

Weekly Brief (Aug. 8 – 12, 2022)

Summary:

Last week review:

The economy grew impressively, BI remained Dovish. Indonesia's GDP 2Q22 YoY grew expansive up to 5.44% (Vs. Surv. 5.17%; 1Q22 5.01%), reassuring BI to remain Dovish and maintain the momentum of the gradual domestic economy recovery, in addition to Core CPI which was maintained below 3%YoY. Meanwhile, investors are still watching the July Foreign Reserves, which fell 3% MoM to USD132.2B, slightly reducing BI's room amidst the volatility of the Rupiah at IDR14,830/USD-IDR14,940/USD in early August. Within a week, the JCI consistently closed higher or near the psychological level of 7,100 in last Friday's trading. This strengthening relatively ignored the potential for a US recession, after the yield inversion of UST2Y Vs. UST10Y up to 36Bps, or the widest gap since 2000; and the escalating China-Taiwan political escalation.

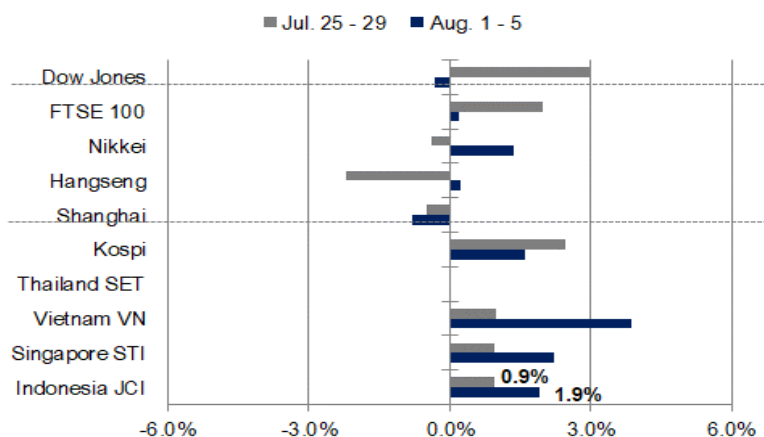
This week's outlook:

Mini IPO spice up JCI, US inflation reaches its peak. A number of Mini IPO in the Consumer Cyclical and Non Cyclical, Basic Material, as well as Healthcare will be listed this week. Issuers that will gain relatively small IPO fund, under IDR100 billion, are making use of BI 7DRRR which is still in its lowest level of 3.50%. Meanwhile, Brent and WTI crude oil October 2022 contract fell more than 9% in the past week, showing that inflation has reached its peak. Bloomberg survey projects US July CPI Headline slopes to 8.8% YoY (Vs. Jun. 9.1% YoY). Fears of a global recession suppresses Brent and WTI oil prices to USD94,12/Barrel and USD87,56/Barrel, the lowest level compared to prices before the Russia-Ukraine conflict last February. NHKSI Research projects JCI to move Bullish (Limited Upside) or in the range of Support: 7.032-7.000 / 6.980 and Resistance: 7.100-7.140 / 7.175 this week.

JCI Index	: 7,084.65 (+1.9%)
Foreign Flow	: Net sell of IDR 2.8 trillion (Vs. last week's net buy of IDR 1.9 trillion)
USD/IDR	: 14,893 (+0.4%)

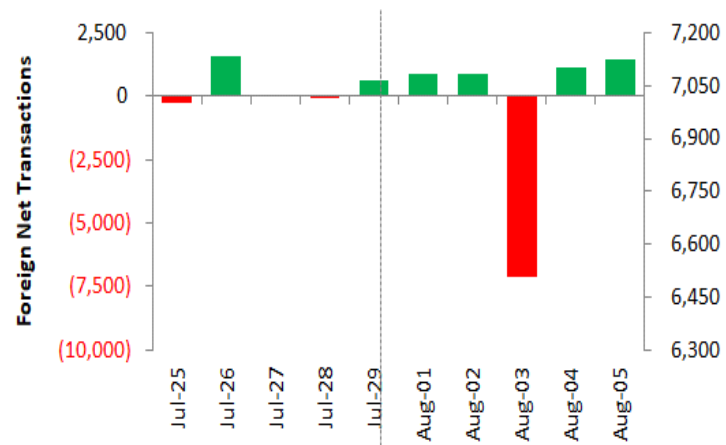
Last Week's JCI Movement

Global Market Movement



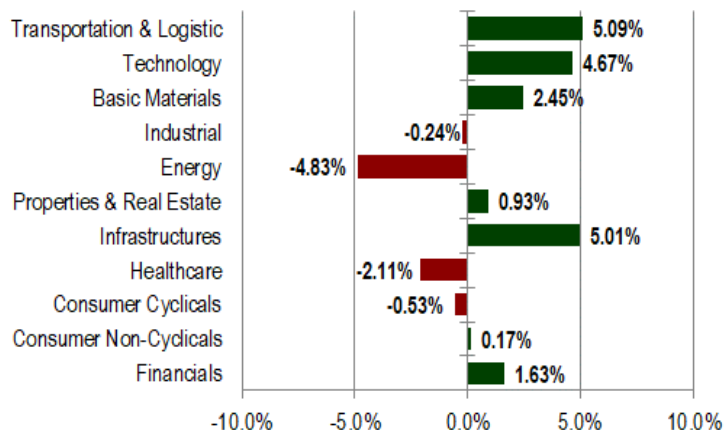
Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

JCI Sector Movement



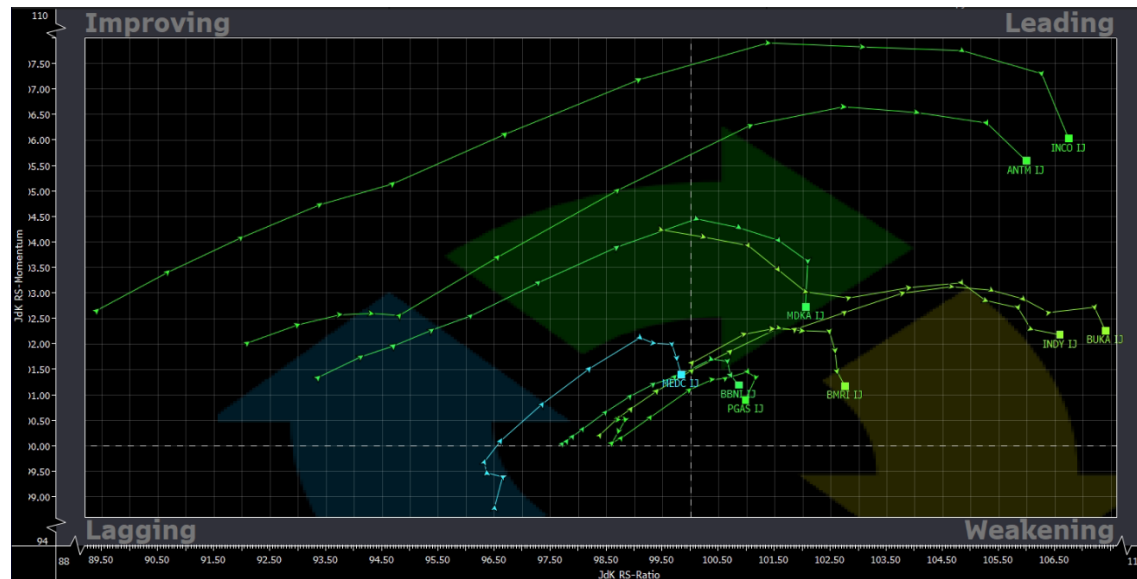
Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val. (IDR Mn)	Top Sell (RG)	NS Value (IDR Mn)
BBCA	1,338,571	SIDO	223,560
TLKM	1,210,850	BUKA	308,857
BBRI	479,817	ADMR	194,746
UNTR	307,562	KLBF	219,242
ASII	238,161	EXCL	187,585

Source: Bloomberg, NHKSI Research

Stocks Recommendation



Source: Bloomberg, NHKSI Research

Stocks	TP	SL
ANTM	2,300-2,400	1,910
BBNI	8,350-8,450 / 8,675	7,900
BMRI	8,500 / 8,850	7,900
BUKA	356 / 376	310
INCO	6,750 / 7,000	5,825
INDY	2,870 / 3,000 / 3,150	2,640
MDKA	4,200-4,250 / 4,800-5,000	3,850
MEDC	625-630 / 670-675	575
PGAS	1,665 / 1,710-1,745	1,580

Source: Bloomberg, NHKSI Research

JCI Index

Support	7,032-7,000 / 6,980	Resistance	7,100-7,140 / 7,175
----------------	----------------------------	-------------------	----------------------------



Source: NHKSI Research, Bloomberg

Economic Calendar

Date	Country	Hour JKT	Event	Period	Consensus	Previous
Monday, 8-Aug.	ID	--	Consumer Confidence Index	Jul.	--	128.2
Tuesday, 9-Aug.	--	--	--	--	--	--
Wednesday, 10-Aug.	US	18:00	MBA Mortgage Applications	Aug. 5	--	1.2%
	US	19:30	CPI MoM	Jul.	0.2%	1.3%
	US	19:30	CPI Ex. Food and Energy MoM	Jul.	0.5%	0.7%
	US	19:30	CPI YoY	Jul.	8.8%	9.1%
Thursday, 11-Aug.	US	19:30	PPI Ex. Food and Energy YoY	Jul.	--	8.2%
	US	19:30	PPI Final Demand MoM	Jul.	0.3%	1.1%
	US	19:30	PPI Ex. Food and Energy MoM	Jul.	0.4%	0.4%
	US	19:30	PPI Final Demand YoY	Jul.	10.3%	11.3%
Friday, 12-Aug.	UK	13:00	GDP QoQ	2Q	-0.1%	0.8%
	UK	13:00	GDP YoY	2Q	3.0%	8.7%
	US	19:30	Import Price Index MoM	Jul.	-0.9%	0.2%
	US	21:00	U. Of Mich. Sentiment	Aug. P	52.0	51.5

Source: Bloomberg, NHKSI Research

Corporate Action Calendar

Date	Event	Company
Monday, 8-Aug.	RUPS	TAXI
	Cum Dividend	TCPI, NTBK, IRRA, ERTX
Tuesday, 9-Aug.	RUPS	TAMA, META, ELSA
	Cum Dividend	SMDR, SMAR
Wednesday, 10-Aug.	RUPS	TDPM, EXCL, BVIC
	Cum Dividend	XSPI
Thursday, 11-Aug.	RUPS	--
	Cum Dividend	--
Friday, 12-Aug.	RUPS	UNSP, MTFN, HKMU, GIAA
	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							3,268.5							
BBCA	7,875	7,300	9,000	Overweight	14.3	25.0	970.8	27.8x	4.8x	17.9	1.8	3.6	24.6	0.9
BBRI	4,360	4,110	5,500	Buy	26.1	10.3	660.8	14.0x	2.3x	18.1	4.0	8.4	46.2	1.3
BBNI	8,250	6,750	10,700	Buy	29.7	58.7	153.9	10.5x	1.2x	12.1	1.8	2.7	75.0	1.4
BMRI	8,250	7,025	9,800	Buy	18.8	36.4	385.0	10.8x	1.9x	18.2	4.4	7.0	61.6	1.2
Consumer Non-Cyclicals							1,118.6							
ICBP	8,800	8,700	10,400	Buy	18.2	8.0	102.6	15.6x	2.8x	19.5	2.4	13.9	11.4	0.5
UNVR	4,720	4,110	5,700	Buy	20.8	6.3	180.1	29.3x	39.4x	143.2	3.2	#N/A	N/A	0.5
GGRM	25,700	30,600	32,700	Buy	27.2	(21.9)	49.4	11.6x	0.9x	7.3	8.8	1.8	(59.4)	0.8
HMSP	925	965	1,000	Overweight	8.1	(12.7)	107.6	17.9x	4.3x	23.9	6.8	12.3	(27.8)	0.9
CPIN	5,750	5,950	5,600	Hold	(2.6)	(8.0)	94.3	29.4x	3.7x	12.3	1.9	#N/A	N/A	0.8
AALI	9,300	9,500	14,900	Buy	60.2	15.5	17.9	8.4x	0.9x	10.6	5.0	1.2	24.6	0.9
Consumer Cyclicals							392.0							
ERAA	500	600	640	Buy	28.0	(20.0)	8.0	7.7x	1.2x	17.0	4.6	5.8	11.8	0.7
MAPI	960	710	1,000	Hold	4.2	38.1	15.9	17.2x	2.5x	15.7	N/A	30.6	1450.0	1.0
Healthcare							247.5							
KLBF	1,590	1,615	1,800	Overweight	13.2	22.8	74.5	22.4x	3.9x	18.0	2.2	12.2	9.9	0.6
SIDO	760	865	1,100	Buy	44.7	(4.3)	22.8	18.9x	7.0x	37.6	5.0	(2.6)	(11.2)	0.4
MIKA	2,600	2,260	3,000	Buy	15.4	5.7	37.0	32.0x	7.3x	21.8	1.4	#N/A	N/A	0.1
Infrastructure							959.42							
TLKM	4,650	4,040	4,940	Overweight	6.2	39.2	460.6	18.0x	3.8x	23.4	3.2	#N/A	N/A	1.0
JSMR	3,460	3,890	5,100	Buy	47.4	(9.2)	25.1	13.6x	1.2x	9.2	N/A	5.0	142.7	1.0
EXCL	2,600	3,170	3,800	Buy	46.2	(0.4)	27.9	25.1x	1.4x	5.6	2.0	7.9	(56.7)	0.9
TOWR	1,260	1,125	1,520	Buy	20.6	(6.7)	64.3	18.0x	4.9x	29.4	1.9	33.9	6.3	0.4
TBIG	3,120	2,950	3,240	Hold	3.8	(1.0)	70.7	39.4x	7.0x	17.9	1.2	15.4	62.0	0.3
WIKA	980	1,105	1,280	Buy	30.6	4.3	8.8	215.2x	0.7x	0.3	N/A	(19.4)	(98.3)	1.4
PTPP	955	990	1,700	Buy	78.0	7.9	5.9	22.8x	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							226.3							
CTRA	920	970	1,500	Buy	63.0	7.0	17.1	8.9x	1.0x	11.6	1.5	20.7	76.9	1.3
PWON	464	464	690	Buy	48.7	7.9	22.3	14.7x	1.4x	9.7	0.9	17.1	56.8	1.3
Energy							863.2							
PGAS	1,600	1,375	1,770	Overweight	10.6	57.6	38.8	7.2x	1.0x	14.6	7.8	14.2	96.9	1.4
PTBA	4,120	2,710	4,900	Buy	18.9	88.1	47.5	4.8x	1.8x	44.3	16.7	105.4	342.4	1.1
ADRO	3,130	2,250	3,900	Buy	24.6	140.8	100.1	5.3x	1.4x	30.0	9.6	77.0	472.3	1.1
Industrial							480.4							
UNTR	32,500	22,150	32,000	Hold	(1.5)	72.0	121.2	7.5x	1.6x	22.6	3.8	62.0	129.2	0.8
ASII	6,625	5,700	8,000	Buy	20.8	35.5	268.2	9.1x	1.5x	17.1	3.6	33.8	106.0	1.0
Basic Ind.							954.5							
SMGR	6,800	7,250	9,500	Buy	39.7	(19.0)	40.3	19.5x	1.1x	6.0	2.5	0.7	10.5	1.1
INTP	9,700	12,100	12,700	Buy	30.9	(2.3)	35.7	21.9x	1.7x	7.5	5.2	3.5	(45.7)	1.1
INCO	6,100	4,680	8,200	Buy	34.4	23.5	60.6	15.8x	1.8x	11.8	N/A	36.1	155.9	1.4
ANTM	2,020	2,250	3,450	Buy	70.8	(14.8)	48.5	18.0x	2.2x	12.8	1.9	5.8	132.5	2.0

Source : Bloomberg, NHKSI Research

PT NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

Head of Research

Liza Camelia Suryanata

Equity Strategy, Technical

T +62 21 5088 ext 9134

E liza.camelia@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

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia

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