2x	9.2	N/A	5.0	142.7	1.0
EXCL	2,300	3,170	3,800	Buy	65.2	(11.5)	24.7	22.2x	1.2x	5.6	2.2	7.9	(56.7)	0.9
TOWR	1,180	1,125	1,520	Buy	28.8	(10.9)	60.2	16.9x	4.6x	29.4	2.0	33.9	6.3	0.4
TBIG	2,980	2,950	3,240	Overweight	8.7	(8.0)	67.5	37.6x	6.7x	17.9	1.2	15.4	62.0	0.3
WIKA	920	1,105	1,280	Buy	39.1	(7.1)	8.3	202.0x	0.6x	0.3	N/A	(19.4)	(98.3)	1.4
PTPP	900	990	1,700	Buy	88.9	2.3	5.6	21.5x	0.5x	2.4	N/A	50.8	(16.7)	1.5

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							221.1							
CTRA	825	970	1,500	Buy	81.8	(12.7)	15.3	8.0x	0.9x	11.6	1.0	20.7	76.9	1.3
PWON	452	464	690	Buy	52.7	3.7	21.8	14.4x	1.3x	9.7	N/A	17.1	56.8	1.3
Energy							845.2							
PGAS	1,560	1,375	1,770	Overweight	13.5	53.7	37.8	6.9x	1.0x	14.6	8.0	14.2	96.9	1.4
PTBA	3,930	2,710	4,900	Buy	24.7	84.5	45.3	4.6x	1.7x	44.3	17.5	105.4	342.4	1.1
ADRO	2,830	2,250	3,900	Buy	37.8	126.4	90.5	4.7x	1.3x	30.0	10.6	77.0	472.3	1.0
Industrial							426.6							
UNTR	27,450	22,150	32,000	Buy	16.6	40.8	102.4	8.0x	1.4x	18.5	4.5	56.3	131.6	0.8
ASII	5,975	5,700	8,000	Buy	33.9	21.7	241.9	10.4x	1.3x	13.7	4.0	39.0	83.7	1.0
Basic Ind.							885.7							
SMGR	6,675	7,250	9,500	Buy	42.3	(25.0)	39.6	19.1x	1.1x	6.0	2.6	0.7	10.5	1.1
INTP	9,175	12,100	12,700	Buy	38.4	(13.8)	33.8	20.7x	1.6x	7.5	10.9	3.5	(45.7)	1.1
INCO	5,300	4,680	8,200	Buy	54.7	1.9	52.7	17.6x	1.6x	9.3	N/A	13.8	100.0	1.4
ANTM	1,715	2,250	3,450	Buy	101.2	(33.8)	41.2	15.3x	1.8x	12.8	2.3	5.8	132.5	1.9

Source : Bloomberg, NHKSI Research

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