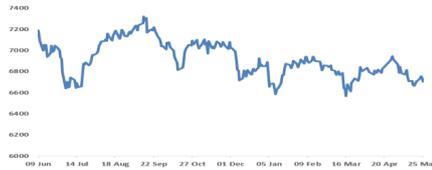


Morning Brief

Daily | May. 26, 2023

JCI Movement



Today's Outlook:

US technology stocks listed in the Nasdaq index led a 1.71% gain in Thursday's trading (25/05/23), after a blowout from Nvidia Corp's 34% gain as they reported a 50% higher-than-expected second quarter revenue and said it was ramping up supply for its AI chips; while the DJIA deflated 0.11%. The Philadelphia SE Semiconductor index soared 6.8% to its highest level in more than a year in its biggest daily percentage rise since November. Meanwhile, Inter Corp, which investors view as lagging in the AI industry, weighing on the DJIA's gains as its share price dropped 5.5%. **US President Joe Biden and Republican lawmaker Kevin McCarthy on Thursday** were edging close to a deal to raise the US debt ceiling to avoid an immediate default on June 1, with the parties just USD 70 billion apart on discretionary spending. The threat of default could result in a US credit rating downgrade from rating agencies such as Fitch. From the macroeconomic report, the US revised 1Q23 economic growth to 1.3% (from 1.1% forecast) but indeed weaker than the previous quarter's 2.6%; and reported jobless claims rose to 229k from the previous week's 225k, but still below the forecast of 250k. Both readings signaled that the US economy is still strong and dashed hopes of a slowdown in the pace of interest rate hikes next month. Market participants began to calculate a 50% probability of a further rate hike at next month's FOMC Meeting (from 28% probability previously), as reported by the Fed Rate Monitor Tool. **From Europe, Germany announced 1Q23 GDP contracted to -0.2% yoy** (recession below expectations and the previous quarter which was still in positive territory, 0.2% and 0.3% respectively). Meanwhile, today will be awaited for Retail Sales (Apr.) figures from the UK as well as some important economic data from the US such as Core Durable Goods Orders (Apr.), Core PCE Price Index (Apr.), Personal Spending, Michigan Consumer Expectations & Sentiment (May).

Bank Indonesia decided to keep BI7DRR at 5.75%, and again expressed optimism for GDP projection in the range of 4.5-5.3% underpinned by more aggressive economic growth in the second half of this year. The sentiment was again unable to bring JCI to break the critical Resistance of 6765-6780; JCI instead turned down and closed below Support MA10 again. Therefore, **NH KSI RESEARCH recommends Hold; or Wait & See** the market interest at the end of this week which could potentially continue consolidation towards Support 6660-6650 again.

Company News

- PGEO : Developing Green Energy
- BMRI : Distributing ESG-Based Financing Up to IDR232 T
- SILO : Distribute Dividends and Appoint New President Director

Domestic & Global News

Could This Be Asabri Case Volume 2? Erick Thohir Reveals a Misinvestment and Corruption in RP9.5 T of BUMN Pension Funds

Biden, McCarthy Appear Near to Deal on Us Debt Ceiling as Default Looms

Sectors

	Last	Chg.	%
Energy	1773.97	-35.61	-1.97%
Industrial	1168.20	-17.65	-1.49%
Technology	4694.89	-65.76	-1.38%
Basic Material	1008.47	-13.19	-1.29%
Healthcare	1478.30	-19.29	-1.29%
Finance	1381.07	-0.97	-0.07%
Consumer Non-Cyclicals	741.58	0.41	0.06%
Infrastructure	824.01	2.18	0.27%
Consumer Cyclicals	865.99	2.96	0.34%
Property	731.67	3.33	0.46%
Transportation & Logistic	1854.34	25.51	1.39%

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)	3.00	4.54
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 25	6,704.23
Chg.	41.57 pts (-0.62%)
Volume (bn shares)	18.54
Value (IDR tn)	9.22
Up 210 Down 290 Unchanged 179	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	1,087.4	BBNI	316.5
BBCA	564.1	ADRO	258.8
GOTO	461.0	ASII	251.2
TLKM	441.8	UNTR	188.9
BMRI	340.6	ICBP	176.2

Foreign Transaction

(IDR bn)	
Buy	4,006
Sell	3,973
Net Buy (Sell)	33

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	138.3	TLKM	109.9
BBNI	126.7	UNTR	47.3
ICBP	116.9	ADRO	29.7
GOTO	113.5	INTP	24.7
BMRI	51.5	ITMG	24.5

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.43%	0.01%
USDIDR	14,950	0.30%
KRWIDR	11.28	-0.30%

Global Indices

Index	Last	Chg.	%
Dow Jones	32,764.65	(35.27)	-0.11%
S&P 500	4,151.28	36.04	0.88%
FTSE 100	7,570.87	(56.23)	-0.74%
DAX	15,793.80	(48.33)	-0.31%
Nikkei	30,801.13	118.45	0.39%
Hang Seng	18,746.92	(369.01)	-1.93%
Shanghai	3,201.26	(3.49)	-0.11%
Kospi	2,554.69	(12.76)	-0.50%
EIDO	23.66	(0.04)	-0.17%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,941.4	(15.8)	-0.80%
Crude Oil (\$/bbl)	71.83	(2.51)	-3.38%
Coal (\$/ton)	160.00	(0.25)	-0.16%
Nickel LME (\$/MT)	21,228	496.0	2.39%
Tin LME (\$/MT)	24,607	642.0	2.68%
CPO (MYR/Ton)	3,493	86.0	2.52%

PGEO : Developing Green Energy

PT Pertamina Geothermal Energy Tbk (PGEO) is exploring business with a number of companies in Japan to explore the potential of green energy. This business step was marked by the presence of PGEO management at the Indonesia-Japan Corporations Exclusive Business Matching Event held in Tokyo, Japan, on May 22, 2023. PGEO as a leader in the geothermal sector will continue to strive to develop Indonesia's geothermal potential. (Kontan)

BMRI : Distributing ESG-Based Financing Up to IDR232 T

PT Bank Mandiri (Persero) Tbk (BMRI) recorded financing growth to ESG-based sectors up to 11% YoY to reach IDR 232 trillion as of March 2023. This ESG segment financing contributed 25% of the bank's total credit. The financing is channeled to the MSME sector, sustainable agriculture, renewable energy, and clean transportation. To date, the Company has raised USD800 million in ESG funds through Sustainability Bond instruments worth USD300 million and ESG Repo transactions worth USD500 million. (Kontan)

SILO : Distribute Dividends and Appoint New President Director

The AGM of PT Siloam International Hospitals Tbk (SILO) approved the distribution of dividends for the fiscal year 2022 amounting to IDR255 billion with a dividend payout ratio (DPR) of 36% from the company's net profit in 2022. Dividend per share was recorded at IDR19.67. The GMS also approved the appointment of Benny Haryanto Djie as President Director of Siloam International Hospitals, replacing Darjoto Setyawan. (Kontan)

Domestic & Global News

Could This Be Asabri Case Volume 2? Erick Thohir Reveals a Misinvestment and Corruption in RP9.5 T of BUMN Pension Funds

Minister of State-Owned Enterprises (BUMN) Erick Thohir stated that as many as 65% of troubled BUMN pension funds were indicated to have experienced misinvestment and corruption. Pension fund cases that previously attracted public attention were Asabri and Pelindo for being involved in corruption. Erick said there was at least IDR 9.5 trillion in pension money indicated by misplaced investment and corruption. Meanwhile, the Ministry of SOEs has set a deadline for the consolidation of management and policies to be completed this year. Erick said that for BUMN pension funds that have mismanaged investments without corruption, a restructuring transition is encouraged and can be completed in 3-5 years. He explained that the steps taken were exactly like the restructuring of Jiwasraya Insurance, which requires a restructuring transition period of up to 3 years. (Bisnis)

Biden, McCarthy Appear Near to Deal on Us Debt Ceiling as Default Looms

U.S. President Joe Biden and top congressional Republican Kevin McCarthy on Thursday appeared to be nearing a deal to cut spending and raise the government's \$31.4 trillion debt ceiling, with little time to spare to head off the risk of default. The deal would specify the total amount the government could spend on discretionary programs like housing and education, according to a person familiar with the talks, but not break that down into individual categories. The two sides are just \$70 billion apart on a total figure that would be well over \$1 trillion, according to another source. The two sides met virtually on Thursday, the White House said. Representative Garret Graves, the top Republican negotiator, told reporters on Thursday evening that conversations would continue into the night. Republican negotiators have backed off plans to increase military spending while cutting non-defense spending and instead backed a White House push to treat both budget items more equally, a source familiar with the talk told Reuters. It is unclear precisely how much time Congress has left to act. The Treasury Department was warned that it could be unable to cover all its obligations as soon as June 1, but on Thursday said it would sell \$119 billion worth of debt that will come due on that date, suggesting to some market watchers that it was not an iron-clad deadline. (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							3,545.8							
BBCA	9,050	8,550	10,050	Overweight	11.0	22.7	1,115.6	25.2x	5.3x	21.8	2.3	22.1	44.6	0.9
BBRI	5,475	4,940	6,000	Overweight	9.6	25.9	829.8	15.2x	3.0x	19.8	5.3	10.3	28.8	1.1
BBNI	9,000	9,225	11,800	Buy	31.1	0.8	167.8	8.6x	1.2x	14.7	4.4	12.5	31.6	1.3
BMRI	5,175	4,963	11,550	Buy	123.2	31.8	483.0	11.0x	2.2x	21.2	5.1	16.0	25.1	1.3
Consumer Non-Cyclicals							1,200.6							
ICBP	11,200	10,000	13,000	Buy	16.1	35.8	130.6	19.8x	3.3x	17.3	1.9	11.4	104.2	0.5
UNVR	4,410	4,700	4,850	Overweight	10.0	(7.5)	168.2	35.4x	31.5x	81.0	3.5	(2.2)	(30.2)	0.5
MYOR	2,680	2,500	2,900	Overweight	8.2	63.9	59.9	25.2x	4.5x	19.1	0.8	11.4	135.7	0.7
CPIN	5,100	5,650	6,600	Buy	29.4	4.5	83.6	42.2x	3.1x	7.5	2.1	1.9	(79.5)	0.6
JPFA	1,235	1,295	1,300	Overweight	5.3	(10.2)	14.5	25.3x	1.1x	4.5	4.0	(3.2)	N/A	0.7
AALI	7,450	8,025	9,200	Buy	23.5	(37.9)	14.3	9.8x	0.7x	6.8	5.4	(27.7)	(53.5)	1.0
Consumer Cyclicals							382.7							
ERAA	505	392	600	Buy	18.8	-	8.1	8.4x	1.1x	14.2	4.5	28.9	(21.1)	0.8
MAPI	1,830	1,445	1,700	Underweight	(7.1)	104.5	30.4	15.1x	3.6x	27.1	N/A	32.5	(30.6)	0.8
Healthcare							285.5							
KLBF	2,050	2,090	2,300	Overweight	12.2	25.8	96.1	27.9x	4.5x	16.4	1.9	12.2	3.1	0.4
SIDO	775	755	1,000	Buy	29.0	(19.3)	23.3	20.9x	7.5x	35.8	4.7	3.0	1.8	0.6
MIKA	2,650	3,190	3,000	Overweight	13.2	(13.1)	37.8	38.1x	6.5x	17.9	1.4	(6.0)	(14.5)	0.2
Infrastructure							876.91							
TKM	4,120	3,750	5,000	Buy	21.4	(1.9)	408.1	19.4x	3.0x	16.0	3.6	2.5	5.0	0.9
JSMR	3,500	2,980	5,100	Buy	45.7	(7.9)	25.4	8.9x	1.1x	13.2	2.2	21.2	34.3	0.8
EXCL	1,965	2,140	3,800	Buy	93.4	(23.5)	25.8	18.4x	1.0x	5.1	2.1	11.9	23.1	0.8
TOWR	1,020	1,100	1,300	Buy	27.5	9.1	52.0	15.2x	3.3x	23.8	2.4	9.4	(11.8)	0.4
TBIG	2,050	2,300	2,390	Buy	16.6	(26.5)	46.4	29.7x	4.0x	14.5	1.8	(1.4)	(25.6)	0.6
MTEL	655	800	865	Buy	32.1	(1.5)	54.7	31.2x	1.6x	5.3	3.3	9.9	9.1	N/A
WIKA	394	800	1,280	Buy	224.9	(57.4)	3.5	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	510	715	1,700	Buy	233.3	(43.6)	3.2	11.2x	0.3x	2.5	N/A	1.9	20.0	1.2
Property & Real Estate							254.0							
CTRA	1,100	940	1,500	Buy	36.4	12.8	20.4	11.0x	1.1x	10.2	1.3	(4.6)	(4.3)	0.9
PWON	472	456	690	Buy	46.2	(4.8)	22.7	12.9x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,204.3							
PGAS	1,355	1,760	1,770	Buy	30.6	(23.7)	32.8	7.2x	0.8x	10.9	9.2	11.6	(20.0)	1.0
PTBA	3,010	3,690	4,900	Buy	62.8	(31.4)	34.7	3.0x	1.2x	41.1	22.9	21.4	(48.9)	1.0
ADRO	2,120	3,850	3,900	Buy	84.0	(31.6)	67.8	1.7x	0.7x	46.2	23.0	50.1	15.3	1.2
Industrial							448.7							
UNTR	23,500	26,075	32,000	Buy	36.2	(22.1)	87.7	3.9x	1.0x	27.2	29.8	24.7	26.6	0.9
ASII	6,600	5,700	8,000	Buy	21.2	(7.0)	267.2	8.7x	1.3x	16.3	9.7	15.5	27.2	1.1
Basic Ind.							947.0							
SMGR	5,900	6,575	9,500	Buy	61.0	(9.3)	39.8	14.9x	0.9x	6.1	4.2	4.5	(2.1)	0.9
INTP	10,075	9,900	12,700	Buy	26.1	(1.2)	37.1	17.1x	1.7x	10.0	5.0	19.3	109.0	0.8
INCO	6,550	7,100	8,200	Buy	25.2	(13.8)	65.1	18.8x	1.8x	9.9	1.4	54.5	45.6	1.2
ANTM	1,945	1,985	3,450	Buy	77.4	(21.9)	46.7	11.6x	1.8x	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	KR	07:00	Exports 20 Days YoY	May	-16.1%	—	-11.8%
22– May.	JP	06:50	Core Machine Orders MoM	Mar	-3.9%	0.4%	-4.5%
Tuesday	US	20:45	S&P Global US Manufacturing PMI	May P	48.5	50.0	50.2
23– May.	US	21:00	New Home Sales	Apr	683K	665K	683K
	ID	10:00	BoP Current Account Balance	1Q	\$3,000Mn	\$2,500Mn	\$4,300Mn
Wednesday	US	18:00	MBA Mortgage Applications	May 19	-4.6%	—	-5.7%
24– May.	GE	15:00	IFO Business Climate	May	91.7	93.0	93.6
Thursday	US	19:30	Initial Jobless Claims	May 20	229K	245K	242K
25– May.	US	19:30	Continuing Claims	May 13	1,794K	1,800K	1,799K
	US	19:30	GDP Annualized QoQ	1Q S	1.3%	1.1%	1.1%
	ID	14:20	Bank Indonesia 7D Reverse Repo	May 24	5.75%	5.75%	5.75%
Friday	US	19:30	Personal Income	Apr		0.4%	0.3%
26– May.	US	19:30	Personal Spending	Apr		0.4%	0.0%
	US	19:30	Durable Goods Orders	Apr P		-1.0%	3.2%
	US	21:00	U. of Mich. Sentiment	Apr P		57.7	57.7

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	BPII, BRIS, BSML, CPIN, IDEA, KBLV, NAYZ, PRAY
22– May.	Cum Dividend	ADRO
Tuesday	RUPS	BISI, IKAI, ITIC, LUCY, MGRO, MIKA, MLBI, NASI, SICO, SKLT, TGRA
23– May.	Cum Dividend	BUDI, SMCB, TBLA
Wednesday	RUPS	ABDA, AMMS, ARTA, BBSI, BOBA, BSSR, DILD, ELIT, GZCO, HEXA, KBAG, KMDS, MAYA, MBAP, META, MITI, MPMX, NELY, NZIA, PAMG, PNGO, PPRE, PPRO, RALS, SKRN, TAYS
24– May.	Cum Dividend	ISAT, KUAS, NTBK, PTRO, SRTG, TRGU
Thursday	RUPS	ARTO, BJBR, BSBK, BUKA, EDGE, ELPI, GLOB, IPAC, MREI, OMED, PBSA, SDPC, SILO, SPTO, TRIO, VICI, WSKT, ZATA
25– May.	Cum Dividend	BFIN, INKP, TAPG, TKIM
Friday	RUPS	BEBS, BGTG, BVIC, CEKA, CENT, CSIS, IBST, INCF, INPS, IPPE, ISAP, JARR, LPIN, MLIA, NRCA, OILS, PTSP, SBMA, SRIL, TOTO, UNSP
26– May.	Cum Dividend	AMRT, EAST, INTP, JAYA, MIDI, TPIA, TPMA, UVCR, VINS

Source: Bloomberg



IHSG projection for 26 May 2023 :

BEARISH / KONSOLIDASI - Uji Support level previous Low ; at least perlu naik lagi ke atas Resistance MA10 .

Support : 6660-6650 / 6560-6550.
Resistance : 6715-6735 / 6765-6780 / 6950-6960 / 7000 -7040.
ADVISE : Hold ; Wait & See.

EXCL—PT XL Axiata TBK



PREDICTION 26 May 2023

Overview
 On the way menuju **TARGET Falling Wedge**.
 Uptrend ditopang oleh MA.

Advise
 Speculative Buy.
 Entry Level: 1965.
 Average UP >2000-2030
 Target: 2180-2240.
 Stoploss: 1920.

PGAS—PT Perusahaan Gas Negara TBK



PREDICTION 26 May 2023

Overview
 Uji Support lower channel (Sideways).

Advise
 Buy on Weakness.
 Entry Level: 1355-1325.
 Average Up >1380
 Target: 1400-1410 / 1445-1460 / 1480 / 1520.
 Stoploss: 1310.

PTBA—PT Bukit Asam TBK



PREDICTION 26 May 2023

Overview
 Uji Support lower channel mid-term & jk.panjang (downtrend).
 RSI Oversold.

Advise
 Speculative Buy.
 Entry Level: 3010-3000
 Average Up >3090.
 Target: 3240 / 3460 / 3610.
 Stoploss: 2970.

BRMS—PT Bumi Resources Minerals Tbk



PREDICTION 26 May 2023

Overview
 Uji Support lower channel mid-term (downtrend).
 RSI Oversold.

Advise
 Speculative Buy.
 Entry Level: 121
 Average Up >128
 Target : 131-135 / 145-147 / 152-154.
 Stoploss: 118.

ERAA—PT Erajaya Swasembada TBK



PREDICTION 26 May 2023

Overview
 Break menembus Resistance ketiga MA.

Advise
 Buy.
 Entry Level : 505
 Average Up >510.
 Target: 540-545 / 560 / 580 / 600-610.
 Stoploss: 486.

Research Division

Head of Research

Liza Camelia Suryanata

Equity Strategy, Macroeconomics,
Technical

T +62 21 5088 ext 9134

E liza.camelia@nhsec.co.id

Analyst

Cindy Alicia Ramadhania

Consumer, Healthcare

T +62 21 5088 ext 9129

E cindy.alicia@nhsec.co.id

Analyst

Leonardo Lijuwardi

Banking, Infrastructure

T +62 21 5088 ext 9127

E leonardol.lijuwardi@nhsec.co.id

Research Support

Amalia Huda Nurfalah

Editor & Translator

T +62 21 5088 ext 9132

E amalia.huda@nhsec.co.id

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PT. NH Korindo Sekuritas Indonesia

JAKARTA (HEADQUARTER)

Treasury Tower 51th Floor, District 8, SCBD Lot 28,
Jl. Jend. Sudirman No.Kav 52-53, RT.5/RW.3,
Senayan, Kebayoran Baru, South Jakarta City, Jakarta 12190
No. Telp : +62 21 5088 9102

BANDENGAN (Jakarta Utara)

Jl. Bandengan Utara Kav. 81 Blok A No. 01, Lt. 1
Kel. Penjaringan, Kec. Penjaringan
Jakarta Utara – DKI Jakarta 14440
No. Telp : +62 21 66674959

BANDUNG

Paskal Hypersquare blok A1
Jl. Pasirkaliki no 25-27 Bandung 40181
No. Telp : +62 22 860 22122

BALI

Jl. Cok Agung Tresna
Ruko Griya Alamanda no. 9 Renon
Denpasar, Bali 80226
No. Telp : +62 361 209 4230

ITC BSD (Tangerang Selatan)

BSD Serpong: ITC BSD Blok R No. 48
Jalan Pahlawan Seribu, Lekong Wetan,
Kec. Serpong, Kel. Serpong
Tangerang Selatan – Banten 15311
No. Telp : +62 21 509 20230

KAMAL MUARA (Jakarta Utara)

Rukan Exclusive Mediterania Blok F No.2,
Kel. Kamal Muara, Kec. Penjaringan,
Jakarta Utara 14470
No. Telp : +62 21 5089 7480

MAKASSAR

Jl. Gunung Latimojong No. 120A
Kec. Makassar Kel. Lariang Bangi
Makassar, Sulawesi Selatan
No. Telp : +62 411 360 4650

MEDAN

Jl. Asia No. 548 S
Medan – Sumatera Utara 20214
No. Telp : +62 61 415 6500

PEKANBARU

Sudirman City Square
Jl. Jend. Sudirman Blok A No. 7
Pekanbaru, Riau
No. Telp : +62 761 801 1330

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