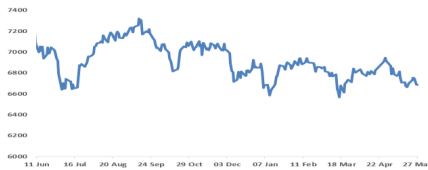


Morning Brief

Daily | May. 30, 2023

JCI Movement



Today's Outlook:

US stock markets are closed due to Memorial Day holiday, as well as the UK; causing Asian and Indonesian markets to move without guidance from regional markets today. Few clues from the US debt ceiling crisis that has touched USD 31.4trillion; it still seems to have a long way to go in order to get Parliamentary approval (especially from the Republicans). However, market participants seem quite optimistic that an agreement which relieves many parties will be reached before the US default due date on June 1. Meanwhile, there is still a debate whether the Federal Reserve will still raise interest rates for the 11th time at next month's FOMC Meeting; or start to step on the brakes of this upward trend. Fed officials will still monitor important data from the labor sector such as Nonfarm Payrolls (May) which is scheduled to be released next Friday; where it is expected that there will be an increase in employment of 180 thousand in May, lower than 253 thousand in the previous month. **This morning Japan has reported its Unemployment Rate (Apr.) which came out at 2.6%** lower than forecast and previous period. Later today we will await Consumer Confidence (May) from the US & Euro Zone; a leading indicator to predict public spending which plays an important role in overall economic activity.

Considering the lack of sentiment from the commodity sector, **NH KSI RESEARCH predicts that today Indonesian capital market investors/traders will have to rely on domestic catalysts or individual issuers.** Although the JCI Closing position yesterday was pulled from its lowest point of 6618 and managed to close above Support 6660 with a long-leg Hammer-like candle (a sign of bullish reversal), it has not completely eliminated the threat of going down towards 6560-6550 as long as JCI has not managed to climb back at least above MA10/6705. Therefore the ADVISE remains to not be rash in buying too much, as yesterday's Net Foreign Sell was recorded at IDR 424.56 billion, cutting the last 1 month of buying to only IDR 902.4 billion.

Company News

PTBA : Targeting PLTU Sumsel 8 to Operate in September 2023
PTPP : Disbursed IDR171.58 Billion Capex
MTLA : Targeting Recurring Revenue to Reach IDR516 Billion

Domestic & Global News

After Stopping Bauxite Exports, ESDM Drafts Smelter Grade Alumina DMO Policy
Republicans Speak Out Against Us Debt-Ceiling Deal, in Sign of Rocky Road Ahead

Sectors

	Last	Chg.	%
Transportation & Logistic	1808.70	-28.25	-1.54%
Consumer Cyclical	858.83	-9.02	-1.04%
Industrial	1151.94	-11.72	-1.01%
Energy	1738.61	-11.62	-0.66%
Property	727.89	-2.19	-0.30%
Finance	1373.49	-3.15	-0.23%
Basic Material	1009.04	-1.72	-0.17%
Consumer Non-Cyclicals	743.69	-0.11	-0.01%
Healthcare	1483.65	3.38	0.23%
Infrastructure	825.43	1.95	0.24%
Technology	4674.27	83.81	1.83%

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 29	6,681.10
Chg.	5.90 pts (-0.09%)
Volume (bn shares)	20.02
Value (IDR tn)	8.37
Up 177 Down 327 Unchanged 175	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBCA	723.3	ASII	183.3
BBRI	692.4	ADRO	164.8
GOTO	528.4	UNTR	129.5
TLKM	320.8	NATO	124.3
BMRI	311.5	BBNI	123.8

Foreign Transaction

(IDR bn)

Buy			2,803
Sell			3,228
Net Buy (Sell)			(425)
Top Buy	NB Val.	Top Sell	NS Val.
GOTO	84.1	BBRI	124.5
ADRO	46.2	TLKM	123.2
UNVR	35.8	BBCA	85.1
PTBA	30.2	ASII	50.9
ICBP	24.7	UNTR	24.7

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	15,952.73	(31.24)	-0.20%
Nikkei	31,233.54	317.23	1.03%
Hang Seng	18,551.11	(195.81)	-1.04%
Shanghai	3,221.45	8.94	0.28%
Kospi	2,558.81	4.12	0.16%
EIDO	23.79	0.13	0.55%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,943.2	(3.3)	-0.17%
Crude Oil (\$/bbl)	72.67	0.84	1.17%
Coal (\$/ton)	140.65	(19.35)	-12.09%
Nickel LME (\$/MT)	21,162	(66.0)	-0.31%
Tin LME (\$/MT)	24,846	239.0	0.97%
CPO (MYR/Ton)	3,546	(13.0)	-0.37%

PTBA : Targeting PLTU Sumsel 8 to Operate in September 2023

PT Bukit Asam Tbk (PTBA) is targeting the commercial operation (COD) of the Sumsel-8 steam power plant (PLTU) in September 2023. The company said that PLTU Sumsel-8 is part of the 35,000 MW Power Plant Development Program. This plant uses super critical technology that is efficient and environmentally friendly. (Bisnis Indonesia)

PTPP : Disbursed IDR171.58 Billion Capex

PT PP (Persero) Tbk (PTPP) has absorbed a capital expenditure (capex) budget of IDR171.58 billion as of 1Q23. The company said that the capex usage was dominated by subsidiaries and affiliates, especially for PT PP Presisi Tbk (PPRE), which is expanding its mining infrastructure. The capex prepared by PTPP reached IDR3.43 trillion in 2023. (Bisnis Indonesia)

MTLA : Targeting Recurring Revenue to Reach IDR516 Billion

PT Metropolitan Land Tbk (MTLA) or Metland is targeting recurring revenue to reach IDR 516 billion by 2023. Until April 2023, recurring income reached IDR160 billion from commercial products such as malls, hotels, and recreation. The company said that the occupancy ratio of the shopping center or mall segment is already above 90% on average, making the potential for additional recurring income from malls will not be much. (Bisnis Indonesia)

Domestic & Global News

After Stopping Bauxite Exports, ESDM Drafts Smelter Grade Alumina DMO Policy

The Ministry of Energy and Mineral Resources (ESDM) is pushing for a mandatory domestic market obligation (DMO) policy for processed bauxite commodities, smelter grade alumina (SGA) to support the national aluminum industry after the moratorium on exports of mineral raw materials on June 10, 2023. Irwandy Arif, Special Staff of the Minister of Energy and Mineral Resources, said the government has an interest in prioritizing the production of bauxite ore derivatives for further processing in the country. According to Irwandy, the DMO policy is currently limited to coal commodities to ensure the supply of power plants and other domestic strategic industries. The plan to formulate a bauxite ore derivative DMO policy was raised during a joint working meeting with Commission VII, Wednesday (5/24/2023). At that time, the Ministry of Energy and Mineral Resources explained the road map for metal mineral industrialization after the export moratorium became effective on June 10, 2023. Minister of Energy and Mineral Resources Arifin Tasrif said that the mandatory SGA supply policy is expected to encourage further investment in domestic aluminum processing plants. (Bisnis)

Republicans Speak Out Against Us Debt-Ceiling Deal, in Sign of Rocky Road Ahead

A handful of hard-right Republican lawmakers said on Monday they would oppose a deal to raise the United States' USD 31.4 trillion debt ceiling, in a sign that the bipartisan agreement could face a rocky path through Congress before the U.S. runs out of money next week. Although expected, the opposition illustrates the hurdles that Democratic President Joe Biden and top congressional Republican Kevin McCarthy will have to overcome to see the Republican-controlled House of Representatives and Democratic-controlled Senate pass the package. The 99-page bill would suspend the debt limit through Jan. 1, 2025, allowing lawmakers to set aside the politically risky issue until after the November 2024 presidential election. It would also cap some government spending over the next two years. (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							3,562.9							
BBCA	9,150	8,550	10,050	Overweight	9.8	20.8	1,128.0	25.5x	5.3x	21.8	2.2	22.1	44.6	0.9
BBRI	5,550	4,940	6,000	Overweight	8.1	22.2	841.2	15.4x	3.0x	19.8	5.2	10.3	28.8	1.1
BBNI	9,050	9,225	11,800	Buy	30.4	(1.6)	168.8	8.6x	1.2x	14.7	4.3	12.5	31.6	1.3
BMRI	5,150	4,963	6,300	Buy	22.3	27.2	480.7	11.0x	2.2x	21.2	5.1	16.0	25.1	1.3
Consumer Non-Cyclicals							1,201.2							
ICBP	11,175	10,000	13,000	Buy	16.3	29.6	130.3	19.7x	3.3x	17.3	1.9	11.4	104.2	0.5
UNVR	4,550	4,700	4,850	Overweight	6.6	(4.4)	173.6	36.5x	32.5x	81.0	3.4	(2.2)	(30.2)	0.5
MYOR	2,680	2,500	2,900	Overweight	8.2	59.1	59.9	25.2x	4.5x	19.1	0.8	11.4	135.7	0.7
CPIN	5,250	5,650	6,600	Buy	25.7	6.7	86.1	43.4x	3.2x	7.5	2.1	1.9	(79.5)	0.5
JPFA	1,265	1,295	1,300	Hold	2.8	(8.7)	14.8	26.0x	1.2x	4.5	4.0	(3.2)	N/A	0.7
AALI	7,350	8,025	9,200	Buy	25.2	(39.9)	14.1	9.6x	0.6x	6.8	5.5	(27.7)	(53.5)	1.0
Consumer Cyclicals							378.4							
ERAA	494	392	600	Buy	21.5	(4.1)	7.9	8.2x	1.1x	14.2	4.6	28.9	(21.1)	0.8
MAPI	1,825	1,445	1,700	Underweight	(6.8)	99.5	30.3	15.1x	3.6x	27.1	N/A	32.5	(30.6)	0.7
Healthcare							283.3							
KLBF	2,110	2,090	2,300	Overweight	9.0	31.1	98.9	28.8x	4.6x	16.4	1.8	12.2	3.1	0.4
SIDO	765	755	1,000	Buy	30.7	(20.7)	23.0	20.7x	7.4x	35.8	4.8	3.0	1.8	0.6
MIKA	2,660	3,190	3,000	Overweight	12.8	(6.3)	37.9	38.3x	6.5x	17.9	1.4	(6.0)	(14.5)	0.2
Infrastructure							875.28							
TLKM	4,200	3,750	5,000	Buy	19.0	(2.3)	416.1	19.8x	3.1x	16.0	3.6	2.5	5.0	0.8
JSMR	3,420	2,980	5,100	Buy	49.1	(11.2)	24.8	8.7x	1.1x	13.2	2.2	21.2	34.3	0.8
EXCL	1,945	2,140	3,800	Buy	95.4	(27.2)	25.5	18.2x	1.0x	5.1	2.2	11.9	23.1	0.8
TOWR	1,005	1,100	1,300	Buy	29.4	4.1	51.3	15.0x	3.3x	23.8	2.4	9.4	(11.8)	0.3
TBIG	2,130	2,300	2,390	Overweight	12.2	(22.8)	48.3	30.9x	4.1x	14.5	1.7	(1.4)	(25.6)	0.4
MTEL	660	800	865	Buy	31.1	(0.8)	55.1	31.4x	1.6x	5.3	3.2	9.9	9.1	N/A
WIKA	380	800	1,280	Buy	236.8	(59.6)	3.4	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	510	715	1,700	Buy	233.3	(44.6)	3.2	11.2x	0.3x	2.5	N/A	1.9	20.0	1.1
Property & Real Estate							253.7							
CTRA	1,095	940	1,500	Buy	37.0	9.0	20.3	11.0x	1.1x	10.2	1.3	(4.6)	(4.3)	0.9
PWON	476	456	690	Buy	45.0	(5.7)	22.9	13.0x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,158.1							
PGAS	1,410	1,760	1,770	Buy	25.5	(20.8)	34.2	7.5x	0.8x	10.9	8.8	11.6	(20.0)	1.0
PTBA	2,960	3,690	4,900	Buy	65.5	(33.0)	34.1	3.0x	1.2x	41.1	23.3	21.4	(48.9)	1.0
ADRO	2,070	3,850	3,900	Buy	88.4	(34.5)	66.2	1.7x	0.7x	46.2	23.5	50.1	15.3	1.3
Industrial							438.9							
UNTR	22,875	26,075	32,000	Buy	39.9	(24.8)	85.3	3.8x	0.9x	27.2	30.6	24.7	26.6	0.9
ASII	6,600	5,700	8,000	Buy	21.2	(8.7)	267.2	8.7x	1.3x	16.3	9.7	15.5	27.2	1.1
Basic Ind.							939.8							
SMGR	5,900	6,575	9,500	Buy	61.0	(11.7)	39.8	14.9x	0.9x	6.1	4.2	4.5	(2.1)	0.8
INTP	10,200	9,900	12,700	Buy	24.5	(1.4)	37.5	17.3x	1.8x	10.0	1.6	19.3	109.0	0.8
INCO	6,450	7,100	8,200	Buy	27.1	(17.3)	64.1	18.5x	1.7x	9.9	1.4	54.5	45.6	1.2
ANTM	1,935	1,985	3,450	Buy	78.3	(21.7)	46.5	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	JP	12:00	Leading index CI	Mar F	—	—	97.5
29– May	FI	13:00	Trade Balance	Mar F	69 Mn	—	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	BP2I, BRIS, BSML, 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 30 May 2023 :

BEARISH / KONSOLIDASI - Candle serupa long-leg Hammer; Uji Resistance MA10 .

Support : 6660-6650 / 6560-6550.

Resistance : 6705 / 6735-6765 / 6950-6960 / 7000-7040.

ADVISE : Hold ; Wait & See.

ADRO—PT Adaro Energy TBK



PREDICTION 30 May 2023

Overview

Uji Support lower channel

RSI oversold, positive divergence

Advise

Speculative Buy.

Entry Level: 2070.

Average UP >2130

Target: 2350 / 2620 / 2780

Stoploss: 1990.

PGAS—PT Pertamina Gas Negara TBK



PREDICTION 30 May 2023

Overview

Tembus resistance ketiga MA.

Berpotensi akhiri trend sideways

Advise

Buy.

Entry Level: 1410.

Target : 1445-1460 / 1490-1520 / 1580

Stoploss : 1360.

MDKA—PT Merdeka Copper Gold TBK



PREDICTION 30 May 2023

Overview

Bottoming pada Support Trendline mid-term.
RSI Oversold & showing positive divergence.
Uji Resistance MA10.

Advise

Speculative Buy.

Entry Level: 2960

Average Up >3000-3030.

Target: 3300-3350 / 3530 / 3610 / 3760.

Stoploss: 2920.

INTP—PT Indocement Tunggul Prakarsa Tbk



PREDICTION 30 May 2023

Overview

Rebound dari Support trendline mid-term.
Uji Resistance MA10 & MA20, disusul MA50.

Advise

Speculative Buy.

Entry Level: 10200

Average Up >10350-10450

Target : 10700 / 10900-11000 / 11500 / 11700-11850.

Stoploss: 9850.

BMRI—PT Bank Mandiri TBK



PREDICTION 30 May 2023

Overview

Bertahan pada Support ketiga MA.

Advise

Speculative Buy.

Entry Level : 5150-5100

Average Up >5250.

Target: 5350 / 5450 / 5550.

Stoploss: 5050.

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