

## Weekly Brief (Jul. 18 – 22, 2022)

### Summary:

#### Last week review:

The trade balance surplus penetrated USD 5.1 billion, in the midst of sloping CPO commodity prices. Indonesia's exports in June reached USD 26.1 Billion (+21.3% MoM), supported by high CPO exports; while Indonesia's imports are valued at USD 21 Billion (+12.9% MoM). NHKSI Research sees this trade balance surplus as having a positive impact on GDP growth in 2Q22. Meanwhile, the sloping price of CPO commodities amid a potential global recession, impacting Indonesia's CPO dominated exports, and has the opportunity to reduce the trade balance surplus. Last week, the JCI fell 1.3%, with foreign investors recording a net sell of IDR 1.6 trillion. Meanwhile, the technology sector led the sectoral decline, or fell nearly 2%.

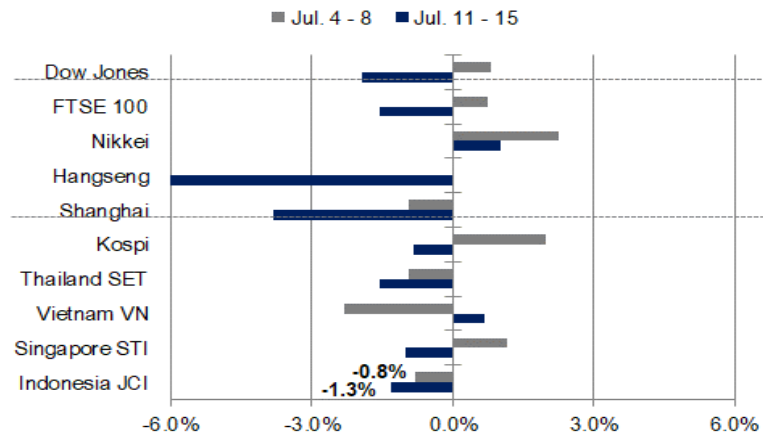
#### This week's outlook:

**Even if BI 7DRRR goes up, it is to maintain rupiah and capital outflow, not reduce inflation.** Unlike the case with Hawkish's aggressive FFR which was done to reduce US Headline inflation which reached 9.1% YoY. In fact, the rupiah exchange rate was stable and depreciated around the level of IDR15,000/USD this July, with capital outflows still under control. Meanwhile, Indonesia's low core inflation in June at 2.63% YoY, below the median rate of BI's annual target of 2%-4%, leading some to project that the result of this Thursday's RDG is BI will maintain the BI 7DRRR at the level of 3.50%. The depreciation of the rupiah as the US Dollar Index continues to stabilize at its highest level of 108, means a number of export-based issuer stocks, such as the coal subsector and the F&B subsector, relatively attractive. In the midst of a number of sentiments, NHKSI Research projects that the JCI will move in the range of 6,600-6,900 this week.

JCI Index	: 6,651.90 (-1.3%)
Foreign Flow	: Net sell of IDR 1.6 trillion (Vs. last week's net sell of IDR 2.5 trillion)
USD/IDR	: 14,993 (+0.1%)

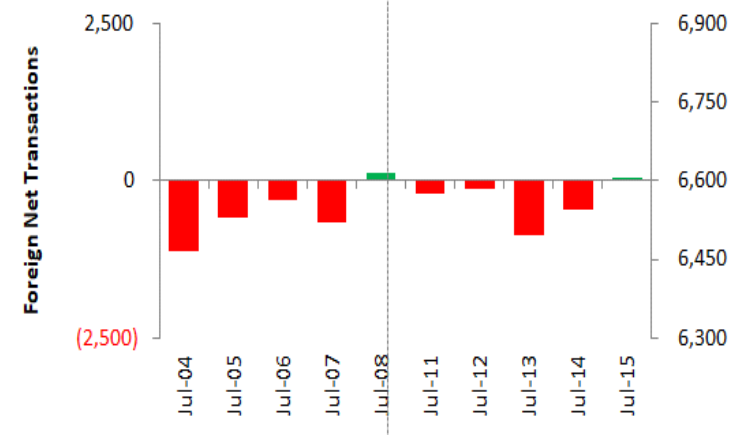
# Last Week's JCI Movement

## Global Market Movement



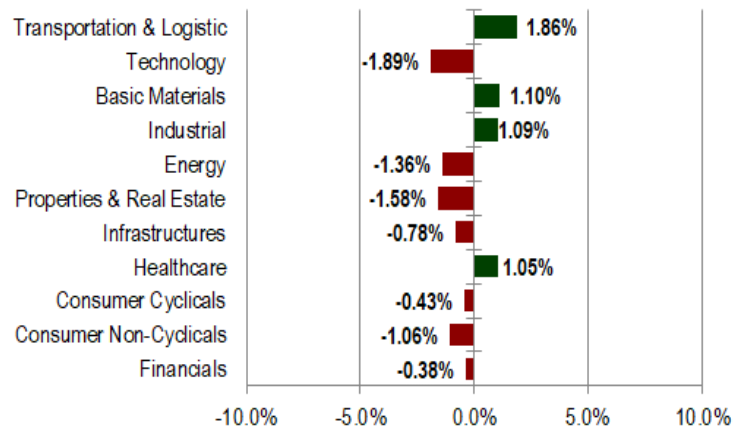
Source: Bloomberg, NHKSI Research

## Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

## JCI Sector Movement



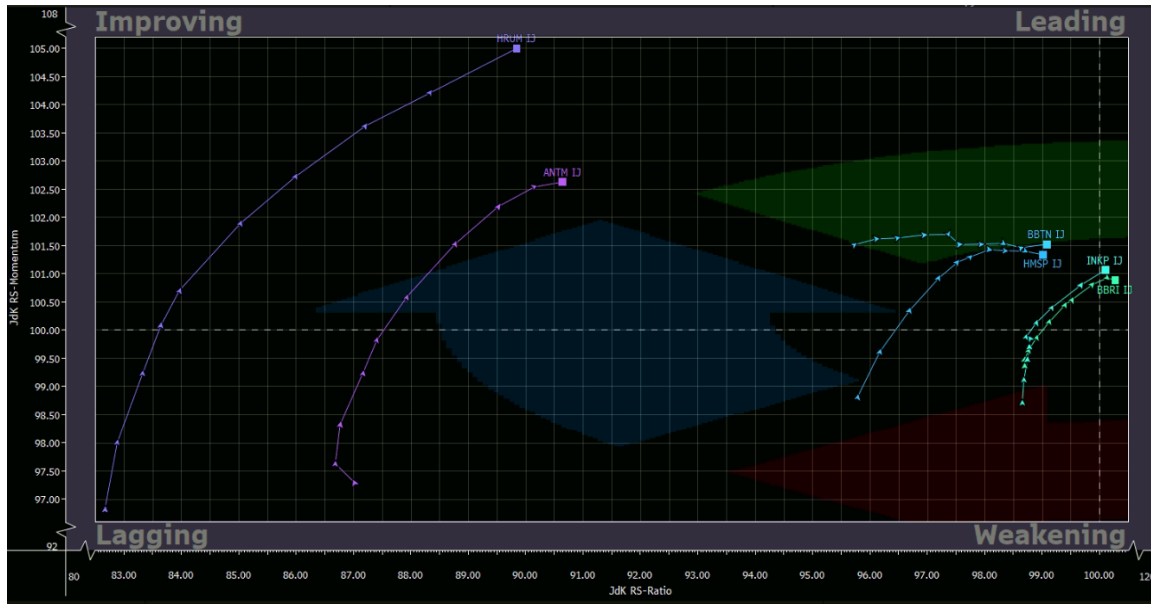
Source: Bloomberg, NHKSI Research

## JCI's Top Foreign Transaction

Top Buy (RG)	NB Val. (IDR Mn)	Top Sell (RG)	NS Value (IDR Mn)
TLKM	359,322	BMRI	701,804
PTBA	116,167	BBRI	610,298
ARTO	90,631	BBCA	533,815
AMRT	55,437	BBNI	414,034
UNVR	10,532	ANTM	189,335

Source: Bloomberg, NHKSI Research

# Stocks Recommendation



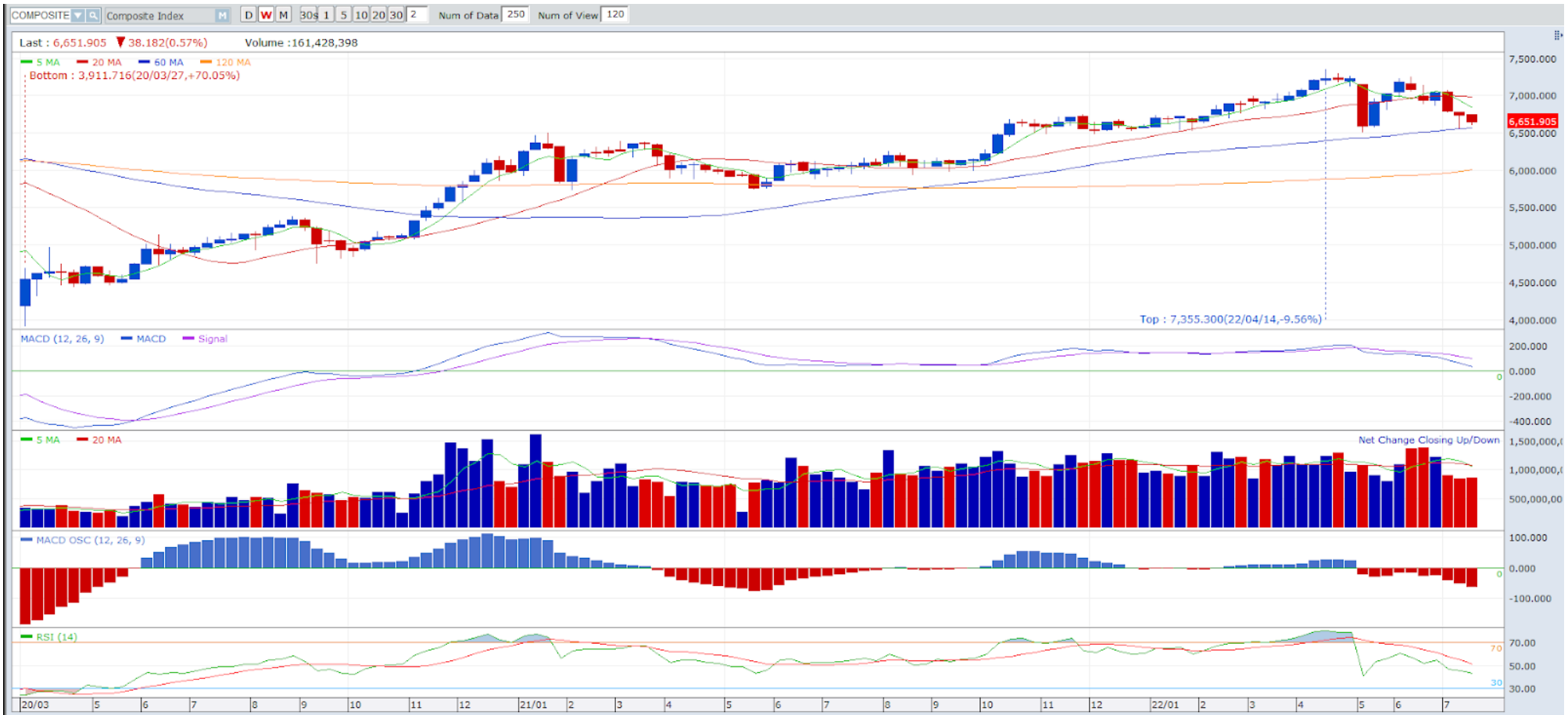
Source: Bloomberg, NHKSI Research

Stocks	TP	SL
ANTM	1,680	1,520
BBRI	4,300	4,010
BBTN	1,500	1,380
HMSP	1,000	945
HRUM	1,500	1,370
INKP	7,700	7,400

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
<b>Monday, 18-July.</b>	--	--	--	--	--	--
<b>Tuesday, 19-July.</b>	EC	16:00	CPI YoY	Jun.	8.6%	8.1%
	EC	16:00	CPI MoM	Jun.	0.8%	0.8%
	US	19:30	Housing Starts	Jun.	1,590K	1,549K
	US	19:30	Building Permits	Jun.	1.666K	1,695K
<b>Wednesday, 20-July.</b>	GE	13:00	PPI YoY	Jun.	33.1%	33.6%
	US	18:00	MBA Mortgage Applications	Jul.	--	-1.7%
	US	21:00	Existing Home Sales	Jun.	5.40Mn	5.41Mn
	US	21:00	Existing Home Sales	Jun.	-0.2%	-3.4%
<b>Thursday, 21-July.</b>	ID	--	Bank Indonesia 7D Reverse Repo Rate	Jul.	3.50%	3.50%
	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
<b>Friday, 22-July.</b>	US	20:45	S&P Global US Manufacturing PMI	Jul.	51.0	52.7
	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 Action Calendar

Date	Event	Company
<b>Monday, 18-July.</b>	RUPS	YELO, TRIN, KIOS, KAYU, INAI, BOGA, BMAS, ALMI
	Cum Dividend	ASBI
<b>Tuesday, 19-July.</b>	RUPS	TAMU, MSIN, INOV, ESIP, DNET, CLPI, ARII
	Cum Dividend	--
<b>Wednesday, 20-July.</b>	RUPS	TECH, TAXI, SHIP, RMKE, REAL, PYFA, LEAD, JAST, IKAN, ENRG, ELSA, DILD, DGNS, CPRO, CLAY, BIKE, BCAP, BAPA, BABP, ALTO
	Cum Dividend	--
<b>Thursday, 21-July.</b>	RUPS	SRIL, SOCI, SMKM, SMKL, SIPD, SIMP, POLY, PLIN, OPMS, LSIP, INTD, IKAI, IBFN, HADE, ENZO, DFAM, CARS, BNBR, BMHS, BKSW, BIMA, BBYB, BATA, ASSA, ASPI, ARKA, APLI
	Cum Dividend	--
<b>Friday, 22-July.</b>	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, BIKA, AGAR
	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
<b>Finance</b>							2,988.4							
BBCA	7,000	7,300	9,000	Buy	28.6	14.5	862.9	26.6x	4.4x	17.4	2.1	3.9	13.6	0.9
BBRI	4,110	4,110	5,500	Buy	33.8	10.6	622.9	15.0x	2.3x	15.7	4.2	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	7,175	7,025	9,800	Buy	36.6	22.1	334.8	10.4x	1.7x	17.1	5.0	5.8	69.5	1.2
<b>Consumer Non-Cyclicals</b>							1,131.3							
ICBP	9,350	8,700	10,400	Overweight	11.2	7.8	109.0	16.6x	3.0x	19.5	2.3	13.9	11.4	0.5
UNVR	4,830	4,110	5,700	Buy	18.0	(6.2)	184.3	30.3x	28.9x	94.0	3.1	5.4	17.8	0.5
GGRM	29,175	30,600	32,700	Overweight	12.1	(28.3)	56.1	11.4x	0.9x	8.2	7.7	(1.5)	(38.3)	0.8
HMSP	960	965	1,000	Hold	4.2	(13.9)	111.7	17.4x	3.6x	20.2	6.6	11.0	(27.3)	0.9
CPIN	5,600	5,950	5,600	Hold	-	(12.5)	91.8	27.3x	3.5x	13.1	1.9	15.2	(18.0)	0.8
AALI	8,925	9,500	14,900	Buy	66.9	18.6	17.2	7.5x	0.8x	11.4	5.2	30.7	197.6	0.9
<b>Consumer Cyclicals</b>							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	895	710	1,100	Buy	22.9	40.9	14.9	16.0x	2.3x	15.7	N/A	30.6	1450.0	1.0
<b>Healthcare</b>							264.1							
KLBF	1,680	1,615	1,800	Overweight	7.1	23.1	78.8	23.8x	3.9x	17.1	2.1	16.6	16.7	0.6
SIDO	965	865	1,100	Overweight	14.0	27.1	29.0	22.4x	9.4x	42.8	3.9	11.0	9.6	0.4
MIKA	2,750	2,260	3,000	Overweight	9.1	1.5	39.2	33.0x	7.4x	22.7	1.3	(9.2)	(13.8)	0.2
<b>Infrastructure</b>							876.70							
TLKM	4,150	4,040	4,940	Buy	19.0	32.6	411.1	16.5x	3.2x	21.0	3.6	3.7	1.7	1.0
JSMR	3,500	3,890	5,100	Buy	45.7	(4.1)	25.4	13.8x	1.2x	9.2	N/A	5.0	142.7	1.0
EXCL	2,320	3,170	3,800	Buy	63.8	(6.5)	24.9	22.4x	1.2x	5.6	2.2	7.9	(56.7)	0.9
TOWR	1,140	1,125	1,520	Buy	33.3	(14.6)	58.2	16.3x	4.4x	29.4	2.1	33.9	6.3	0.4
TBIG	3,020	2,950	3,240	Overweight	7.3	(8.2)	68.4	38.1x	6.7x	17.9	1.2	15.4	62.0	0.3
WIKA	910	1,105	1,280	Buy	40.7	(6.7)	8.2	199.8x	0.6x	0.3	N/A	(19.4)	(98.3)	1.4
PTPP	890	990	1,700	Buy	91.0	6.6	5.5	21.3x	0.5x	2.4	N/A	50.8	(16.7)	1.5

Source : Bloomberg, NH KSI Research

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<b>Property &amp; Real Estate</b>							217.1							
CTRA	825	970	1,500	Buy	81.8	(8.3)	15.3	8.0x	0.9x	11.6	1.0	20.7	76.9	1.3
PWON	430	464	690	Buy	60.5	4.9	20.7	13.7x	1.3x	9.7	0.9	17.1	56.8	1.3
<b>Energy</b>							853.3							
PGAS	1,530	1,375	1,770	Buy	15.7	53.0	37.1	6.8x	0.9x	14.6	8.1	14.2	96.9	1.4
PTBA	3,940	2,710	4,900	Buy	24.4	87.6	45.4	4.6x	1.7x	44.3	17.5	105.4	342.4	1.1
ADRO	2,760	2,250	3,900	Buy	41.3	125.3	88.3	4.6x	1.3x	30.0	10.9	77.0	472.3	1.0
<b>Industrial</b>							441.4							
UNTR	29,025	22,150	32,000	Overweight	10.2	51.0	108.3	8.5x	1.5x	18.5	4.3	56.3	131.6	0.8
ASII	5,950	5,700	8,000	Buy	34.5	23.7	240.9	10.3x	1.3x	13.7	4.0	39.0	83.7	1.0
<b>Basic Ind.</b>							906.3							
SMGR	6,375	7,250	9,500	Buy	49.0	(24.8)	37.8	18.3x	1.1x	6.0	2.7	0.7	10.5	1.1
INTP	9,125	12,100	12,700	Buy	39.2	(12.0)	33.6	20.6x	1.6x	7.5	11.0	3.5	(45.7)	1.1
INCO	4,770	4,680	8,200	Buy	71.9	(8.7)	47.4	15.8x	1.4x	9.3	N/A	13.8	100.0	1.4
ANTM	1,540	2,250	3,450	Buy	124.0	(41.0)	37.0	13.7x	1.7x	12.8	2.5	5.8	132.5	1.9

Source : Bloomberg, NHKSI Research



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