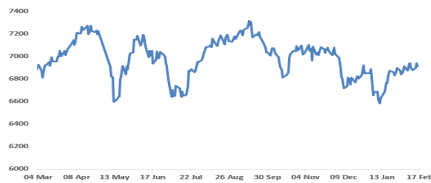


Morning Brief

Daily | Feb. 20, 2023

JCI Movement



Today's Outlook:

The US stock market closed mixed at the end of last week, totaling S&P 500's moves to fell by 0.3% (but gained 6% YTD) during the week. DJIA edged down 0.1%, and Nasdaq gained 0.6% (surged 13% YTD). The volatile trading session was triggered by the market's reaction to this week's series of economic data that still showed relatively high inflation, a solid labor market, and strong purchasing power; implying that the Fed still has a reason to raise interest rates. Goldman Sachs & Bank of America even predicted three more rate hikes this year at 25bps each. Market participants are starting to consider that the Fed Funds Rate may peak at 5.3% in July.

The Indonesian stock market will rely on domestic sentiment at the beginning of this week, especially from GOTO, a large market capitalization stock that made it to the FTSE index. This positive catalyst is expected to push JCI through Resistance 6955-6965, which is crucial for the journey toward the psychological level of 7000. NHKSI RESEARCH advises Indonesian capital market investors/traders to pay attention to the resistance levels of their respective stock portfolios and Average Up if those levels are broken.

Company News

INCO : 2022 Net Profit Soars
BSIM : Strengthen Its Sharia Unit
ASSA : Raising Capital for Its Logistic Subsidiary

Domestic & Global News

Minister of Finance Implements Automatic Adjustment of IDR 50.23 T
China's Bank Regulator & Central Bank Create New Banking Rules

JCI Index

February 17 6,895.71
Chg. 0.05 pts (0.00%)
Volume (bn shares) 25.35
Value (IDR tn) 9.74
Up 197 Down 277 Unchanged 194

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
GOTO	887.7	BOGA	198.9
BBRI	440.9	ANTM	182.1
BRIS	341.3	MDKA	180.1
BBCA	304.5	ISAT	162.1
BMRI	254.3	NATO	159.6

Foreign Transaction

(IDR bn)

Buy			3,842
Sell			4,119
Net Buy (Sell)			(276)
Top Buy	NB Val.	Top Sell	NS Val.
BBCA	123.1	GOTO	162.4
BBRI	93.9	MDKA	66.4
BRIS	81.4	ISAT	65.8
ANTM	39.6	ASII	35.9
BMRI	39.6	INDF	25.5

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.74%	0.04%
USDIDR	15,203	0.30%
KRWIDR	11.70	-0.84%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,826.69	129.84	0.39%
S&P 500	4,079.09	(11.32)	-0.28%
FTSE 100	8,004.36	(8.17)	-0.10%
DAX	15,482.00	(51.64)	-0.33%
Nikkei	27,513.13	(183.31)	-0.66%
Hang Seng	20,719.81	(267.86)	-1.28%
Shanghai	3,224.02	(25.01)	-0.77%
Kospi	2,451.21	(24.27)	-0.98%
EIDO	23.18	(0.11)	-0.47%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,842.4	6.0	0.33%
Crude Oil (\$/bbl)	76.34	(2.15)	-2.74%
Coal (\$/ton)	209.35	(4.65)	-2.17%
Nickel LME (\$/MT)	25,793	(696.0)	-2.63%
Tin LME (\$/MT)	25,856	(1148.0)	-4.25%
CPO (MYR/Ton)	4,131	62.0	1.52%

Sectors

	Last	Chg.	%
Healthcare	1615.74	10.34	0.64%
Consumer Non-Cyclicals	759.27	3.86	0.51%
Technology	5613.44	27.60	0.49%
Finance	1427.65	4.48	0.32%
Infrastructure	865.21	-1.82	-0.21%
Industrial	1155.18	-2.51	-0.22%
Transportation & Logistic	1841.68	-5.26	-0.28%
Consumer Cyclicals	844.41	-5.31	-0.63%
Energy	2082.24	-15.90	-0.76%
Basic Material	1250.68	-9.82	-0.78%
Property	690.28	-6.77	-0.97%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	5.75%	Real GDP	5.01%	5.72%
FX Reserve (USD bn)	139.40	137.20	Current Acc (USD bn)	4.02	4.97
Trd Balance (USD bn)	3.87	3.89	Govt. Spending Yoy	-4.77%	-2.88%
Exports Yoy	16.37%	6.58%	FDI (USD bn)	5.14	4.70
Imports Yoy	1.27%	-6.61%	Business Confidence	104.82	105.33
Inflation Yoy	5.28%	5.51%	Cons. Confidence*	123.00	119.90

INCO : 2022 Net Profit Soars

PT Vale Indonesia Tbk (INCO) throughout 2022 recorded a net profit of USD200 million or surged by 21% YoY. Revenue was recorded at USD1.17 billion, an increase of 23% YoY. Expenses rose swelled by 22% YoY to US\$865 million. Meanwhile, gross profit was recorded at USD313 million, a surplus of 26% YoY. (Emiten News)

BSIM : Strengthen Its Sharia Unit

PT Bank Sinarmas Tbk (BSIM) strengthened its sharia business unit by establishing PT Bank Nano Syariah, which has obtained the Financial Services Authority (OJK)'s principal approval. The establishment of Bank Nano Syariah was carried out together with other Sinarmas financial business entities, namely PT Sinar Mas Multiartha Tbk (SMMA) and PT Asuransi Sinar Mas. The Company made a capital deposit worth IDR510 billion from its internal funds.

ASSA : Raising Capital for Its Logistic Subsidiary

PT Adi Sarana Armada Tbk (ASSA) stated that the company has increased its capital by IDR11.2 billion in PT Adi Sarana Logistik (ASL). Thus, the post-transaction capital structure became an authorized capital that worth of IDR175.1 billion, with issued and paid-up capital of IDR176.1 billion. (Emiten News)

Domestic & Global News

Minister of Finance Implements Automatic Adjustment of IDR 50.23 T

To deal with global economic uncertainty and geopolitical turmoil, the government is again implementing an automatic adjustment policy in the fiscal year 2023. Minister of Finance Sri Mulyani Indrawati said the policy is a reserve mechanism for ministries/institutions (K/L) spending that is temporarily blocked in the K/L spending ceiling for the fiscal year 2023. The total value of automatic adjustment for K/L spending in the fiscal year 2023 is set at IDR 50.23 trillion, which comes from K/L spending in the form of pure rupiah by considering the performance of budget realization for the last three years of the 2020-2022 fiscal year. (Kontan)

China's Bank Regulator & Central Bank Create New Banking Rules

China's banking regulator along with China's central bank plans to adopt a different regulatory system to assess capital adequacy and risk management for commercial banks. This change in rules is a step to better prevent risks in the country's financial system. The China Banking and Insurance Regulatory Commission and the People's Bank of China on Saturday (Feb. 18) jointly released the new draft rules. They stated that the rule changes aim to help banks "continuously improve the accuracy of risk measurement and guide banks to better serve the real economy." (Kontan)

	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							3,456.1							
BBCA	8,725	8,550	9,000	Hold	3.2	10.4	1,075.6	26.4x	4.9x	19.2	1.8	8.9	29.4	0.9
BBRI	4,880	4,940	5,500	Overweight	12.7	10.9	739.6	14.5x	2.5x	17.4	1.2	6.6	31.9	1.1
BBNI	9,275	9,225	10,700	Buy	15.4	17.4	173.0	9.4x	1.3x	14.1	1.6	8.7	67.8	1.3
BMRI	10,300	9,925	10,000	Hold	(2.9)	31.2	480.7	11.7x	2.1x	19.0	3.5	12.7	46.8	1.3
Consumer Non-Cyclicals							1,219.8							
ICBP	10,350	10,000	11,400	Overweight	10.1	21.4	120.7	25.6x	3.4x	14.1	2.1	14.8	(33.3)	0.5
UNVR	4,510	4,700	4,850	Overweight	7.5	17.8	172.1	32.1x	43.0x	129.0	3.4	4.2	(6.6)	0.5
MYOR	2,690	2,500	2,900	Overweight	7.8	49.4	60.1	46.3x	5.1x	11.5	0.8	11.8	11.4	0.7
HMSP	1,080	840	950	Underweight	(12.0)	5.9	125.6	19.5x	4.7x	24.0	5.9	15.0	(12.5)	0.6
CPIN	5,800	5,650	6,600	Overweight	13.8	0.4	95.1	23.0x	3.6x	16.3	1.9	15.5	19.0	0.6
AAJI	8,375	8,025	11,000	Buy	31.3	(23.9)	16.1	9.4x	0.8x	8.3	5.3	(8.3)	(17.2)	1.0
Consumer Cyclicals							349.1							
ERAA	550	392	500	Underweight	(9.1)	(2.7)	8.8	8.9x	1.4x	15.9	4.1	12.1	(4.4)	0.8
MAPI	1,495	1,445	1,700	Overweight	13.7	86.9	24.8	12.2x	3.4x	31.9	N/A	55.8	N/A	1.0
Healthcare							307.6							
KLBF	2,250	2,090	2,300	Hold	2.2	40.6	105.5	31.0x	5.3x	17.8	1.6	10.9	9.5	0.5
SIDO	870	755	950	Overweight	9.2	(8.9)	26.1	23.6x	7.4x	31.7	4.2	(3.9)	(12.9)	0.5
MIKA	3,160	3,190	3,000	Underweight	(5.1)	40.4	45.0	40.6x	8.5x	21.2	1.1	(9.8)	(16.1)	0.3
Infrastructure							823.96							
TLKM	3,760	3,750	4,940	Buy	31.4	(14.7)	372.5	16.6x	3.0x	19.7	4.0	2.7	(12.1)	0.8
JSMR	3,540	2,980	5,100	Buy	44.1	(1.1)	25.7	13.9x	1.2x	9.1	N/A	10.2	34.4	0.8
EXCL	2,250	2,140	3,800	Buy	68.9	(22.9)	29.5	19.2x	1.2x	6.2	2.3	9.1	(2.1)	0.8
TOWR	1,100	1,100	1,520	Buy	38.2	6.8	56.1	16.1x	3.9x	26.9	2.2	33.6	(1.9)	0.3
TBIG	2,150	2,300	3,240	Buy	50.7	(23.8)	48.7	27.8x	3.9x	15.6	1.7	7.9	8.1	0.6
WIKA	680	800	1,280	Buy	88.2	(39.8)	6.1	N/A	0.5x	(0.1)	N/A	9.8	N/A	1.1
PTPP	665	715	1,700	Buy	155.6	(35.1)	4.1	14.7x	0.4x	2.5	N/A	20.1	9.5	1.2
Property & Real Estate							246.7							
CTRA	955	940	1,500	Buy	57.1	(2.1)	17.7	7.9x	1.0x	13.0	1.5	8.7	49.1	1.0
PWON	456	456	690	Buy	51.3	0.4	22.0	11.9x	1.3x	11.4	0.9	18.7	65.0	1.1
Energy							1,285.2							
PGAS	1,590	1,760	1,770	Overweight	11.3	10.4	38.5	7.7x	1.0x	12.7	7.8	17.2	8.5	1.0
PTBA	3,490	3,690	4,900	Buy	40.4	20.3	40.2	3.1x	1.5x	56.0	19.7	60.3	104.5	1.0
ADRO	2,880	3,850	3,900	Buy	35.4	29.7	92.1	2.4x	1.0x	49.1	13.6	130.2	366.8	1.2
Industrial							409.1							
UNTR	24,625	26,075	32,000	Buy	29.9	3.8	91.9	5.0x	1.2x	25.2	7.0	58.3	102.9	0.8
ASII	5,675	5,700	8,000	Buy	41.0	3.7	229.7	8.1x	1.2x	16.0	5.0	32.2	55.7	1.1
Basic Ind.							942.7							
SMGR	7,425	6,575	9,500	Buy	27.9	1.6	50.2	19.3x	1.2x	6.4	2.3	(0.2)	18.8	0.9
INTP	11,000	9,900	12,700	Buy	15.5	(1.1)	40.5	25.5x	2.0x	7.6	4.5	9.9	(17.5)	0.8
INCO	6,775	7,100	8,200	Buy	21.0	42.6	67.3	22.1x	1.9x	8.9	N/A	23.7	19.8	1.1
ANTM	2,090	1,985	3,450	Buy	65.1	7.5	50.2	18.1x	2.2x	12.9	1.9	27.2	53.6	1.4

* Target Price

Source: Bloomberg, NHKS Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	CH	08:15	5-Year Loan Prime Rate	Feb 20		4.30%	4.30%
20 - Feb.	ID	10:00	BoP Current Account Balance	4Q		\$4,475M	\$4,400M
Tuesday	US	21:45	S&P Global US Manufacturing PMI	Feb P		47.0	46.9
21 - Feb.	US	22:00	Existing Home Sales	Jan		4.11M	4.02M
	JP	07:30	Jibun Bank Japan PMI Mfg	Feb P		—	48.9
	KR	04:00	Consumer Confidence	Feb		—	90.7
Wednesday	KR	04:00	Business Survey Manufacturing	Mar		—	65
22 - Feb.	GE	14:00	CPI YoY	Jan F		8.7%	8.7%
Thursday	US	02:00	FOMC Meeting Minutes	Feb 1		—	—
23 - Feb.	US	20:30	GDP Annualized QoQ	4Q S		2.9%	2.9%
	US	20:30	Initial Jobless Claims	Feb 18		—	194K
	US	20:30	Continuing Claims	Feb 11		—	1,696K
Friday	US	20:30	Personal Income	Jan		1.0%	0.2%
24 - Feb.	US	20:30	Personal Spending	Jan		1.0%	-0.2%
	US	20:30	New Home Sales	Jan		620K	616K
	US	22:00	U. of Mich. Sentiment	Feb F		66.4	66.4

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	POOL
20 - Feb.	Cum Dividend	—
Tuesday	RUPS	—
21 - Feb.	Cum Dividend	—
Wednesday	RUPS	ASMI
22 - Feb.	Cum Dividend	—
Thursday	RUPS	BIPI, INRU, PPRE, RUIS
23 - Feb.	Cum Dividend	—
Friday	RUPS	MEGA, WICO
24 - Feb.	Cum Dividend	—

Source: Bloomberg



BUKA—Bukalapak.com TBK



ASII—PT Astra International TBK



IHSG projection for 20 February 2023:

BULLISH ; Uji Resistance MA10 and then Neckline pola (bullish reversal) Inverted Head & Shoulders di range 6955-6965.

Support : 6890 / 6820-6815.

Resistance : 6910 / 6955-6965 / 7000 / 7100-7130 / 7355-7377.

ADVISE : Average Up accordingly.

PREDICTION 20 FEBRUARY 2023

Overview

Limited downside potential to Target bottom from previous pattern : Head & Shoulders.

Advise

Buy On Weakness.

Entry Level: 266-258

Average Up >274

Target: 282 / 286 / 300-306.

Stoploss: 254.

PREDICTION 20 FEBRUARY 2023

Overview

Uji Support dari level previous Low & upper channel

Advise

Buy on Weakness.

Entry Level: 5675-5600.

Average Up >5750-5825

Target: 5950-6000 / 6600.

Stoploss: 5475.

TINS—PT Timah Tbk TBK



PREDICTION 20 FEBRUARY 2023

Overview

Doji di area Support.

Advise

Speculative Buy.

Entry Level: 1200

Average Up >1210

Target: 1250 / 1280 / 1310-1335

Stoploss: 1165.

EXCL—PT XL Axiata TBK



PREDICTION 20 FEBRUARY 2023

Overview

Uji Support jk.pendek.

Advise

Buy on Break.

Entry Level: 2300-2320.

Target: 2420-2440.

Stoploss: 2230.

JPFA—PT Japfa Comfeed Indonesia TBK



PREDICTION 20 FEBRUARY 2023

Overview

Uji Support jk.pendek

Advise

Speculative Buy.

Entry Level : 1320-1310

Average Up >1330-1345

Target: 1385-1400 / 1425.

Stoploss: 1295.

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