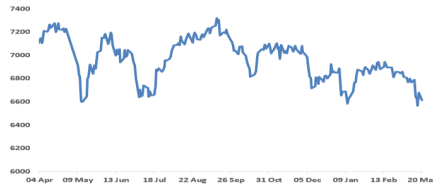


Morning Brief

Daily | Mar. 21, 2023

JCI Movement



Today's Outlook:

US stocks jumped on Monday (20/03/23) with Dow Jones leading a 1.2% gain on the back of investor relief after a deal to rescue Credit Suisse and central bank efforts to bolster confidence in the financial system. As is known, UBS has agreed to buy Credit Suisse for USD 3.23 billion in a merger engineered by Swiss authorities to avoid more turmoil in the banking group. Investors will focus on the Federal Reserve's decision regarding interest rate hike on Thursday, with the market now pricing in a 71.6% chance of a 25 bps hike and a 28.4% probability of the Fed will hold its pace; as reported by CME Fed Watch. From Europe, German PPI (Feb.) explained that producer level inflation is still heating up above expectations of 14.5% YoY to 15.8% (although lower than the previous month: 17.6%). Eurozone Trade Balance (Jan.) posted a minus USD30.6 billion, a much higher deficit than forecast and previous. Meanwhile, this Germany ZEW Economic Sentiment (Mar.) data will be awaited, as it sheds light on the 6-month economic outlook, which is predicted to fall to 17.1 from 28.1 in the previous period. Later in the evening, the US Existing Home Sales (Feb.) report will be monitored to see if there is any significant growth to 5% MoM from -0.7% in the previous month.

JCI tumbled 1% / 65.75points to 6612.49 triggered by Foreign Net Sell of IDR 583.36bn; forming a Dark Cloud-like candle that overshadowed last Friday's strong gains. Not much domestic sentiment is expected to affect the market as this trading week is relatively short due to a two-day holiday on 22-23 March for Nyepi and the first day of fasting. NHKSI RESEARCH expects trading to remain slow as Indonesian capital market investors/traders avoid building up too many portfolio positions this week, to prevent being exposed to regional market volatility.

Company News

BBRI : Targeting Micro Credit Portion to Reach 45%
IRRA : Plans to Buyback Shares
ITMG : Subsidiary Working on Coal Gasification Project

Domestic & Global News

There Are 33 Companies in the IDX IPO Pipeline, Consumer Dominates
UBS to Take Over Credit Suisse, Assume up to 5 Billion Swiss Francs in Losses

Sectors

	Last	Chg.	%
Technology	4849.76	-174.14	-3.47%
Energy	1976.31	-37.62	-1.87%
Infrastructure	797.83	-10.45	-1.29%
Industrial	1139.55	-12.22	-1.06%
Healthcare	1546.87	-16.10	-1.03%
Consumer Cyclical	787.50	-8.02	-1.01%
Transportation & Logistic	1727.82	-16.77	-0.96%
Finance	1354.00	-10.90	-0.80%
Property	659.76	-5.06	-0.76%
Consumer Non-Cyclicals	715.23	-2.61	-0.36%
Basic Material	1130.20	4.31	0.38%

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)	140.30	139.40	Current Acc (USD bn)	4.54	4.02
Trd Balance (USD bn)	3.88	3.87	Govt. Spending Yoy	-4.77%	-2.88%
Exports Yoy	4.51%	16.37%	FDI (USD bn)	5.27	5.14
Imports Yoy	-4.32%	1.27%	Business Confidence	104.82	105.33
Inflation Yoy	5.47%	5.28%	Cons. Confidence*	122.40	123.00

JCI Index

March 20	6,612.49
Chg.	65.75 pts (-0.98%)
Volume (bn shares)	18.74
Value (IDR tn)	7.35
Up 164 Down 331 Unchanged 180	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBRI	556.0	MDKA	207.8
TLKM	424.4	BOGA	155.0
BBCA	314.1	BBNI	145.1
GOTO	292.8	ASII	129.7
BMRI	233.1	UNTR	121.8

Foreign Transaction

(IDR bn)

Buy			2,225
Sell			2,808
Net Buy (Sell)			(583)
Top Buy	NB Val.	Top Sell	NS Val.
SMMA	71.3	BBRI	104.4
BBCA	34.7	GOTO	96.7
HMSP	18.9	TLKM	64.3
ADRO	6.3	BBNI	53.7
SMGR	3.7	UNTR	52.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.91%	0.00%
USDIDR	15,360	0.10%
KRWIDR	11.73	-0.35%

Global Indices

Index	Last	Chg.	%
Dow Jones	32,244.58	382.60	1.20%
S&P 500	3,951.57	34.93	0.89%
FTSE 100	7,403.85	68.45	0.93%
DAX	14,933.38	165.18	1.12%
Nikkei	26,945.67	(388.12)	-1.42%
Hang Seng	19,000.71	(517.88)	-2.65%
Shanghai	3,234.91	(15.64)	-0.48%
Kospi	2,379.20	(16.49)	-0.69%
EIDO	22.05	0.05	0.23%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,978.8	(10.4)	-0.52%
Crude Oil (\$/bbl)	67.64	0.90	1.35%
Coal (\$/ton)	172.25	(0.75)	-0.43%
Nickel LME (\$/MT)	23,364	128.0	0.55%
Tin LME (\$/MT)	22,510	292.0	1.31%
CPO (MYR/Ton)	3,785	(135.0)	-3.44%

BBRI : Targeting Micro Credit Portion to Reach 45%

PT Bank Rakyat Indonesia Tbk (BBRI) targets micro credit growth to grow up to 12% in 2023. While in 2025 it is targeted that the micro credit portfolio will reach 45%. This year, micro sector financing is expected to continue supporting the company's growth. The company revealed that in the future it will divide the credit portfolio into three segments, including the lower segment, middle segment and upper segment. (Kontan)

IRRA : Plans to Buyback Shares

PT Itama Ranoraya Tbk (IRRA) plans to conduct a share buyback. The company has prepared a fund allocation of around IDR 50 billion or 3.698% of the total shares. It was explained in the disclosure of information that this share purchase uses the Company's idle funds, so it will not affect the Company's income and financing. (Kontan)

ITMG : Subsidiary Working on Coal Gasification Project

PT Indo Tambangraya Megah Tbk (ITMG) is working on a coal gasification project through its subsidiary PT Indominco Mandiri (IMM). The project is estimated to cost an investment of around USD200 million and is targeted to operate commercially in 2025. Meanwhile, this project is projected to increase the economic potential of coal that previously could not be mined. (Kontan)

Domestic & Global News

There Are 33 Companies in the IDX IPO Pipeline, Consumer Dominates

The Indonesia Stock Exchange (IDX) noted that there are dozens of companies that are in the queue or pipeline for initial public offering (IPO) of shares. IDX Director of Corporate Valuation I Gede Nyoman Yetna said as many as 33 companies have entered the IDX pipeline. The companies come from various sectors and are dominated by medium-sized companies or those with assets of IDR 50 billion to IDR 250 billion. The IPO pipeline is also filled by several sectors. Companies from the consumer cyclical sector dominate the pipeline with a total of eight. The second largest sector is transportation logistics and basic materials companies with five. Followed by four companies in the technology sector, three companies in the financial sector and property and real estate, two companies in the consumer non-cyclicals sector, and one company in the industrial, health and infrastructure sector.

UBS to Take Over Credit Suisse, Assume up to 5 Billion Swiss Francs in Losses

UBS (UBSG.S) agreed to buy rival Swiss bank Credit Suisse (CSGN.S) for 3 billion Swiss francs (USD 3.23 billion) in stock and agreed to assume up to 5 billion francs (USD 5.4 billion) in losses, in a shotgun merger engineered by Swiss authorities to avoid more market-shaking turmoil in global banking. The deal includes 100 billion Swiss francs (USD 108 billion) in liquidity assistance for UBS and Credit Suisse from the Swiss central bank. To enable UBS to take over Credit Suisse, the federal government is providing a loss guarantee of a maximum of 9 billion Swiss francs for a clearly defined part of the portfolio, the government said. This will be activated if losses are actually incurred on this portfolio. In that eventuality, UBS would assume the first 5 billion francs, the federal government the next 9 billion francs, and UBS would assume any further losses, the government said.

	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							3,361.7							
BBCA	8,400	8,550	9,000	Overweight	7.1	6.3	1,035.5	25.5x	4.7x	19.2	1.8	8.9	29.4	0.9
BBRI	4,880	4,940	5,800	Buy	18.9	6.6	739.6	14.5x	2.5x	17.4	1.2	6.6	31.9	1.2
BBNI	9,000	9,225	11,800	Buy	31.1	8.4	167.8	9.2x	1.2x	14.1	1.6	8.7	67.8	1.3
BMRI	10,000	9,925	11,550	Buy	15.5	26.2	466.7	11.3x	2.0x	19.0	3.6	12.7	46.8	1.3
Consumer Non-Cyclicals							1,172.8							
ICBP	9,625	10,000	11,400	Buy	18.4	27.1	112.2	23.8x	3.2x	14.1	2.2	14.8	(33.3)	0.5
UNVR	4,160	4,700	4,850	Buy	16.6	23.8	158.7	29.6x	39.7x	129.0	3.7	4.2	(6.6)	0.5
MYOR	2,590	2,500	2,900	Overweight	12.0	54.6	57.9	44.5x	4.9x	11.5	0.8	11.8	11.4	0.7
HMSP	1,140	840	950	Sell	(16.7)	26.7	132.6	20.6x	5.0x	24.0	5.6	15.0	(12.5)	0.6
CPIN	4,920	5,650	6,600	Buy	34.1	(16.3)	80.7	19.5x	3.0x	16.3	2.2	15.5	19.0	0.6
AALI	7,875	8,025	9,200	Buy	16.8	(34.4)	15.2	8.8x	0.7x	8.2	5.6	(10.3)	(12.4)	1.0
Consumer Cyclicals							348.1							
ERAA	488	392	500	Hold	2.5	(13.6)	7.8	7.9x	1.2x	15.9	4.7	12.1	(4.4)	0.9
MAPI	1,525	1,445	1,700	Overweight	11.5	87.1	25.3	12.5x	3.4x	31.9	N/A	55.8	N/A	0.9
Healthcare							299.9							
KLBF	2,170	2,090	2,300	Overweight	6.0	33.1	101.7	29.9x	5.2x	17.8	1.6	10.9	9.5	0.4
SIDO	820	755	950	Buy	15.9	(21.2)	24.6	22.3x	7.0x	31.7	4.4	(3.9)	(12.9)	0.6
MIKA	3,100	3,190	3,000	Hold	(3.2)	48.3	44.2	39.8x	8.4x	21.2	1.2	(9.8)	(16.1)	0.3
Infrastructure							865.47							
TKBM	3,990	3,750	4,940	Buy	23.8	(12.1)	395.3	17.6x	3.2x	19.7	3.8	2.7	(12.1)	0.8
JSMR	3,140	2,980	5,100	Buy	62.4	(12.8)	22.8	8.4x	1.0x	12.9	N/A	9.3	70.1	0.8
EXCL	1,900	2,140	3,800	Buy	100.0	(28.3)	24.9	18.3x	1.0x	4.9	2.7	8.9	(13.2)	0.8
TOWR	905	1,100	1,520	Buy	68.0	(11.7)	46.2	13.3x	3.2x	26.9	2.7	33.6	(1.9)	0.3
TBIG	2,110	2,300	3,240	Buy	53.6	(26.5)	47.8	27.3x	3.8x	15.6	1.7	7.9	8.1	0.6
WIKA	505	800	1,280	Buy	153.5	(49.5)	4.5	N/A	0.3x	(0.1)	N/A	9.8	N/A	1.2
PTPP	565	715	1,700	Buy	200.9	(43.5)	3.5	12.7x	0.3x	2.5	N/A	12.9	2.3	1.2
Property & Real Estate							236.2							
CTRA	930	940	1,500	Buy	61.3	(11.0)	17.3	7.7x	0.9x	13.0	1.5	8.7	49.1	0.9
PWON	418	456	690	Buy	65.1	(14.7)	20.1	10.9x	1.2x	11.4	1.0	18.7	65.0	1.1
Energy							1,291.4							
PGAS	1,335	1,760	1,770	Buy	32.6	(3.3)	32.4	6.4x	0.8x	12.7	9.3	17.2	8.5	1.0
PTBA	3,830	3,690	4,900	Buy	27.9	20.1	44.1	3.5x	1.5x	47.6	18.0	45.8	55.8	1.0
ADRO	2,720	3,850	3,900	Buy	43.4	-	87.0	2.2x	0.9x	49.1	14.4	102.9	174.4	1.2
Industrial							423.9							
UNTR	27,700	26,075	32,000	Buy	15.5	8.9	103.3	4.9x	1.2x	27.4	6.2	55.6	106.1	0.8
ASII	5,875	5,700	8,000	Buy	36.2	(8.2)	237.8	8.2x	1.2x	15.9	4.8	29.1	43.3	1.1
Basic Ind.							859.3							
SMGR	6,075	6,575	9,500	Buy	56.4	(8.4)	41.0	15.4x	1.0x	5.8	2.8	(0.9)	15.4	0.9
INTP	10,125	9,900	12,700	Buy	25.4	(7.7)	37.3	23.4x	1.9x	7.6	4.9	9.9	(17.5)	0.8
INCO	6,375	7,100	8,200	Buy	28.6	9.9	63.3	20.6x	1.8x	8.9	N/A	23.7	21.0	1.2
ANTM	1,900	1,985	3,450	Buy	81.6	(20.5)	45.7	16.4x	2.0x	12.9	2.0	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	—	5-Year Loan Prime Rate	Mar 20	4.30%	4.30%	4.30%
20 - Mar.	GE	14:00	PPI YoY	Feb	15.8%	14.5%	12.7%
Tuesday	US	21:00	Existing Home Sales	Feb		4.15Mn	4.00Mn
21 - Mar.	KR	04:00	PPI YoY	Feb		—	5.1%
Wednesday	US	18:00	MBA Mortgage Applications	Mar 17		—	6.5%
22 - Mar.	JP	13:00	Machine Tool Orders YoY	Feb F		—	-10.7%
Thursday	US	01:00	FOMC Rate Decision (Upper Bound)	Mar 22		5.00%	4.75%
23 - Mar.	US	01:00	FOMC Rate Decision (Lower Bound)	Mar 22		4.75%	4.50%
	US	19:30	Initial Jobless Claims	Mar 18		—	192K
	US	21:00	New Home Sales	Feb		650K	670K
Friday	US	19:30	Durable Good Orders	Feb P		1.7%	-4.5%
24 - Mar.	US	20:45	S&P Global US Manufacturing PMI	Feb P		47.3	47.3
	JP	07:30	Jibun Bank Japan PMI Mfg	Mar P		—	47.7

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	FASW
20 - Mar.	Cum Dividend	—
Tuesday	RUPS	AMOR, PANR
21 - Mar.	Cum Dividend	BBRI
Wednesday	RUPS	—
22 - Mar.	Cum Dividend	—
Thursday	RUPS	—
23 - Mar.	Cum Dividend	—
Friday	RUPS	CCSI, EAST, LPGI
24 - Mar.	Cum Dividend	BMRI

Source: Bloomberg



ACES—PT Ace Hardware Indonesia TBK



UNVR—PT Unilever Indonesia TBK



IHSG projection for 21 March 2023 :

Sideways - Uji Resistance terdekat: MA10

Candle : Dark Cloud.

Support : 6565 / 6550-6500.

Resistance : 6678-6700 / 6770-6805 / 6880-6900 / 6955-6965 / 7000.

ADVISE : Hold ; very Speculative Buy.

PREDICTION 21 MARCH 2023

Overview

Rebound di Support lower channel – Sideways trend.

RSI Oversold.

Advise

Speculative Buy.

Entry Level : 450

Average Up >458

Target: 474 / 490-492 / 500. .

Stoploss: 424.

PREDICTION 21 MARCH 2023

Overview

Pattern : Double Bottom.

RSI positive divergence.

Advise

Speculative Buy.

Entry Level: 4200

Average Up >4210-4240

Target : 4380-4420 / 4500-4540.

Stoploss: 4090.

TOWR—PT Sarana Menara Nusantara Tbk



PREDICTION 21 MARCH 2023

Overview

Limited downside potential to Support long-term and Support from level previous Low.

RSI Oversold.

Advise

Speculative Buy.

Entry Level: 900-870

Average Up >920

Target: 1000 / 1040 / 1080-1100.

Stoploss: 850

UNTR—PT United Tractors Tbk



PREDICTION 21 MARCH 2023

Overview

Lakukan upaya Swing naik lagi ; Uptrend di atas MA10 & MA20.

Advise

Speculative Buy

Entry Level: 27700-27300.

Average Up >28275

Target: 30000-30200 / 31000.

Stoploss: 27200.

ITMG—PT Indo Tambangraya Megah Tbk



PREDICTION 21 MARCH 2023

Overview

Uptrend jk.pendek menuju TARGET pattern Falling Wedge.

Advise

Speculative Buy

Entry Level: 38200.

Average Up >39050-39250.

Target: 40000 / 41300 / 42350 / 43800.

Stoploss: 37300.

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