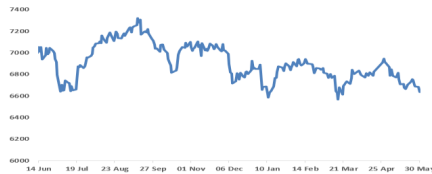


Morning Brief

Daily | May. 31, 2023

JCI Movement



Today's Outlook:

All three of Wall Street's major indexes closed mixed on Tuesday (30/05/23), pressured by worries about US lawmakers opposed to a deal to raise the USD 31.4 trillion debt ceiling. The uncertainty still remains although US President Joe Biden and Republican Kevin McCarthy met over the weekend and reached an agreement, it is still likely to be opposed by other Republican officials. In terms of interest rates, economic data showed US Consumer Confidence (May) rose above forecasts, this reinforces the prediction that the US central bank may still need to raise interest rates further to combat inflation. Traders are pricing in a 65% probability of a 25 bps Fed Fund Rate hike at the upcoming FOMC Meeting on June 13-14. Today other important economic data from other regions of the world will be awaited, such as: **Japan Industrial Production (Apr) which was released unexpectedly lower** than expected this morning, entering the negative 0.4% area; followed immediately by Chinese Composite PMI (May), German Unemployment Change (May), German CPI (May), and in the evening the US JOLTs Job Opening (Apr) labor report which is expected to add 9.775 million, up from the previous period of 9.590 million.

This week become a short trading week for Indonesia as **the JCI is faced with a two-day holiday June 1-2**, while on Friday investors will closely monitor the Nonfarm Payrolls (May) and US Unemployment Rate (May) data which will give some impact on the Fed's decision at their meeting next month. JCI which has also not been able to recover above MA10 Resistance still opens the potential for high volatility and the threat of further consolidation towards 6600-6550, although amidst the reddening of stock prices yesterday, foreign net buy was recorded at IDR 431.79 billion. **NHKS RESEARCH advises Indonesian investors/traders to maintain a Hold or Wait & See position** considering the long holiday ahead contains too many uncertainty factors.

Company News

HRUM : 1Q23 Net Profit Surges 66.1% YoY
HRTA : Got 3 Tons of Gold Export Order
MTDL : AGMS Approves Dividend Distribution of IDR178 Billion

Domestic & Global News

This Industry Will Get Tax Incentives in 2024
Top US Republican McCarthy Urges Support for Debt Ceiling Deal Ahead of Key Vote

Sectors

	Last	Chg.	%
Industrial	1135.62	-16.32	-1.42%
Consumer Non-Cyclicals	736.36	-7.33	-0.99%
Healthcare	1471.22	-12.42	-0.84%
Property	722.81	-5.08	-0.70%
Basic Material	1002.10	-6.94	-0.69%
Infrastructure	827.51	2.08	0.25%
Finance	1377.50	4.02	0.29%
Technology	4691.10	16.83	0.36%
Energy	1746.11	7.50	0.43%
Consumer Cyclicals	862.73	3.90	0.45%
Transportation & Logistic	1832.26	23.57	1.30%

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 30	6,636.42
Chg.	44.68 pts (-0.67%)
Volume (bn shares)	20.88
Value (IDR tn)	9.11
Up 219 Down 271 Unchanged 189	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BBCA	1,028.3	BMRI	311.1
GOTO	668.0	BBNI	210.5
BBRI	498.3	ASII	181.8
TLKM	402.4	UNTR	167.0
PGAS	324.7	HILL	160.7

Foreign Transaction

(IDR bn)

Buy			3,591
Sell			3,159
Net Buy (Sell)			432
Top Buy	NB Val.	Top Sell	NS Val.
BBCA	443.0	TLKM	157.5
GOTO	154.2	BBNI	59.5
BMRI	77.3	ASII	24.3
ICBP	50.3	AMRT	23.8
FILM	47.1	CPIN	21.8

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.41%	0.02%
USDIDR	14,985	0.10%
KRWIDR	11.33	0.07%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,042.78	(50.56)	-0.15%
S&P 500	4,205.52	0.07	0.00%
FTSE 100	7,522.07	(105.13)	-1.38%
DAX	15,908.91	(43.82)	-0.27%
Nikkei	31,328.16	94.62	0.30%
Hang Seng	18,595.78	44.67	0.24%
Shanghai	3,224.21	2.77	0.09%
Kospi	2,585.52	26.71	1.04%
EIDO	23.77	(0.02)	-0.08%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,959.3	16.1	0.83%
Crude Oil (\$/bbl)	69.46	(3.21)	-4.42%
Coal (\$/ton)	135.10	(5.55)	-3.95%
Nickel LME (\$/MT)	21,027	(135.0)	-0.64%
Tin LME (\$/MT)	25,561	715.0	2.88%
CPO (MYR/Ton)	3,403	(143.0)	-4.03%

HRUM : 1Q23 Net Profit Surges 66.1% YoY

PT Harum Energy Tbk (HRUM) earned a net profit of USD103.02 million in 1Q23, up 66.1% YoY. Coal exports surged 85.4% to USD254.24 million. In fact, coal sales to the domestic market soared 24.5% to USD38.16 million. Although cost of revenue and direct expenses swelled 138.1%, gross profit rose 68.7% to USD162.79 million. (Emiten News)

HRTA : Got 3 Tons of Gold Export Order

PT Hartadinata Abadi Tbk (HRTA) on May 25, 2023 has signed an MoU for the Export of Gold Jewelry with L P Commodities Private Limited (LPCPL) with an order amount of 3 tons of gold. The Cooperation Period is valid for 3 months, starting from May 25, 2023 to August 25, 2023. Meanwhile, the transaction value is estimated at USD 177.82 million. (Emiten News)

MTDL : AGMS Approves Dividend Distribution of IDR178 Billion

Shareholders of PT Metrodata Electronics Tbk (MTDL) approved a dividend distribution of IDR178.01 billion, the highest dividend in the Company's history. The decision was made at the AGMS held on Tuesday (30/5/2023) by approving the distribution of 30.67% of the net profit attributable to the Company in 2022 as dividends. Thus, each shareholder will receive IDR14.5 / share. (Emiten News)

Domestic & Global News

This Industry Will Get Tax Incentives in 2024

The government will disburse fiscal incentives in 2024, especially in the form of tax incentives. The industries to be targeted have also been determined. Head of the Fiscal Policy Agency (BKF) of the Ministry of Finance Febrio Nathan Kacaribu said, there are two main focuses of the industrial sector that will get fiscal incentives next year, including those that are aggressively implementing downstreaming. In addition to the industrial sector that is aggressively downstreaming, Febrio said, fiscal incentives will also be given to the automotive industry sector. This is because this sector can continue to be developed if its competitiveness is encouraged. Other sectors that will also receive tax incentives are sectors that employ many people and have a multiplier effect on the economy at large. In general, this tax incentive will be directed by the government to accelerate economic transformation while increasing investment attractiveness. The amount is still being discussed between the government and the Parliament in the framework of the 2024 State Budget. (CNBC Indonesia)

Top US Republican McCarthy Urges Support for Debt Ceiling Deal Ahead of Key Vote

Top congressional Republican Kevin McCarthy on Tuesday urged members of his party to support a bipartisan deal to lift the USD 31.4 trillion U.S. debt ceiling, and a key party hardliner said he would likely support the measure in a critical procedural vote. The gatekeeper House of Representatives Rules Committee is due to vote later on Tuesday on whether to advance the 99-page bill to a vote by the full Republican-controlled House of Representatives. If the House passes it, it would then proceed to the Democratic-controlled Senate. Both Democratic President Joe Biden and House Speaker McCarthy have predicted they will get enough votes to pass it into law before June 5, when the U.S. Treasury Department says it will not have enough money to cover its obligations. McCarthy called the bill the "most conservative deal we've ever had." Not all of his caucus agrees, and he faced a direct challenge on Tuesday from two of three hardline Republicans whom he added to the 13-member Rules Committee in January as a condition of winning the speaker's gavel. (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							3,558.3							
BBCA	9,250	8,550	10,050	Overweight	8.6	22.1	1,140.3	25.8x	5.4x	21.8	2.2	22.1	44.6	0.9
BBRI	5,500	4,940	6,000	Overweight	9.1	24.2	833.6	15.3x	3.0x	19.8	5.2	10.3	28.8	1.1
BBNI	9,025	9,225	11,800	Buy	30.7	(1.9)	168.3	8.6x	1.2x	14.7	4.4	12.5	31.6	1.3
BMRI	5,150	4,963	6,300	Buy	22.3	25.6	480.7	11.0x	2.2x	21.2	5.1	16.0	25.1	1.3
Consumer Non-Cyclicals							1,203.7							
ICBP	11,200	10,000	13,000	Buy	16.1	31.0	130.6	19.8x	3.3x	17.3	1.9	11.4	104.2	0.5
UNVR	4,540	4,700	4,850	Overweight	6.8	(2.4)	173.2	36.4x	32.4x	81.0	3.4	(2.2)	(30.2)	0.5
MYOR	2,650	2,500	2,900	Overweight	9.4	55.9	59.3	25.0x	4.4x	19.1	0.8	11.4	135.7	0.7
CPIN	4,960	5,650	6,600	Buy	33.1	(2.7)	81.3	41.0x	3.1x	7.5	2.2	1.9	(79.5)	0.5
JPFA	1,185	1,295	1,300	Overweight	9.7	(17.7)	13.9	24.3x	1.1x	4.5	4.2	(3.2)	N/A	0.7
AALI	7,375	8,025	9,200	Buy	24.7	(40.3)	14.2	9.7x	0.6x	6.8	5.5	(27.7)	(53.5)	1.0
Consumer Cyclicals							372.8							
ERAA	494	392	600	Buy	21.5	(5.0)	7.9	8.2x	1.1x	14.2	4.6	28.9	(21.1)	0.8
MAPI	1,805	1,445	1,700	Underweight	(5.8)	100.6	30.0	14.9x	3.5x	27.1	N/A	32.5	(30.6)	0.7
Healthcare							285.6							
KLBF	2,070	2,090	2,300	Overweight	11.1	27.0	97.0	28.2x	4.5x	16.4	1.8	12.2	3.1	0.4
SIDO	760	755	1,000	Buy	31.6	(21.2)	22.8	20.5x	7.3x	35.8	4.8	3.0	1.8	0.6
MIKA	2,700	3,190	3,000	Overweight	11.1	1.9	38.5	38.9x	6.6x	17.9	1.3	(6.0)	(14.5)	0.2
Infrastructure							884.27							
TLKM	4,120	3,750	5,000	Buy	21.4	(3.1)	408.1	19.4x	3.0x	16.0	3.6	2.5	5.0	0.8
JSMR	3,360	2,980	5,100	Buy	51.8	(16.2)	24.4	8.6x	1.1x	13.2	2.3	21.2	34.3	0.8
EXCL	1,970	2,140	3,800	Buy	92.9	(26.8)	25.9	18.5x	1.0x	5.1	2.1	11.9	23.1	0.8
TOWR	995	1,100	1,300	Buy	30.7	3.1	50.8	14.9x	3.3x	23.8	2.4	9.4	(11.8)	0.3
TBIG	2,110	2,300	2,390	Overweight	13.3	(24.1)	47.8	30.6x	4.1x	14.5	1.7	(1.4)	(25.6)	0.4
MTEL	665	800	865	Buy	30.1	(1.5)	55.5	31.7x	1.6x	5.3	3.2	9.9	9.1	N/A
WIKA	392	800	1,280	Buy	226.5	(59.4)	3.5	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	515	715	1,700	Buy	230.1	(45.2)	3.2	11.4x	0.3x	2.5	N/A	1.9	20.0	1.1
Property & Real Estate							253.4							
CTRA	1,095	940	1,500	Buy	37.0	7.9	20.3	11.0x	1.1x	10.2	1.3	(4.6)	(4.3)	0.9
PWON	476	456	690	Buy	45.0	(4.8)	22.9	13.0x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,127.5							
PGAS	1,450	1,760	1,770	Buy	22.1	(18.5)	35.2	7.7x	0.9x	10.9	8.6	11.6	(20.0)	1.0
PTBA	3,090	3,690	4,900	Buy	58.6	(30.2)	35.6	3.1x	1.2x	41.1	22.3	21.4	(48.9)	1.0
ADRO	2,110	3,850	3,900	Buy	84.8	(31.0)	67.5	1.7x	0.7x	46.2	23.1	50.1	15.3	1.3
Industrial							437.1							
UNTR	22,500	26,075	32,000	Buy	42.2	(25.6)	83.9	3.8x	0.9x	27.2	31.1	24.7	26.6	0.9
ASII	6,500	5,700	8,000	Buy	23.1	(10.3)	263.1	8.5x	1.3x	16.3	9.8	15.5	27.2	1.1
Basic Ind.							940.4							
SMGR	5,900	6,575	9,500	Buy	61.0	(17.5)	39.8	14.9x	0.9x	6.1	4.2	4.5	(2.1)	0.8
INTP	10,250	9,900	12,700	Buy	23.9	0.2	37.7	17.4x	1.8x	10.0	1.6	19.3	109.0	0.8
INCO	6,525	7,100	8,200	Buy	25.7	(18.7)	64.8	18.7x	1.8x	9.9	1.4	54.5	45.6	1.2
ANTM	1,940	1,985	3,450	Buy	77.8	(24.2)	46.6	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	102.3	99.9	101.3
30– May	JP	06:30	Jobless Rate	Apr	2.6%	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 31 May 2023 :

BEARISH / KONSOLIDASI - on the way to TARGET bottom 6600-6550 ; atau Uji Resistance MA10 jika terjadi technical rebound.

Support : 6620 / 6600-6550.

Resistance : 6700 / 6735-6765 / 6950-6960 / 7000-7040.

ADVISE : Hold ; Wait & See.

ITMG—PT Indo Tambangraya Megah TBK



PREDICTION 31 May 2023

Overview

Persis mencapai TARGET bottom dari pola PARALLEL CHANNEL.

Candle : Doji .

RSI positive divergence.

Advise

Speculative Buy.

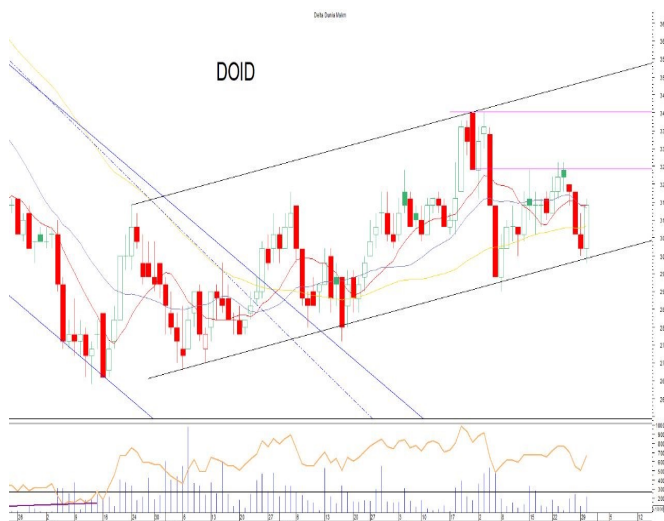
Entry Level: 23075-23000

Average Up >23375

Target : 24700-24775 / 27000 / 29900-30000

Stoploss: 22600.

DOID—PT Delta Dunia Makmur TBK



PREDICTION 31 May 2023

Overview

Rebound dari Support lower channel mid-term (Uptrend).

Uji Resistance MA10 & MA20.

Advise

Buy.

Entry Level: 314-310

Average Up >316

Target : 324 / 340 / 350-352.

Stoploss: 304.

MEDC—PT Medco Energi Internasional TBK



PREDICTION 31 May 2023

Overview

Pattern : (bullish reversal) Inverted Head & Shoulders.

Uji Resistance Neckline & MA50.

Advise

Speculative Buy.

Entry Level: 925

Average Up >955

Target : 1000-1030 / 1100-1115 / 1170.

Stoploss: 890.

MIKA—PT Mitra Keluarga Karyasehat Tbk



PREDICTION 31 May 2023

Overview

Uji Support upper channel short-term

Uji Resistance MA10 yang sudah goldencross dengan MA20.

Advise

Speculative Buy.

Entry Level: 2700

Average Up >2730

Target : 2810-2840 / 3000-3020.

Stoploss: 2620.

SRTG—PT Saratoga Investama Sedaya TBK



PREDICTION 31 May 2023

Overview

Rebound dari Support lower channel mid-term (downtrend).

Uji Resistance MA10 & MA20.

RSI positive divergence.

Advise

Speculative Buy.

Entry Level: 1570

Average Up >1650

Target : 1700 / 1850 / 1910.

Stoploss: 1490.

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