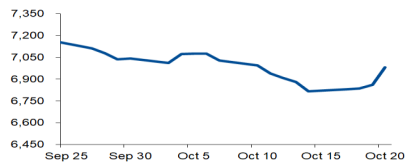


Morning Brief

Daily | Oct. 21, 2022

JCI Movement



Today's Outlook:

Investors ignore jobless claim data. Having weakened at the beginning of trading, earning results season propelled Wall Street to the green. Investors' optimism on the 3Q22 Earning Results prompted analysts to raise earning profit growth expectations for companies in the S&P 500 index to 3.1% from the previous projection of 2.8%. Moreover, US Initial Jobless Claims, which ended on Oct.15, fell more than 5% WoW, indicating the labor market remains tight amid the FFR rise. At the end of the trade, Wall Street weakened, with the DJIA down 90 points.

BI's frontloading to dampen inflation expectations. JCI managed to close strong with 120 points to 6,980 yesterday. Investors responded positively to BI's Hawkish move in response to the overshooting inflation expectations. As of last October, Indonesia recorded core inflation at 3.21% YoY; and headline inflation at 5.95% YoY. Furthermore, the rupiah exchange rate is withstanding still around the level of IDR 15,500/USD. Market participants see that the continuation of BI's tight monetary policy is an act of anticipation, responding to the narrowing spread between the BBI 7DRR and FFR.

Company News

WTON : Increasing the Cost of Goods Manufactured
ROTI : Buyback 102.8 Billion Shares
TPIA : Fuel from Plastic Waste

Domestic & Global News

Prime Lending Rate Has Not Aligned BI 7DRR
U.S. Weekly Jobless Claims Fall

JCI Index

| | |
|-------------------------------|---------------------|
| October 20 | 6,980.65 |
| Chg. | 120.24 pts (+1.75%) |
| Volume (bn shares) | 24.84 |
| Value (IDR tn) | 14.73 |
| Up 330 Down 182 Unchanged 147 | |

Most Active Stocks

(IDR bn)

by Value

| Stocks | Val. | Stocks | Val. |
|--------|-------|--------|-------|
| BUMI | 812.9 | BMRI | 502.8 |
| BBCA | 775.3 | ADRO | 472.4 |
| TLKM | 714.5 | PGAS | 379.6 |
| BBRI | 653.1 | ITMG | 349.5 |
| PTBA | 545.3 | BBNI | 334.2 |

Foreign Transaction

(IDR bn)

| | |
|----------------|-------|
| Buy | 6,707 |
| Sell | 5,833 |
| Net Buy (Sell) | 874 |

| Top Buy | NB Val. | Top Sell | NS Val. |
|---------|---------|----------|---------|
| BBCA | 297.2 | AMRT | 49.9 |
| BMRI | 128.2 | KLBF | 47.7 |
| ADRO | 121.5 | ASII | 42.1 |
| PGAS | 121.3 | UNTR | 23.8 |
| ITMG | 115.7 | MDKA | 18.8 |

Government Bond Yields & FX

| | Last | Chg. |
|----------------|--------|-------|
| Tenor: 10 year | 7.51% | 0.04% |
| USDIDR | 15,573 | 0.48% |
| KRWIDR | 10.87 | 0.06% |

Global Indices

| Index | Last | Chg. | % |
|-----------|-----------|----------|--------|
| Dow Jones | 30,333.59 | (90.22) | -0.30% |
| S&P 500 | 3,665.78 | (29.38) | -0.80% |
| FTSE 100 | 6,943.91 | 18.92 | 0.27% |
| DAX | 12,767.41 | 26.00 | 0.20% |
| Nikkei | 27,006.96 | (250.42) | -0.92% |
| Hang Seng | 16,280.22 | (231.06) | -1.40% |
| Shanghai | 3,035.05 | (9.33) | -0.31% |
| Kospi | 2,218.09 | (19.35) | -0.86% |
| EIDO | 23.26 | 0.56 | 2.47% |

Commodities

| Commodity | Last | Chg. | % |
|--------------------|---------|---------|--------|
| Gold (\$/troy oz.) | 1,628.0 | (1.4) | -0.09% |
| Crude Oil (\$/bbl) | 84.51 | (0.01) | -0.01% |
| Coal (\$/ton) | 391.95 | 0.95 | 0.24% |
| Nickel LME (\$/MT) | 21,876 | 335.0 | 1.56% |
| Tin LME (\$/MT) | 19,450 | (195.0) | -0.99% |
| CPO (MYR/Ton) | 4,096 | (22.0) | -0.53% |

Sectors

| | Last | Chg. | % |
|---------------------------|---------|-------|-------|
| Energy | 2013.86 | 55.53 | 2.84% |
| Consumer Non-Cyclicals | 736.76 | 18.00 | 2.50% |
| Basic Material | 1258.58 | 17.50 | 1.41% |
| Property | 684.98 | 8.01 | 1.18% |
| Finance | 1468.12 | 16.81 | 1.16% |
| Infrastructure | 931.86 | 8.88 | 0.96% |
| Technology | 6538.56 | 40.62 | 0.63% |
| Industrial | 1257.29 | 6.36 | 0.51% |
| Consumer Cyclical | 846.45 | 4.19 | 0.50% |
| Healthcare | 1469.92 | 5.78 | 0.39% |
| Transportation & Logistic | 1766.06 | 4.88 | 0.28% |

Indonesia Macroeconomic Data

| Monthly Indicators | Last | Prev. | Quarterly Indicators | Last | Prev. |
|------------------------|--------|--------|----------------------|--------|--------|
| BI 7 Day Rev Repo Rate | 4.75% | 4.25% | 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 |

WTON : Increasing the Cost of Goods Manufactured

PT Wijaya Karya Beton Tbk (WTON) stated that in order to reduce the increasing production load in line with the rise in fuel prices, the Company decided to increase the cost of goods manufactured. The increase in fuel prices affects logistic costs to grow, especially precast concrete, ready mix, or natural materials located far from the production center.

ROTI : Buyback 102.8 Billion Shares

PT Nippon Indosari Corpindo Tbk (ROTI) will prepare funds of IDR 174.8 billion to buy back 102.8 billion shares. The buyback will be held from October 21, 2022, to January 20, 2023. The Company limits the purchase price of shares to a maximum of IDR 1,700/share. (Emiten News)

TPIA: Fuel from Plastic Waste

PT Chandra Asri Petrochemical Tbk (TPIA) developed integrated waste management. The high-value plastic waste will be sold to the recycling industry, while the company will process low-value plastic waste into fuel through a pyrolysis system. The local fishermen will reuse the resulting fuel products as ship fuel. Moreover, the resulting fuel products also will be reused by the community for daily cooking fuels. (Kontan)

Domestic & Global News

Prime Lending Rate Has Not Aligned BI 7DRR

Bank Indonesia (BI) noted that the Prime Lending Rate in the banking industry began to rise. However, the amount has not increased as BI 7DRR yet, which has risen by 125 Bps. In detail, Prime Lending Rates have only grown by 2 bps, while deposit interest has increased by 10 bps, in line with Prime Lending Rate response towards the BI 7DRR hike, which had a 4-month delay effect.

U.S. Weekly Jobless Claims Fall

The number of Americans filing new claims for unemployment benefits fell unexpectedly last week, indicating the labor market remains tight even as demand for labor is cooling amid higher interest rates. Initial claims for state unemployment benefits fell to a seasonally adjusted 214,000 for the week ended Oct. 15. Data for the prior week was revised to show 2,000 fewer applications filed than previously reported. (Reuters)

| for | 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 | | | | | | | 3,387.4 | | | | | | | |
| BBCA | 8,500 | 7,300 | 9,000 | Overweight | 5.9 | 14.9 | 1,047.8 | 28.2x | 4.9x | 18.1 | 1.7 | 5.7 | 24.9 | 0.9 |
| BBRI | 4,390 | 4,110 | 5,500 | Buy | 25.3 | 0.7 | 665.3 | 14.2x | 2.4x | 18.1 | 4.0 | 8.4 | 46.2 | 1.2 |
| BBNI | 9,000 | 6,750 | 10,700 | Buy | 18.9 | 22.9 | 167.8 | 11.4x | 1.3x | 12.1 | 1.6 | 2.7 | 74.9 | 1.4 |
| BMRI | 9,900 | 7,025 | 10,000 | Hold | 1.0 | 38.0 | 462.0 | 12.9x | 2.3x | 18.2 | 3.6 | 7.0 | 61.6 | 1.1 |
| Consumer Non-Cyclicals | | | | | | | 1,195.4 | | | | | | | |
| ICBP | 9,500 | 8,700 | 9,800 | Hold | 3.2 | 3.0 | 110.8 | 21.8x | 3.1x | 14.8 | 2.3 | 15.6 | (39.9) | 0.5 |
| UNVR | 5,400 | 4,110 | 5,700 | Overweight | 5.6 | 8.0 | 206.0 | 33.5x | 45.1x | 143.2 | 2.8 | 6.4 | 12.5 | 0.5 |
| GGRM | 24,675 | 30,600 | 32,700 | Buy | 32.5 | (29.9) | 47.5 | 11.2x | 0.8x | 7.3 | 9.1 | 1.8 | (59.4) | 0.7 |
| HMSP | 970 | 965 | 950 | Hold | (2.1) | (13.0) | 112.8 | 18.8x | 4.5x | 23.9 | 6.5 | 12.3 | (27.8) | 0.8 |
| CPIN | 5,400 | 5,950 | 6,600 | Buy | 22.2 | (16.9) | 88.5 | 27.6x | 3.4x | 12.3 | 2.0 | 12.4 | (15.0) | 0.8 |
| AALI | 8,750 | 9,500 | 11,000 | Buy | 25.7 | (14.6) | 16.8 | 7.9x | 0.8x | 10.6 | 5.1 | 1.2 | 24.6 | 0.9 |
| Consumer Cyclicals | | | | | | | 356.5 | | | | | | | |
| ERAA | 434 | 600 | 620 | Buy | 42.9 | (32.7) | 6.9 | 7.1x | 1.1x | 16.1 | 5.3 | 9.6 | (8.6) | 0.6 |
| MAPI | 1,250 | 710 | 1,300 | Hold | 4.0 | 39.7 | 20.8 | 17.3x | 3.0x | 19.1 | N/A | 34.1 | 287.5 | 0.9 |
| Healthcare | | | | | | | 259.8 | | | | | | | |
| KLBF | 2,030 | 1,615 | 1,850 | Underweight | (8.9) | 36.2 | 95.2 | 28.6x | 5.0x | 18.0 | 1.7 | 12.2 | 9.9 | 0.6 |
| SIDO | 655 | 865 | 900 | Buy | 37.4 | (22.0) | 19.7 | 16.3x | 6.1x | 37.6 | 3.5 | (2.6) | (11.2) | 0.5 |
| MIKA | 2,780 | 2,260 | 3,000 | Overweight | 7.9 | 21.4 | 39.6 | 34.2x | 7.8x | 21.8 | 1.3 | (13.3) | (11.4) | 0.1 |
| Infrastructure | | | | | | | 904.68 | | | | | | | |
| TLKM | 4,350 | 4,040 | 4,940 | Overweight | 13.6 | 13.0 | 430.9 | 16.8x | 3.6x | 23.4 | 3.4 | 3.6 | 6.9 | 1.0 |
| JSMR | 3,390 | 3,890 | 5,100 | Buy | 50.4 | (23.1) | 24.6 | 16.7x | 1.2x | 7.3 | N/A | 9.6 | (14.1) | 0.9 |
| EXCL | 2,560 | 3,170 | 3,800 | Buy | 48.4 | (16.9) | 27.5 | 23.0x | 1.4x | 6.0 | 2.0 | 8.5 | (13.4) | 0.9 |
| TOWR | 1,105 | 1,125 | 1,520 | Buy | 37.6 | (6.8) | 56.4 | 16.1x | 4.3x | 29.2 | 2.2 | 33.9 | 0.0 | 0.5 |
| TBIG | 2,600 | 2,950 | 3,240 | Buy | 24.6 | (9.1) | 58.9 | 33.2x | 4.7x | 16.0 | 1.4 | 11.2 | 22.4 | 0.4 |
| WIKA | 905 | 1,105 | 1,280 | Buy | 41.4 | (32.0) | 8.1 | 387.6x | 0.6x | 0.2 | N/A | 6.2 | N/A | 1.4 |
| PTPP | 855 | 990 | 1,700 | Buy | 98.8 | (31.6) | 5.3 | 19.6x | 0.5x | 2.5 | N/A | 39.7 | 0.0 | 1.5 |
| Property & Real Estate | | | | | | | 222.6 | | | | | | | |
| CTRA | 965 | 970 | 1,500 | Buy | 55.4 | (10.2) | 17.9 | 7.9x | 1.0x | 13.4 | 1.5 | 16.0 | 107.7 | 1.2 |
| PWON | 446 | 464 | 690 | Buy | 54.7 | (14.2) | 21.5 | 12.8x | 1.3x | 10.5 | 0.9 | 11.8 | 62.2 | 1.2 |
| Energy | | | | | | | 995.6 | | | | | | | |
| PGAS | 1,835 | 1,375 | 1,770 | Hold | (3.5) | 21.9 | 44.5 | 8.2x | 1.1x | 13.9 | 6.8 | 18.8 | 25.0 | 1.2 |
| PTBA | 3,830 | 2,710 | 4,900 | Buy | 27.9 | 40.8 | 44.1 | 3.6x | 2.0x | 61.8 | 18.0 | 79.0 | 237.1 | 1.0 |
| ADRO | 4,000 | 2,250 | 3,900 | Hold | (2.5) | 127.9 | 127.9 | 4.1x | 1.6x | 44.5 | 7.5 | 126.6 | 634.5 | 1.1 |
| Industrial | | | | | | | 465.2 | | | | | | | |
| UNTR | 31,825 | 22,150 | 32,000 | Hold | 0.5 | 28.8 | 118.7 | 7.4x | 1.5x | 22.6 | 5.4 | 62.0 | 129.2 | 0.8 |
| ASII | 6,425 | 5,700 | 8,000 | Buy | 24.5 | 4.5 | 260.1 | 8.8x | 1.4x | 17.1 | 4.4 | 33.8 | 106.0 | 1.0 |
| Basic Ind. | | | | | | | 929.4 | | | | | | | |
| SMGR | 7,800 | 7,250 | 9,500 | Buy | 21.8 | (11.4) | 46.3 | 22.5x | 1.3x | 5.9 | 2.2 | (2.1) | 4.5 | 1.1 |
| INTP | 9,200 | 12,100 | 12,700 | Buy | 38.0 | (19.3) | 33.9 | 22.4x | 1.7x | 7.3 | 5.4 | 3.7 | (47.2) | 1.0 |
| INCO | 6,875 | 4,680 | 8,200 | Buy | 19.3 | 37.5 | 68.3 | 17.0x | 1.9x | 11.8 | N/A | #N/A | N/A | 1.5 |
| ANTM | 1,820 | 2,250 | 3,450 | Buy | 89.6 | (25.7) | 43.7 | 19.6x | 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 | 11:00 | Trade Balance | Sept. | %4.9Bn | \$4.8Bn | \$5.7Bn |
| <i>17 - Oct.</i> | 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 | US | 20:15 | Industrial Production MoM | Sept. | 0.4% | 0.1% | -0.1% |
| <i>18 - Oct.</i> | — | — | — | — | — | — | — |
| Wednesday | EC | 16:00 | CPI YoY | Sept. F | 9.9% | 10.0% | 9.1% |
| <i>19 - Oct.</i> | US | 18:00 | MBA Mortgage Applications | Oct. 14 | -4.5% | -- | -2.0% |
| | US | 19:30 | Building Permits | Sept. | 1,564K | 1,550K | 1,542K |
| | US | 19:30 | Housing Starts | Sept. | 1,439K | 1,488K | 1,575K |
| Thursday | ID | 14:20 | Bank Indonesia 7D Reverse Repo | Oct. 20 | 4.75% | 4.75% | 4.25% |
| <i>20 - Oct.</i> | US | 19:30 | Initial Jobless Claims | Oct. 15 | 214K | 233 | 226K |
| | US | 21:00 | Existing Home Sales MoM | Sept. | -1.5% | -2.1% | -0.8% |
| | US | 21:00 | Leading Index | Sept. | -0.4% | -0.3% | 0.0% |
| Friday | — | — | — | — | — | — | — |
| <i>21 - Oct.</i> | — | — | — | — | — | — | — |

Source: Bloomberg, NHKSI Research

Corporate Calendar

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

Source: Bloomberg



IHSG projection for 21 October 2022 :

Bullish – on the way testing MA20 & psychological Resistance at 7000.

Support : 6910-6900 / 6850.

Resistance : 7000 / 7060-7100 / 7140.

ADVISE : Buy on Break, or Average Up.

BBTN—PT BANK TABUNGAN NEGARA (PERSERO) TBK



PREDICTION 21 OCTOBER 2022

Overview

Break out Neckline Triple Bottom dengan Volume tinggi.

Advise

Buy .

Entry Level: 1535-1510.

Target: 1590-1620.

Stoploss: 1475.

PGAS—PT PERUSAHAAN GAS NEGARA TBK



PREDICTION 21 OCTOBER 2022

Overview

Ada usaha penembusan Resistance previous High dengan Volume tinggi.

Advise

Speculative Buy.

Entry Level: 1835.

Average UP >1855.

Target: 1900 / 1980-2000.

Stoploss: 1790.

PWON—PT PAKUWON JATI TBK



PREDICTION 21 OCTOBER 2022

Overview

Break out above MA10 after one month.
RSI positive divergence.

Advise

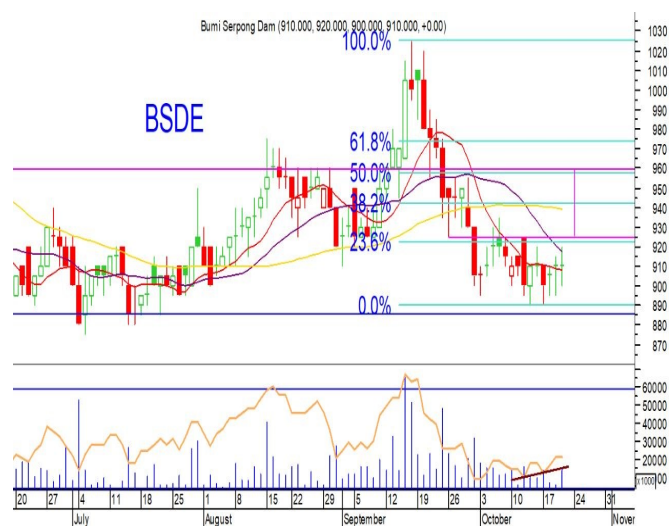
Buy

Entry Level: 446-444.

Target: 454 / 468-470 / 480.

Stoploss: 440.

BSDE—PT BUMI SERPONG DAMAI TBK



PREDICTION 21 OCTOBER 2022

Overview

Pattern : Double Bottom.

Advise

Speculative Buy

Entry Level: 910

Average Up >925.

Target: 940 / 960 / 975.

Stoploss: 895.

HRUM—PT HARUM ENERGY TBK



PREDICTION 21 OCTOBER 2022

Overview

Support from previous Low.
RSI Oversold.

Advise

Buy.

Entry Level: 1630.

Target: 1700 / 1770 / 1850 / 1905 (Tutup Gap).

Stoploss: 1565.

Research Division

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

Amalia Huda Nurfalah

Editor & Translator

T +62 21 5088 ext 9132

E amalia.huda@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

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 : +62 614 156500
Fax : +62 614 568560

Branch Office Semarang:

Jl. MH Thamrin No. 152
Semarang 50314
Indonesia
Telp : +62 24 844 6878
Fax : +62 24 844 6879

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

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta