

Morning Brief

Daily | May. 16, 2023

JCI Movement



Today's Outlook:

The S&P 500 and the Dow Jones ended with gains of 0.3% and 0.14% respectively, after the release of manufacturing activity data in New York further confirmed concerns about a slowing US economy that could help bring down the inflation amid ongoing debt ceiling negotiations. The NY Empire State Manufacturing Index (May), tumbled to a reading of -31.8, against expectations of -3.75. Analysts/economists expect the economy to be weak enough to bring down inflation but not so weak that it causes a recession. This week will be filled with other economic data reports, such as Retail Sales, weekly Initial Jobless Claims, and housing sector data. Macroeconomic data that begin to show an economic slowdown has heightened expectations for when the Federal Reserve will pause its interest rate hike, although some Fed officials indicated they expect interest rates to stay high while monitoring the level of inflation consistently declining; in contrast to market expectations for a rate cut before the end of the year. Federal Reserve Chairman Jerome Powell is scheduled to speak on Friday, as investors will be monitoring his comments for clues on the future direction of interest rate policy.

A recessionary atmosphere also began to prevail in the Eurozone when they reported Industrial Production (Mar) data of -4.1% on a monthly basis, a bigger drop than the -2.5% forecast. It seems that Indonesia was the only country to report a green report card yesterday as it managed to post a Trade Balance surplus for the 36th consecutive month, at USD 3.94 billion, higher than expectations of USD 3.38 billion. Indonesia also reported 1Q23 external debt levels remained under control at USD 402.8 billion. **NHKS Research sees today JCI has a technical rebound opportunity**, as yesterday closed with a long-leg Hammer (bullish) reversal candle. Watch out for Resistance 6765-6810 as a gateway to a smoother upward trend.

Company News

PPRE : Aiming for New Contracts Up to IDR 7 T
ASII : Dominates 54% of National Car Sales
BBNI : Housing Loan Grows 8%

Domestic & Global News

Indonesia's External Debt in 1Q23 Remains Under Control and Government's External Debt Continues the Contraction in Growth
Treasury: US on Track for June 1 Default Without Debt Ceiling Hike

Sectors

	Last	Chg.	%
Consumer Non-Cyclicals	744.37	11.00	1.50%
Healthcare	1490.98	21.76	1.48%
Consumer Cyclical	852.09	5.21	0.61%
Industrial	1171.30	1.81	0.15%
Infrastructure	820.86	1.05	0.13%
Transportation & Logistic	1869.92	2.26	0.12%
Basic Material	1072.68	0.85	0.08%
Finance	1372.33	-6.18	-0.45%
Energy	1906.24	-12.55	-0.65%
Technology	4916.66	-39.63	-0.80%
Property	727.50	-7.20	-0.98%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	5.75%	5.75%	Real GDP	5.03%	5.01%
FX Reserve (USD bn)	144.20	145.20	Current Acc (USD bn)	4.54	4.02
Trd Balance (USD bn)	2.91	5.48	Govt. Spending Yoy	-4.77%	-2.88%
Exports Yoy	-11.33%	4.51%	FDI (USD bn)	5.27	5.14
Imports Yoy	-6.26%	-4.32%	Business Confidence	104.82	105.33
Inflation Yoy	4.33%	4.97%	Cons. Confidence*	126.10	123.30

JCI Index

May 15	6,711.74
Chg.	3.98 pts (+0.06%)
Volume (bn shares)	19.47
Value (IDR tn)	10.36
Up 225 Down 280 Unchanged 175	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	681.7	BMRI	328.3
TLKM	448.8	BBNI	316.0
BBCA	445.9	ADRO	296.7
MDKA	416.8	ASII	222.5
GOTO	410.8	BRIS	164.8

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	681.7	BMRI	328.3
TLKM	448.8	BBNI	316.0
BBCA	445.9	ADRO	296.7
MDKA	416.8	ASII	222.5
GOTO	410.8	BRIS	164.8

(IDR bn)			
Foreign Transaction			
	NB Val.	Top Sell	NS Val.
GOTO	91.8	BBCA	162.6
ICBP	70.7	TLKM	68.1
ASII	42.9	ADRO	59.5
BBNI	38.4	BUKA	25.4
BRIS	26.0	BBRI	18.4

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.43%	0.04%
USDIDR	14,800	0.34%
KRWIDR	11.08	0.18%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,348.60	47.98	0.14%
S&P 500	4,136.28	12.20	0.30%
FTSE 100	7,777.70	23.08	0.30%
DAX	15,917.24	3.42	0.02%
Nikkei	29,626.34	238.04	0.81%
Hang Seng	19,971.13	343.89	1.75%
Shanghai	3,310.74	38.38	1.17%
Kospi	2,479.35	3.93	0.16%
EIDO	23.78	0.22	0.93%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2,016.5	5.7	0.28%
Crude Oil (\$/bbl)	71.11	1.07	1.53%
Coal (\$/ton)	163.75	(1.15)	-0.70%
Nickel LME (\$/MT)	21,622	(595.0)	-2.68%
Tin LME (\$/MT)	24,994	158.0	0.64%
CPO (MYR/Ton)	3,616	(32.0)	-0.88%

PPRE : Aiming for New Contracts Up to IDR 7 T

PT PP Presisi Tbk (PPRE) is aiming to obtain new contracts of IDR6 trillion to IDR7 trillion throughout 2023. PPRE projects that the majority of employers will still come from the mining sector. Meanwhile, the value of the new contract was dominated by PT PP Presisi Tbk which contributed a marketing value of IDR3.66 trillion or 70% to the total value of the new contract with the rest obtained from its subsidiary, PT Lancarjaya Mandiri Abadi (PT LMA). (Kontan)

ASII : Dominates 54% of National Car Sales

PT Astra International Tbk (ASII) posted car sales of 184,722 units during the January-April 2023 period or 2.02% lower YoY. Sales during the four months of 2023 were still dominated by the Toyota + Lexus brands which reached 107,845 units. In terms of market share, Astra was observed to record market share at the level of 54% last April. As for Astra LCGC, its market share was recorded at the level of 73%. (Kontan)

BBNI : Housing Loan Grows 8%

PT Bank Negara Indonesia (Persero) Tbk (BBNI) is proactively working to reduce the national backlog by encouraging public home ownership through BNI Griya. The distribution of housing loans (KPR) experienced positive growth in the first three months of 2023, with total loans disbursed amounting to IDR 54.5 trillion or grew 8% in 1Q23 compared to the same period last year. (Kontan)

Domestic & Global News

Indonesia's External Debt in 1Q23 Remains Under Control and Government's External Debt Continues the Contraction in Growth

Indonesia's external debt at the end of 1Q23 was recorded at USD 402.8 billion. Given this progress, Indonesia's external debt in the first quarter of 2023 experienced a growth contraction of 1.9% (YoY) on an annual basis, continuing the contraction in the previous quarter of 4.1% (YoY). This contraction came from public (Government and Central Bank) and private sector external debt. The development of the external debt position was also influenced by the change factor due to the US dollar weakening against the majority of global currencies, including the Rupiah. The government's external debt position in the first quarter of 2023 was recorded at USD 194.0 billion, or contracted by 1.1% (YoY) on an annual basis, lower than the previous quarter's contraction of 6.8% (YoY). The development of external debt was influenced by the placement of portfolio investment in the domestic Government Securities (SBN) market, in line with the positive sentiment of global market that was maintained. (Bank Indonesia)

Treasury: US on Track for June 1 Default Without Debt Ceiling Hike

The U.S. Treasury Department reiterated Monday it expects to be able to pay the U.S. government's bills only through June 1 without a debt limit increase, increasing pressure on congressional Republicans and the White House to reach a deal in coming days. In her second letter to Congress in two weeks, Treasury Secretary Janet Yellen confirmed that the agency will be unlikely to meet all U.S. government payment obligations by early June, triggering the first-ever U.S. default. The debt ceiling could become binding by June 1, she said. The new date reflects further data on revenues and payments received since Yellen's told Congress on May 1 that Treasury would likely run out of cash to pay government bills in early June, and potentially as early as June 1 (Reuters)

	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							3,463.7							
BBCA	8,800	8,550	9,750	Overweight	10.8	21.0	1,084.8	24.5x	5.1x	21.8	2.3	22.1	44.6	0.9
BBRI	5,150	4,940	5,800	Overweight	12.6	19.2	780.5	14.3x	2.8x	19.8	5.6	10.3	28.8	1.1
BBNI	9,000	9,225	11,800	Buy	31.1	9.8	167.8	8.6x	1.2x	14.7	4.4	12.5	31.6	1.3
BMRI	5,000	4,963	11,550	Buy	131.0	27.0	466.7	10.7x	2.1x	21.2	5.3	16.0	25.1	1.2
Consumer Non-Cyclicals							1,190.0							
ICBP	10,875	10,000	12,000	Overweight	10.3	35.5	126.8	19.2x	3.2x	17.3	2.0	11.4	104.2	0.5
UNVR	4,400	4,700	4,850	Overweight	10.2	(6.2)	167.9	35.3x	31.4x	81.0	3.5	(2.2)	(30.2)	0.5
MYOR	2,810	2,500	2,900	Hold	3.2	63.4	62.8	26.5x	4.7x	19.1	0.7	11.4	135.7	0.7
CPIN	4,740	5,650	6,600	Buy	39.2	(2.1)	77.7	39.2x	2.9x	7.5	2.3	1.9	(79.5)	0.6
JPFA	1,110	1,295	1,300	Buy	17.1	(17.8)	13.0	22.8x	1.0x	4.5	4.5	(3.2)	N/A	0.8
AAAI	7,600	8,025	9,200	Buy	21.1	(37.2)	14.6	10.0x	0.7x	6.8	5.3	(27.7)	(53.5)	1.0
Consumer Cyclicals							370.9							
ERA	496	392	500	Hold	0.8	(0.4)	7.9	8.2x	1.1x	14.2	4.6	28.9	(21.1)	0.8
MAPI	1,665	1,445	1,700	Hold	2.1	92.5	27.6	13.8x	3.3x	27.1	N/A	32.5	(30.6)	0.9
Healthcare							286.2							
KLBF	2,110	2,090	2,300	Overweight	9.0	33.5	98.9	28.8x	4.6x	16.4	1.8	12.2	3.1	0.4
SIDO	775	755	1,000	Buy	29.0	(13.9)	23.3	20.9x	7.5x	35.8	4.7	3.0	1.8	0.6
MIKA	2,580	3,190	3,000	Buy	16.3	(4.1)	36.8	37.1x	6.3x	17.9	1.4	(6.0)	(14.5)	0.3
Infrastructure							873.13							
TLKM	3,980	3,750	4,940	Buy	24.1	(7.4)	394.3	18.7x	2.9x	16.0	3.8	2.5	5.0	0.8
JSMR	3,470	2,980	5,100	Buy	47.0	(7.5)	25.2	8.8x	1.1x	13.2	N/A	21.2	34.3	0.8
EXCL	1,965	2,140	3,800	Buy	93.4	(29.6)	25.8	18.4x	1.0x	5.1	2.6	11.9	23.1	0.8
TOWR	980	1,100	1,300	Buy	32.7	0.5	50.0	14.6x	3.2x	23.8	2.5	9.4	(11.8)	0.3
TBIG	2,010	2,300	2,390	Buy	18.9	(31.6)	45.5	29.1x	3.9x	14.5	1.8	(1.4)	(25.6)	0.6
WIKA	462	800	1,280	Buy	177.1	(49.0)	4.1	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.3
PTPP	565	715	1,700	Buy	200.9	(35.4)	3.5	12.5x	0.3x	2.5	N/A	1.9	20.0	1.2
Property & Real Estate							255.6							
CTRA	1,125	940	1,500	Buy	33.3	15.4	20.9	11.3x	1.1x	10.2	1.2	(4.6)	(4.3)	0.9
PWON	486	456	690	Buy	42.0	(5.6)	23.4	13.3x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,275.5							
PGAS	1,420	1,760	1,770	Buy	24.6	(3.4)	34.4	7.6x	0.9x	10.9	8.8	11.6	(20.0)	1.0
PTBA	3,400	3,690	4,900	Buy	44.1	(6.8)	39.2	3.4x	1.3x	41.1	20.3	21.4	(48.9)	1.0
ADRO	2,760	3,850	3,900	Buy	41.3	(12.4)	88.3	2.3x	0.9x	46.2	14.1	50.1	15.3	1.2
Industrial							432.4							
UNTR	24,800	26,075	32,000	Buy	29.0	(15.4)	92.5	4.1x	1.0x	27.2	28.2	24.7	26.6	0.9
ASII	6,225	5,700	8,000	Buy	28.5	(9.1)	252.0	8.2x	1.3x	16.3	10.3	15.5	27.2	1.1
Basic Ind.							1,003.2							
SMGR	5,900	6,575	9,500	Buy	61.0	(5.7)	39.8	14.9x	0.9x	6.1	4.2	4.5	(2.1)	0.9
INTP	10,200	9,900	12,700	Buy	24.5	0.5	37.5	17.3x	1.8x	10.0	4.9	19.3	109.0	0.9
INCO	6,700	7,100	8,200	Buy	22.4	0.8	66.6	19.5x	1.8x	9.9	N/A	54.5	45.6	1.2
ANTM	2,000	1,985	3,450	Buy	72.5	(14.2)	48.1	12.0x	1.9x	16.9	1.9	18.9	13.5	1.4

* Target Price

Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	US	19:30	Empire Manufacturing	Apr	-31.8	-3.9	10.8
<i>15– Mei.</i>	ID	11:00	Trade Balance	Apr	\$3,940M	\$3,332M	\$2,910M
	ID	11:00	Export YoY	Apr	-29.40%	-19.31%	-11.33%
	ID	11:00	Import YoY	Apr	-22.32%	-5.98%	-6.26%
Tuesday	US	19:30	Retail Sales Advance MoM	Apr		0.7%	-1.0%
<i>16– Mei.</i>	US	20:15	Industrial Production MoM	Apr		0.0%	0.4%
	CH	09:00	Industrial Production YoY	Apr		10.8%	3.9%
	CH	09:00	Retail Sales YoY	Apr		22.0%	10.6%
Wednesday	US	18:00	MBA Mortgage Applications	May 12		—	6.3%
<i>17– Mei.</i>	US	19:30	Housing Starts	Apr		1,396K	1,420K
Thursday	US	19:30	Initial Jobless Claims	May 13		—	264K
<i>18– Mei.</i>	US	21:00	Existing Home Sales	Apr		4.28M	4.44M
	US	21:00	Leading Index	Apr		-0.5%	-1.2%
Friday	GE	13:00	PPI MoM	Apr		—	13.4%
<i>19– Mei.</i>	GE	13:00	PPI YoY	Apr		—	0.0%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	DAYA, ISAT, KUAS, NTBK, PTRO, SRTG, TRGU
<i>15– Mei.</i>	Cum Dividend	EXCL, INCO, KRYA, LINK, TOWR
Tuesday	RUPS	BFIN, CSRA, INKP, TAPG, TKIM
<i>16– Mei.</i>	Cum Dividend	PLIN, POWR, SMBR, SSMS
Wednesday	RUPS	AMRT, BUKK, DLTA, INTP, MAPB, MIDI, SCNP, TPIA, TPMA, UVCR, VINS
<i>17– Mei.</i>	Cum Dividend	WTON
Thursday	RUPS	—
<i>18– Mei.</i>	Cum Dividend	—
Friday	RUPS	AISA, BAUT, BBHI, BINA, EURO, GMTD, INDX, KES, MDLN, PBID, PJAA, SMSM, STAA, SUDI, TAMU
<i>19– Mei.</i>	Cum Dividend	JSMR, MYOH, TCID

Source: Bloomberg



IHSG projection for 16 May 2023 :

BULLISH : TECHNICAL REBOUND – Candle : long-leg Hammer di FR61.8

Support : 6660-6650 / 6560-6550.

Resistance : 6760-6810 / 6950-6960 / 7000-7040.

ADVISE : Speculative Buy.

MEDC—PT Medco Energi Internasional TBK



PREDICTION 16 May 2023

Overview

Uji Support jk.pendek.

Uji Resistance MA10.

Advise

Speculative Buy.

Entry Level: 905-900

Average Up >930.

Target: 990-1000 / 1030 / 1100-1115.

Stoploss: 875.

SMGR—PT Semen Indonesia TBK



PREDICTION 16 May 2023

Overview

Uji Resistance MA10 & MA20.

Advise

Speculative Buy.

Entry Level: 5850.

Average Up >6000

Target: 6125-6175 / 6400-6475 / 6700 / 7000.

Stoploss: 5725.

INTP—PT Indocement Tunggal Prakarsa TBK



PREDICTION 16 May 2023

Overview

Uji Resistance MA10 & MA20.

Advise

Speculative Buy.

Entry Level: 10150

Average Up >10250-10500

Target: 10800-11000 / 11500 / 11700-11850.

Stoploss: 9950.

PGAS—PT Pertamina Gas Negara Tbk



PREDICTION 16 May 2023

Overview

Uji Support MA10 & MA20.

Advise

Speculative Buy.

Entry Level: 1410-1400

Average Up >1440

Target : 1460-1470 / 1500-1520 / 1565-1600.

Stoploss: 1390.

ESSA—PT Surya Esa Perkasa TBK



PREDICTION 16 May 2023

Overview

Uji Support jk.panjang.

RSI positive divergence.

Advise

Speculative Buy.

Entry Level : 610-600

Average Up >620.

Target: 700 / 775-800 / 845-865.

Stoploss: 550.

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