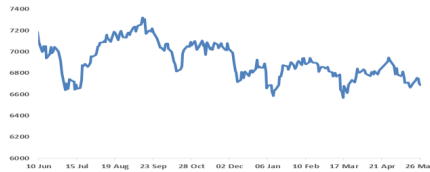


Morning Brief

Daily | May. 29, 2023

JCI Movement



Today's Outlook:

Optimism and relief are expected to be the dominant sentiments for investors on Monday, as Washington reaches a tentative agreement on the US debt ceiling, removing the risk of a default that could potentially rock the global financial world. Trading and market liquidity in Asia is expected to be lighter than usual, but with US and UK markets closed for the holidays, there is potential for great volatility. Positive sentiment came from Wall Street rallying strongly on Friday, especially Nasdaq and mega tech stocks. The latest economic data release from the US on Friday reported that Core Durable Goods Orders (Apr.) growth on a monthly basis fell to the minus 0.2% mom area, while the Core PCE Price index (Apr.) which is the Federal Reserve's favorite inflation indication rose 0.4% mom. Personal Spending (Apr.) also doubled the projection to 0.8% mom. Michigan Consumer Expectations & Sentiment (May) further moved in an expansionary direction at 55.4 & 59.2 respectively. The Dollar Index, which measures the strength of the USD against other major world currencies, was solid at 104.26, a 2-month high.

Last Friday's JCI Closing was below MA10 Support, making the 6706 the least level that must be broken immediately to keep JCI from further downtrend. The possibility of testing the 6660-6650 Support area (or even 6560-6550) is still open. **Therefore, NHKSI RESEARCH advises Indonesian investors/traders to hold off on buying more** until at least JCI secures itself above MA10 as the first crucial requirement.

Company News

- UNTR : Speeding Up Sales in 2024
- INDY : Spent IDR373 Billion on Electric Vehicles
- IPCC : Prepare Capex Up to IDR200 Billion

Domestic & Global News

- Subsidized House Prices Will Increase, Announced June 2023
- Biden Says Debt Ceiling Deal Ready to Move to Congress for Vote

Sectors

	Last	Chg.	%
Technology	4590.46	-104.43	-2.22%
Energy	1750.23	-23.74	-1.34%
Transportation & Logistic	1836.95	-17.39	-0.94%
Industrial	1163.67	-4.53	-0.39%
Finance	1376.64	-4.43	-0.32%
Property	730.08	-1.59	-0.22%
Infrastructure	823.48	-0.53	-0.06%
Healthcare	1480.26	1.96	0.13%
Consumer Cyclical	867.85	1.86	0.21%
Basic Material	1010.76	2.30	0.23%
Consumer Non-Cyclical	743.80	2.22	0.30%

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 26	6,687.00
Chg.	17.23 pts (-0.26%)
Volume (bn shares)	21.50
Value (IDR tn)	8.97
Up 186 Down 305 Unchanged 188	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	851.7	BMRI	217.3
BBCA	509.8	BBNI	196.1
GOTO	415.6	ADRO	172.8
TLKM	256.6	ASII	166.6
SAGE	249.5	BOGA	151.5

Foreign Transaction

(IDR bn)			
Buy			
Top Buy	NB Val.	Top Sell	NS Val.
BBRI	211.0	TLKM	46.6
GOTO	137.8	UNTR	36.1
BBCA	132.8	BBNI	22.6
ICBP	79.6	PGAS	21.0
ADRO	66.9	BBTN	13.6

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.43%	0.00%
USDIDR	14,955	0.03%
KRWIDR	11.29	0.16%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,093.34	328.69	1.00%
S&P 500	4,205.45	54.17	1.30%
FTSE 100	7,627.20	56.33	0.74%
DAX	15,983.97	190.17	1.20%
Nikkei	30,916.31	115.18	0.37%
Hang Seng	18,746.92	(369.01)	-1.93%
Shanghai	3,212.50	11.24	0.35%
Kospi	2,558.81	4.12	0.16%
EIDO	23.79	0.13	0.55%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,946.5	5.1	0.26%
Crude Oil (\$/bbl)	72.67	0.84	1.17%
Coal (\$/ton)	160.00	0.00	0.00%
Nickel LME (\$/MT)	21,162	(66.0)	-0.31%
Tin LME (\$/MT)	24,846	239.0	0.97%
CPO (MYR/Ton)	3,559	66.0	1.89%

UNTR : Speeding Up Sales in 2024

PT United Tractors Tbk (UNTR) has put the brakes on its gold sales target in 2023 along with the sustainability plan and expansion of the Martabe mine facility. Meanwhile, gold production and sales are targeted to increase again in 2024. The company said that Agincourt recorded total gold sales from the Martabe mine of 76,317 troy ounces as of April 2023, down 21.06% YoY. (Bisnis Indonesia)

INDY : Spent IDR373 Billion on Electric Vehicles

PT Indika Energy Tbk (INDY) said that it has spent an investment of USD25 million or equivalent to IDR373.8 billion (Jisdor exchange rate IDR14,952/USD) for the development of electric vehicles. INDY develops the electric vehicle ecosystem through three companies, namely PT Ilectra Motor Group, PT Foxconn Indika Motor, and PT Energi Makmur Buana (EMB). The company sees that the prospects for electric vehicles in Indonesia are still very good. According to the company, Indonesia has the potential for the development of electric motors. (Bisnis Indonesia)

IPCC : Prepare Capex Up to IDR200 Billion

PT Indonesia Kendaraan Terminal Tbk (IPCC) has prepared a capital expenditure (capex) of up to IDR 200 billion in 2024 for expansion. The capex increase is mainly for the purpose of building a parking lot so that the capacity of vehicle units at the terminal can increase. The company explained that it has recorded an increase in capital expenditure (capex) in recent years to encourage expansion. (Bisnis Indonesia)

Domestic & Global News

Subsidized House Prices Will Increase, Announced June 2023

The Ministry of Public Works and Public Housing (PUPR) targets the latest subsidized house price regulation to be issued in June 2023. Haryo Bakti Matoyoedo, Director General of Infrastructure Financing of Public Works and Housing of the Ministry of PUPR, said that the process of forming new rules for the selling price of subsidized houses was tough between ministries so that the government needed more time to issue the rules. For the record, the plan to adjust the price of subsidized houses to keep pace with inflation has been rolling since last year. However, the realization in the form of a Minister of Finance Regulation (PMK) followed by a Ministerial Decree (Kepmen) of PUPR has never been signed. In this case, it accommodates input from developers of subsidized houses for the calculation of VAT-free selling value. Haryo emphasized that PUPR has conducted a calculation discussion and will certainly be published next June. (Bisnis)

Biden Says Debt Ceiling Deal Ready to Move to Congress for Vote

U.S. President Joe Biden said on Sunday he had finalized a budget agreement with U.S. House Speaker Kevin McCarthy to suspend the \$31.4 trillion debt ceiling and that the deal was ready to move to Congress for a vote. "I think it's a really important step forward," Biden told reporters in brief remarks at the White House, after a call with McCarthy to finalize the agreement. "It takes the threat of catastrophic default off the table, protects our hard-earned and historic economic recovery." After weeks of negotiations, McCarthy and Biden forged a tentative agreement late on Saturday. The deal will avert an economically destabilizing default, if it passes through the narrowly divided Congress before the Treasury Department runs short of money to cover all its obligations. The Treasury warned on Friday that would occur if the debt ceiling issue was not resolved by June 5. "I strongly urge both chambers to pass that agreement," Biden said, adding that he expected McCarthy to have the necessary votes for the deal to pass. (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							3,539.8							
BBCA	9,150	8,550	10,050	Overweight	9.8	24.1	1,128.0	25.5x	5.3x	21.8	2.2	22.1	44.6	0.9
BBRI	5,600	4,940	6,000	Overweight	7.1	28.7	848.7	15.5x	3.0x	19.8	5.1	10.3	28.8	1.1
BBNI	8,950	9,225	11,800	Buy	31.8	0.3	166.9	8.5x	1.2x	14.7	4.4	12.5	31.6	1.3
BMRI	5,125	4,963	6,300	Buy	22.9	30.6	478.3	10.9x	2.2x	21.2	5.2	16.0	25.1	1.3
Consumer Non-Cyclicals							1,198.8							
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	4,380	4,700	4,850	Overweight	10.7	(8.2)	167.1	35.1x	31.3x	81.0	3.5	(2.2)	(30.2)	0.5
MYOR	2,710	2,500	2,900	Overweight	7.0	65.7	60.6	25.5x	4.5x	19.1	0.8	11.4	135.7	0.7
CPIN	5,175	5,650	6,600	Buy	27.5	6.0	84.9	42.8x	3.2x	7.5	2.1	1.9	(79.5)	0.6
JPFA	1,275	1,295	1,300	Hold	2.0	(7.3)	15.0	26.2x	1.2x	4.5	3.9	(3.2)	N/A	0.7
AALI	7,350	8,025	9,200	Buy	25.2	(38.8)	14.1	9.6x	0.6x	6.8	5.5	(27.7)	(53.5)	1.0
Consumer Cyclical							380.1							
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							283.4							
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	765	755	1,000	Buy	30.7	(20.3)	23.0	20.7x	7.4x	35.8	4.8	3.0	1.8	0.6
MIKA	2,690	3,190	3,000	Overweight	11.5	(11.8)	38.3	38.7x	6.6x	17.9	1.3	(6.0)	(14.5)	0.2
Infrastructure							873.61							
TLKM	4,130	3,750	5,000	Buy	21.1	(1.7)	409.1	19.4x	3.0x	16.0	3.6	2.5	5.0	0.9
JSMR	3,490	2,980	5,100	Buy	46.1	(8.2)	25.3	8.9x	1.1x	13.2	2.2	21.2	34.3	0.8
EXCL	1,940	2,140	3,800	Buy	95.9	(24.5)	25.5	18.2x	1.0x	5.1	2.2	11.9	23.1	0.8
TOWR	1,010	1,100	1,300	Buy	28.7	8.0	51.5	15.1x	3.3x	23.8	2.4	9.4	(11.8)	0.4
TBIG	2,120	2,300	2,390	Overweight	12.7	(24.0)	48.0	30.7x	4.1x	14.5	1.7	(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	390	800	1,280	Buy	228.2	(57.8)	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							254.5							
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	470	456	690	Buy	46.8	(5.2)	22.6	12.8x	1.3x	10.3	0.9	5.9	60.5	1.1
Energy							1,188.4							
PGAS	1,345	1,760	1,770	Buy	31.6	(24.2)	32.6	7.1x	0.8x	10.9	9.3	11.6	(20.0)	1.0
PTBA	2,940	3,690	4,900	Buy	66.7	(33.0)	33.9	2.9x	1.1x	41.1	23.4	21.4	(48.9)	1.0
ADRO	2,090	3,850	3,900	Buy	86.6	(32.6)	66.9	1.7x	0.7x	46.2	23.3	50.1	15.3	1.2
Industrial							440.8							
UNTR	23,075	26,075	32,000	Buy	38.7	(23.5)	86.1	3.9x	0.9x	27.2	30.3	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.							939.3							
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	10,050	9,900	12,700	Buy	26.4	(1.5)	37.0	17.0x	1.7x	10.0	5.0	19.3	109.0	0.8
INCO	6,575	7,100	8,200	Buy	24.7	(13.5)	65.3	18.9x	1.8x	9.9	1.4	54.5	45.6	1.2
ANTM	1,920	1,985	3,450	Buy	79.7	(22.9)	46.1	11.5x	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	JP	12:00	Leading index CI	Mar F		—	97.5
29– May	FI	13:00	Trade Balance	Mar F		—	65 Mn
Tuesday	US	21:00	Conf. Board Consumer Confidence	May		99.9	101.3
30– May	JP	06:30	Jobless Rate	Apr		2.7%	2.8%
Wednesday	US	18:00	MBA Mortgage Applications	May 26		—	-4.6%
31– May.	US	20:45	MNI Chicago PMI	May		47.5	48.6
	CH	08:30	Manufacturing PMI	May		49.6	49.2
Thursday	US	19:15	ADP Employment Change	May		160K	296K
1– June	US	19:30	Initial Jobless Claims	May 27		—	229K
	US	20:45	S&P Global US Manufacturing PMI	May F		—	48.5
	US	21:00	ISM Manufacturing	May		47.0	47.1
	CH	08:45	Caixin China PMI Mfg	May		49.5	49.5
Friday	US	19:30	Change in Nonfarm Payrolls	May		180K	253K
2– June	US	19:30	Unemployment Rate	May		3.5%	3.4%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	APEX, APLN, BBSS, CHEM, PTSN, RAJA, RCCC, SAMF, WIIM, ZYRX
29– May	Cum Dividend	BAUT, GMTD, KKES, PBID, PJAA, SMSM, STAA
Tuesday	RUPS	BEST, BKSW, GHON, GIAA, HEAL, MARK, MTDL, PGAS, PGUN, RELI, TLKM, UCID
30– May	Cum Dividend	BPII, BRIS, IDEA, NAYZ
Wednesday	RUPS	AGII, ASLC, ATIC, BALI, BCIC, BEEF, CARS, CLEO, HERO, HRTA, INAF, KAEF, MEDC, PSGO, PUDP, SMKL, SWID, TBIG, TSPC
31– May	Cum Dividend	BISI, ITIC, MIKA, SICO, SKLT
Thursday	RUPS	—
1– June	Cum Dividend	—
Friday	RUPS	—
2– June	Cum Dividend	—

Source: Bloomberg



IHSG projection for 29 May 2023 :

IHSG projection for 29 May 2023 :
BEARISH / KONSOLIDASI - Uji Support level previous Low ; atau Uji Resistance MA10 .

Support : 6660-6650 / 6560-6550.
Resistance : 6710 / 6770-6780 / 6950-6960 / 7000-7040.
ADVISE : Wait & See.

BBTN—PT Bank Tabungan Negara TBK



PREDICTION 29 May 2023

Overview
Uji Support dari level previous Low.

Advise
Speculative Buy.
Entry Level: 1225-1215.
Average UP >1260
Target: 1290-1300 / 1340 / 1430-1450.
Stoploss: 1200.

INCO—PT Vale Indonesia TBK



PREDICTION 29 May 2023

Overview
Bertahan pada support MA10.

Advise
Speculative Buy.
Entry Level: 6575.
Average Up >6625
Target: 6750 / 7000 / 7125-7225 / 7650
Stoploss: 6475.

UNVR—PT Unilever Indonesia TBK



PREDICTION 29 May 2023

Overview

Uji Support Neckline DOUBLE BOTTOM (bullish reversal).

Uji Resistance MA10 & MA20.

Advise

Speculative Buy.

Entry Level: 4380

Average Up >4440.

Target: 4530 / 4650-4700 / 4770 / 4920.

Stoploss: 4350.

INKP—PT Indah Kiat Pulp & Paper Tbk



PREDICTION 29 May 2023

Overview

Uji Support jk.pendek

Uji Resistance ketiga MA.

Advise

Speculative Buy.

Entry Level: 7275

Average Up >7400-7500

Target : 8000 / 8550-8600 / 8900-9000.

Stoploss: 6975.

EXCL—PT XL Axiata TBK



PREDICTION 29 May 2023

Overview

Uji Support MA50, Uji Resistance MA10.

Advise

Speculative Buy.

Entry Level : 1940

Average Up >1960-2000.

Target: 2200-2240.

Stoploss: 1920.

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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