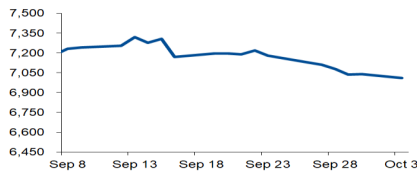


Morning Brief

Daily | Oct. 4, 2022

JCI Movement



Today's Outlook:

Technical rebound opens Wall Street 4Q22, amid US manufacturing heading towards contraction. Wall Street was up more than 2% yesterday, following a bearish streak during 9M22 trading. US manufacturing data, ISM Manufacturing Sept. leads to contraction, or is at the 50.9 level (Vs. Aug. 52.8); due to new orders ISM New Orders Sept. which had previously contracted to level 47.1 (Vs. Aug. 51.3). Tight monetary policy stifles manufacturing activity, pressing to the lowest level since Pre-Pandemic 2020, could force the Fed to hold back on the pace of FFR hikes. Meanwhile, a manufacturing contraction could put the US economy at risk of a recession, making the UST Safe Haven instrument stronger, but with an inversion spread of UST2Y yield (4.11%) Vs. UST10Y (3.64%) is widening to near 50Bps.

High inflation held back the JCI in the early 4Q22. Indonesian manufacturing is expanding again, with S&P Global Indonesia PMI Manufacturing Sept. at level 53.7 (Vs. Aug. 51.7); should be a positive catalyst for JCI in yesterday's trading. However, investors are watching the impact of high inflation or inflation Headline Sept. which is close to 6% YoY, on the performance of a number of stock sectors, causing the JCI to weaken by 31 points. On the other hand, high inflation of 6% has attracted investors to SUN which is able to provide yields of more than 7%. Yield SUN Benchmark 5Y FR91 and Benchmark 10Y FR92 fell to 7.31% and 7.34% respectively yesterday. In the midst of a number of sentiments, NHKSI Research projects that today's JCI has a chance to be bullish, or technical rebound with the range of Support: 7,000 / 6,945-6,930 and Resistance: 7,050-7,060 / 7,120-7,140 / 7,180 / 7,200-7,225.

Company News

KAEF : 1H22 Performance Deteriorates
TOWR : Completes the Purchase of Alita Fiber Optics
MDLN : Launch Modern Hub

Domestic & Global News

Indonesia's Manufacturing PMI September 2022 Strongest in 8 Months
US Manufacturing Nearly Brakes

Sectors

	Last	Chg.	%
Healthcare	1459.23	-38.64	-2.58%
Finance	1475.32	-10.82	-0.73%
Basic Material	1229.18	-8.79	-0.71%
Infrastructure	976.83	-4.08	-0.42%
Consumer Cyclical	848.43	-1.34	-0.16%
Technology	6949.59	-10.25	-0.15%
Transportation & Logistic	1761.72	2.10	0.12%
Property	688.52	1.64	0.24%
Consumer Non-Cyclicals	699.61	3.15	0.45%
Energy	1933.10	12.79	0.67%
Industrial	1283.57	12.85	1.01%

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)	132.20	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*	124.70	123.20

JCI Index

October 3	7,009.72
Chg.	31.08 pts (-0.44%)
Volume (bn shares)	20.37
Value (IDR tn)	10.61
Up 236 Down 262 Unchanged 160	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	977.1	UNTR	240.7
BBRI	721.7	ADMR	222.1
BUMI	440.8	ADRO	216.0
TLKM	344.6	ASII	181.2
BMRI	254.5	BIPI	180.0

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	977.1	UNTR	240.7
BBRI	721.7	ADMR	222.1
BUMI	440.8	ADRO	216.0
TLKM	344.6	ASII	181.2
BMRI	254.5	BIPI	180.0

(IDR bn)			
Foreign Transaction			
	Val.		Val.
Buy	3,959		
Sell	3,924		
Net Buy (Sell)	35		
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	125.7	BUMI	58.3
BBNI	38.7	UNTR	41.9
BIPI	34.1	BMRI	34.0
INDY	32.5	ICBP	11.9
UNVR	18.8	INDF	11.2

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	7.34%	-0.03%
USDIDR	15,303	0.49%
KRWIDR	10.61	-0.21%

Global Indices

Index	Last	Chg.	%
Dow Jones	29,490.89	765.38	2.66%
S&P 500	3,678.43	92.81	2.59%
FTSE 100	6,908.76	14.95	0.22%
DAX	12,209.48	95.12	0.79%
Nikkei	26,215.79	278.58	1.07%
Hang Seng	17,079.51	(143.32)	-0.83%
Shanghai	3,024.39	0.00	0.00%
Kospi	2,155.49	0.00	0.00%
EIDO	23.56	0.24	1.03%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,699.9	39.3	2.37%
Crude Oil (\$/bbl)	83.63	4.14	5.21%
Coal (\$/ton)	401.50	(32.20)	-7.42%
Nickel LME (\$/MT)	21,258	151.0	0.72%
Tin LME (\$/MT)	20,059	(575.0)	-2.79%
CPO (MYR/Ton)	3,426	10.0	0.29%

KAEF : 1H22 Performance Deteriorates

PT Kimia Farma Tbk (KAEF) recorded sales of 1H22 IDR4.43 trillion, down 20.39% YoY. Gross profit was recorded at IDR1.48 trillion or a decrease of 20.65% YoY compared to the same period last year of IDR1.86 trillion. Meanwhile, net profit was recorded at minus IDR205.12 billion or fell 256% YoY. (Emiten News)

TOWR : Completes the Purchase of Alita Fiber Optics

PT Sarana Menara Nusantara Tbk (TOWR) completed the purchase of fiber optic assets owned by PT Alita Praya Mitra with a transaction value after adjustment of IDR800 billion. The company said that the purchased fiber optic assets have a length of about 10,800 kilometers and can generate revenue (revenue generating fiber) of more than IDR855 billion. (Kontan)

MDLN : Launch Modern Hub

PT Modernland Realty Tbk (MDLN) officially launched Modern Hub, a culinary and shopping center in Modern City, Tangerang. With the launch of the Modern Hub, it is an effort to respond to the increasing need for lifestyle facilities for all circles. Meanwhile, the Modern Hub will be built as many as 24 units and marketed with prices starting from IDR1.9 billion. (Kontan)

Domestic & Global News

Indonesia's Manufacturing PMI September 2022 Strongest in 8 Months

The increase in production and expansion of new domestic demand pushed up the Purchasing Manager's Index or the Indonesian Manufacturing PMI in September 2022. The Manufacturing PMI in that month was recorded at 53.7, or up from 51.7 in last August. S&P Global survey results show that Indonesia's manufacturing sector expansion rate during this period was the fastest in eight months and solid overall. (Liputan6.com)

US Manufacturing Nearly Brakes

US manufacturing activity grew at its slowest pace in nearly 2-1/2 years in September as new orders contracted amid aggressive interest rate increases from the Federal Reserve to cool demand and tame inflation. The ISM's manufacturing PMI dropped to 50.9 this month, the lowest reading since May 2020, from 52.8 in August. ISM said the fall in the index "reflects companies adjusting to potential future lower demand. (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							3,385.4							
BBCA	8,500	7,300	9,000	Overweight	5.9	22.1	1,047.8	30.0x	5.2x	17.9	1.7	3.6	24.6	0.9
BBRI	4,530	4,110	5,500	Buy	21.4	14.1	686.6	14.6x	2.4x	18.1	3.8	8.4	46.2	1.2
BBNI	8,900	6,750	10,700	Buy	20.2	56.1	166.0	11.3x	1.3x	12.1	1.6	2.7	74.9	1.4
BMRI	9,275	7,025	10,000	Overweight	7.8	43.2	432.8	12.1x	2.1x	18.2	3.9	7.0	61.6	1.1
Consumer Non-Cyclicals							1,129.3							
ICBP	8,725	8,700	9,800	Overweight	12.3	0.9	101.8	20.0x	2.8x	14.8	2.5	15.6	(39.9)	0.5
UNVR	4,850	4,110	5,700	Buy	17.5	21.9	185.0	30.1x	40.5x	143.2	3.1	6.4	12.5	0.5
GGRM	22,675	30,600	32,700	Buy	44.2	(30.2)	43.6	10.3x	0.8x	7.3	9.9	1.8	(59.4)	0.7
HMSP	900	965	950	Overweight	5.6	(14.3)	104.7	17.5x	4.2x	23.9	7.0	12.3	(27.8)	0.8
CPIN	5,625	5,950	6,600	Buy	17.3	(11.1)	92.2	28.7x	3.6x	12.3	1.9	12.4	(15.0)	0.8
AALI	8,250	9,500	11,000	Buy	33.3	(17.5)	15.9	7.5x	0.8x	10.6	5.6	1.2	24.6	0.9
Consumer Cyclicals							368.4							
ERAA	420	600	620	Buy	47.6	(28.2)	6.7	6.9x	1.1x	16.1	5.4	9.6	(8.6)	0.6
MAPI	1,050	710	1,000	Hold	(4.8)	35.5	17.4	14.5x	2.5x	19.1	N/A	34.1	287.5	1.0
Healthcare							252.9							
KLBF	1,810	1,615	1,850	Hold	2.2	31.2	84.8	25.5x	4.4x	18.0	1.9	12.2	9.9	0.6
SIDO	705	865	900	Buy	27.7	(8.4)	21.2	17.5x	6.5x	37.6	3.2	(2.6)	(11.2)	0.4
MIKA	2,800	2,260	3,000	Overweight	7.1	21.7	39.9	34.4x	7.9x	21.8	1.3	(13.3)	(11.4)	0.1
Infrastructure							939.74							
TLKM	4,460	4,040	4,940	Overweight	10.8	21.5	441.8	17.2x	3.7x	23.4	3.4	3.6	6.9	1.0
JSMR	3,260	3,890	5,100	Buy	56.4	(19.9)	23.7	16.1x	1.1x	7.3	N/A	9.6	(14.1)	0.9
EXCL	2,450	3,170	3,800	Buy	55.1	(18.6)	26.3	22.0x	1.3x	6.0	2.1	8.5	(13.4)	0.9
TOWR	1,235	1,125	1,520	Buy	23.1	(5.4)	63.0	18.0x	4.8x	29.2	2.0	33.9	0.0	0.5
TBIG	2,800	2,950	3,240	Buy	15.7	(7.0)	63.4	35.8x	5.0x	16.0	1.3	11.2	22.4	0.3
WIKA	925	1,105	1,280	Buy	38.4	(30.5)	8.3	396.2x	0.6x	0.2	N/A	6.2	N/A	1.4
PTPP	895	990	1,700	Buy	89.9	(23.5)	5.5	20.5x	0.5x	2.5	N/A	39.7	0.0	1.5
Property & Real Estate							225.3							
CTRA	955	970	1,500	Buy	57.1	(7.7)	17.7	7.8x	1.0x	13.4	1.5	16.0	107.7	1.2
PWON	452	464	690	Buy	52.7	(14.7)	21.8	13.0x	1.3x	10.5	0.9	11.8	62.2	1.2
Energy							933.0							
PGAS	1,735	1,375	1,770	Hold	2.0	23.5	42.1	7.9x	1.1x	13.9	7.2	18.8	25.0	1.3
PTBA	4,160	2,710	4,900	Buy	17.8	43.9	47.9	3.9x	2.1x	61.8	16.6	79.0	237.1	1.0
ADRO	3,960	2,250	3,900	Hold	(1.5)	112.9	126.7	4.1x	1.6x	44.5	7.6	126.6	634.5	1.1
Industrial							478.3							
UNTR	33,000	22,150	32,000	Hold	(3.0)	21.8	123.1	7.6x	1.6x	22.6	3.8	62.0	129.2	0.8
ASII	6,625	5,700	8,000	Buy	20.8	18.8	268.2	9.1x	1.5x	17.1	3.6	33.8	106.0	1.0
Basic Ind.							917.7							
SMGR	7,450	7,250	9,500	Buy	27.5	(10.0)	44.2	21.5x	1.2x	5.9	2.3	(2.1)	4.5	1.1
INTP	9,400	12,100	12,700	Buy	35.1	(6.7)	34.6	22.9x	1.8x	7.3	5.3	3.7	(47.2)	1.1
INCO	6,175	4,680	8,200	Buy	32.8	29.2	61.4	15.6x	1.7x	11.8	N/A	36.1	155.9	1.5
ANTM	1,890	2,250	3,450	Buy	82.5	(18.2)	45.4	20.4x	2.1x	10.8	2.0	8.7	31.5	2.1

* Target Price

Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	ID	07:30	S&P Global Indonesia PMI Mfg	Sept.	53.7	--	51.7
<i>3 - Oct.</i>	ID	11:00	CPI YoY	Sept.	5.95%	6.00%	4.69%
	ID	11:00	CPI MoM	Sept.	1.17%	1.17%	-0.21%
	ID	11:00	CPI Core YoY	Sept.	3.21	3.50%	3.04%
Tuesday	EC	16:00	PPI MoM	Aug.		--	4.0%
<i>4 - Oct.</i>	EC	16:00	PPI YoY	Aug.		--	37.9%
	US	21:00	Factory Orders	Aug.		0.2%	-1.0%
	US	21:00	Durable Goods Orders	Aug. F		--	-0.2%
Wednesday	US	18:00	MBA Mortgage Applications	Sept. 30		--	-3.7%
<i>5 - Oct.</i>	US	19:15	ADP Employment Change	Sept.		200K	132K
	US	19:30	Trade Balance	Aug.		-\$67.9Bn	-\$70.7Bn
	US	20:45	S&P Global US Composite PMI	Sept. F		--	49.3
Thursday	GE	13:00	Factory Orders MoM	Aug.		-0.5%	-1.1%
<i>6 - Oct.</i>	EC	16:00	Retail Sales MoM	Aug.		-0.4%	0.3%
	US	19:30	Initial Jobless Claims	Oct. 1		--	193K
	US	19:30	Continuing Claims	Sept. 24		--	1,347K
Friday	US	19:30	Change in NonFarm Payrolls	Sept.		250K	315K
<i>7 - Oct.</i>	US	19:30	Change in Manufact. Payrolls	Sept.		20K	22K
	US	19:30	Unemployment Rate	Sept.		3.7%	3.7%
	US	21:00	Wholesale Inventories MoM	Aug. F		--	1.3%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	HRUM, BEEF, ADMF
<i>3 - Oct.</i>	Cum Dividend	--
Tuesday	RUPS	BABP
<i>4 - Oct.</i>	Cum Dividend	UNTR
Wednesday	RUPS	WGSH, CENT, AKKU
<i>5 - Oct.</i>	Cum Dividend	--
Thursday	RUPS	JARR, DSSA, CITA, BMAS, BESS
<i>6 - Oct.</i>	Cum Dividend	--
Friday	RUPS	PKPK, META, HDIT, HATM
<i>7 - Oct.</i>	Cum Dividend	TEBE, RELI

Source: Bloomberg



IHSG projection for 4 October 2022 :

Bullish – technical rebound.

Support : 7000 / 6945-6930

Resistance : 7050-7060 / 7120-7140 / 7180 / 7200-7225

INDF—PT INDOFOOD SUKSES MAKMUR TBK



PREDICTION 4 OCTOBER 2022

Overview

Pattern : telah mencapai Target dari pola Triangle / Double Top.

RSI positive divergence.

Advise

Speculative Buy .

Entry Level: 6025-6000

Average UP > 6200

Target: 6450-6500 / 6600-6650 / 6750.

Stoploss: 5950.

ERAA—PT ERAJAYA SWASEMBADA TBK



PREDICTION 4 OCTOBER 2022

Overview

(mid-term) Support Trendline.

RSI Oversold.

Advise

Speculative Buy.

Entry Level: 420.

Average Up >430.

Target: 440-450 / 480-485 / 495-505.

Stoploss: 405.

PTPP—PT PP PERSERO TBK



PREDICTION 4 OCTOBER 2022

Overview
Support dari previous Low.
RSI Oversold.

Advise
Speculative Buy.
Entry Level: 895.
Average Up >905.
Target: 940 / 970-980.
Stoploss: 870.

WIKA—PT WIJAYA KARYA (Persero) TBK

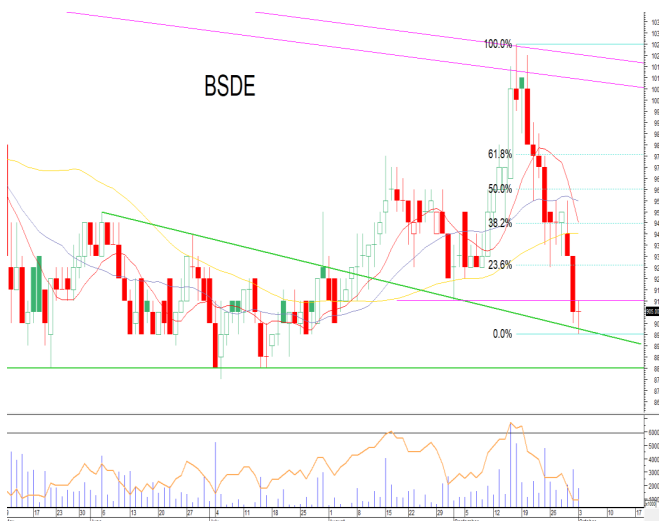


PREDICTION 4 OCTOBER 2022

Overview
Doji at (long-term) Support Trendline .
RSI Oversold.

Advise
Speculative Buy.
Entry Level: 925.
Average Up >945.
Target: 965 / 995-1005 / 1020-1025 / 1050.
Stoploss: 905.

BSDE—PT BUMI SERPONG DAMAI TBK



PREDICTION 4 OCTOBER 2022

Overview
Doji at (mid-term) Support Trendline.
RSI Oversold.

Advise
Speculative Buy .
Entry Level: 905-900.
Average Up >910.
Target: 940-945 / 955-960 / 975.
Stoploss: 890.

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