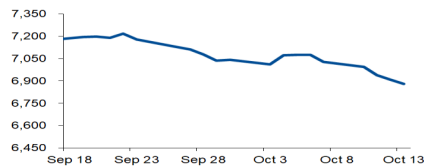


Morning Brief

Daily | Oct. 14, 2022

JCI Movement



Today's Outlook:

Wall Street's Technical Rebound of 2% Vs. High inflation remains above 8% YoY. The soaring of rental housing and food costs kept the inflation high, or the pace US CPI Headline on Sept. was 0.4% MoM (Aug. 0.1% MoM) and 8.2% YoY (Aug. 8.3% YoY), reinforcing expectation of the fourth hike on FFR 75 Bps in November, according to CME FedWatch. As for the DXY, which had weakened by 1% daily, made the DJIA closing was up 2.8% or led Wall Street's Technical Rebound. Furthermore, with the PPI and CPI data that remain at high levels, it is likely to make the US PCE Core Deflator Sept. surpass the

The delayed carbon tax and the weakened dollar index, became a positive catalyst for the weekend. NHKSI Research anticipates a technical rebound, limited downside, with a range of Support: 6,870 / 6,840 / 6,750 and Resistance: 6,926 / 7,000 / 7,040 / 7,140 / 7,200-7,225. The government stated that carbon trading, including a new carbon tax, will be implemented in 2025, or after being postponed twice, while also giving Indonesia time to make an energy transition. Moreover, the dollar index which had weakened close to the level of 112 yesterday, or after increasing for six consecutive days, become a positive sentiment for the JCI today.

Company News

SMRA : Launches Summarecon Crown Gading
WSKT : Strengthen the Business Entities' Capital
BBSI : Right Issue IDR 911,33 Billion

Domestic & Global News

Carbon Tax Implementation Will Apply on 2025
Soaring Rent, Food Costs Keep US Inflation on Front Burner

Sectors

	Last	Chg.	%
Infrastructure	938.99	-8.98	-0.95%
Technology	6612.55	-57.84	-0.87%
Finance	1444.72	-9.71	-0.67%
Basic Material	1224.19	-7.22	-0.59%
Industrial	1251.88	-4.64	-0.37%
Healthcare	1452.89	-3.85	-0.26%
Consumer Cyclical	844.73	-0.20	-0.02%
Property	679.74	-0.12	-0.02%
Transportation & Logistic	1791.82	2.54	0.14%
Energy	2006.41	4.66	0.23%
Consumer Non-Cyclicals	700.53	3.66	0.53%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	4.25%	3.75%	Real GDP	5.44%	5.01%
FX Reserve (USD bn)	130.80	132.20	Current Acc (USD bn)	0.41	4.97
Trd Balance (USD bn)	5.76	4.22	Govt. Spending Yoy	-5.24%	-7.74%
Exports Yoy	30.15%	32.03%	FDI (USD bn)	4.28	4.70
Imports Yoy	32.81%	39.86%	Business Confidence	104.82	105.33
Inflation Yoy	5.95%	4.69%	Cons. Confidence*	117.20	124.70

JCI Index

October 13	6,880.62
Chg.	28.58 pts (-0.41%)
Volume (bn shares)	21.90
Value (IDR tn)	10.83
Up 192 Down 322 Unchanged 145	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BUMI	583.6	ASII	280.7
BBCA	517.7	BMRI	279.0
BBRI	457.5	BBNI	267.0
TLKM	302.2	ADRO	215.3
TCPI	298.7	BIPI	188.3

Foreign Transaction

(IDR bn)

Buy			3,448
Sell			3,758
Net Buy (Sell)			(310)
Top Buy	NB Val.	Top Sell	NS Val.
BBNI	102.9	BBRI	199.5
GOTO	38.9	BBCA	61.0
BMRI	35.5	TLKM	54.2
AMRT	31.0	ASII	42.1
PTBA	30.3	ADRO	31.1

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.35%	-0.01%
USDIDR	15,362	0.03%
KRWIDR	10.73	-0.41%

Global Indices

Index	Last	Chg.	%
Dow Jones	30,038.72	827.87	2.83%
S&P 500	3,669.91	92.88	2.60%
FTSE 100	6,850.27	24.12	0.35%
DAX	12,355.58	183.32	1.51%
Nikkei	26,237.42	(159.41)	-0.60%
Hang Seng	16,389.11	(311.92)	-1.87%
Shanghai	3,016.36	(9.15)	-0.30%
Kospi	2,162.87	(39.60)	-1.80%
EIDO	23.08	(0.08)	-0.35%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,666.4	(6.8)	-0.41%
Crude Oil (\$/bbl)	89.11	1.84	2.11%
Coal (\$/ton)	393.50	(9.50)	-2.36%
Nickel LME (\$/MT)	22,427	135.0	0.61%
Tin LME (\$/MT)	20,100	280.0	1.41%
CPO (MYR/Ton)	3,665	(71.0)	-1.90%

SMRA : Launch Summarecon Crown Gading

PT Summarecon Agung Tbk (SMRA) opened a new area, namely Summarecon Crown Gading (SGC), covering an area of 437 Ha. The company stated that Summarecon Crown Gading is the 8th developing city-scale area by Summarecon, after Kelapa Gading, Serpong, Bekasi, Bandung, Karawang, Makassar, and Bogor. The development of this area is the result of a joint venture collaboration between Summarecon and Duta Putra Land. (Emiten News)

WSKT : Strengthen the Business Entities' Capital

PT Waskita Karya (Persero) Tbk (WSKT) strengthens the capital for Waskita Bumi Wira (WBW) IDR 69.71 billion. The capital booster was carried out through the company's subsidiary, Waskita Toll Road (WTR), by taking 68,713 shares issued by WBW. As for the transaction, is considered to be an affiliation, given that WTR is a subsidiary of the company. (Emiten News)

BBSI : Right Issue IDR 911.33 Billion

PT Bank Bisnis Internasional Tbk (BBSI) will offer a right issue of IDR 911.33 billion or 485.08 million shares at an exercise price of IDR 2,480 per share with a value of IDR 100/share. Each holder of nine prior shares is entitled to one Right Issue. Moreover, the proceeds from the right issue will be used to strengthen the capital structure as an additional working capital of the company in providing credit to the bank customers, product launches, and banking services. (Emiten News)

Domestic & Global News

Carbon Tax Implementation Will Apply on 2025

The government has postponed the carbon tax implementation twice. The implementation, which was supposed to be implemented in July 2022, was delayed. Coordinating Minister for Economic Affairs, Airlangga Hartanto, stated that the government will start implementing the carbon tax in the upcoming 2025. He said that this policy is a form of the government's commitment to reduce greenhouse gas emissions or to achieve the net zero emission target in 2060. (Kontan)

Soaring Rent, Food Costs Keep US Inflation on Front Burner

US consumer prices increased more than expected in September as rents surged by the most since 1990 and the cost of food also rose, reinforcing expectations the Federal Reserve will deliver a fourth straight 75 Bps interest rate hike next month. The consumer price index rose 0.4% last month after gaining 0.1% in August. Economists polled by Reuters had forecast the CPI would climb 0.2%. (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							3,314.0							
BBCA	8,275	7,300	9,000	Overweight	8.8	6.8	1,020.1	29.2x	5.0x	17.9	1.8	3.6	24.6	0.9
BBRI	4,350	4,110	5,500	Buy	26.4	2.4	659.3	14.1x	2.3x	18.1	4.0	8.4	46.2	1.2
BBNI	8,750	6,750	10,700	Buy	22.3	27.3	163.2	11.1x	1.3x	12.1	1.7	2.7	74.9	1.4
BMRI	9,475	7,025	10,000	Overweight	5.5	32.1	442.2	12.4x	2.2x	18.2	3.8	7.0	61.6	1.1
Consumer Non-Cyclicals							1,130.4							
ICBP	8,850	8,700	9,800	Overweight	10.7	(5.1)	103.2	20.3x	2.9x	14.8	2.4	15.6	(39.9)	0.5
UNVR	4,840	4,110	5,700	Buy	17.8	(9.1)	184.6	30.1x	40.4x	143.2	3.1	6.4	12.5	0.5
GGRM	22,325	30,600	32,700	Buy	46.5	(35.5)	43.0	10.1x	0.8x	7.3	10.1	1.8	(59.4)	0.7
HMSP	920	965	950	Hold	3.3	(19.7)	107.0	17.8x	4.3x	23.9	6.9	12.3	(27.8)	0.8
CPIN	5,475	5,950	6,600	Buy	20.5	(14.5)	89.8	28.0x	3.5x	12.3	2.0	12.4	(15.0)	0.8
AALI	8,000	9,500	11,000	Buy	37.5	(22.9)	15.4	7.2x	0.7x	10.6	5.6	1.2	24.6	0.9
Consumer Cyclicals							361.2							
ERAA	406	600	620	Buy	52.7	(33.4)	6.5	6.7x	1.0x	16.1	5.6	9.6	(8.6)	0.6
MAPI	1,200	710	1,300	Overweight	8.3	36.4	19.9	16.6x	2.9x	19.1	N/A	34.1	287.5	0.9
Healthcare							252.5							
KLBF	1,860	1,615	1,850	Hold	(0.5)	29.6	87.2	26.2x	4.5x	18.0	1.9	12.2	9.9	0.6
SIDO	655	865	900	Buy	37.4	(15.5)	19.7	16.3x	6.1x	37.6	3.5	(2.6)	(11.2)	0.4
MIKA	2,830	2,260	3,000	Overweight	6.0	23.0	40.3	34.8x	8.0x	21.8	1.3	(13.3)	(11.4)	0.1
Infrastructure							904.79							
TLKM	4,300	4,040	4,940	Overweight	14.9	12.3	426.0	16.6x	3.5x	23.4	3.5	3.6	6.9	1.0
JSMR	3,280	3,890	5,100	Buy	55.5	(25.3)	23.8	16.2x	1.1x	7.3	N/A	9.6	(14.1)	0.9
EXCL	2,470	3,170	3,800	Buy	53.8	(22.1)	26.5	22.2x	1.3x	6.0	2.1	8.5	(13.4)	0.9
TOWR	1,200	1,125	1,520	Buy	26.7	(2.4)	61.2	17.5x	4.6x	29.2	2.0	33.9	0.0	0.5
TBIG	2,530	2,950	3,240	Buy	28.1	(10.0)	57.3	32.4x	4.5x	16.0	1.4	11.2	22.4	0.3
WIKA	920	1,105	1,280	Buy	39.1	(34.8)	8.3	394.1x	0.6x	0.2	N/A	6.2	N/A	1.4
PTPP	895	990	1,700	Buy	89.9	(30.9)	5.5	20.5x	0.5x	2.5	N/A	39.7	0.0	1.5
Property & Real Estate							221.7							
CTRA	955	970	1,500	Buy	57.1	(13.2)	17.7	7.8x	1.0x	13.4	1.5	16.0	107.7	1.2
PWON	450	464	690	Buy	53.3	(15.9)	21.7	13.0x	1.3x	10.5	0.9	11.8	62.2	1.2
Energy							966.5							
PGAS	1,835	1,375	1,770	Hold	(3.5)	20.3	44.5	8.3x	1.1x	13.9	6.8	18.8	25.0	1.3
PTBA	4,250	2,710	4,900	Buy	15.3	50.7	49.0	4.0x	2.2x	61.8	16.2	79.0	237.1	1.0
ADRO	4,020	2,250	3,900	Hold	(3.0)	116.7	128.6	4.1x	1.6x	44.5	7.5	126.6	634.5	1.1
Industrial							463.6							
UNTR	32,200	22,150	32,000	Hold	(0.6)	25.3	120.1	7.5x	1.5x	22.6	5.4	62.0	129.2	0.8
ASII	6,350	5,700	8,000	Buy	26.0	2.0	257.1	8.7x	1.4x	17.1	4.4	33.8	106.0	1.0
Basic Ind.							916.7							
SMGR	7,350	7,250	9,500	Buy	29.3	(17.6)	43.6	21.2x	1.2x	5.9	2.3	(2.1)	4.5	1.1
INTP	9,150	12,100	12,700	Buy	38.8	(20.4)	33.7	22.3x	1.7x	7.3	5.5	3.7	(47.2)	1.0
INCO	6,525	4,680	8,200	Buy	25.7	27.9	64.8	16.4x	1.8x	11.8	N/A	36.1	155.9	1.5
ANTM	1,830	2,250	3,450	Buy	88.5	(24.4)	44.0	19.7x	2.0x	10.8	2.1	8.7	31.5	2.0

* Target Price

Source: Bloomberg, NHKS Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	—	Consumer Confidence Index	Sept.	117.2	—	124.7
10 - Oct.	—	—	—	—	—	—	—
Tuesday	—	—	—	—	—	—	—
11 - Oct.	—	—	—	—	—	—	—
Wednesday	US	18:00	MBA Mortgage Applications	Oct. 7	-2.0%	--	-14.2%
12 - Oct.	US	19:30	PPI Final Demand MoM	Sept.	0.4%	0.2%	-0.2%
	US	19:30	PPI Final Demand YoY	Sept.	8.5%	8.4%	8.7%
Thursday	US	01:00	FED Meeting Minutes	Sept. 21	—	--	--
13 - Oct.	US	19:30	CPI MoM	Sept.	0.4%	0.2%	0.1%
	US	19:30	CPI YoY	Sept.	8.2%	8.1%	8.3%
	US	19:30	Initial Jobless Claims	Oct. 8	228K	225K	219K
Friday	US	19:30	Retail Sales Advance MoM	Sept.		0.2%	0.3%
14 - Oct.	US	19:30	Retail Sales Ex Auto MoM	Sept.		-0.1%	-0.3%
	US	19:30	Import Price Index MoM	Sept.		-1.1%	-1.0%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	BRAM, BOSS
10 - Oct.	Cum Dividend	--
Tuesday	RUPS	BUMI
11 - Oct.	Cum Dividend	SSMS, BRAM, ASII, AALI
Wednesday	RUPS	OBMD, NIRO, MBSS
12 - Oct.	Cum Dividend	--
Thursday	RUPS	LPLI, BTPS
13 - Oct.	Cum Dividend	AUTO
Friday	RUPS	OMRE, KAEF
14 - Oct.	Cum Dividend	--

Source: Bloomberg



IHSG projection for 14 October 2022 :

Anticipate a technical rebound, limited downside.

Support : 6870 / 6840 / 6750.

Resistance : 6926 / 7000 / 7040 / 7140 / 7200-7225.

ADVISE : Buy On Weakness, Wait & See.

ITMG—PT INDO TAMBANGRAYA MEGAH TBK



PREDICTION 14 OCTOBER 2022

Overview

Support lower channel (Uptrend).

Advise

Speculative Buy .

Entry Level: 42500.

Average Up >43200.

Target: 44300-44400 / 45250 / 48800.

Stoploss: 42000.

TOBA—PT TBS ENERGI UTAMA TBK



PREDICTION 14 OCTOBER 2022

Overview

Support dari level previous Low.

RSI positive divergence.

Advise

Speculative Buy.

Entry Level: 710-700.

Average Up >725.

Target: 760 / 775-780 / 800 / 900.

Stoploss: 690.

LSIP—PT PP LONDON SUMATERA INDONESIA TBK



PREDICTION 14 OCTOBER 2022

Overview

Support jk.panjang.

RSI positive divergence.

Advise

Speculative Buy.

Entry Level: 1050.

Average Up >1080.

Target: 1115-1125 / 1160-1175 / 1250 .

Stoploss: 1035.

HMSP—PT HANJAYA MANDALA SAMPOERNA TBK



PREDICTION 14 OCTOBER 2022

Overview

Break our Resistance jk.pendek & Moving Averages.

Advise

Speculative Buy.

Entry Level: 920-910

Average Up >930.

Target: 990-1000 / 1025 (Tutup Gap) / 1060.

Stoploss: 890.

GGRM—PT GUDANG GARAM TBK



PREDICTION 14 OCTOBER 2022

Overview

Support from previous Low.

RSI positive divergence.

Advise

Speculative Buy .

Entry Level: 22325.

Average UP >22825.

Target: 23950-24000 / 24500-25000 / 26000 / 27000.

Stoploss: 21900.

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