

Morning Brief

Daily | July 11, 2023

JCI Movement



Today's Outlook:

The Dow Jones Industrial Average closed higher early this week, rebounding from a slip last week as investors awaited key economic data, US CPI & PPI, for June which are due to be released next Wednesday & Thursday. Meanwhile, Federal Reserve officials issued statements that perhaps the upward trend in interest rates is nearing its end. The CPI of the world's largest economy is expected to ease further to 3.1% YoY (the slowest growth rate since March 2021). On a monthly basis, it is also expected to only slightly accelerate by 0.3% MoM. Meanwhile, Core Inflation, which is closely monitored by Federal Reserve policymakers, is predicted to come in at 5% YoY and 0.3% MoM. Traders will be keenly focused on seeing if inflationary pressures could be tamed further, which could explain the outlook for the interest rate trend where many traders have priced in a 92% probability of the Fed raising rates by 25bps at this month's FOMC Meeting (as reported by Investing.com's Fed Rate Monitor Tool). On the other hand, some Fed officials said on Monday that further rate hikes are still needed to bring down Inflation which is still too high, but the end of the US central bank's current tight monetary policy cycle is approaching. **Kicking off this inflation data-laden week, deflationary pressures were revealed to be mounting in China** as their Producer Price Index (PPI) fell 5.4% YoY in June due to equally weak domestic and foreign demand. The sharpest fall since 2015 and steeper than analysts' estimates of a decrease of 5.0%. Additionally, the consumer price index was flat at 0% due to an accelerating drop of 7.2% in pork prices. The CPI that failed to meet the consensus of 0.2% was the slowest growth since 2021. The data release strengthened speculation that China's central bank will continue to cut interest rates and unveil new stimulus measures to provide fuel for the post-pandemic economic recovery. **The weak economic data from Chinese sent global crude oil prices correcting** by around 0.9% (after last week's increase of almost 5%) on the prospect of falling demand from the world's largest oil importer. **Today comes Europe's turn to release a number of important data related to employment and wages (UK)**, followed by Germany who will announce their June Inflation data. Germany will also reveal its sentiment & economic outlook for the next 6 months through the German ZEW Current Conditions & Economic Sentiment (July) economic data which is predicted to still imply an aura of pessimism.

Bank Indonesia (BI) noted that consumer confidence in economic conditions has decreased slightly, reflected in the June Consumer Confidence Index (CCI) at 127.1, down slightly from 128.3 in May. BI believes that the reading is still maintained in the strong zone, supported by consumer optimism that the Current Economic Conditions Index (CCI) and Consumer Expectations Index (CEC) remain solid. The JCI successfully closed in the positive zone of 6731.04 (plus 14.58 points / +0.22%) supported by Foreign Net Buy of IDR169.66 billion. **Technically, JCI again secured a position above MA50 Support (6728)** thus has the potential to continue the upward swing to try the crucial Resistance of 6765. **NH KSI RESEARCH suggests to prepare for Average Up whenever a valid break out occurs.**

Company News

- AUTO : Ready to Produce Charging Stations
- WSKT : Wins Rp1.3 Trillion IKN Road Project Tender
- GOOD : Expanding into Herbal Business

Domestic & Global News

- Anticipate El Nino, Jokowi Orders to Boost Agricultural Production
- Meta's Twitter Rival Threads Surges to 100 Million Users Faster Than ChatGPT

Sectors

	Last	Chg.	%
Property	747.79	14.11	1.92%
Energy	1837.59	20.04	1.10%
Industrial	1193.98	5.60	0.47%
Consumer Non-Cyclicals	755.46	3.02	0.40%
Healthcare	1479.74	2.13	0.14%
Finance	1415.56	1.24	0.09%
Basic Material	1024.85	-1.15	-0.11%
Transportation & Logistic	1916.38	-2.23	-0.12%
Infrastructure	856.84	-4.44	-0.52%
Consumer Cyclicals	910.81	-4.79	-0.52%
Technology	4707.77	-35.82	-0.76%

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)	137.50	139.30	Current Acc (USD bn)	3.00	4.54
Trd Balance (USD bn)	0.44	3.94	Govt. Spending Yoy	3.99%	-4.77%
Exports Yoy	0.96%	-29.40%	FDI (USD bn)	5.14	5.14
Imports Yoy	14.35%	-22.32%	Business Confidence	104.82	105.33
Inflation Yoy	3.52%	4.00%	Cons. Confidence*	127.10	128.30

JCI Index

July 10	6,731.04
Chg.	14.58 pts (+0.22%)
Volume (bn shares)	23.82
Value (IDR tn)	7.07
Up 282 Down 204 Unchanged 188	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BBRI	429.5	GGRM	130.4
BMRI	428.4	CARE	123.3
BBCA	263.0	NATO	112.2
TLKM	259.4	ASII	103.8
BOGA	199.0	AMMN	103.5

Foreign Transaction

(IDR bn)	
Buy	2,316
Sell	2,146
Net Buy (Sell)	170

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	121.8	SMGR	12.7
BBCA	40.3	INDF	12.5
GGRM	33.2	GOTO	10.4
ASII	25.0	ANTM	9.9
UNTR	17.2	BMTR	9.9

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.26%	0.02%
USDIDR	15,195	0.40%
KRWIDR	11.64	0.31%

Global Indices

Index	Last	Chg.	%
Dow Jones	33,944.40	209.52	0.62%
S&P 500	4,409.53	10.58	0.24%
FTSE 100	7,273.79	16.85	0.23%
DAX	15,673.16	69.76	0.45%
Nikkei	32,189.73	(198.69)	-0.61%
Hang Seng	18,479.72	114.02	0.62%
Shanghai	3,203.70	7.09	0.22%
Kospi	2,520.70	(6.01)	-0.24%
EIDO	22.89	(0.03)	-0.13%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,925.4	0.3	0.02%
Crude Oil (\$/bbl)	72.99	(0.87)	-1.18%
Coal (\$/ton)	133.70	(4.30)	-3.12%
Nickel LME (\$/MT)	21,014	210.0	1.01%
Tin LME (\$/MT)	27,950	(392.0)	-1.38%
CPO (MYR/Ton)	3,920	86.0	2.24%

AUTO : Ready to Produce Charging Stations

The positive growth trend of electric vehicles (EV) is a promising market potential for PT Astra Otoparts Tbk (AUTO). The subsidiary of Astra International is ready to produce charging stations that will be sold in retail and business-to-business (B2B). So far, AUTO has 7 Astra Otopower charging station locations covering the Jabodetabek area. The charging station locations are placed in rest areas or places with a large population of electric cars. (Emiten News)

WSKT : Wins Rp1.3 Trillion IKN Road Project Tender

PT Waskita Karya (Persero) Tbk (WSKT) through its business unit, Infrastructure II Division won a tender for a district feeder road project in the Government Center Core Area (KIPP) of the Nusantara Capital City (IKN) worth Rp1.3 trillion. The project will take 390 days to complete and is expected to be completed in August 2024. (Emiten News)

GOOD : Expanding into Herbal Business

Food and beverage company PT Garudafood Putra Putri Jaya Tbk (GOOD) through one of its subsidiaries PT Sinar Niaga Sejahtera (SNS) plans to expand into the traditional medicine or herbal medicine business. A feasibility study was conducted to assess whether this plan has a positive impact on the sustainability of SNS in the future. Management said SNS's performance in the 2018-2022 period continued to grow, except for 2020 which coincided with Covid-19. This growth indicates that the sales strategy implemented is quite successful. (Bisnis)

Domestic & Global News

Anticipate El Nino, Jokowi Orders to Boost Agricultural Production

President Joko Widodo (Jokowi) asked Minister of Agriculture and related ministries/institutions to anticipate the threat of El Nino. This was conveyed by the Head of the National Food Agency (Bapanas) Arief Prasetyo Adi after attending a Limited Meeting (Ratas) related to Increasing Production and Downstreaming of Food Products held by the Head of State at the State Palace, last Monday (10/7/2023). Arief said the president instructed the Minister of Agriculture to increase production during the planting season in the near future as weather conditions are still favorable with frequent rains. Furthermore, he said that Jokowi also asked Perum Badan Urusan Logistik (Bulog) to fulfill national rice reserves by absorbing domestic farmers' production. (Bisnis)

Meta's Twitter Rival Threads Surges to 100 Million Users Faster Than ChatGPT

Meta Platforms' Twitter rival Threads crossed 100 million sign-ups within five days of launch, CEO Mark Zuckerberg said on Monday, dethroning ChatGPT as the fastest-growing online platform to hit the milestone. Threads has been setting records for user growth since its launch on Wednesday, with celebrities, politicians and other newsmakers joining the platform that is seen by analysts as the first serious threat to the Elon Musk-owned microblogging app. The app's sprint to 100 million users was much speedier than that of OpenAI-owned ChatGPT, which became the fastest-growing consumer application in history in January about two months after its launch, according to a UBS study. Twitter had nearly 240 million monetizable daily active users as of July last year, according to the company's last public disclosure before Musk's takeover, although data from web analytics companies indicates usage has dropped since then. Twitter's web traffic was down 11% from the year prior in the days after the Threads launch, compared to the 4% it was down year-over-year as of June, according to Similarweb. While Threads is not the first attempt to challenge Twitter, other burgeoning competitors such as Mastodon, Bluesky, Truth Social and T2 all remain relatively small at this point. (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							3,591.2							
BBCA	9,050	8,550	10,050	Overweight	11.0	26.6	1,115.6	25.2x	5.3x	21.8	2.3	22.1	44.6	0.9
BBRI	5,400	4,940	6,000	Overweight	11.1	28.6	818.4	15.0x	2.9x	19.8	5.3	10.3	28.8	1.1
BBNI	9,050	9,225	12,000	Buy	32.6	19.1	168.8	8.6x	1.2x	14.7	4.3	12.5	31.6	1.3
BMRI	5,175	4,963	6,300	Buy	21.7	38.5	483.0	11.0x	2.2x	21.2	5.1	16.0	25.1	1.3
AMAR	290	232	392	Buy	35.2	3.5	5.3	N/A	1.2x	(4.3)	N/A	0.7	N/A	0.9
Consumer Non-Cyclicals							1,205.4							
ICBP	11,325	10,000	13,000	Overweight	14.8	20.2	132.1	20.0x	3.3x	17.3	1.7	11.4	104.2	0.4
UNVR	4,250	4,700	4,850	Overweight	14.1	(13.1)	162.1	34.1x	30.3x	81.0	3.3	(2.2)	(30.2)	0.5
MYOR	2,600	2,500	3,200	Buy	23.1	32.7	58.1	24.5x	4.4x	19.1	1.3	11.4	135.7	0.7
CPIN	5,375	5,650	5,500	Hold	2.3	(6.5)	88.1	44.4x	3.3x	7.5	2.0	1.9	(79.5)	0.5
JPFA	1,355	1,295	1,300	Hold	(4.1)	(6.6)	15.9	27.8x	1.2x	4.5	3.7	(3.2)	N/A	0.7
AALI	7,850	8,025	9,200	Buy	17.2	(18.0)	15.1	10.3x	0.7x	6.8	5.1	(27.7)	(53.5)	1.0
Consumer Cyclicals							408.6							
ERAA	492	392	600	Buy	22.0	(1.2)	7.8	8.2x	1.1x	14.2	4.6	28.9	(21.1)	0.8
MAPI	1,750	1,445	2,000	Overweight	14.3	92.3	29.1	14.5x	3.4x	27.1	0.5	32.5	(30.6)	0.8
Healthcare							283.6							
KLBF	2,000	2,090	2,300	Buy	15.0	19.8	93.8	27.3x	4.4x	16.4	1.9	12.2	3.1	0.4
SIDO	730	755	1,000	Buy	37.0	(24.7)	21.9	19.7x	7.0x	35.8	5.0	3.0	1.8	0.6
MIKA	2,600	3,190	3,000	Buy	15.4	(3.7)	37.0	37.4x	6.4x	17.9	1.4	(6.0)	(14.5)	0.2
Infrastructure							879.26							
TLKM	3,950	3,750	5,000	Buy	26.6	(1.5)	391.3	18.6x	2.9x	16.0	4.2	2.5	5.0	0.8
JSMR	3,860	2,980	5,100	Buy	32.1	9.7	28.0	9.8x	1.3x	13.2	2.0	21.2	34.3	0.8
EXCL	2,030	2,140	3,800	Buy	87.2	(11.7)	26.7	19.0x	1.0x	5.1	2.1	11.9	23.1	0.8
TOWR	1,105	1,100	1,370	Buy	24.0	(6.4)	56.4	16.5x	3.6x	23.8	2.2	9.4	(11.8)	0.3
TBIG	2,000	2,300	2,390	Buy	19.5	(32.9)	45.3	29.0x	3.9x	14.5	1.8	(1.4)	(25.6)	0.4
MTEL	680	800	865	Buy	27.2	(6.2)	56.8	32.4x	1.7x	5.3	3.1	9.9	9.1	N/A
WIKA	484	800	1,280	Buy	164.5	(47.4)	4.3	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	590	715	1,700	Buy	188.1	(34.4)	3.7	13.0x	0.3x	2.5	N/A	1.9	20.0	1.1
Property & Real Estate							258.7							
CTRA	1,065	940	1,500	Buy	40.8	29.1	19.7	10.7x	1.0x	10.2	1.3	(4.6)	(4.3)	0.9
PWON	490	456	690	Buy	40.8	8.4	23.6	13.4x	1.3x	10.3	0.8	5.9	60.5	1.1
Energy							1,132.5							
PGAS	1,350	1,760	1,770	Buy	31.1	(13.5)	32.7	7.1x	0.8x	10.9	10.4	11.6	(20.0)	0.9
PTBA	2,780	3,690	4,900	Buy	76.3	(29.3)	32.0	2.8x	1.1x	41.1	39.4	21.4	(48.9)	1.0
ADRO	2,420	3,850	3,900	Buy	61.2	(14.5)	77.4	1.9x	0.8x	46.2	20.1	50.1	15.3	1.3
Industrial							438.8							
UNTR	24,100	26,075	32,000	Buy	32.8	(12.2)	89.9	4.0x	1.0x	27.2	29.1	24.7	26.6	0.9
ASII	6,775	5,700	8,000	Buy	18.1	13.4	274.3	8.9x	1.4x	16.3	9.4	15.5	27.2	1.1
Basic Ind.							1,086.4							
SMGR	6,425	6,575	9,500	Buy	47.9	(3.5)	43.4	16.3x	1.0x	6.1	3.8	4.5	(2.1)	0.8
INTP	10,100	9,900	12,700	Buy	25.7	10.1	37.2	17.1x	1.7x	10.0	1.6	19.3	109.8	0.8
INCO	6,300	7,100	8,200	Buy	30.2	18.9	62.6	17.8x	1.7x	9.9	1.4	54.5	45.6	1.2
ANTM	1,980	1,985	3,450	Buy	74.2	15.5	47.6	11.8x	1.9x	16.9	4.0	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	Wholesale Inventories MoM	May F	0.0%	-0.1%	-0.1%
<i>10 – July</i>	CH	08:30	CPI YoY	Jun	0.0%	0.2%	0.2%
	CH	08:30	PPI YoY	Jun	-5.4%	-5.0%	-4.6%
	JP	06:50	BoP Current Account Balance	May	¥1862.4b	¥1910.8b	¥1895.1b
Tuesday	GE	13:00	CPI MoM	Jun F	—	—	0.3%
<i>11 – July</i>	GE	13:00	CPI YoY	Jun F	—	—	6.4%
	GE	16:00	ZEW Survey Expectations	Jul	—	—	-8.5
	GE	16:00	ZEW Survey Current Situation	Jul	—	—	-56.5
Wednesday	US	18:00	MBA Mortgage Applications	Jul 7	—	—	-4.4%
<i>12 – July</i>	US	19:30	CPI MoM	Jun	—	0.3%	0.1%
	US	19:30	CPI YoY	Jun	—	3.1%	4.0%
	KR	06:00	Unemployment rate SA	Jun	—	2.6%	2.5%
	JP	06:50	PPI YoY	Jun	—	4.4%	5.1%
	JP	06:50	Core Machine Orders MoM	May	—	1.0%	5.5%
Thursday	US	19:30	PPI Final Demand MoM	Jun	—	0.2%	-0.3%
<i>13 – July</i>	US	19:30	PPI Final Demand YoY	Jun	—	0.4%	1.1%
	US	19:30	Initial Jobless Claims	Jul 8	—	—	248K
	CH	—	Trade Balance	Jun	—	\$74.40b	\$65.81b
	KR	—	BoK 7-Day Repo Rate	Jul 13	—	3.5%	3.5%
Friday	US	21:00	U. of Mich. Sentiment	Jul P	—	65.5	64.4
<i>14 – July</i>	JP	11:30	Industrial Production MoM	May F	—	—	-1.6%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	BLTA
<i>10 – July</i>	Cum Dividend	ASBI, ASDM, ATAP, BEER, BIKE, BINO, BPFI, CITA, CLPI, CTRA, ECII, ERAA, ERTX, FISH, GTBO, HOKI, INDR, IPCC, ISSP, KDSI, LIFE, LION, LPGI, MNCN, NCKL, PGLI, PWON, SMDR, SMMT, SUNI, TRST, UNIQ
Tuesday	RUPS	BOSS, SBAT, YELO
<i>11 – July</i>	Cum Dividend	—
Wednesday	RUPS	—
<i>12 – July</i>	Cum Dividend	—
Thursday	RUPS	TRIS
<i>13 – July</i>	Cum Dividend	—
Friday	RUPS	MKNT, MMIX, TYRE, WOWS
<i>14 – July</i>	Cum Dividend	—

Source: Bloomberg



IHSX projection for 11 July 2023 :

BULLISH / KONSOLIDASI - Kembali naik ke atas Support MA50, potensi Uji Resistance kritikal 6745-6765

Support : 6728 / 6695 / 6620-6600 / 6560-6550.
Resistance : 6745-6765 / 6800-6820 / 6950-6960 / 7000-7040.
ADVISE : Wait & See ; or Average Up accordingly.

BUKA—PT Bukalapak TBK



PREDICTION 11 JULY 2023

Overview
 Mengandung potensi **TARGET** (for longer time-frame) di 285 dari break out pattern **FALLING WEDGE** (pink). Bergerak Uptrend dalam pola **CHANNEL** jk.pendek (blue).
 Need to rise above all MA to continue up-swing.

Advise
Speculative Buy.
Entry Level: 214
Average Up >217-220
Target: 232 / 238 / 246 / 268 / 274-284
Stoploss: 208.

MTEL—PT Mitratel TBK



PREDICTION 11 JULY 2023

Overview
 Uji Support lower channel plus MA10.
 Candle : Doji di area Support.

Advise
Speculative Buy.
Entry Level: 680
Average Up >690-700
Target : 710 / 735 / 760
Stoploss : 660.

STAA—PT Sumber Tani Agung Resources TBK



PREDICTION 11 JULY 2023

Overview

Uji Support minor trend.

In overall , masih downtrend jk.menengah dalam pola PARALLEL CHANNEL (blue).

Uji Resistance MA20.

Advise

Speculative Buy.

Entry Level: 890

Average Up >895-900

Target: 925 / 940 / 965.

Stoploss: 865.

UNVR—PT Unilever Indonesia Tbk



PREDICTION 11 JULY 2023

Overview

Uji Support di lower channel (Uptrend).

Candle : Inverted Hammer di area Support.

Uji Resistance MA10.

Advise

Speculative Buy.

Entry Level : 4250.

Average Up >4270

Target: 4370-4400 / 4500 / 4625 / 4750-4770

Stoploss: 4200.

BBRI—PT Bank Rakyat Indonesia Tbk



PREDICTION 11 JULY 2023

Overview

Uji Support lower channel (Uptrend).

Uji Resistance MA10 & MA20.

Advise

Speculative Buy .

Entry Level: 5400

Average Up >5500.

Target : 5600-5625 / 6000.

Stoploss: 5300.

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