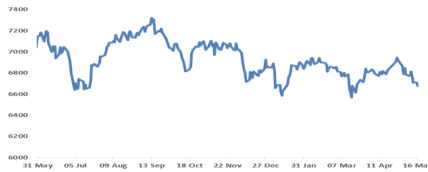


Morning Brief

Daily | May. 17, 2023

JCI Movement



Today's Outlook:

Wall Street indexes closed lower on Tuesday (16/05/23), after a disappointing forecast from Home Depot, and several economic data such as US Retail Sales (Apr.) pointed to softer consumer spending, while uncertainty about interest rates and debt limit negotiations weighed on the market sentiment. The US Commerce Department reported that retail sales (Apr.) rose only 0.4%, short of the estimate for an increase of 0.8%. On the other hand, Industrial Production (Apr.) bounced back to 0.5% on a monthly basis, a much better result than the -0.1% forecast. It is undeniable that recent data has indicated a slowing in the US economy as a result of a string of rate hikes by the Federal Reserve to fight high inflation. These soft landing signs happened along with recent negotiations over the US debt ceiling, led the market to await when the central bank will pause hiking or cut interest rates. Several comments from Fed officials stated they remain comfortable leaving the US benchmark interest rate at a high level for now. **The slowing economic atmosphere was also sensed in Europe, where the UK reported that the Claimant Count Change (Apr.) increased to 46,700**, higher than the forecast of 31,200, thus putting their Unemployment Rate at 3.9%, higher than the forecast & previous 3.8%. The German ZEW Economic Conditions & Sentiment (May) came out with mixed numbers but did not fully imply solid economic conditions; moreover, the ZEW Economic Sentiment (May) even showed a very weak reading of -9.4, much lower than the expectation of -1.0. Eurozone GDP for 1/2023 came out in line at 1.3% YoY, and they were able to post a Trade Balance (Mar.) of EUR 25.6 billion, greater than the previous period's EUR 3.7 billion.

As the largest country in Asia, China has not been able to boost its economy as expected, as shown by the Industrial Production (Apr.) data which was only able to release at 5.6% (lower than the forecast of 10.9%). Their Retail Sales (Apr.) also only managed to rise to 18.4%, not as good as the predicted 21%, but YTD growth expanded to 8.46% YoY from the beginning of the year to the end of April (from 5.76% previously). Also, the Chinese Unemployment Rate fell slightly to 5.2% (vs forecast & previous 5.3%). The Indonesian stock market was dragged down by the negative sentiment of China's disappointing macroeconomic data readings, resulting in another 0.52% / 35points drop to the level of 6676.56 and even back to the previous low level of 6658 as the closest support; followed by a foreign net sell worth IDR 595.79bn, bringing the Foreign Net Buy for the week to IDR 1.36trillion, although on a monthly basis, the foreign coffers in Indonesian stocks are still at around IDR 7.23trillion. **NH KSI RESEARCH expects market sentiment to remain gloomy and warns of further downside potential as low as 6560-6550.**

Company News

TKIM : Distributing USD 5.27 Million Dividend
INDY : Establish New Subsidiary
SSIA : Achieved IDR4.52 Billion Net Profit

Domestic & Global News

Hyundai Ensures Battery Plant Operates in 2024, Many Problems in Upstream
Gold Prices Fall Below USD 2,000, Pressured by US Dollar

Sectors

	Last	Chg.	%
Transportation & Logistic	1830.31	-39.61	-2.12%
Basic Material	1055.56	-17.12	-1.60%
Technology	4852.33	-64.33	-1.31%
Energy	1883.51	-22.73	-1.19%
Infrastructure	812.36	-8.50	-1.04%
Consumer Cyclical	844.08	-8.01	-0.94%
Property	722.02	-5.49	-0.75%
Finance	1362.14	-10.19	-0.74%
Consumer Non-Cyclical	742.69	-1.68	-0.23%
Industrial	1169.33	-1.97	-0.17%
Healthcare	1496.97	6.00	0.40%

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)	3.94	2.91	Govt. Spending Yoy	3.99%	-4.77%
Exports Yoy	-29.40%	-11.33%	FDI (USD bn)	5.27	5.14
Imports Yoy	-22.32%	-6.26%	Business Confidence	104.82	105.33
Inflation Yoy	4.33%	4.97%	Cons. Confidence*	126.10	123.30

JCI Index

May 16	6,676.56
Chg.	35.18 pts (-0.52%)
Volume (bn shares)	17.52
Value (IDR tn)	8.34
Up 184 Down 329 Unchanged 167	

Most Active Stocks

(IDR bn)				
by Value	Stocks	Val.	Stocks	Val.
	BBCA	505.9	TLKM	318.9
	BBNI	474.5	BMRI	234.4
	BBRI	446.3	ADRO	186.1
	MDKA	405.1	BUMI	153.2
	GOTO	367.2	BMTR	145.2

Foreign Transaction

(IDR bn)			
Buy			2,310
Sell			2,906
Net Buy (Sell)			(596)
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	101.5	BBCA	246.1
ICBP	50.8	BMRI	105.4
GOTO	48.1	BBNI	103.9
ISAT	16.5	TLKM	95.8
AMRT	14.6	CPIN	29.0

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.43%	-0.01%
USDIDR	14,820	0.14%
KRWIDR	11.07	-0.09%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,012.14	(336.46)	-1.01%
S&P 500	4,109.90	(26.38)	-0.64%
FTSE 100	7,751.08	(26.62)	-0.34%
DAX	15,897.93	(19.31)	-0.12%
Nikkei	29,842.99	216.65	0.73%
Hang Seng	19,978.25	7.12	0.04%
Shanghai	3,290.99	(19.75)	-0.60%
Kospi	2,480.24	0.89	0.04%
EIDO	23.51	(0.27)	-1.14%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,989.2	(27.3)	-1.35%
Crude Oil (\$/bbl)	70.86	(0.25)	-0.35%
Coal (\$/ton)	163.80	0.05	0.03%
Nickel LME (\$/MT)	21,122	(500.0)	-2.31%
Tin LME (\$/MT)	24,524	(470.0)	-1.88%
CPO (MYR/Ton)	3,457	(55.0)	-1.57%

TKIM : Distributing USD 5.27 Million Dividend

PT Tjiwi Kimia Paper Mill Tbk (TKIM) will distribute cash dividends of USD5.27 million or equivalent to IDR77.83 billion from the net profit recorded in 2022 which amounted to USD463.34 million. The cash dividend distributed is IDR 25 / share. Apart from being allocated as dividends, funds amounting to USD10 million or equivalent to IDR147.51 billion (at the middle rate of Bank Indonesia on April 28, 2023) were designated as reserves. (Kontan)

INDY : Establish New Subsidiary

PT Indika Energy Tbk (INDY) established a new subsidiary named PT Kalista Nusa Armada (KNA) which is engaged in the rental and trading of electric vehicles, as well as the operation of electricity supply installations. The company said that through PT Solusi Mobilitas Indonesia (SMI) and PT Indika Energy Infrastructure (IEI), the company officially established Kalista Nusantara Armada (KNA) on May 11, 2023. Meanwhile, SMI controls 99.99% of KNA shares, and IEI owns the remaining shares. (Kontan)

SSIA : Achieved IDR4.52 Billion Net Profit

PT Surya Semesta Internusa Tbk (SSIA) recorded revenue of IDR959.0 billion in 1Q23, an increase of around 25.1% YoY. The company explained that this increase was mainly due to revenue in the hospitality and property segments, which increased by 193.1% YoY to IDR120 billion and 51.7% YoY or IDR43.7 billion in the property sector. Meanwhile, SSIA managed to recover its net loss in 1Q22 of around IDR65.9 billion to a net profit of IDR4.52 billion in 1Q23. (Kontan)

Domestic & Global News

Hyundai Ensures Battery Plant Operates in 2024, Many Problems in Upstream

PT Hyundai Motors Indonesia (HMID) ensures that the electric car battery cell and pack factory will operate in 2024. However, up to now, from the upstream side, LG, which is the spearhead of the battery project, still has problems related to the consortium agreement. Hyundai Motors' Head of Public Relations, Uria Simanjuntak, said that Hyundai's cell and pack factories would run next year. Hyundai's battery plant investment consists of two production chains. First, together with LG Energy, Hyundai Group established a battery cell factory which has been under construction since September 2021. Meanwhile, for the battery pack factory, Hyundai Motor Group is committed to starting construction in the first half of this year. The problem is that, until now, the upstream side of the battery production chain is still problematic. The nickel mining cooperation plan between PT Aneka Tambang Tbk (ANTM) and the LG Energy Solution (LG) consortium is still constrained. (Bisnis)

Gold Prices Fall Below USD 2,000, Pressured by US Dollar

Gold prices plunged on Tuesday (16/5/2023) to below USD 2,000 as the strengthening US dollar pressured them. Gold prices retreated from the previous day's gains to below the psychological USD 2,000 level for the first time since May 1 as the greenback strengthened. Gold prices for delivery in June on the Comex division of the New York Exchange plunged USD 29.70 or 1.47% to USD 1,993 per ounce after touching a session high of USD 2,022.70 and a low of USD 1,989.10. Gold prices settled below USD 2,000 for the first time since early May and after rallying to record highs. This was due to investors rushing to the relatively safe currency of the dollar and US government bonds amid mixed US economic data showing retail sales and the housing index holding up. (Bisnis)

	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							3,452.3							
BBCA	8,700	8,550	9,750	Overweight	12.1	18.8	1,072.5	24.2x	5.1x	21.8	2.4	22.1	44.6	0.9
BBRI	5,200	4,940	5,800	Overweight	11.5	22.4	788.1	14.4x	2.8x	19.8	5.5	10.3	28.8	1.1
BBNI	8,750	9,225	11,800	Buy	34.9	6.1	163.2	8.3x	1.2x	14.7	4.5	12.5	31.6	1.3
BMRI	4,990	4,963	11,550	Buy	131.5	27.9	465.7	10.7x	2.1x	21.2	5.3	16.0	25.1	1.3
Consumer Non-Cyclicals							1,208.4							
ICBP	11,000	10,000	12,000	Overweight	9.1	34.6	128.3	19.4x	3.2x	17.3	2.0	11.4	104.2	0.5
UNVR	4,510	4,700	4,850	Overweight	7.5	(6.0)	172.1	36.2x	32.2x	81.0	3.4	(2.2)	(30.2)	0.5
MYOR	2,740	2,500	2,900	Overweight	5.8	60.2	61.3	25.8x	4.6x	19.1	0.8	11.4	135.7	0.7
CPIN	4,980	5,650	6,600	Buy	32.5	(1.4)	81.7	41.2x	3.1x	7.5	2.2	1.9	(79.5)	0.6
JPFA	1,165	1,295	1,300	Overweight	11.6	(17.7)	13.7	23.9x	1.1x	4.5	4.3	(3.2)	N/A	0.7
AALI	7,475	8,025	9,200	Buy	23.1	(38.6)	14.4	9.8x	0.7x	6.8	5.4	(27.7)	(53.5)	1.0
Consumer Cyclicals							375.0							
ERAA	486	392	500	Hold	2.9	(2.4)	7.8	8.1x	1.1x	14.2	4.7	28.9	(21.1)	0.8
MAPI	1,700	1,445	1,700	Hold	-	91.0	28.2	14.0x	3.3x	27.1	N/A	32.5	(30.6)	0.8
Healthcare							288.5							
KLBF	2,200	2,090	2,300	Hold	4.5	37.5	103.1	30.0x	4.8x	16.4	1.7	12.2	3.1	0.4
SIDO	770	755	1,000	Buy	29.9	(16.8)	23.1	20.8x	7.4x	35.8	4.7	3.0	1.8	0.6
MIKA	2,610	3,190	3,000	Overweight	14.9	(1.9)	37.2	37.6x	6.4x	17.9	1.4	(6.0)	(14.5)	0.2
Infrastructure							862.23							
TKM	3,980	3,750	4,940	Buy	24.1	(6.6)	394.3	18.7x	2.9x	16.0	3.8	2.5	5.0	0.9
JSMR	3,450	2,980	5,100	Buy	47.8	(7.5)	25.0	8.8x	1.1x	13.2	N/A	21.2	34.3	0.8
EXCL	1,915	2,140	3,800	Buy	98.4	(32.8)	25.1	17.9x	1.0x	5.1	2.2	11.9	23.1	0.8
TOWR	960	1,100	1,300	Buy	35.4	(3.5)	49.0	14.3x	3.1x	23.8	2.5	9.4	(11.8)	0.4
TBIG	2,010	2,300	2,390	Buy	18.9	(32.3)	45.5	29.1x	3.9x	14.5	1.8	(1.4)	(25.6)	0.6
MTEL	670	800	865	Buy	29.1	(8.8)	56.0	31.9x	1.6x	5.3	3.2	9.9	9.1	N/A
WIKA	442	800	1,280	Buy	189.6	(51.7)	4.0	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	545	715	1,700	Buy	211.9	(38.8)	3.4	12.0x	0.3x	2.5	N/A	1.9	20.0	1.2
Property & Real Estate							254.1							
CTRA	1,100	940	1,500	Buy	36.4	8.4	20.4	11.0x	1.1x	10.2	1.3	(4.6)	(4.3)	0.9
PWON	472	456	690	Buy	46.2	(4.5)	22.7	12.9x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,234.9							
PGAS	1,380	1,760	1,770	Buy	28.3	(7.7)	33.5	7.4x	0.8x	10.9	9.0	11.6	(20.0)	1.0
PTBA	3,370	3,690	4,900	Buy	45.4	(11.3)	38.8	3.4x	1.3x	41.1	20.4	#N/A	N/A	1.0
ADRO	2,670	3,850	3,900	Buy	46.1	(16.8)	85.4	2.2x	0.9x	46.2	14.6	50.1	15.3	1.2
Industrial							434.8							
UNTR	24,450	26,075	32,000	Buy	30.9	(19.1)	91.2	4.1x	1.0x	27.2	28.6	24.7	26.6	0.9
ASII	6,275	5,700	8,000	Buy	27.5	(11.9)	254.0	8.3x	1.3x	16.3	10.2	15.5	27.2	1.1
Basic Ind.							993.3							
SMGR	5,900	6,575	9,500	Buy	61.0	(6.1)	39.8	14.9x	0.9x	6.1	4.2	4.5	(2.1)	0.9
INTP	10,275	9,900	12,700	Buy	23.6	6.5	37.8	17.4x	1.8x	10.0	4.9	19.3	109.0	0.8
INCO	6,475	7,100	8,200	Buy	26.6	(6.2)	64.3	18.8x	1.8x	9.9	1.4	54.5	45.6	1.2
ANTM	1,970	1,985	3,450	Buy	75.1	(15.5)	47.3	11.8x	1.9x	16.9	2.0	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	0.4%	0.7%	-1.0%
<i>16– Mei.</i>	US	20:15	Industrial Production MoM	Apr	0.5%	0.0%	0.4%
	CH	09:00	Industrial Production YoY	Apr	5.6%	10.8%	3.9%
	CH	09:00	Retail Sales YoY	Apr	18.4%	21.9%	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 17 May 2023 :

BEARISH / KONSOLIDASI

Support : 6660-6650 / 6560-6550.

Resistance : 6730 / 6950-6960 / 7000-7040.

ADVISE : Hold ; Wait & See.

ELSA—PT Elnusa TBK



PREDICTION 17 May 2023

Overview

**Uji Support MA20 & MA50.
uji Resistance MA10.**

Advise

Speculative Buy.

Entry Level: 320

Average Up >322-324.

Target: 328 / 334 / 340.

Stoploss: 314.

TKIM—PT Pabrik Kertas Tjiwi Kimia TBK



PREDICTION 17 May 2023

Overview

Uji Resistance MA10.

Advise

Buy On Break.

Entry Level: 5900-5925.

Average Up >6000

Target: 6150-6225 / 6450-6550 / 6850-7000.

Stoploss: 5700.

ERAA—PT Erajaya Swasembada TBK



PREDICTION 17 May 2023

Overview

Uji Resistance MA20 & MA50, seraya mempertahankan Support MA10.

Advise

Buy On Break.

Entry Level: 495-500

Average Up >505

Target: 540-545.

Stoploss: 475.

SRTG—PT Saratoga Investama Sedaya Tbk



PREDICTION 17 May 2023

Overview

Uji Resistance MA10 & MA20.

Advise

Buy On Break.

Entry Level: 1760-1800

Average Up >1810

Target : 1980-2000.

Stoploss: 1660.

UNVR—PT Unilever Indonesia TBK



PREDICTION 17 May 2023

Overview

Advise

Speculative Buy.

Entry Level : 4510

Average Up >4530.

Target: 4690-4700 / 4770 / 4920 / 5000-5075.

Stoploss: 4360.

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