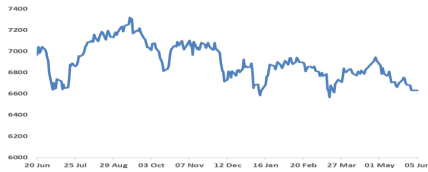


Morning Brief

Daily | June 6, 2023

JCI Movement



Today's Outlook:

All three major US stock indexes had to close in negative territory after market participants priced in the possibility of the US Federal Reserve pausing the pace of interest rate hikes at the upcoming FOMC Meeting on 13-14 June. Supporting that thinking, the US Services PMI (May) unexpectedly came in lower at 54.9, lower than the forecast of 55.1 but still relatively expansionary from the previous period; thus putting the S&P Global Composite PMI (May) in a slightly contracted position from the estimate although still safely above the 50 cut-off level. Factory Orders (Apr.) and ISM Non-Manufacturing PMI (May) were also both released below estimates, thus these signs of economic slowdown raised 80% of market participants' hopes that the Fed has enough reasons to put the brakes on the FFR upward trend, as reported by the CME Group Fedwatch Tool. On the other side, **the Chinese Composite PMI managed to expand to 55.6**, higher than the previous period's 52.9, supported by their services sector. Germany also managed to increase their Trade Balance (Apr.) surplus to EUR 18.4 billion, EUR 3.5 billion higher than the previous period. In terms of PMI (May), Germany, the UK and the Eurozone are all still struggling to stay on the path of expansion. **In terms of commodities, the nine OPEC+ countries have agreed to extend the production cut period until December 2024**, from December 2023 previously; considering the weak global demand outlook.

Domestically, Indonesia released a number of interesting economic data related to economic turnover & Inflation figures. Starting from foreign tourists arriving in Indonesia increased by 276.31% yoy in April 2023, supported by recovery in the tourism sector as the pandemic ban was lifted. Meanwhile, Indonesia reported its Inflation Rate (May) fell to a 12-month low of 4%, from 4.33% in April and was a success lower than consensus of 4.22%. Core Inflation also moved further away from BI's safe limit of 3%, landing at an 11-month low of 2.66%, sloping from forecast & previous at around 2.8%. **NHKS RESEARCH sees the JCI is looking for more solid motivation to break the first Resistance at 6660** to end this short term downtrend. The market is likely to move sideways like this until at least the Fed's interest rate decision on June 14, although there are still many trading opportunities in the Indonesian capital market.

Company News

AUTO : Absorbed IDR133 Billion CapEx as of 1Q23
 DOID : Cut Thermal Coal
 MDKA : 1Q23 Net Profit Slumps

Domestic & Global News

The Implementation of Excise on Plastic Products and Sweetened Beverages Is Likely to Be Delayed Again
 Oil Rises on Saudi Plan to Deepen Output Cuts from July

Sectors

	Last	Chg.	%
Industrial	1156.00	28.56	2.53%
Energy	1749.70	40.15	2.35%
Property	724.75	12.96	1.82%
Transportation & Logistic	1855.03	29.72	1.63%
Basic Material	997.07	13.50	1.37%
Infrastructure	830.74	7.02	0.85%
Consumer Non-Cyclicals	740.79	3.41	0.46%
Healthcare	1460.68	3.19	0.22%
Finance	1369.49	1.18	0.09%
Consumer Cyclicals	852.42	-3.43	-0.40%
Technology	4866.14	-239.75	-4.70%

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	4.00%	4.33%	Cons. Confidence*	126.10	123.30

JCI Index

June 5	6,633.44
Chg.	0.18 pts (+0.00%)
Volume (bn shares)	23.56
Value (IDR tn)	14.77
Up 305 Down 237 Unchanged 209	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBCA	1,506.9	GOTO	396.5
BBRI	1,398.7	MDKA	271.3
ASII	1,368.1	ADRO	254.0
TLKM	773.0	BBNI	240.5
BMRI	760.5	UNTR	232.2

Foreign Transaction

(IDR bn)	
Buy	8,230
Sell	7,508
Net Buy (Sell)	722

Top Buy	NB Val.	Top Sell	NS Val.
BBCA	302.0	BBRI	215.4
ASII	156.9	BMRI	191.7
GOTO	135.8	PGAS	30.8
TLKM	104.2	BTPS	20.1
BBNI	64.5	BUKA	14.3

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.39%	0.02%
USDIDR	14,890	-0.69%
KRWIDR	11.38	-0.85%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,562.86	(199.90)	-0.59%
S&P 500	4,273.79	(8.58)	-0.20%
FTSE 100	7,599.99	(7.29)	-0.10%
DAX	15,963.89	(87.34)	-0.54%
Nikkei	32,217.43	693.21	2.20%
Hang Seng	19,108.50	158.56	0.84%
Shanghai	3,232.44	2.37	0.07%
Kospi	2,615.41	14.05	0.54%
EIDO	23.75	(0.03)	-0.13%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,961.9	13.9	0.71%
Crude Oil (\$/bbl)	72.15	0.41	0.57%
Coal (\$/ton)	137.75	6.75	5.15%
Nickel LME (\$/MT)	20,898	(313.0)	-1.48%
Tin LME (\$/MT)	25,565	(86.0)	-0.34%
CPO (MYR/Ton)	3,381	102.0	3.11%

AUTO : Absorbed IDR133 Billion CapEx as of 1Q23

As of the end of March 2023, PT Astra Otoparts Tbk (AUTO) has absorbed IDR133 billion of the total capital expenditure (capex) of IDR500 billion that has been budgeted this year. The capital expenditure is used to explore business opportunities in the electric vehicle segment, one of which is by providing electric car charging infrastructure facilities through Astra Otopower. (Bisnis Indonesia)

DOID : Cut Thermal Coal

PT Delta Dunia Makmur Tbk (DOID) plans to cut the business contribution from thermal coal to 75% by the end of 2023. This is done as a form of commitment to the company's sustainability. The company will focus on finding opportunities from new commodities that have future prospects and are in line with the principles of environmental, social, and governance (ESG). (Bisnis Indonesia)

MDKA : 1Q23 Net Profit Slumps

PT Merdeka Copper Gold Tbk (MDKA) posted a net profit of USD3.13 million during 1Q23 or a decline of 95.5% YoY. The decline in net profit occurred amid an increase in revenue of 74.03% YoY to USD 214.21 million. In detail, revenue was dominated by sales of gold, silver, copper cathode, and ferronickel to the domestic market, which reached USD 127.65 million, followed by sales to the export market worth USD 86.89 million. (Kontan)

Domestic & Global News

The Implementation of Excise on Plastic Products and Sweetened Beverages Is Likely to Be Delayed Again

The implementation of excise on plastic products and sweetened beverages (MBDK), which is targeted to be implemented in 2024, is likely to be postponed again. The General Election (Pemilu) is expected to be a hindrance for the government to expand excisable goods. The plan to implement plastic excise and MBDK reappeared in the Macroeconomic Policy Framework and Fiscal Policy Principles (KEM PPKF) document, which will later become the basis of the State Budget (APBN) for Fiscal Year 2024. In the document, the government plans to implement a number of customs and excise technical policies as an effort to boost tax revenue in 2024. One of them is by collecting excise tax on plastic products and MBDK. Executive Director of Pratama Kreston Tax Research Institute Prianto Budi Saptono said that there is a possibility that the excise extensification policy will be postponed. This is due to the possibility based on rational considerations from policymakers. Moreover, 2024 is a political decade. Therefore, the government's commitment to execute the extension of excisable goods (BKC) is quite doubtful due to the strong pull of interests in the political year. (Bisnis)

Oil Rises on Saudi Plan to Deepen Output Cuts from July

Oil prices rose on Monday after the world's top exporter Saudi Arabia pledged to cut production by a further 1 million barrels per day (bpd) from July to counter macroeconomic headwinds that have depressed markets. Brent crude futures settled up 58 cents at USD 76.71 a barrel, after touching a session high of USD 78.73. U.S. West Texas Intermediate crude gained by 41 cents to USD 72.15 after hitting an intraday high of USD 75.06. Both contracts extended gains of more than 2% on Friday. The Saudi energy ministry said the kingdom's output would drop to 9 million bpd in July from about 10 million bpd in May. The voluntary cut, Saudi Arabia's biggest in years, is on top of a broader deal by the Organization of the Petroleum Exporting Countries (OPEC) and allies including Russia to limit supply into 2024 as OPEC+ seeks to boost flagging oil prices. (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							3,541.9							
BBCA	9,200	8,550	10,050	Overweight	9.2	21.1	1,134.1	25.6x	5.4x	21.8	2.2	22.1	44.6	0.9
BBRI	5,425	4,940	6,000	Overweight	10.6	20.0	822.2	15.0x	2.9x	19.8	5.3	10.3	28.8	1.1
BBNI	9,000	9,225	12,000	Buy	33.3	0.6	167.8	8.6x	1.2x	14.7	4.4	12.5	31.6	1.3
BMRI	5,075	4,963	6,300	Buy	24.1	23.8	473.7	10.8x	2.2x	21.2	5.2	16.0	25.1	1.3
Consumer Non-Cyclicals							1,195.2							
ICBP	11,550	10,000	13,000	Overweight	12.6	34.7	134.7	20.4x	3.4x	17.3	1.9	11.4	104.2	0.5
UNVR	4,500	4,700	4,850	Overweight	7.8	(4.7)	171.7	36.1x	32.1x	81.0	3.4	(2.2)	(30.2)	0.5
MYOR	2,660	2,500	2,900	Overweight	9.0	56.0	59.5	25.1x	4.5x	19.1	0.8	11.4	135.7	0.7
CPIN	4,900	5,650	6,600	Buy	34.7	(7.1)	80.4	40.5x	3.0x	7.5	2.2	1.9	(79.5)	0.5
JPFA	1,180	1,295	1,300	Overweight	10.2	(19.7)	13.8	24.2x	1.1x	4.5	4.2	(3.2)	N/A	0.7
AAJI	7,050	8,025	9,200	Buy	30.5	(40.6)	13.6	9.2x	0.6x	6.8	5.7	(27.7)	(53.5)	1.0
Consumer Cyclicals							373.1							
ERAA	486	392	600	Buy	23.5	(4.7)	7.8	8.1x	1.1x	14.2	4.7	28.9	(21.1)	0.8
MAPI	1,770	1,445	1,700	Hold	(4.0)	89.3	29.4	14.6x	3.5x	27.1	N/A	32.5	(30.6)	0.7
Healthcare							280.7							
KLBF	2,050	2,090	2,300	Overweight	12.2	28.1	96.1	27.9x	4.5x	16.4	1.9	12.2	3.1	0.4
SIDO	720	755	1,000	Buy	38.9	(26.9)	21.6	19.5x	6.9x	35.8	5.1	3.0	1.8	0.6
MIKA	2,700	3,190	3,000	Overweight	11.1	7.6	38.5	38.9x	6.6x	17.9	1.4	(6.0)	(14.5)	0.2
Infrastructure							870.86							
TLKM	4,080	3,750	5,000	Buy	22.5	(5.3)	404.2	19.2x	3.0x	16.0	3.7	2.5	5.0	0.8
JSMR	3,350	2,980	5,100	Buy	52.2	(14.5)	24.3	8.5x	1.1x	13.2	2.3	21.2	34.3	0.8
EXCL	1,985	2,140	3,800	Buy	91.4	(24.8)	26.1	18.6x	1.0x	5.1	2.1	11.9	23.1	0.8
TOWR	1,000	1,100	1,300	Buy	30.0	2.6	51.0	14.9x	3.3x	23.8	2.4	9.4	(11.8)	0.3
TBIG	2,140	2,300	2,390	Overweight	11.7	(23.3)	48.5	31.0x	4.1x	14.5	1.7	(1.4)	(25.6)	0.4
MTEL	650	800	865	Buy	33.1	(10.3)	54.3	31.0x	1.6x	5.3	3.3	9.9	9.1	N/A
WIKA	394	800	1,280	Buy	224.9	(58.7)	3.5	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	520	715	1,700	Buy	226.9	(43.5)	3.2	11.5x	0.3x	2.5	N/A	1.9	20.0	1.1
Property & Real Estate							249.2							
CTRA	1,110	940	1,500	Buy	35.1	12.7	20.6	11.1x	1.1x	10.2	1.3	(4.6)	(4.3)	0.9
PWON	480	456	690	Buy	43.8	(6.8)	23.1	13.1x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,047.3							
PGAS	1,440	1,760	1,770	Buy	22.9	(19.6)	34.9	7.7x	0.9x	10.9	8.6	11.6	(20.0)	0.9
PTBA	3,150	3,690	4,900	Buy	55.6	(32.0)	36.3	3.2x	1.2x	41.1	21.9	21.4	(48.9)	1.0
ADRO	2,100	3,850	3,900	Buy	85.7	(40.3)	67.2	1.7x	0.7x	46.2	23.2	50.1	15.3	1.3
Industrial							427.5							
UNTR	22,850	26,075	32,000	Buy	40.0	(29.9)	85.2	3.8x	0.9x	27.2	30.6	24.7	26.6	0.9
ASII	6,825	5,700	8,000	Buy	17.2	(6.5)	276.3	9.0x	1.4x	16.3	9.4	15.5	27.2	1.1
Basic Ind.							923.7							
SMGR	5,825	6,575	9,500	Buy	63.1	(17.7)	39.3	14.8x	0.9x	6.1	4.2	4.5	(2.1)	0.8
INTP	9,900	9,900	12,700	Buy	28.3	1.0	36.4	16.8x	1.7x	10.0	1.6	19.3	109.0	0.8
INCO	6,600	7,100	8,200	Buy	24.2	(14.0)	65.6	19.1x	1.8x	9.9	1.4	54.5	45.6	1.2
ANTM	1,975	1,985	3,450	Buy	74.7	(21.0)	47.5	11.8x	1.9x	16.9	2.0	18.9	13.5	1.4

* Target Price

Source: Bloomberg, NHKS Research

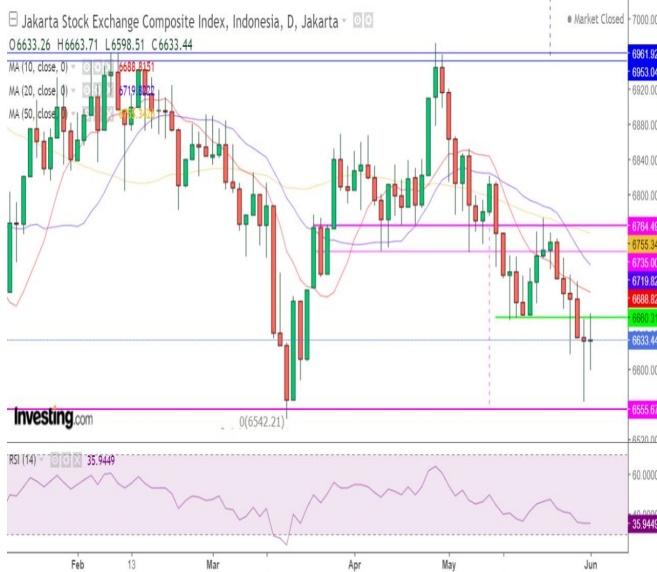
Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	US	21:00	Factory Orders	Apr	0.4%	0.8%	0.9%
<i>5 – June</i>	US	21:00	Durable Goods Orders	Apr F	1.1%	1.1%	1.1%
	ID	07:30	S&P Global Indonesia PMI Mfg	May	50.3	—	52.7
	ID	11:00	CPI Core YoY	May	2.66%	2.81%	2.83%
	ID	11:00	CPI YoY	May	4.00%	4.21%	4.33%
Tuesday	GE	13:00	Factory Orders MoM	Apr		—	-10.7%
<i>6 – June</i>	GE	13:00	Factory Orders WDA YoY	Apr		—	-11.0%
Wednesday	US	18:00	MBA Mortgage Applications	June 2		—	—
<i>7 – June</i>	US	19:30	Trade Balance	Apr		-\$75.1 Bn	-\$64.2 Bn
	CH	—	Trade Balance	May		—	\$90.21 Bn
Thursday	US	19:30	Initial Jobless Claims	June 3		—	—
<i>8 – June</i>	IR	17:00	CPI YoY	May		—	7.2%
Friday	ID	10:00	Foreign Reserves	May		—	\$144.20 Bn
<i>9 – June</i>	CH	08:30	CPI YoY	May		—	0.1%
	CH	08:30	PPI YoY	May		—	-3.6%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	ADMG, BUAH, EMDE, FWCT, GOLD, KBLM, MBSS, MDKI, PGEO, PMMP, POSA, SGER, SRSN, TRUK
<i>5 – June</i>	Cum Dividend	ARTA, BOBA, BSSR, ELIT, KMDS, MBAP, MITI, MPMX, NELY, PNGO, RALS, SKRN
Tuesday	RUPS	AGRS, AKPI, ASRI, BRAM, ELSA, GTSI, ITTG, JGLE, LAPD, MCOR, PSSI, RANC, SCCO, SCPI, SMAR, VTNY
<i>6 – June</i>	Cum Dividend	ELPI, MREI, OMED, PBSA, SDPC, SILO, SPTO, VICI
Wednesday	RUPS	AHAP, ANJT, BBMD, DEWI, HATM, HELI, IPOL, JKON, LCKM, LPLI, MOLI, PADA, PDPP, SOTS, SQBB, SSIA, TBMS, TOOL, WGSB
<i>7 – June</i>	Cum Dividend	LPIN, MLIA, NRCA, OILS, SBMA, TOTO
Thursday	RUPS	APII, CAKK, CNKO, DOID, DSNG, HRME, IMPC, INPP, JRPT, JSPT, KINO, MASB, PEHA, SPMA, TFCO, TOBA
<i>8 – June</i>	Cum Dividend	PTSN
Friday	RUPS	AKSI, APIC, BCIP, BMSR, DEPO, DYAN, FILM, FPNI, HMSP, HOMI, HRUM, INRU, LAND, MTLA, NETV, NINE, PLAN, PNSE, PURI, RISE, SEMA, SGRO, SKBM, TELE, WIRG, WSBP
<i>9 – June</i>	Cum Dividend	—

Source: Bloomberg



IHSG projection for 6 June 2023 :

BULLISH / KONSOLIDASI - limited downside potential, candle serupa long-leg Doji setelah menunaikan TARGET Bottom dari pola INVERTED HEAD & SHOULDERS.

Support : 6600 / 6560-6550.

Resistance : 6660-6690 / 6720-6735 / 6765 / 6950-6960 / 7000-7040.

ADVISE : Accumulate Buy ; or Wait & See.

BRMS—PT Bumi Resources Minerals TBK



PREDICTION 6 JUNE 2023

Overview

Rebound dari Support lower channel (downtrend). RSI positive divergence.

Advise

Buy.

Entry Level: 130.

Average UP >132

Target: 137 / 147-152

Stoploss: 122.

PGAS—PT Pertamina Gas Negara TBK



PREDICTION 6 JUNE 2023

Overview

Uji Resistance channel turun jk.menengah.

Advise

Buy on Break.

Entry Level: 1480-1500.

Target : 1570-1600.

Stoploss : 1380.

ESSA—PT Surya Esa Perkasa TBK



PREDICTION 6 JUNE 2023

Overview
 Break resistance MA10 dalam pola downtrend .
 RSI positive divergence.

Advise
 Speculative Buy.
 Entry Level: 530
 Average Up >565.
 Target: 600 / 650 / 700-750
 Stoploss: 475.

INCO—PT Vale Indonesia Tbk



PREDICTION 6 JUNE 2023

Overview
 Break MA10, Uji Resistance MA20 sekaligus Neckline pola (bullish reversal) DOUBLE BOTTOM.

Advise
 Buy ; OR Average Up on Break.
 Entry Level: 6600-6500
 Average Up >6650
 Target : 6950-7000 / 7100-7250.
 Stoploss: 6450.

PTBA—PT Bukit Asam TBK



PREDICTION 6 JUNE 2023

Overview
 Rise back on top MA10 after a month down under.
 Uji Resistance MA20.

Advise
 Buy.
 Entry Level : 3150-3090
 Average Up >3240.
 Target: 3350 / 3520 / 3610-3670.
 Stoploss: 3060.

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