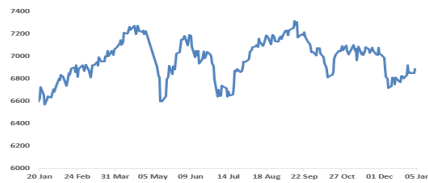


Morning Brief

Daily | Jan. 6, 2023

JCI Movement



Today's Outlook:

The US market equally contracted by around 1%, started by the Dow Jones slipping 1% or 339 points, followed by the Nasdaq minus 1.5% and the S&P500 falling by 1.2%. The US employment data duo came out better than the forecast, namely ADP Nonfarm Employment Change (Dec.) of 235K, higher than the forecast of 150K and 182K at the previous period; while Initial Jobless Claims recorded at 204K, lower than the forecast of 225K and 223K. This data further reinforces the idea that the Fed must work harder to create a balance between supply and demand in the tight labour market, which risks the chance of driving up the workers' wages. These two reports will precede the US Nonfarm Payrolls, which predicts that the economy created around 200k job openings last Dec and the Unemployment Rate remains at 3.7%. The Wage Growth (Dec.) is also expected to weaken by 0.4% MoM or 5% YoY from the previous month of 0.6% MoM and 5.1% YoY, respectively.

The JCI got hit by a sell-off wave amid the greening majority in Asian stock indices, dropping by 2.34% to 6653, back to the Support from previous low points in last December and July at around 6680-6640. The weakening happened across the board, not to mention the large-cap stocks that were also in the red, which dragged down the JCI. Foreign recorded a Net Sell of IDR808 billion, bringing their total net sell to IDR 1.65 trillion over the past week. Indonesian capital market investors/traders are advised to Wait and See first, waiting for confirmation that the current Support level is functioning well. However, there is a little of optimism from the RSI positive divergence.

Company News

PPRE : Aim a New Contract of IDR 7 T
KLBF : Make an Investment in a Korean Company
INCO : MIND ID Ready to Acquire 11% Divestment of INCO Shares

Domestic & Global News

Jokowi-Era Government Debt Soars by Nearly 200%
A Number of Countries Impose Restrictions on Tourists from China

Sectors

	Last	Chg.	%
Energy	2090.52	-121.09	-5.48%
Technology	5077.88	-147.90	-2.83%
Basic Material	1200.45	-32.27	-2.62%
Transportation & Logistic	1606.19	-42.99	-2.61%
Infrastructure	855.58	-22.35	-2.55%
Consumer Cyclical	824.69	-19.88	-2.35%
Industrial	1130.31	-26.24	-2.27%
Property	685.27	-14.95	-2.13%
Finance	1378.53	-27.41	-1.95%
Consumer Non-Cyclicals	719.24	-2.65	-0.37%
Healthcare	1540.76	6.93	0.45%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.50%	5.25%	Real GDP	5.72%	5.44%
FX Reserve (USD bn)	134.00	130.20	Current Acc (USD bn)	4.02	4.97
Trd Balance (USD bn)	4.97	5.67	Govt. Spending Yoy	-2.88%	-7.74%
Exports Yoy	5.58%	12.30%	FDI (USD bn)	5.14	4.70
Imports Yoy	-1.89%	17.44%	Business Confidence	104.82	105.33
Inflation Yoy	5.51%	5.42%	Cons. Confidence*	119.10	120.30

JCI Index

January 5	6,653.84
Chg.	159.40 pts (-2.34%)
Volume (bn shares)	23.15
Value (IDR tn)	14.15
Up 81 Down 501 Unchanged 73	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBRI	1,354.6	BMRI	418.5
BBCA	1,061.4	BBNI	408.7
ADRO	710.9	BUMI	324.9
ASII	579.0	UNTR	264.8
TLKM	506.8	ANTM	258.4

Foreign Transaction

(IDR bn)

Buy			4,620
Sell			5,429
Net Buy (Sell)			(809)
Top Buy	NB Val.	Top Sell	NS Val.
MDKA	68.3	BBCA	265.0
UNTR	58.0	TLKM	186.6
ADRO	55.5	BMRI	95.4
PGAS	37.7	BBRI	83.4
BBNI	34.3	ASII	76.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.99%	-0.04%
USDIDR	15,608	0.13%
KRWIDR	12.30	0.40%

Global Indices

Index	Last	Chg.	%
Dow Jones	32,930.08	(339.69)	-1.02%
S&P 500	3,808.10	(44.87)	-1.16%
FTSE 100	7,633.45	48.26	0.64%
DAX	14,436.31	(54.47)	-0.38%
Nikkei	25,820.80	103.94	0.40%
Hang Seng	21,052.17	259.06	1.25%
Shanghai	3,155.22	31.70	1.02%
Kospi	2,264.65	8.67	0.38%
EIDO	21.60	(0.73)	-3.27%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,832.9	(21.7)	-1.17%
Crude Oil (\$/bbl)	73.67	0.83	1.14%
Coal (\$/ton)	397.50	2.95	0.75%
Nickel LME (\$/MT)	27,748	(2020.0)	-6.79%
Tin LME (\$/MT)	24,861	(234.0)	-0.93%
CPO (MYR/Ton)	4,090	(79.0)	-1.89%

PPRE : Aim a New Contract of IDR 7 T

PT PP Presisi Tbk (PPRE) targets the value of new contracts in 2023 to reach IDR 6 - IDR 7 trillion, which is propped up by civil construction services and mining services, either as the main contractor on a civil construction project or mining services. The Company recently got a new contract for construction work as the main contractor at the National Capital City's Logistics Dock Development Construction Work worth IDR99.6 billion. (Emiten News)

KLBF : Make an Investment in a Korean Company

PT Kalbe Farma Tbk (KLBF) will invest USD10 million in Progen Co Ltd, a research and development company for biological products incorporated in South Korea. The investment plan is believed to improve competence in the field of biological product research and development. Additionally, KLBF will buy an 8.7% shareholding in Progen for USD3 million. Meanwhile, the remaining USD7 million will be used to buy Convertible Bond Progen with a 5-year term and 5% interest. (Emiten News)

INCO : MIND ID Ready to Acquire 11% Divestment of INCO Shares

A mining industry holding, Mining Industry Indonesia (MIND ID), is ready to support the Ministry of SOEs' plan to divest 11% of PT Vale Indonesia Tbk (INCO) shares. MIND ID will coordinate intensively with the Ministry of SOEs, the Ministry of Energy and Mineral Resources, and other ministries for further direction. In the last news, INCO ensured that the company was ready to divest 11% of its shares as a continuation of the commitment to extend the Contract of Work to a Special Mining Business License.

Domestic & Global News

Jokowi-Era Government Debt Soars by Nearly 200%

During President Jokowi's administration, the government debt position soared by almost 200%, continuing to increase since 2014. This very significant increase includes the handling during the Covid-19 pandemic period. Economists see that the position and ratio of government debt, which reached IDR7554.2 trillion and 38.6% of GDP, respectively, is quite worrying because the high debt surge will affect the state finance management or State Budget in the future. On the other hand, the government in 2022 managed to reduce the state budget deficit to IDR464.3 trillion, or 2.38% of GDP, from the initial projection of IDR840.2 trillion, owing to the increase in global commodity prices, thus encouraging an increase in state revenue. (Bisnis.com)

A Number of Countries Impose Restrictions on Tourists from China

Several countries have imposed restrictions on tourists travelling from China, reasoned by worried that there will be new variants emerging after a Covid-19 cases surge in China along with the lifting of the zero-Covid policy there. Even the World Health Organization (WHO) also regrets the opening of China's borders starting January 8, 2023, as daily Covid cases in that country continue to increase. (Bisnis.com)

	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							3,373.1							
BBCA	8,250	8,550	9,000	Overweight	9.1	10.7	1,017.0	27.4x	4.8x	18.1	1.9	6.4	24.9	0.9
BBRI	4,640	4,940	5,500	Buy	18.5	10.2	703.2	13.1x	2.4x	17.8	3.8	7.6	80.4	1.2
BBNI	9,000	9,225	10,700	Buy	18.9	29.5	167.8	10.0x	1.3x	13.5	1.6	5.0	76.3	1.4
BMRI	9,825	9,925	10,000	Hold	1.8	39.9	458.5	11.6x	2.2x	19.3	3.7	9.0	59.3	1.2
Consumer Non-Cyclicals							1,154.7							
ICBP	10,225	10,000	11,400	Overweight	11.5	15.9	119.2	25.2x	3.4x	14.1	2.1	14.8	(33.3)	0.5
UNVR	4,730	4,700	4,850	Hold	2.5	12.4	180.4	30.1x	31.5x	108.4	3.2	5.0	5.2	0.6
MYOR	2,550	2,500	2,900	Overweight	13.7	21.4	57.0	43.8x	4.9x	11.5	0.8	11.8	11.4	0.6
HMSP	795	840	950	Buy	19.5	(19.3)	92.5	14.4x	3.5x	24.0	8.0	15.0	(12.5)	0.8
CPIN	5,850	5,650	6,600	Overweight	12.8	(2.9)	95.9	23.2x	3.6x	16.3	1.8	15.5	19.0	0.8
AALI	7,925	8,025	11,000	Buy	38.8	(17.2)	15.3	8.9x	0.7x	8.3	5.6	(8.3)	(17.2)	0.9
Consumer Cyclicals							354.4							
ERAA	378	392	500	Buy	32.3	(35.9)	6.0	6.1x	0.9x	15.9	6.0	12.1	(4.4)	0.6
MAPI	1,345	1,445	1,700	Buy	26.4	72.4	22.3	11.0x	3.0x	31.9	N/A	55.8	N/A	0.7
Healthcare							290.9							
KLBF	2,070	2,090	2,300	Overweight	11.1	27.4	97.0	28.6x	4.9x	17.8	1.7	10.9	9.5	0.7
SIDO	740	755	800	Overweight	8.1	(18.7)	22.2	19.9x	6.3x	33.9	4.9	(5.9)	(17.4)	0.5
MIKA	3,000	3,190	3,000	Hold	-	35.1	42.7	38.5x	8.1x	21.2	1.2	(9.8)	(16.1)	0.1
Infrastructure							838.30							
TLKM	3,770	3,750	4,940	Buy	31.0	(6.9)	373.5	16.6x	3.0x	19.7	4.0	2.7	(12.1)	0.9
JSMR	3,070	2,980	5,100	Buy	66.1	(21.3)	22.3	12.0x	1.0x	9.1	N/A	10.2	34.4	0.9
EXCL	2,290	2,140	3,800	Buy	65.9	(25.9)	30.1	19.5x	1.2x	6.2	2.2	9.1	(2.1)	0.9
TOWR	1,145	1,100	1,520	Buy	32.8	1.8	58.4	16.8x	4.1x	26.9	2.1	33.6	(1.9)	0.5
TBIG	2,170	2,300	3,240	Buy	49.3	(25.9)	49.2	28.1x	3.9x	15.6	1.7	7.9	8.1	0.4
WIKA	770	800	1,280	Buy	66.2	(30.9)	6.9	N/A	0.5x	(0.1)	N/A	9.8	N/A	1.2
PTPP	705	715	1,700	Buy	141.1	(30.2)	4.4	15.6x	0.4x	2.5	N/A	20.1	9.5	1.2
Property & Real Estate							247.1							
CTRA	880	940	1,500	Buy	70.5	(9.7)	16.3	7.2x	0.9x	13.0	1.6	8.7	49.1	1.1
PWON	438	456	690	Buy	57.5	(8.0)	21.1	11.4x	1.2x	11.4	0.9	18.7	65.0	1.1
Energy							1,397.6							
PGAS	1,555	1,760	1,770	Overweight	13.8	13.9	37.7	7.3x	0.9x	12.7	8.0	17.2	8.5	1.2
PTBA	3,410	3,690	4,900	Buy	43.7	24.9	39.3	3.0x	1.5x	56.0	20.2	60.3	104.5	0.9
ADRO	3,100	3,850	3,900	Buy	25.8	38.4	99.2	2.6x	1.1x	49.1	12.6	130.2	366.8	1.1
Industrial							406.1							
UNTR	24,675	26,075	32,000	Buy	29.7	12.4	92.0	5.0x	1.2x	25.2	7.0	58.3	102.9	0.8
ASII	5,375	5,700	8,000	Buy	48.8	(3.6)	217.6	7.6x	1.1x	16.0	5.2	32.2	55.7	1.0
Basic Ind.							926.9							
SMGR	6,700	6,575	9,500	Buy	41.8	(7.0)	45.2	17.5x	1.1x	6.4	2.6	(0.2)	18.8	1.1
INTP	9,625	9,900	12,700	Buy	31.9	(14.8)	35.4	22.3x	1.8x	7.6	5.2	9.9	(17.5)	1.0
INCO	7,100	7,100	8,200	Buy	15.5	54.0	70.5	21.4x	1.9x	9.5	N/A	27.3	36.3	1.3
ANTM	1,965	1,985	3,450	Buy	75.6	(13.4)	47.2	17.0x	2.1x	12.9	2.0	27.2	53.6	1.7

* Target Price

Source: Bloomberg, NHKS Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	FR	15:50	S&P Global France Manufac. PMI	Dec F	49.2	48.9	48.9
2 - Jan.	ID	11:07	CPI YoY	Dec	5.51%	5.39%	5.42%
	GE	15:55	S&P Global/BME Germany Man. PMI	Dec F	47.1	47.4	47.4
Tuesday	US	21:45	S&P Global US Manufacturing PMI	Dec F	46.2	46.2	46.2
3 - Jan.	CH	08:45	Caixin China PMI Mfg	Dec	49.0	49.1	49.4
	GE	20:00	CPI MoM	Dec P	-0.8%	-0.6%	-0.5%
	GE	20:00	CPI YoY	Dec P	8.6%	9.0%	10.0%
Wednesday	US	19:00	MBA Mortgage Applications	Dec 30	-10.3%	--	-3.2%%
4 - Jan.	US	22:00	ISM Manufacturing	Dec	48.4	48.5	49.0
	FR	14:45	CPI YoY	Dec P	5.9%	6.4%	6.2%
Thursday	US	02:00	FOMC Meeting Minutes	Dec 14	—	--	--
5 - Jan.	US	20:30	Trade Balance	Nov	-\$61.5 B	-\$63.0 B	-\$78.2 B
	US	20:30	Initial Jobless Claims	Dec 31	204 K	225 K	225 K
	CH	08:45	Caixin China PMI Composite	Dec	48.3	--	47.0
	CH	08:45	Caixin China PMI Services	Dec	48.0	46.8	46.7
Friday	US	20:30	Change in Nonfarm Payrolls	Dec		200K	263K
6 - Jan.	US	20:30	Unemployment Rate	Dec		3.7%	3.7%
	GE	14:00	Retail Sales MoM	Nov		1.8%	-2.8%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	--
2 - Jan.	Cum Dividend	--
Tuesday	RUPS	—
3 - Jan.	Cum Dividend	--
Wednesday	RUPS	TOYS, TBLA, SMDM
4 - Jan.	Cum Dividend	--
Thursday	RUPS	SLIS
5 - Jan.	Cum Dividend	--
Friday	RUPS	TCPI, NIRO, INTA
6 - Jan.	Cum Dividend	--

Source: Bloomberg



IHSI projection for 6 January 2023:

Konsolidasi – bergantung pada Support lower channel & level previous Low.

Support : 6650-6610.

Resistance : 6700 / 6800-6830 / 6900 / 6950-6960.

ADVISE : Wait and See, or Buy on Weakness (mini lot).

ITMG—PT INDO TAMBANGRAYA MEGAH TBK



PREDICTION 6 JANUARY 2023

Overview

Menuju Target Bottom & Support jk.panjang.

Advise

Buy On Weakness.

Entry Level: 32000-31500.

Target: 36500-37000 / 38000-39000.

Stoploss: 31000.

BBCA—PT BANK CENTRAL ASIA TBK



PREDICTION 6 JANUARY 2023

Overview

Mencapai Target Bottom dari pattern Triangle.

RSI Oversold.

Advise

Speculative Buy

Entry Level: 8250-8150.

Average Up >8375.

Target: 8500-8600 / 8725-8775.

Stoploss: 8100.

KLBF—PT KALBE FARMA TBK



PREDICTION 6 JANUARY 2023

Overview

Uji Support lower channel – Uptrend.

Advise

Speculative Buy.

Entry Level: 2070-2050.

Average Up >2090.

Target: 2170 / 2290-2300.

Stoploss: 2030.

BBRI—PT BANK RAKYAT INDONESIA (PERSERO) TBK



PREDICTION 6 JANUARY 2023

Overview

Menuju Target Bottom dari pola Triangle & Support trendline jk.menengah.

RSI Oversold.

Advise

Buy On Weakness.

Entry Level : 4550-4500.

Target: 4700-4775 / 4825-4900.

Stoploss: 4450.

ASII—PT ASTRA INTERNATIONAL TBK



PREDICTION 6 JANUARY 2023

Overview

Uji Support lower channel – Downtrend & Support trendline jk.menengah.

Advise

Buy On Weakness.

Entry Level: 5300-5200.

Target: 5600-5700 / 5950-6000.

Stoploss: 5150.

Research Division

Head of Research

Liza Camelia Suryanata

Equity Strategy, Technical

T +62 21 5088 ext 9134

E liza.camelia@nhsec.co.id

Analyst

Cindy Alicia Ramadhania

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

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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

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