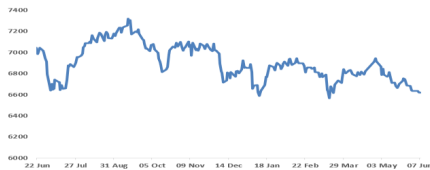


# Morning Brief

Daily | June 8, 2023

## JCI Movement



### Today's Outlook:

The US stocks closed mixed, with the Dow Jones being the only index in green amid weakness in the S&P 500 and Nasdaq as investors took profits after a megacap stocks rallied over the past month, ahead of the release of Inflation data and the US central bank meeting decision next week. Market participants now see a 69% chance that the US central bank will skip raising interest rates at the upcoming FOMC Meeting on 13-14 June, down from 77% probability, as reported by the CME Group FedWatch Tool. Energy index rose 2.65% after oil prices edged higher following OPEC+'s decision to cut production; topped with a drop in US oil reserves figures released yesterday.

JCI, which has not been able to break through the first resistance in the range of 6660-6680 in recent days, was apparently affected by the gloomy market atmosphere after China released Trade Balance data (in May) which failed to meet expectations. China's Trade Balance surplus dropped to USD65.81 billion in May, versus USD 90.21 billion in April. China's exports contracted 7.5% yoy, the first decline in 3 months and the deepest fall since January; while Imports also eroded 4.5% yoy amid weak domestic market demand, sluggish commodity prices, and a stronger USD against other major world currencies. In addition to China, the US also announced Trade Balance (Apr.) which recorded a lower-than-expected deficit at minus USD 74.6 billion, but swelled from the previous period at USD 60.6 billion. The atmosphere of economic slowdown is also still felt in continental Europe; where Germany reported April Industrial Production could not exceed expectations or performance in the previous month. Meanwhile, the UK reported housing sector health indicators were also lower than expected. On the other hand, this indicates that UK inflation may be getting more subdued and explains why the British Pound may look rather bearish going forward. Furthermore, earlier this morning, positive sentiment has emerged from the release of Japan's 1Q23 GDP data which managed to record economic growth above forecasts & the previous period. In the afternoon, global market participants will focus on the (revised) Euro Zone GDP reports for 4Q22 and 1Q23; as well as the weekly US Initial Jobless Claims figures. Considering the sentiment rolling in the market, **NHKS RESEARCH expects this consolidation will soon end its short term downtrend** as it contains limited downside potential only towards Support 6560-6550. Instead, JCI should try to break back through Resistance 6660-6670 as the first recovery step. **Advise to Average Up on Break is still the wisest to apply.**

### Company News

ADRO : Build Solar PV Factory  
TOBA : Preparing Right Issue  
INCO : Recorded 1Q23 Performance Growth

### Domestic & Global News

New Chapter in Coal Downstreaming, Government Finalizes Presidential Regulation on DME  
Oil Prices Rise as Saudi Output Cuts Outweigh Weak Demand Signals

## Sectors

	Last	Chg.	%
Consumer Cyclical	878.08	19.73	2.30%
Transportation & Logistic	1917.18	25.78	1.36%
Infrastructure	850.73	9.85	1.17%
Property	745.34	7.38	1.00%
Consumer Non-Cyclicals	743.47	5.04	0.68%
Industrial	1162.08	0.28	0.02%
Basic Material	1002.24	-0.16	-0.02%
Healthcare	1484.25	-0.82	-0.06%
Finance	1371.83	-3.33	-0.24%
Technology	4784.92	-12.09	-0.25%
Energy	1741.52	-13.88	-0.79%

## 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 7	6,619.75
Chg.	0.83 pts (+0.01%)
Volume (bn shares)	18.07
Value (IDR tn)	10.12
Up 270 Down 223 Unchanged 172	

## Most Active Stocks

(IDR bn)

### by Value

Stocks	Val.	Stocks	Val.
BBRI	634.9	TLKM	409.6
BBCA	608.9	BBNI	259.2
BMRI	582.5	ACES	217.7
ASII	473.1	MDKA	192.6
GOTO	420.4	BOGA	162.7

## Foreign Transaction

(IDR bn)

Buy			4,074
Sell			4,529
Net Buy (Sell)			(455)
Top Buy	NB Val.	Top Sell	NS Val.
ACES	86.3	BBNI	128.4
ICBP	72.5	BBRI	114.3
ISAT	46.3	BMRI	105.8
UNVR	22.4	BBCA	80.1
GOTO	14.9	BTPS	38.6

## Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.34%	-0.02%
USDIDR	14,878	0.12%
KRWIDR	11.41	-0.32%

## Global Indices

Index	Last	Chg.	%
Dow Jones	33,665.02	91.74	0.27%
S&P 500	4,267.52	(16.33)	-0.38%
FTSE 100	7,624.34	(3.76)	-0.05%
DAX	15,960.56	(31.88)	-0.20%
Nikkei	31,913.74	(593.04)	-1.82%
Hang Seng	19,252.00	152.72	0.80%
Shanghai	3,197.76	2.42	0.08%
Kospi	2,615.60	0.19	0.01%
EIDO	23.22	(0.56)	-2.35%

## Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,940.0	(23.5)	-1.20%
Crude Oil (\$/bbl)	72.53	0.79	1.10%
Coal (\$/ton)	136.00	1.55	1.15%
Nickel LME (\$/MT)	21,417	449.0	2.14%
Tin LME (\$/MT)	25,650	32.0	0.12%
CPO (MYR/Ton)	3,320	4.0	0.12%

### **ADRO : Build Solar PV Factory**

PT Adaro Energy Indonesia Tbk (ADRO) is currently working to build a solar photovoltaic (PV) supply chain manufacturer by exploring strategic partners from Singapore. The company said that currently ADRO is in discussions to ensure that solar panel and battery manufacturers will build factories in Indonesia. This cooperation is a form of ADRO's commitment to support Indonesia's downstream program which will boost export value and increase foreign exchange. (Bisnis Indonesia)

### **TOBA : Preparing Right Issue**

PT TBS Energi Utama Tbk (TOBA) plans to conduct a rights issue of as many as 1.39 billion shares, with a nominal value of IDR 50 / share. The shares offered are new shares issued from TOBA's portfolio and will have the same rights as other TOBA shares. The rights issue aims to support business development in the energy sector, especially in the new and renewable energy sector and electric vehicles. (Bisnis Indonesia)

### **INCO : Recorded 1Q23 Performance Growth**

PT Vale Indonesia Tbk (INCO) recorded performance growth in early 2023 amid the spotlight of a number of parties related to the 11% share divestment plan. INCO recorded net profit growth of 207% on a quarterly basis (QoQ) in 1Q23, along with rising nickel prices and higher production. (Bisnis Indonesia)

## Domestic & Global News

### **New Chapter in Coal Downstreaming, Government Finalizes Presidential Regulation on DME**

The government is discussing a draft presidential regulation or Perpres related to the acceleration of the coal downstream program into dimethyl ether (DME) for domestic business entities. The DME regulation is expected to help the economics of coal gasification projects as a substitute product for liquefied petroleum gas (LPG) in the future. Acting Secretary General of the Ministry of Energy and Mineral Resources, Dadan Kusdiana, said that some of the substances encouraged in the draft DME Perpres are expected to provide significant incentives for the development of downstream coal to DME projects, which have recently stagnated. However, Dadan was unwilling to provide specific details regarding the substance of the incentives that became the initiative of the draft Perpres. On the other hand, Dadan said, the input coal price and commercial DME price will be guided by a certain DME benchmark price formula and a certain DME retail selling price (HJE) at the DME distribution point set by the Minister of Energy and Mineral Resources. (Bisnis)

### **Oil Prices Rise as Saudi Output Cuts Outweigh Weak Demand Signals**

Oil prices climbed about 1% on Wednesday as Saudi Arabia's plans for deep output cuts more than offset demand woes stemming from rising U.S. fuel stocks and weak Chinese export data. Brent crude futures settled 66 cents, or 0.9%, higher at USD 76.95 a barrel, while U.S. West Texas Intermediate crude futures gained 79 cents, or 1.1%, to USD 72.53. Both benchmarks jumped more than USD 1 on Monday after Saudi Arabia's decision over the weekend to reduce output by 1 million barrels per day (bpd) to 9 million bpd in July. U.S. crude stocks fell by about 450,000, according to data from the Energy Information Administration, compared with estimates for a 1 million build. The unexpected build in fuel inventories raised concerns over consumption by the world's top oil user, especially as travel demand grew during the Memorial Day weekend. Prices fell earlier in the session on weak Chinese economic data. (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
<b>Finance</b>							3,549.6							
BBCA	9,100	8,550	10,050	Overweight	10.4	23.4	1,121.8	25.3x	5.3x	21.8	2.3	22.1	44.6	0.9
BBRI	5,400	4,940	6,000	Overweight	11.1	22.7	818.4	15.0x	2.9x	19.8	5.3	10.3	28.8	1.1
BBNI	9,150	9,225	12,000	Buy	31.1	2.8	170.6	8.7x	1.2x	14.7	4.3	12.5	31.6	1.3
BMRI	5,025	4,963	6,300	Buy	25.4	21.1	469.0	10.7x	2.2x	21.2	5.3	16.0	25.1	1.3
<b>Consumer Non-Cyclicals</b>							1,196.2							
ICBP	11,300	10,000	13,000	Buy	15.0	31.8	131.8	20.0x	3.3x	17.3	1.9	11.4	104.2	0.5
UNVR	4,570	4,700	4,850	Overweight	6.1	(3.4)	174.3	36.7x	32.6x	81.0	3.3	(2.2)	(30.2)	0.5
MYOR	2,670	2,500	2,900	Overweight	8.6	58.0	59.7	25.1x	4.5x	19.1	0.8	11.4	135.7	0.7
CPIN	4,980	5,650	6,600	Buy	32.5	(4.2)	81.7	41.2x	3.1x	7.5	2.2	1.9	(79.5)	0.5
JPFA	1,210	1,295	1,300	Overweight	7.4	(19.3)	14.2	24.8x	1.1x	4.5	4.1	(3.2)	N/A	0.7
AALI	7,050	8,025	9,200	Buy	30.5	(41.5)	13.6	9.2x	0.6x	6.8	5.7	(27.7)	(53.5)	1.0
<b>Consumer Cyclicals</b>							373.1							
ERAA	496	392	600	Buy	21.0	(2.7)	7.9	8.2x	1.1x	14.2	4.6	28.9	(21.1)	0.8
MAPI	1,880	1,445	2,000	Overweight	6.4	97.9	31.2	15.5x	3.7x	27.1	N/A	32.5	(30.6)	0.7
<b>Healthcare</b>							285.0							
KLBF	2,050	2,090	2,300	Overweight	12.2	28.5	96.1	27.9x	4.5x	16.4	1.9	12.2	3.1	0.4
SIDO	735	755	1,000	Buy	36.1	(25.4)	22.1	19.9x	7.1x	35.8	5.0	3.0	1.8	0.6
MIKA	2,700	3,190	3,000	Overweight	11.1	4.7	38.5	38.9x	6.6x	17.9	1.4	(6.0)	(14.5)	0.2
<b>Infrastructure</b>							881.68							
TLKM	4,150	3,750	5,000	Buy	20.5	(2.4)	411.1	19.5x	3.0x	16.0	3.6	2.5	5.0	0.8
JSMR	3,510	2,980	5,100	Buy	45.3	(9.3)	25.5	8.9x	1.1x	13.2	2.2	21.2	34.3	0.8
EXCL	2,050	2,140	3,800	Buy	85.4	(20.8)	26.9	19.2x	1.0x	5.1	2.0	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	2,230	2,300	2,390	Overweight	7.2	(20.4)	50.5	32.3x	4.3x	14.5	1.6	(1.4)	(25.6)	0.4
MTEL	630	800	865	Buy	37.3	(14.3)	52.6	30.0x	1.5x	5.3	3.4	9.9	9.1	N/A
WIKA	480	800	1,280	Buy	166.7	(48.4)	4.3	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	570	715	1,700	Buy	198.2	(37.7)	3.5	12.6x	0.3x	2.5	N/A	1.9	20.0	1.1
<b>Property &amp; Real Estate</b>							255.2							
CTRA	1,170	940	1,500	Buy	28.2	18.8	21.7	11.7x	1.1x	10.2	1.2	(4.6)	(4.3)	0.9
PWON	510	456	690	Buy	35.3	-	24.6	13.9x	1.4x	10.3	0.8	5.9	60.5	1.1
<b>Energy</b>							1,010.4							
PGAS	1,425	1,760	1,770	Buy	24.2	(19.7)	34.5	7.6x	0.9x	10.9	8.7	11.6	(20.0)	0.9
PTBA	3,190	3,690	4,900	Buy	53.6	(21.6)	36.8	3.2x	1.2x	41.1	21.6	21.4	(48.9)	1.0
ADRO	2,170	3,850	3,900	Buy	79.7	(40.5)	69.4	1.8x	0.7x	46.2	22.5	50.1	15.3	1.3
<b>Industrial</b>							446.7							
UNTR	22,850	26,075	32,000	Buy	40.0	(30.4)	85.2	3.8x	0.9x	27.2	30.6	24.7	26.6	0.9
ASII	6,800	5,700	8,000	Buy	17.6	(5.6)	275.3	8.9x	1.4x	16.3	9.4	15.5	27.2	1.1
<b>Basic Ind.</b>							932.8							
SMGR	5,850	6,575	9,500	Buy	62.4	(18.0)	39.5	14.8x	0.9x	6.1	4.2	4.5	(2.1)	0.8
INTP	9,700	9,900	12,700	Buy	30.9	1.6	35.7	16.4x	1.7x	10.0	1.6	19.3	109.8	0.8
INCO	6,600	7,100	8,200	Buy	24.2	(13.7)	65.6	19.1x	1.8x	9.9	1.4	54.5	45.6	1.2
ANTM	2,020	1,985	3,450	Buy	70.8	(16.5)	48.5	12.1x	1.9x	16.9	1.9	18.9	13.5	1.4

\* Target Price

Source: Bloomberg, NHKS Research

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
<b>Monday</b>	US	21:00	Factory Orders	Apr	0.4%	0.8%	0.9%
5 – June	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%
<b>Tuesday</b>	GE	13:00	Factory Orders MoM	Apr	-0.4%	2.8%	-10.7%
6 – June	GE	13:00	Factory Orders WDA YoY	Apr	-9.9%	-8.4%	-11.0%
<b>Wednesday</b>	US	18:00	MBA Mortgage Applications	June 2	-1.4%	—	-3.7%
7 – June	US	19:30	Trade Balance	Apr	-\$74.6 Bn	-\$75.8 Bn	-\$64.2 Bn
	CH	—	Trade Balance	May	\$65.81 Bn	\$95.45 Bn	\$90.21 Bn
<b>Thursday</b>	US	19:30	Initial Jobless Claims	June 3	—	—	—
8 – June	IR	17:00	CPI YoY	May	—	—	7.2%
<b>Friday</b>	ID	10:00	Foreign Reserves	May	—	—	\$144.20 Bn
9 – June	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
<b>Monday</b>	RUPS	ADMG, BUAH, EMDE, FWCT, GOLD, KBLM, MBSS, MDKI, PGEO, PMMP, POSA, SGER, SRSN, TRUK
5 – June	Cum Dividend	ARTA, BOBA, BSSR, ELIT, KMDS, MBAP, MITI, MPMX, NELY, PNGO, RALS, SKRN
<b>Tuesday</b>	RUPS	AGRS, AKPI, ASRI, BRAM, ELSA, GTSI, ITTG, JGLE, LAPD, MCOR, PSSI, RANC, SCCO, SCPI, SMAR, VTNY
6 – June	Cum Dividend	ELPI, MREI, OMED, PBSA, SDPC, SILO, SPTO, VICI
<b>Wednesday</b>	RUPS	AHAP, ANJT, BBMD, DEWI, HATM, HELI, IPOL, JKON, LCKM, LPLI, MOLI, PADA, PDPP, SOTS, SQBB, SSIA, TBMS, TOOL, WGSB
7 – June	Cum Dividend	LPIN, MLIA, NRCA, OILS, SBMA, TOTO
<b>Thursday</b>	RUPS	APII, CAKK, CNKO, DOID, DSNG, HRME, IMPC, INPP, JRPT, JSPT, KINO, MASB, PEHA, SPMA, TFCO, TOBA, UNSP
8 – June	Cum Dividend	PTSN, RAJA, SAMF, WIIM, ZYRX
<b>Friday</b>	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
9 – June	Cum Dividend	—

Source: Bloomberg



IHSG projection for 8 June 2023 :

**BULLISH / KONSOLIDASI** - limited downside potential,  
Doji di area Support.

Support : 6600 / 6560-6550.

Resistance : 6660-6670 / 6700-6735 / 6750-6765 / 6950  
-6960 / 7000-7040.

ADVISE : Accumulate Buy ; or Wait & See.

### ERAA—PT Erajaya Swasembada TBK



PREDICTION 8 JUNE 2023

Overview

Uji Resistance MA50 & Trendline jk.pendek

Advise

Speculative Buy.

Entry Level: 496.

Average UP >500-505

Target: 520 / 540 / 560 / 580

Stoploss: 472.

### UNVR—PT Unilever Indonesia TBK



PREDICTION 8 JUNE 2023

Overview

Rebound dari Support MA10 & MA20.

On the way menuju TARGET dari pola DOUBLE BOT-  
TOM.

Advise

Buy

Entry Level: 4570.

Average UP >4600

Target : 4650-4690 / 4770 / 4920 / 5000-5075.

Stoploss : 4430.



## INDY—PT Indika Energy TBK



PREDICTION 8 JUNE 2023

## Overview

Uji Support MA10.

## Advise

Buy on Weakness.

Entry Level: 1865

Average UP &gt;1885

Target: 1930-1960 / 2000 / 2120 / 2250.

Stoploss: 1810.

## ADRO—PT Adaro Energy Tbk



PREDICTION 8 JUNE 2023

## Overview

Uji Support MA10.

## Advise

Buy on Weakness.

Entry Level: 2170

Average Up &gt;2230

Target : 2420 / 2700.

Stoploss: 2130.

## INKP—PT Indah Kiat Pulp &amp; Paper TBK



PREDICTION 8 JUNE 2023

## Overview

Pattern : Falling Wedge dalam fase Bottoming.

## Advise

Speculative Buy.

Entry Level : 7100-7000

Average Up &gt;7225-7350.

Target: 7750 / 7975-8000 / 8225-8250

Stoploss: 6700.

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