

Weekly Brief (Mar. 6 – Mar. 10, 2023)

Summary:

Last week review:

Wall Street major indexes closed February in a bearish territory with a total decline of 4.19% for the Dow Jones, 2.61 for the S&P 500, and 1.11% for the Nasdaq; in contrast to the bond market, which was resting comfortably in a yield uptrend. A series of US economic data released last week revealed that manufacturing & services activities were reviving, such as: orders for manufactured goods & raw material prices = all increased; bringing the S&P Global Composite PMI (Feb.) into expansionary territory. People's purchasing power also remains robust, as evidenced by Pending Home Sales (Jan.) soaring 8.1% MoM (vs. forecast 1%, vs. previous 1.1%). US employment data remains solid as the unemployment rate continues to fall and workers' wages continue to rise. In response to the above reports, Fed officials sought not to sound too hawkish: Atlanta Fed President Raphael Bostic said that the 25 bps rate hike is still applicable to limit the risk of recessionary pressures on the economy; although Bank of America warned that the US benchmark rate could hover near the 6% level. On the other hand, Core Inflation (Feb.) seems to be more manageable as it fell to 3.09% YoY (lower than consensus & previous month). To stabilize Rupiah, Bank Indonesia began to implement the policy of settling Foreign Exchange Export Proceeds for a certain period in domestic banks, as well as providing attractive interest rate incentives to exporters.

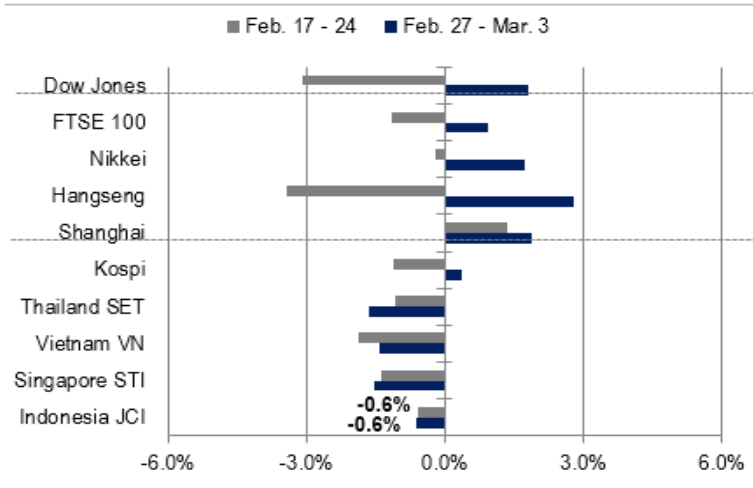
This week's outlook:

The US Nonfarm Payroll data (due Friday) will be the last important report that market participants are waiting for before the March 21-22 FOMC Meeting, where there is an estimated addition of 200k new jobs last February; much lower than the January surge of 517k; while the Unemployment Rate (Feb.) is expected to remain stable at around 3.4% (a 5-decade low). Before Friday's jobs report, Powell will appear before Congress to present the central bank's semi-annual monetary policy report. His comments will be closely followed for hints on whether a larger than 25 bps rate hike is under consideration. The capital market is expected to remain volatile, in response to the release of numerous corporate earnings reports and global economic data, such as: UK Construction PMI (Feb.), German Retail Sales (Jan.) & CPI (Feb.), Eurozone 4Q22 GDP, UK monthly GDP (Jan.), Japan 4Q22 GDP, China CPI & Trade Balance (Feb.). These are clearly the dynamics that underlie the monetary policy decisions of several central banks this week (Japan, Australia, Canada).

JCI Index	: 6,813.63 (-0.6%)
Foreign Flow	: Net Buy of IDR 3.4 Trillion (Vs. last week's net sell of IDR 1.7 Trillion)
USD/IDR	: 15,300 (+0.49%)

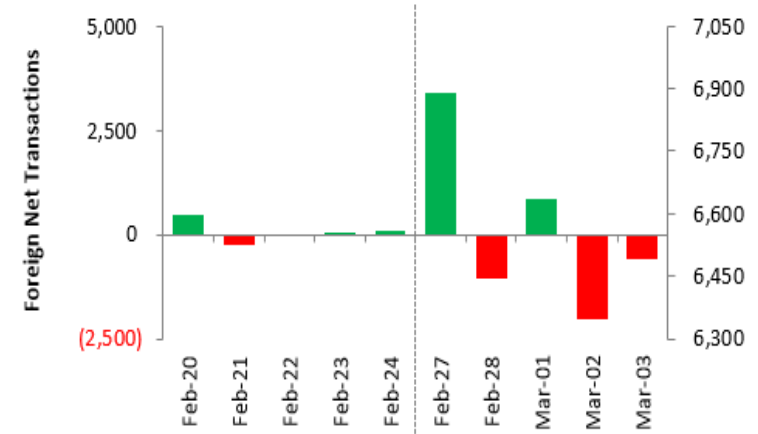
Last Week's JCI Movement

Global Market Movement



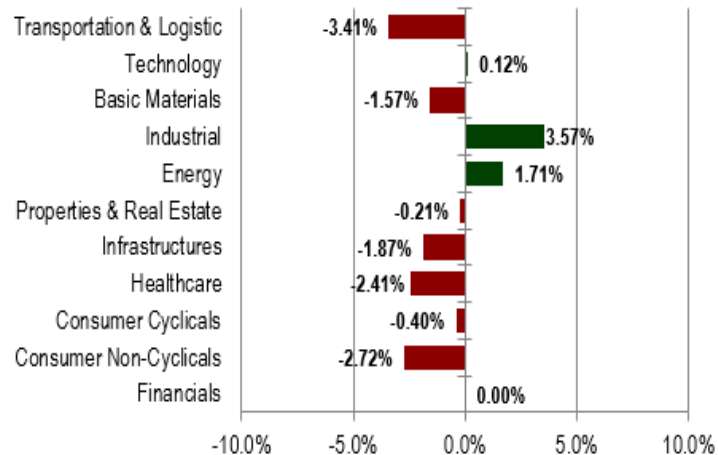
Source: Bloomberg, NHKSI Research

Foreign Net Flow – Last 10 Days



Source: Bloomberg, NHKSI Research

JCI Sector Movement



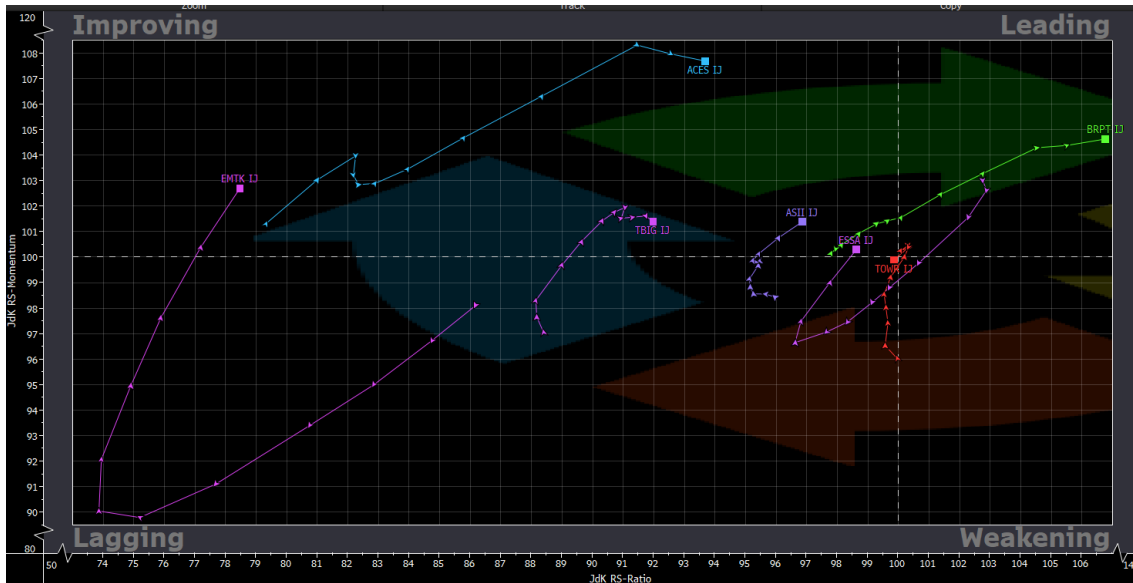
Source: Bloomberg, NHKSI Research

JCI's Top Foreign Transaction

Top Buy (RG)	NB Val. (IDR Mn)	Top Sell (RG)	NS Value (IDR Mn)
MDKA	280,099	BBCA	829,851
BBRI	265,081	ARTO	319,412
GOTO	127,494	BBNI	312,603
INCO	75,195	ADRO	185,795
ASII	71,314	UNTR	150,125

Source: Bloomberg, NHKSI Research

Stocks Recommendation



Source: Bloomberg, NHKSI Research

Stocks	TP	SL
ACES	520 / 560 / 590-600 / 620	465
ASII	6275 / 6600	5800
BRPT	880-900 / 950 / 1000	785
EMTK	1000 / 1045 / 1170	930
ESSA	1100 / 1170 / 1230-1260 / 1330	990
TBIG	2430-2470	2100
TOWR	1070-1080 / 1100-1120	995

Source: Bloomberg, NHKSI Research

JCI Index

Support	6800 / 6780-6760 / 6710 / 6650	Resistance	6850-6880 / 6900 / 6955-6965 / 7000
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Jakarta Stock Exchange Composite Index, Indonesia, Jakarta:JKSE, D

MA (10, close, 0)
MA (20, close, 0)
MA (50, close, 0)



Source: NHKSI Research, Bloomberg

Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Consensus	Previous
Monday	US	22:00	Factory Orders	Jan	-1.5%	1.8%
<i>6 - Mar.</i>	US	22:00	Durable Good Orders	Jan F	—	-4.5%
	KR	06:00	CPI YoY	Feb	5.0%	5.2%
Tuesday	CH	—	Exports YTD YoY	Feb	-9.3%	16.1%
<i>7 - Mar.</i>	CH	—	Imports YTD YoY	Feb	-5.3%	—
	CH	—	Trade Balance YTD	Feb	\$80.85B	\$109.54B
	CH	—	Foreign Reserves	Feb	\$3,160.0B	\$3,184.4B
	ID	10:00	Foreign Reserves	Feb	—	\$139.40B
	KR	06:00	GDP YoY	4Q P	1.4%	1.4%
Wednesday	US	20:30	Trade Balance	Jan	-\$69.0B	-\$67.4B
<i>8 - Mar.</i>	ID	—	Consumer Confidence Index	Feb	—	123.0
	JP	06:50	BoP Current Account Balance	Jan	-¥742.9B	¥33.4B
	JP	06:50	Trade Balance BoP Basis	Jan	-¥2,918.0B	¥
	GE	14:00	Retail Sales MoM	Jan	2.5%	-5.3%
Thursday	US	20:30	Initial Jobless Claims	Mar 4	—	190K
<i>9 - Mar.</i>	US	20:30	Continuing Claims	Feb 25	—	1,655K
	CH	08:30	CPI YoY	Feb	2.0%	2.1%
	CH	08:30	PPI YoY	Feb	-1.4%	-0.8%
	CH	—	Money Supply M2 YoY	Feb	12.5%	12.6%
	JP	06:50	GDP Annualized SA QoQ	4Q F	0.8%	0.6%
Friday	US	20:30	Change in Nonfarm Payrolls	Feb	215K	517K
<i>10 - Mar.</i>	US	20:30	Unemployment Rate	Feb	3.4%	3.4%

Source: Bloomberg, NHKSI Research

Corporate Action Calendar

Date	Event	Company
Monday	RUPS	BSMT, RISE
6 - Mar.	Cum Dividend	MEGA
Tuesday	RUPS	—
7 - Mar.	Cum Dividend	—
Wednesday	RUPS	CASH
8 - Mar.	Cum Dividend	—
Thursday	RUPS	ARNA, BNBA
9 - Mar.	Cum Dividend	—
Friday	RUPS	LABA
10 - Mar.	Cum Dividend	—

Source: NHKSI Research

NH KSI Stocks Coverage

	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							3,387.3							
BBCA	8,525	8,550	9,000	Overweight	5.6	7.9	1,050.9	25.8x	4.8x	19.2	1.8	8.9	29.4	0.9
BBRI	4,790	4,940	5,500	Overweight	14.8	2.6	726.0	14.2x	2.4x	17.4	1.2	6.6	31.9	1.2
BBNI	8,775	9,225	10,700	Buy	21.9	11.1	163.6	8.9x	1.2x	14.1	1.7	8.7	67.8	1.3
BMRI	10,125	9,925	10,000	Hold	(1.2)	32.4	472.5	11.5x	2.1x	19.0	3.6	12.7	46.8	1.3
Consumer Non-Cyclicals							1,188.6							
ICBP	9,775	10,000	11,400	Buy	16.6	24.9	114.0	24.1x	3.3x	14.1	2.2	14.8	(33.3)	0.5
UNVR	4,110	4,700	4,850	Buy	18.0	16.8	156.8	29.2x	39.2x	129.0	3.7	4.2	(6.6)	0.5
MYOR	2,720	2,500	2,900	Overweight	6.6	75.5	60.8	46.8x	5.2x	11.5	0.8	11.8	11.4	0.7
HMSP	1,185	840	950	Sell	(19.8)	22.8	137.8	21.4x	5.2x	24.0	5.3	15.0	(12.5)	0.6
CPIN	5,325	5,650	6,600	Buy	23.9	(6.6)	87.3	21.1x	3.3x	16.3	2.0	15.5	19.0	0.6
AALI	8,300	8,025	11,000	Buy	32.5	(34.3)	16.0	9.3x	0.7x	8.2	5.3	(10.3)	(12.4)	1.0
Consumer Cyclicals							369.7							
ERAA	515	392	500	Hold	(2.9)	(7.2)	8.2	8.3x	1.3x	15.9	4.4	12.1	(4.4)	0.8
MAPI	1,580	1,445	1,700	Overweight	7.6	93.9	26.2	12.9x	3.6x	31.9	N/A	55.8	N/A	1.0
Healthcare							295.6							
KLBF	2,080	2,090	2,300	Overweight	10.6	26.8	97.5	28.7x	4.9x	17.8	1.7	10.9	9.5	0.5
SIDO	900	755	950	Overweight	5.6	(7.2)	27.0	24.4x	7.7x	31.7	4.0	(3.9)	(12.9)	0.5
MIKA	2,960	3,190	3,000	Hold	1.4	36.4	42.2	38.0x	8.0x	21.2	1.2	(9.8)	(16.1)	0.3
Infrastructure							869.18							
TLKM	3,940	3,750	4,940	Buy	25.4	(10.5)	390.3	17.4x	3.2x	19.7	3.8	2.7	(12.1)	0.8
JSMR	3,330	2,980	5,100	Buy	53.2	(2.1)	24.2	8.9x	1.1x	12.9	N/A	9.3	70.1	0.8
EXCL	2,070	2,140	3,800	Buy	83.6	(24.5)	27.2	20.0x	1.1x	4.9	2.5	8.9	(13.2)	0.8
TOWR	1,005	1,100	1,520	Buy	51.2	(1.5)	51.3	14.7x	3.6x	26.9	2.4	33.6	(1.9)	0.3
TBIG	2,190	2,300	3,240	Buy	47.9	(25.3)	49.6	28.4x	3.9x	15.6	1.6	7.9	8.1	0.6
WIKA	620	800	1,280	Buy	106.5	(36.1)	5.6	N/A	0.4x	(0.1)	N/A	9.8	N/A	1.1
PTPP	630	715	1,700	Buy	169.8	(31.1)	3.9	13.9x	0.4x	2.5	N/A	20.1	9.5	1.2

Source : Bloomberg, NH KSI Research

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Property & Real Estate							242.5							
CTRA	955	940	1,500	Buy	57.1	3.8	17.7	7.9x	1.0x	13.0	1.5	8.7	49.1	0.9
PWON	458	456	690	Buy	50.7	-	22.1	11.9x	1.3x	11.4	0.9	18.7	65.0	1.1
Energy							1,297.9							
PGAS	1,595	1,760	1,770	Overweight	11.0	1.9	38.7	7.6x	1.0x	12.7	7.8	17.2	8.5	1.0
PTBA	3,910	3,690	4,900	Buy	25.3	10.5	45.0	3.6x	1.7x	56.0	17.6	45.8	55.4	1.0
ADRO	2,930	3,850	3,900	Buy	33.1	(3.6)	93.7	2.4x	1.0x	49.1	13.3	102.9	174.4	1.2
Industrial							434.9							
UNTR	27,800	26,075	32,000	Buy	15.1	2.7	103.7	4.9x	1.2x	27.4	6.2	55.6	106.1	0.8
ASII	6,075	5,700	8,000	Buy	31.7	8.0	245.9	8.5x	1.3x	15.9	4.6	29.1	43.3	1.1
Basic Ind.							914.0							
SMGR	7,250	6,575	9,500	Buy	31.0	9.7	49.0	18.9x	1.2x	6.4	2.4	(0.2)	18.8	0.9
INTP	11,275	9,900	12,700	Overweight	12.6	10.5	41.5	26.1x	2.1x	7.6	4.4	9.9	(17.5)	0.8
INCO	6,800	7,100	8,200	Buy	20.6	25.9	67.6	22.0x	1.9x	8.9	N/A	23.7	21.0	1.2
ANTM	2,000	1,985	3,450	Buy	72.5	(18.4)	48.1	17.3x	2.1x	12.9	1.9	27.2	53.6	1.4

Source : Bloomberg, NH KSI Research

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