

Morning Brief

Daily | Jan. 24, 2023

JCI Movement



Today's Outlook:

Wall Street indices were green with the Dow Jones closed with a plus 0.8%, or 254 points, while the S&P rose 1.2%, and the Nasdaq became the winner with 2% surge. US corporate earnings releases dominated the sentiment rolling on Wall Street, where the large tech. companies and chipmakers, including Microsoft and Intel were highlighted. Quarterly results from Microsoft are expected to reflect the impact of slowing demand, though recent cost-cutting measures including layoffs could soften the blow.

The JCI will face crucial Resistance at 6900, yet if could be passed through, it may begin the effort to break the medium-term downtrend and pave the way to the following Resistance: 6920-6960, then to the psychological level of 7000. NHKSI RESEARCH advises to hold off on Average Up as this short-term bullishness may encounter obstacles and be forced to pullback or consolidate for a while, and waiting for the issuers' earning releases, which are scheduled to begin this week.

Company News

MTEL : Acquisition of 6,088 Towers throughout 2022
ACES : Preparing IDR300 Billion CapEx
DCII : Opening a Data Center in Bintan

Domestic & Global News

At least 70 LOIs Received By IKN Authority
Inflation Pressures and Risk of US Government Debt Default Potentially Drives Precious Metal Investment

Sectors

	Last	Chg.	%
Energy	2233.19	53.16	2.44%
Industrial	1184.86	11.47	0.98%
Finance	1393.62	6.53	0.47%
Basic Material	1265.55	3.90	0.31%
Consumer Cyclical	820.92	2.20	0.27%
Consumer Non-Cyclical	728.36	1.18	0.16%
Property	703.71	0.27	0.04%
Transportation & Logistic	1647.00	-2.69	-0.16%
Technology	5370.22	-11.16	-0.21%
Infrastructure	851.34	-3.16	-0.37%
Healthcare	1556.29	-14.46	-0.92%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	5.50%	Real GDP	5.72%	5.44%
FX Reserve (USD bn)	137.20	134.00	Current Acc (USD bn)	4.02	4.97
Trd Balance (USD bn)	3.89	5.16	Govt. Spending Yoy	-2.88%	-7.74%
Exports Yoy	6.58%	5.58%	FDI (USD bn)	5.14	4.70
Imports Yoy	-6.61%	-1.89%	Business Confidence	104.82	105.33
Inflation Yoy	5.51%	5.42%	Cons. Confidence*	119.90	119.10

JCI Index

January 20	6,874.93
Chg.	55.02 pts (+0.81%)
Volume (bn shares)	20.81
Value (IDR tn)	8.68
Up 247 Down 238 Unchanged 177	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBCA	680.7	ASII	288.9
BBRI	463.2	ANTM	255.4
GOTO	448.7	MDKA	252.4
BMRI	397.8	BUMI	204.0
TLKM	296.7	CASA	202.8

Foreign Transaction

(IDR bn)

Buy			3,101
Sell			2,769
Net Buy (Sell)			332
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	124.3	BBCA	101.5
MDKA	114.4	BMRI	86.4
GOTO	53.8	ADRO	34.6
UNTR	46.4	ASII	23.2
ANTM	42.4	TLKM	16.7

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.63%	-0.01%
USDIDR	15,075	-0.19%
KRWIDR	12.19	-0.49%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,629.56	254.07	0.76%
S&P 500	4,019.81	47.20	1.19%
FTSE 100	7,784.67	14.08	0.18%
DAX	15,102.95	69.39	0.46%
Nikkei	26,906.04	352.51	1.33%
Hang Seng	21,650.98	(27.02)	-0.12%
Shanghai	3,240.28	15.87	0.49%
Kospi	2,380.34	12.02	0.51%
EIDO	23.26	0.13	0.56%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,931.0	5.0	0.26%
Crude Oil (\$/bbl)	81.62	(0.02)	-0.02%
Coal (\$/ton)	360.00	9.05	2.58%
Nickel LME (\$/MT)	28,110	(661.0)	-2.30%
Tin LME (\$/MT)	29,503	(33.0)	-0.11%
CPO (MYR/Ton)	3,889	22.0	0.57%

MTEL : Acquisition of 6,088 Towers throughout 2022

PT Dayamitra Telekomunikasi Tbk (MTEL) has acquired 6,088 and 6,012 kilometers of fibre optics throughout 2022. MTEL acquired 6,000 Telkomsel towers and 88 other towers from Citra Gaia (39 towers), 38 MSN towers, and other 11 towers. Instead of towers, MTEL has also acquired the fibre optic of PT Sumber Cemerlang Kencana Permai & PT Trans Indonesia Superkoridor. (Kontan)

ACES : Preparing IDR300 Billion CapEx

PT Ace Hardware Tbk (ACES) will prepare a capital expenditure (capex) ranging from IDR200 billion to IDR300 billion. The amount of capex is the same as last year, which was IDR300 billion and used for opening 15 new outlets. As for this year, the company are targeting growth in both top and bottom line of 10% respectively. (Emiten News)

DCII : Opening a Data Center in Bintan

PT DCI Indonesia Tbk (DCII) is currently building a data center and named as kampus in Bintan, Riau Island. The place is chosen because the company has the world market as their target and Bintan which location is near to Singapore, considered to fit the criteria. To attract foreign markets, the concept of the branch office in Bintan will use green energy, in accordance with the international market standards. Additionally, the construction of the data center has a capacity of up to 3,000 megawatts. (Emiten News)

Domestic & Global News

At least 70 LOIs Received By IKN Authority

To this point, there have been at least 70 LOIs (Letters of Intent) or investor letters of interest submitted to the IKN Authority. This number includes 11 LOIs that President Jokowi and Malaysian Prime Minister Anwar Ibrahim at the Bogot Palace recently signed. IKN already has strong legal protection, which makes the development plans will undoubtedly continue in several good -opportunities sectors, such as transportation, education, renewable energy, sustainable agriculture industry, smart city technology, etc. Additionally, several infrastructures have been 100% completed, which are: the Sepaku 1, 2, and 3 ring roads. The construction of buildings in the Central Government Core Area has also started, including the Presidential Palace, Presidential Office, and Presidential Secretariat. (Kontan)

Inflation Pressures and Risk of US Government Debt Default Potentially Drives Precious Metal Investment

Ongoing inflationary pressures, as well as an increased risk of default by the US government on its loans could potentially push Wall Street traders or investors into precious metals investment by 2023. The US reached its USD3.14 trillion debt ceiling last week, after the latest inflation data showed that inflation was still running at 6.5% on an annual basis. Business owners predict that if the U.S. government defaults on its loans, it will shatter the confidence of all investors and dramatically weaken the U.S. dollar. (IDX Channel)

	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							3,315.8							
BBCA	8,300	8,550	9,000	Overweight	8.4	6.8	1,023.2	27.6x	4.8x	18.1	1.9	6.4	24.9	0.9
BBRI	4,650	4,940	5,500	Buy	18.3	12.6	704.7	13.1x	2.4x	17.8	1.2	7.6	80.4	1.2
BBNI	9,025	9,225	10,700	Buy	18.6	26.2	168.3	10.0x	1.3x	13.5	1.6	5.0	76.3	1.4
BMRI	9,975	9,925	10,000	Hold	0.3	39.0	465.5	11.8x	2.2x	19.3	3.6	9.0	59.3	1.2
Consumer Non-Cyclicals							1,169.6							
ICBP	10,500	10,000	11,400	Overweight	8.6	23.2	122.5	25.9x	3.5x	14.1	2.0	14.8	(33.3)	0.5
UNVR	4,810	4,700	4,850	Hold	0.8	17.3	183.5	30.6x	32.0x	108.4	3.2	5.0	5.2	0.6
MYOR	2,370	2,500	2,900	Buy	22.4	18.5	53.0	40.7x	4.5x	11.5	0.9	11.8	11.4	0.6
HMSP	825	840	950	Buy	15.2	(14.1)	96.0	14.9x	3.6x	24.0	7.7	15.0	(12.5)	0.8
CPIN	5,950	5,650	6,600	Overweight	10.9	(7.0)	97.6	23.6x	3.7x	16.3	1.8	15.5	19.0	0.7
AALI	8,075	8,025	11,000	Buy	36.2	(17.8)	15.5	9.0x	0.7x	8.3	5.5	(8.3)	(17.2)	0.9
Consumer Cyclicals							342.5							
ERAA	420	392	500	Buy	19.0	(22.9)	6.7	6.8x	1.0x	15.9	5.4	12.1	(4.4)	0.6
MAPI	1,415	1,445	1,700	Buy	20.1	88.7	23.5	11.6x	3.2x	31.9	N/A	55.8	N/A	0.8
Healthcare							294.6							
KLBF	2,060	2,090	2,300	Overweight	11.7	21.2	96.6	28.4x	4.9x	17.8	1.7	10.9	9.5	0.6
SIDO	725	755	800	Overweight	10.3	(22.9)	21.8	19.5x	6.2x	33.9	5.0	(5.9)	(17.4)	0.6
MIKA	3,130	3,190	3,000	Hold	(4.2)	46.9	44.6	40.1x	8.4x	21.2	1.2	(9.8)	(16.1)	0.1
Infrastructure							829.58							
TLKM	3,870	3,750	4,940	Buy	27.6	(8.3)	383.4	17.1x	3.1x	19.7	3.9	2.7	(12.1)	0.9
JSMR	3,170	2,980	5,100	Buy	60.9	(8.6)	23.0	12.4x	1.1x	9.1	N/A	10.2	34.4	0.9
EXCL	2,360	2,140	3,800	Buy	61.0	(22.9)	31.0	20.1x	1.2x	6.2	2.2	9.1	(2.1)	0.8
TOWR	1,135	1,100	1,520	Buy	33.9	9.7	57.9	16.6x	4.1x	26.9	2.1	33.6	(1.9)	0.5
TBIG	2,180	2,300	3,240	Buy	48.6	(27.3)	49.4	28.2x	3.9x	15.6	1.7	7.9	8.1	0.5
WIKA	675	800	1,280	Buy	89.6	(36.0)	6.1	N/A	0.5x	(0.1)	N/A	9.8	N/A	1.1
PTPP	640	715	1,700	Buy	165.6	(29.7)	4.0	14.1x	0.4x	2.5	N/A	20.1	9.5	1.2
Property & Real Estate							249.4							
CTRA	965	940	1,500	Buy	55.4	6.0	17.9	7.9x	1.0x	13.0	1.5	8.7	49.1	1.1
PWON	452	456	690	Buy	52.7	(0.9)	21.8	11.8x	1.3x	11.4	0.9	18.7	65.0	1.1
Energy							1,360.6							
PGAS	1,620	1,760	1,770	Overweight	9.3	24.1	39.3	7.9x	1.0x	12.7	7.7	17.2	8.5	1.2
PTBA	3,570	3,690	4,900	Buy	37.3	26.6	41.1	3.1x	1.6x	56.0	19.3	60.3	104.5	0.9
ADRO	3,240	3,850	3,900	Buy	20.4	40.3	103.6	2.8x	1.1x	49.1	12.1	130.2	366.8	1.2
Industrial							420.5							
UNTR	26,775	26,075	32,000	Buy	19.5	17.2	99.9	5.4x	1.3x	25.2	6.4	58.3	102.9	0.8
ASII	5,900	5,700	8,000	Buy	35.6	6.8	238.9	8.4x	1.3x	16.0	4.8	32.2	55.7	1.0
Basic Ind.							950.8							
SMGR	7,050	6,575	9,500	Buy	34.8	6.7	47.6	18.4x	1.1x	6.4	2.4	(0.2)	18.8	1.0
INTP	9,800	9,900	12,700	Buy	29.6	(8.8)	36.1	22.7x	1.8x	7.6	5.1	9.9	(17.5)	0.9
INCO	7,550	7,100	8,200	Overweight	8.6	51.0	75.0	23.6x	2.1x	9.5	N/A	27.3	36.3	1.2
ANTM	2,320	1,985	3,450	Buy	48.7	19.9	55.8	20.1x	2.5x	12.9	1.7	27.2	53.6	1.6

* Target Price

Source: Bloomberg, NHKS Research

Global & Domestic Economic Calendar

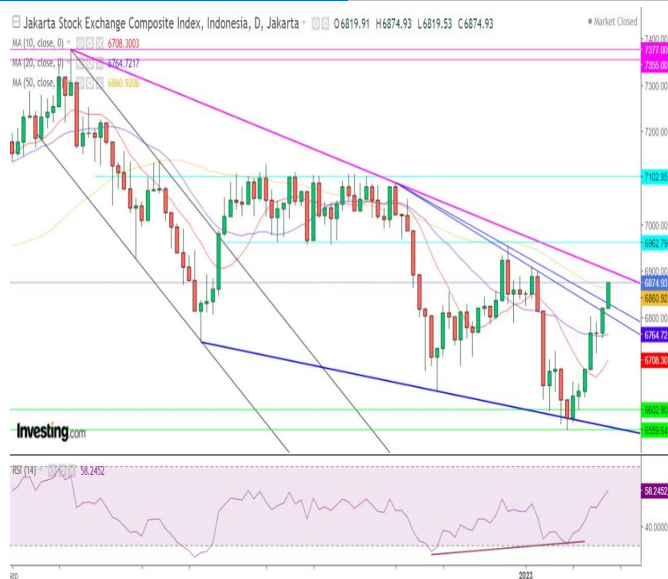
koDate	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	US	22:00	Leading Index	Dec	-1.0%	-0.7%	-1.0%
23 - Jan.	PD	16:00	Retail Sales YoY	Dec	15.5%	17.8%	18.4%
Tuesday	US	21:45	S&P Global US Manufacturing PMI	Jan P		46.5	46.2
24 - Jan.	FR	15:15	S&P Global France Manufacturing PMI	Jan P		49.5	49.2
	GE	15:30	S&P Global Germany Manufact. PMI	Jan P		48.0	47.1
	JP	07:30	Jibun Bank Japan PMI Mfg	Jan P		—	48.9
Wednesday	US	19:00	MBA Mortgage Applications	Jan 20		—	27.9%
25 - Jan.	KR	—	Retail Sales YoY	Dec		—	8.4%
Thursday	US	20:30	GDP Annualized QoQ	4Q A		2.6%	3.2%
26 - Jan.	US	20:30	Initial Jobless Claims	Jan 21		—	190 K
	US	20:30	Durable Goods Orders	Dec P		2.8%	-2.1%
Friday	US	20:30	Personal Income	Dec		0.2%	0.4%
27 - Jan.	US	20:30	Personal Spending	Dec		-0.1%	0.1%
	JP	06:30	Tokyo CPI YoY	Jan		4.0%	4.0%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	—
23 - Jan.	Cum Dividend	—
Tuesday	RUPS	SMBR
24 - Jan.	Cum Dividend	—
Wednesday	RUPS	BEKS, CLAY, CLEO, KIAS, KOIN
25 - Jan.	Cum Dividend	—
Thursday	RUPS	—
26 - Jan.	Cum Dividend	—
Friday	RUPS	GOLL
27 - Jan.	Cum Dividend	—

Source: Bloomberg



IHSG projection for 24 January 2023:

Bullish jangka panjang – Uji Resistance Trendline mid-term.

Support : 6860 / 6815 / 6765 / 6710-6700.

Resistance : 6900 / 6920-6960 / 7000.

ADVISE : Hold (or Buy on Weakness), Average Up accordingly

ASII—PT Astra International TBK



PREDICTION 24 JANUARY 2023

Overview

Break pattern Channel – downtrend.

Advise

Buy

Entry Level: 5900-5800

Average Up >6000

Target: 6600.

Stoploss: 5750.

EMTK—PT Elang Mahkota Teknologi TBK



PREDICTION 24 JANUARY 2023

Overview

Uji Resistance upper channel.

Advise

Buy on Break.

Entry Level : 1030-1040.

Average Up >1045.

Target: 1150-1160.

Stoploss: 995

HMSP—PT Hanjaya Mandala Sampoerna TBK



PREDICTION 24 JANUARY 2023

Overview

Pattern : Flag.

Advise

Speculative Buy

Entry Level: 825.

Average Up >840.

Target: 875 / 900.

Stoploss: 810.

INCO—PT Vale Indonesia TBK



PREDICTION 24 JANUARY 2023

Overview

Uji Support upper Triangle.

Candle : Doji.

Advise

Speculative Buy

Entry Level: 7550.

Average Up >7650-7750

Target: 8200 / 8400.

Stoploss: 7425.

INKP—PT Indah Kiat Pulp and Paper TBK



PREDICTION 24 JANUARY 2023

Overview

Rebound dari Support upper Triangle.

Advise

Buy

Entry Level: 8825.

Average Up >8875-9000.

Target: 9300-9400.

Stoploss: 8650.

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