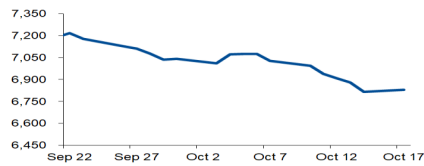


Morning Brief

Daily | Oct. 18, 2022

JCI Movement



Today's Outlook:

The increase in Lending Rate has encouraged the NII. Earlier in the week, Wall Street opened with Gap Up and consistently stood within the Green Zone, with DJIA closing up 550 points. The investors responded positively towards several Big Banks' 3Q22 Earning Results, which exceeded market expectations and lifted optimism about other sectors' Earning Results. The Banking sector benefited from a higher Lending Rate as the FFR rose, driving NII growth. Throughout 9M22, the Fed has raised the FFR by as much as 300 Bps, with a 150 Bps rise that occurred only during the 3Q22 period. Wall Street's appreciation was also supported by strengthening technology stocks and Growth Stocks, as UST2Y and UST10Y yields fell below the level of 4.5% and 4%.

Coal and CPO, again sustained the performance of non-oil and gas exports. Indonesia's Trade Balance for September recorded a surplus of +USD 4.9 billion (Vs. Aug +USD 5.7 billion). Trade Balance performance, which returned surplus, maintained the domestic economy's resilience in facing external risks. At the beginning of the week, JCI strongly closed with 16 points, after weakening by 1% at the beginning of the trade. The strengthening of JCI was also supported by the increase in the large-cap technology stock price, GOTO. For the record, GOTO is one of the shares owned by blibli.com, which is currently announcing its IPO plan. Amid several sentiments ahead of the BI RDG, NHKSI Research projects JCI to move Bullish or Technical Rebound today.

Company News

WIKA : Obtained a New Contract
MBSS : Pushing Commodity Transport Diversification
BYAN : Targeting Coal Production up to 39 Million MT

Domestic & Global News

Indonesia Trade Balance Surplus Reached USD 4.99 Billion
BoJ Likely to Raise Inflation Forecast to Over 2.5%

Sectors

	Last	Chg.	%
Healthcare	1452.14	13.73	0.95%
Basic Material	1227.05	9.79	0.80%
Energy	1986.61	1.96	0.10%
Technology	6480.41	3.96	0.06%
Consumer Non-Cyclicals	698.45	0.20	0.03%
Infrastructure	923.40	-4.27	-0.46%
Consumer Cyclicals	834.31	-7.16	-0.85%
Finance	1415.70	-15.22	-1.06%
Industrial	1247.52	-15.56	-1.23%
Property	671.18	-8.93	-1.31%
Transportation & Logistic	1753.16	-34.22	-1.91%

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)	4.99	5.76	Govt. Spending Yoy	-5.24%	-7.74%
Exports Yoy	20.28%	30.15%	FDI (USD bn)	4.28	4.70
Imports Yoy	22.02%	32.81%	Business Confidence	104.82	105.33
Inflation Yoy	5.95%	4.69%	Cons. Confidence*	117.20	124.70

JCI Index

October 17	6,831.11
Chg.	16.58 pts (+0.24%)
Volume (bn shares)	28.74
Value (IDR tn)	14.36
Up 144 Down 390 Unchanged 125	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BUMI	795.1	BMRI	286.7
BBRI	625.0	TCPI	277.9
BBCA	465.3	BRMS	274.9
TLKM	386.2	GOTO	208.7
ASII	325.1	BBNI	195.9

Foreign Transaction

(IDR bn)

Buy	6,795
Sell	4,378
Net Buy (Sell)	2,416

Top Buy	NB Val.	Top Sell	NS Val.
BBNI	42.9	ASII	154.2
MDKA	20.2	BBCA	55.3
SMGR	16.8	SRTG	13.7
PTBA	9.9	AMRT	12.2
SHIP	2.6	PNIN	7.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.44%	0.06%
USDIDR	15,488	0.42%
KRWIDR	10.79	-0.07%

Global Indices

Index	Last	Chg.	%
Dow Jones	30,185.82	550.99	1.86%
S&P 500	3,677.95	94.88	2.65%
FTSE 100	6,920.24	61.45	0.90%
DAX	12,649.03	211.22	1.70%
Nikkei	26,775.79	(314.97)	-1.16%
Hang Seng	16,612.90	25.21	0.15%
Shanghai	3,084.94	12.96	0.42%
Kospi	2,219.71	7.16	0.32%
EIDO	22.83	0.27	1.20%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,650.1	5.6	0.34%
Crude Oil (\$/bbl)	85.46	(0.15)	-0.18%
Coal (\$/ton)	392.15	(0.35)	-0.09%
Nickel LME (\$/MT)	21,541	(236.0)	-1.08%
Tin LME (\$/MT)	19,645	(285.0)	-1.43%
CPO (MYR/Ton)	3,887	21.0	0.54%

WIKA : Obtained a New Contract

PT Wijaya Karya Tbk (WIKA) obtained a new contract worth IDR 19 trillion up to September 2022. The obtained contract reflects 44.63% of the new contract's total target WIKA aimed this year. Most new contracts are infrastructure projects, followed by Engineering Procurement, Construction (EPCC), and building projects with precast and steel structure industries for the rest. (Kontan)

MBSS : Pushing Commodity Transport Diversification

PT Mitra Bahera Segara Sejati Tbk (MBSS) is determined to diversify its business into non-coal commodity transportation this year. The company revealed that they operated around 54 tugs & barges and 6 floating cranes in 2Q22. Moreover, most cargoes transported by the company are still dominated by coal. The company also ensures that non-coal commodities begin to increase, especially nickel. (Kontan)

BYAN : Targeting Coal Production up to 39 Million MT

PT Bayan Resources Tbk (BYAN) is targeting coal production of 37 - 39 million metric tons (MT) by the end of this year. The updated picture of coal volume realization and ASP Company does not yet exist. However, certainty is the company's coal business is still rising in the current 2022, where the revenue in 2Q22 increased by 95.86% YoY and the net profit increased by 188.01% YoY. (Kontan)

Domestic & Global News

Indonesia Trade Balance Surplus Reached USD 4.99 Billion

The Central Bureau of Statistics reported that the export value in September 2022 reached USD 24.80 billion, while the import value was only USD 19.81 billion. Thus, Indonesia's trade balance recorded a surplus of USD 4.99 billion in September 2022. However, Indonesia's trade balance in September was still lower than the achievement in August 2022, which reached USD 5.71 billion. (Kompas)

BoJ Likely to Raise Inflation Forecast to Over 2.5%

The Bank of Japan (BOJ) will raise its inflation forecast for this fiscal year to above 2.5% at its next policy meeting as a weakening yen and higher raw material costs drive up prices. While the upgrade will bring inflation more firmly above the central bank's 2% target, the policy board of the BOJ was likely to keep ultra-loose monetary policy in place to support Japan's economy. (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							3,272.7							
BBCA	8,250	7,300	9,000	Overweight	9.1	9.6	1,017.0	29.1x	5.0x	17.9	1.8	3.6	24.6	0.9
BBRI	4,300	4,110	5,500	Buy	27.9	(2.5)	651.7	13.9x	2.3x	18.1	4.1	8.4	46.2	1.2
BBNI	8,575	6,750	10,700	Buy	24.8	21.2	159.9	10.9x	1.3x	12.1	1.7	2.7	74.9	1.4
BMRI	9,450	7,025	10,000	Overweight	5.8	31.7	441.0	12.3x	2.2x	18.2	3.8	7.0	61.6	1.1
Consumer Non-Cyclicals							1,125.6							
ICBP	8,825	8,700	9,800	Overweight	11.0	(5.1)	102.9	20.2x	2.9x	14.8	2.4	15.6	(39.9)	0.5
UNVR	4,830	4,110	5,700	Buy	18.0	(5.3)	184.3	30.0x	40.4x	143.2	3.1	6.4	12.5	0.5
GGRM	22,100	30,600	32,700	Buy	48.0	(37.1)	42.5	10.0x	0.8x	7.3	10.2	1.8	(59.4)	0.7
HMSP	915	965	950	Hold	3.8	(20.4)	106.4	17.7x	4.3x	23.9	6.9	12.3	(27.8)	0.8
CPIN	5,350	5,950	6,600	Buy	23.4	(15.7)	87.7	27.3x	3.4x	12.3	2.0	12.4	(15.0)	0.8
AALI	7,800	9,500	11,000	Buy	41.0	(24.5)	15.0	7.0x	0.7x	10.6	5.7	1.2	24.6	0.9
Consumer Cyclicals							355.3							
ERAA	406	600	620	Buy	52.7	(38.5)	6.5	6.7x	1.0x	16.1	5.6	9.6	(8.6)	0.6
MAPI	1,160	710	1,300	Overweight	12.1	31.1	19.3	16.0x	2.8x	19.1	N/A	34.1	287.5	0.9
Healthcare							254.5							
KLBF	1,930	1,615	1,850	Hold	(4.1)	34.0	90.5	27.2x	4.7x	18.0	1.8	12.2	9.9	0.6
SIDO	635	865	900	Buy	41.7	(20.1)	19.1	15.8x	5.9x	37.6	3.6	(2.6)	(11.2)	0.5
MIKA	2,850	2,260	3,000	Overweight	5.3	26.1	40.6	35.0x	8.0x	21.8	1.3	(13.3)	(11.4)	0.1
Infrastructure							899.43							
TLKM	4,330	4,040	4,940	Overweight	14.1	14.2	428.9	16.7x	3.6x	23.4	3.5	3.6	6.9	1.0
JSMR	3,270	3,890	5,100	Buy	56.0	(26.5)	23.7	16.1x	1.1x	7.3	N/A	9.6	(14.1)	0.9
EXCL	2,400	3,170	3,800	Buy	58.3	(22.3)	25.7	21.6x	1.3x	6.0	2.1	8.5	(13.4)	0.9
TOWR	1,160	1,125	1,520	Buy	31.0	(2.1)	59.2	16.9x	4.5x	29.2	2.1	33.9	0.0	0.5
TBIG	2,560	2,950	3,240	Buy	26.6	(11.7)	58.0	32.7x	4.6x	16.0	1.4	11.2	22.4	0.4
WIKA	920	1,105	1,280	Buy	39.1	(35.7)	8.3	394.1x	0.6x	0.2	N/A	6.2	N/A	1.4
PTPP	890	990	1,700	Buy	91.0	(33.1)	5.5	20.4x	0.5x	2.5	N/A	39.7	0.0	1.5
Property & Real Estate							218.9							
CTRA	920	970	1,500	Buy	63.0	(17.9)	17.1	7.5x	1.0x	13.4	1.5	16.0	107.7	1.2
PWON	434	464	690	Buy	59.0	(17.3)	20.9	12.5x	1.2x	10.5	0.9	11.8	62.2	1.2
Energy							955.9							
PGAS	1,835	1,375	1,770	Hold	(3.5)	20.3	44.5	8.2x	1.1x	13.9	6.8	18.8	25.0	1.2
PTBA	4,250	2,710	4,900	Buy	15.3	48.6	49.0	4.0x	2.2x	61.8	16.2	79.0	237.1	1.0
ADRO	3,960	2,250	3,900	Hold	(1.5)	111.2	126.7	4.1x	1.6x	44.5	7.6	126.6	634.5	1.1
Industrial							468.2							
UNTR	32,900	22,150	32,000	Hold	(2.7)	25.1	122.7	7.6x	1.6x	22.6	5.2	62.0	129.2	0.8
ASII	6,425	5,700	8,000	Buy	24.5	3.2	260.1	8.8x	1.4x	17.1	4.4	33.8	106.0	1.0
Basic Ind.							913.4							
SMGR	7,500	7,250	9,500	Buy	26.7	(15.7)	44.5	21.6x	1.2x	5.9	2.3	(2.1)	4.5	1.1
INTP	9,150	12,100	12,700	Buy	38.8	(20.3)	33.7	22.3x	1.7x	7.3	5.5	3.7	(47.2)	1.0
INCO	6,575	4,680	8,200	Buy	24.7	28.3	65.3	16.4x	1.8x	11.8	N/A	#N/A	N/A	1.5
ANTM	1,805	2,250	3,450	Buy	91.1	(28.1)	43.4	19.5x	2.0x	10.8	2.1	8.7	31.5	2.0

* Target Price

Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	11:00	Trade Balance	Sept.	%4.9Bn	\$4.8Bn	\$5.7Bn
17 - Oct.	ID	11:00	Exports YoY	Sept.	20.28%	28.60%	30.03%
	ID	11:00	Imports YoY	Sept.	22.02%	33.40%	32.81%
	US	19:30	Empire Manufacturing	Oct.	-9.1	-4.3	-1.5
Tuesday	CH	09:00	Industrial Production YoY	Sept.		4.9%	4.2%
18 - Oct.	CH	09:00	GDP YoY	3Q22		3.5%	0.4%
	CH	09:00	Retail Sales YoY	Sept.		3.2%	5.4%
	US	20:15	Industrial Production MoM	Sept.		-0.1%	-0.2%
Wednesday	EC	16:00	CPI YoY	Sept. F		10.0%	9.1%
19 - Oct.	US	18:00	MBA Mortgage Applications	Oct. 14		--	-2.0%
	US	19:30	Building Permits	Sept.		1,550K	1,542K
	US	19:30	Housing Starts	Sept.		1,488K	1,575K
Thursday	ID	14:20	Bank Indonesia 7D Reverse Repo	Oct. 20		4.63%	4.25%
20 - Oct.	US	19:30	Initial Jobless Claims	Oct. 15		--	228K
	US	21:00	Existing Home Sales	Sept.			
	US	21:00	Leading Index	Sept.		-0.3%	-0.3%
Friday	—	—	—	—	—	—	—
21 - Oct.	—	—	—	—	—	—	—

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	ABDA
17 - Oct.	Cum Dividend	ASGR
Tuesday	RUPS	PRDA, BBTN, AMOR
18 - Oct.	Cum Dividend	--
Wednesday	RUPS	TAXI, ELTY, BVIC
19 - Oct.	Cum Dividend	--
Thursday	RUPS	TRIN, AXIO
20 - Oct.	Cum Dividend	--
Friday	RUPS	PTIS, OASA
21 - Oct.	Cum Dividend	EAST

Source: Bloomberg



IHSG projection for 18 October 2022 :

Bullish – Technical rebound.

Support : 6740-6750.

Resistance : 6840-6850 / 6950-6960 / 7000 / 7050 / 7100-7130.

ADVISE : Speculative Buy.

TPIA—PT CHANDRA ASRI PETROCHEMICAL TBK



PREDICTION 18 OCTOBER 2022

Overview

Rebound dari Support jk.pendek.

Harga slightly break above ketiga MA.

Advise

Buy.

Entry Level: 2460.

Average Up >2500.

Target: 2600 / 2640-2650.

Stoploss: 2390.

BBTN—PT BANK TABUNGAN NEGARA (PERSERO) TBK



PREDICTION 18 OCTOBER 2022

Overview

Bottoming dalam pola Triangle.

RSI positive divergence.

Advise

Buy.

Entry Level: 1480.

Average Up >1500.

Target: 1530 / 1550 / 1600.

Stoploss: 1440.

CPIN—PT CHAROEN POKPHAND INDONESIA TBK



PREDICTION 18 OCTOBER 2022

Overview

Support Trendline mid-term
RSI positive divergence.

Advise

Buy.

Entry Level: 5350.

Average Up >5400.

Target: 5550-5575 / 5700-5725 / 5900-6000.

Stoploss: 5200.

SIDO—PT INDUSTRI JAMU & FARMASI SIDO MUNCUL TBK



PREDICTION 18 OCTOBER 2022

Overview

Weekly chart : telah sampai pada Target Bottom
dari pola Parallel Channel.
Daily chart : RSI positive divergence.

Advise

Speculative Buy.

Entry Level: 635.

Average Up >655.

Target: 700-710 / 770 / 810 .

Stoploss: 620.

EMTK—PT ELANG MAHKOTA TEKNOLOGI TBK



PREDICTION 18 OCTOBER 2022

Overview

Support dari level previous Low.
RSI positive divergence.
Candle : Doji.

Advise

Speculative Buy .

Entry Level: 1515.

Average UP >1535.

Target: 1600-1610 / 1675-1700.

Stoploss: 1470.

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