

Morning Brief

Daily | July 12, 2023

JCI Movement



Today's Outlook:

US stock indexes were buzzing in positive territory, with the Dow Jones leading the gains with a surge of 317 points/+0.9%, buoyed by optimism ahead of the release of Inflation (CPI) data later on Wednesday night around 7.30 PM GMT, along with PPI data following on Thursday; plus rising prices of major banking stocks such as JPMorgan ahead of its 2Q23 results announcement. Traders are fully expecting that Inflation could ease further to 3.1% YoY and 0.3% MoM. As for Core Inflation (which excludes food and fuel prices), analysts expect growth at 5% YoY and 0.3% MoM. Thus, market participants expect that after the FOMC Meeting on July 25-26, the Fed will no longer need to raise interest rates. **The US banking sector is expected to report higher earnings in 2Q23**, as higher lending rates offset lower loan volumes. The energy sector also jumped as global crude oil prices rallied on the back of better demand outlook. Market expectation is that the global crude oil market will be more vibrant in the second half of the year, especially due to the production cut plan from OPEC+. Additional positive sentiment came from China as the world's largest energy importer, whose government has reportedly begun to think about stimulus measures to further energize its economy, especially in the property sector where Chinese regulators resumed the liquidity rescue package that was started last November. Markets are also awaiting more clues from the US central bank such as the release of the Federal Reserve Beige Book which contains a report on economic conditions as well as an overview of the latest US economic trends and challenges from 12 federal districts in the US. This data is released 8x a year, usually 2 weeks before the Federal Open Market Committee (FOMC) Meeting. The results of the report will be used by the Fed to determine the level of short-term interest rates. Investors will also highlight a number of comments from Federal Reserve officials scheduled to speak today.

JCI also posted a significant gain by rising 65.89points / +0.98% to 6796.92, breaking the critical Resistance level of 6765 which has been blocking JCI's bullish effort for 2 months. The good news is, technically yesterday's surge confirmed the Inverted Head & Shoulders bullish reversal pattern, **where there is potential for strengthening (short term) towards TARGET 6950-6970** which is the same Resistance of the medium term high (last December 2022 - April 2023); up to the round number 7000 as psychological resistance. **NHKS RESEARCH advises Indonesian capital market investors/traders to continue averaging up on stocks that have clearly broken Resistance**, amid hopes that the July bull market will prevail. **The Health Sector was one of the top gainers yesterday following the passing of the Health Law by the House of Representatives** (which was followed by protests by a number of health professional organizations); where the new law will make foreign doctors have easier access to practice in Indonesia, allow patients to sue for malpractice, as well as potentially erode 5% of the state budget for the health sector. **Positive sentiment also came from Finance Minister Sri Mulyani Indrawati's comments** that Indonesia's economic growth is expected to reach a range of 5.0 - 5.3% by the end of 2023. For the first semester of 2023, the Indonesian economy is estimated to reach a range of 5.0 - 5.2%, while for the second semester of 2023 it is estimated to reach 5.0 - 5.3%. Sri Mulyani said that the economic growth will be supported by consumption and exports that are maintained until the end of the year.

Company News

ADMF : Distribute IDR20.1 Trillion in Financing by 1H23
TINS : Spent Rp40.12 Billion on Tin Exploration
PACK : Continue to Educate the Market for Quality Packaging

Domestic & Global News

ESDM: Coal Collection Scheme Rules Almost Finalized
World's Biggest Gallium Buyer Says Clients Stockpiling

Sectors

	Last	Chg.	%
Healthcare	1522.40	42.66	2.88%
Basic Material	1039.94	15.10	1.47%
Consumer Cyclical	921.48	10.67	1.17%
Energy	1858.47	20.88	1.14%
Technology	4747.96	40.19	0.85%
Consumer Non-Cyclicals	761.77	6.31	0.84%
Property	751.97	4.18	0.56%
Finance	1422.28	6.72	0.47%
Transportation & Logistic	1924.25	7.87	0.41%
Industrial	1196.87	2.89	0.24%
Infrastructure	856.63	-0.21	-0.02%

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 11	6,796.92
Chg.	65.89 pts (+0.98%)
Volume (bn shares)	22.52
Value (IDR tn)	8.48
Up 284 Down 196 Unchanged 18	

Most Active Stocks

(IDR bn)				
by Value	Stocks	Val.	Stocks	Val.
	BBRI	660.5	ASII	223.3
	BMRI	526.9	BBNI	208.2
	BBCA	395.4	INKP	179.8
	TLKM	357.1	BOGA	147.4
	GOTO	241.9	NATO	122.9

Foreign Transaction

(IDR bn)			
	Buy	Sell	Net Buy (Sell)
	2,984	2,943	41
Top Buy	NB Val.	Top Sell	NS Val.
TLKM	64.0	BBRI	97.6
ASII	49.9	BBNI	86.1
INKP	47.4	BMRI	67.4
AMMN	36.0	GOTO	41.7
KLBF	29.5	GGRM	19.8

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.22%	-0.04%
USDIDR	15,140	-0.36%
KRWIDR	11.71	0.62%

Global Indices

Index	Last	Chg.	%
Dow Jones	34,261.42	317.02	0.93%
S&P 500	4,439.26	29.73	0.67%
FTSE 100	7,282.52	8.73	0.12%
DAX	15,790.34	117.18	0.75%
Nikkei	32,203.57	13.84	0.04%
Hang Seng	18,659.83	180.11	0.97%
Shanghai	3,221.37	17.67	0.55%
Kospi	2,562.49	41.79	1.66%
EIDO	23.04	0.15	0.66%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,932.2	6.9	0.36%
Crude Oil (\$/bbl)	74.83	1.84	2.52%
Coal (\$/ton)	131.00	(2.70)	-2.02%
Nickel LME (\$/MT)	20,704	(310.0)	-1.48%
Tin LME (\$/MT)	27,956	6.0	0.02%
CPO (MYR/Ton)	3,889	(31.0)	-0.79%

ADMF : Distribute IDR20.1 Trillion in Financing by 1H23

PT Adira Dinamika Multi Finance Tbk (Adira Finance) is optimistic that the lifting of the pandemic status in Indonesia will encourage economic growth, as well as bringing a positive impact on the company's business. Along with increasing community mobility and economic activity, the company's financing receivables also show a positive trend. In the second semester of 2023 ADMF is projected to be able to distribute financing at the same level. (Kontan)

TINS : Spent Rp40.12 Billion on Tin Exploration

PT Timah (TINS) during the second quarter of 2023 spent IDR 40.12 billion on exploration. Exploration activities focus on tin commodities. Exploration activities are carried out both at sea and on land. Exploration activities at sea use drill ships and pontoons with a total drill meters of 15,108.80 meters. Meanwhile, exploration on land is carried out on Bangka and Belitung Islands with a total drill meters of 8,432.55 meters. (Emiten News)

PACK : Continue to Educate the Market for Quality Packaging

PT Solusi Kemasan Digital Tbk (PACK) continues to educate the market for quality packaging. PACK solidifies its strong brand positioning and seriousness of its main mission in making MSMEs as business partners. PACK will continue to innovate in using various marketing methods and also digital technology to be able to attract many customers using the packaging offered. (Bisnis)

Domestic & Global News

ESDM: Coal Collection Scheme Rules Almost Finalized

The Ministry of Energy and Mineral Resources (ESDM) stated that the rules related to the coal compensation fund levy scheme for the obligation to fulfill the domestic market obligation (DMO) have entered the finalization stage. Director of Coal Business Development of the Ministry of Energy and Mineral Resources Lana Saria said that issues related to the provisions of the obligation to impose value added tax or VAT of 11 percent on the collection and distribution of coal compensation funds through the format of managing agency partners have been completed, including tax refunds. Lana also said that related to this coal collection and distribution policy, the Ministry of Energy and Mineral Resources has completed coordination with the Ministry of Law and Human Rights (Kemenkumham). However, he did not disclose when this collection policy would be implemented. He only said that the rules related to the levy policy had been completed through the harmonization process with the Ministry of Law and Human Rights. (Bisnis)

World's Biggest Gallium Buyer Says Clients Stockpiling

China's planned export controls on gallium have caused frantic stockpiling of speciality semiconductor wafers made from the metal, according to the world's largest gallium buyer. Freiburger Compound Materials relies almost entirely on Chinese suppliers for its gallium needs to make wafers that go into mobile phone radio signal amplifiers and optical electronics. Consuming an estimated 10% of global gallium output, the company has found itself at the centre of turmoil following China's surprise announcement to control exports of gallium and germanium products from Aug. 1. Chinese gallium companies have driven most rivals elsewhere out of the market by undercutting them on price over the last decade. Automakers are also in a dilemma over whether they can continue to rely on a metal which had been seen as a game changer for electric vehicles. (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							3,603.1							
BBCA	9,025	8,550	10,050	Overweight	11.4	26.7	1,112.6	25.1x	5.3x	21.8	2.3	22.1	44.6	0.9
BBRI	5,425	4,940	6,000	Overweight	10.6	31.7	822.2	15.0x	2.9x	19.8	5.3	10.3	28.8	1.1
BBNI	8,975	9,225	12,000	Buy	33.7	19.7	167.4	8.6x	1.2x	14.7	4.4	12.5	31.6	1.3
BMRI	5,275	4,963	6,300	Buy	19.4	41.1	492.3	11.3x	2.3x	21.2	5.0	16.0	25.1	1.3
AMAR	294	232	392	Buy	33.3	2.1	5.4	N/A	1.3x	(4.3)	N/A	0.7	N/A	0.9
Consumer Non-Cyclicals							1,210.7							
ICBP	11,525	10,000	13,000	Overweight	12.8	22.0	134.4	20.4x	3.4x	17.3	1.6	11.4	104.2	0.4
UNVR	4,250	4,700	4,850	Overweight	14.1	(11.5)	162.1	34.1x	30.3x	81.0	3.3	(2.2)	(30.2)	0.5
MYOR	2,590	2,500	3,200	Buy	23.6	34.9	57.9	24.4x	4.3x	19.1	1.4	11.4	135.7	0.7
CPIN	5,475	5,650	5,500	Hold	0.5	(3.9)	89.8	45.3x	3.4x	7.5	2.0	1.9	(79.5)	0.5
JPFA	1,355	1,295	1,300	Hold	(4.1)	(4.6)	15.9	27.8x	1.2x	4.5	3.7	(3.2)	N/A	0.7
AAI	7,925	8,025	9,200	Buy	16.1	(16.4)	15.3	10.4x	0.7x	6.8	5.1	(27.7)	(53.5)	1.0
Consumer Cyclicals							406.8							
ERAA	484	392	600	Buy	24.0	(3.2)	7.7	8.0x	1.1x	14.2	3.9	28.9	(21.1)	0.8
MAPI	1,805	1,445	2,000	Overweight	10.8	101.7	30.0	14.9x	3.5x	27.1	0.4	32.5	(30.6)	0.8
Healthcare							284.5							
KLBF	2,030	2,090	2,300	Overweight	13.3	19.4	95.2	27.7x	4.4x	16.4	1.9	12.2	3.1	0.4
SIDO	745	755	1,000	Buy	34.2	(24.0)	22.4	20.1x	7.2x	35.8	4.9	3.0	1.8	0.6
MIKA	2,650	3,190	3,000	Overweight	13.2	(5.4)	37.8	38.1x	6.5x	17.9	1.4	(6.0)	(14.5)	0.2
Infrastructure							876.25							
TLKM	3,980	3,750	5,000	Buy	25.6	(1.5)	394.3	18.7x	2.9x	16.0	4.2	2.5	5.0	0.8
JSMR	3,900	2,980	5,100	Buy	30.8	10.2	28.3	9.9x	1.3x	13.2	1.9	21.2	34.3	0.8
EXCL	2,040	2,140	3,800	Buy	86.3	(9.3)	26.8	19.1x	1.0x	5.1	2.1	11.9	23.1	0.8
TOWR	1,095	1,100	1,370	Buy	25.1	(6.0)	55.9	16.3x	3.6x	23.8	2.2	9.4	(11.8)	0.3
TBIG	1,990	2,300	2,390	Buy	20.1	(32.3)	45.1	28.8x	3.8x	14.5	1.8	(1.4)	(25.6)	0.4
MTEL	670	800	865	Buy	29.1	(8.2)	56.0	31.9x	1.6x	5.3	3.2	9.9	9.1	N/A
WIKA	474	800	1,280	Buy	170.0	(47.6)	4.3	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	590	715	1,700	Buy	188.1	(33.7)	3.7	13.0x	0.3x	2.5	N/A	1.9	20.0	1.1
Property & Real Estate							266.5							
CTRA	1,070	940	1,500	Buy	40.2	25.1	19.8	10.7x	1.0x	10.2	1.4	(4.6)	(4.3)	0.9
PWON	484	456	690	Buy	42.6	7.1	23.3	13.2x	1.3x	10.3	1.3	5.9	60.5	1.1
Energy							1,145.9							
PGAS	1,340	1,760	1,770	Buy	32.1	(15.5)	32.5	7.0x	0.8x	10.9	10.5	11.6	(20.0)	0.9
PTBA	2,760	3,690	4,900	Buy	77.5	(28.7)	31.8	2.8x	1.1x	41.1	39.6	21.4	(48.9)	1.0
ADRO	2,430	3,850	3,900	Buy	60.5	(14.1)	77.7	1.9x	0.8x	46.2	20.0	50.1	15.3	1.3
Industrial							438.1							
UNTR	24,475	26,075	32,000	Buy	30.7	(10.1)	91.3	4.1x	1.0x	27.2	28.6	24.7	26.6	0.9
ASII	6,800	5,700	8,000	Buy	17.6	12.4	275.3	8.9x	1.4x	16.3	9.4	15.5	27.2	1.1
Basic Ind.							1,082.2							
SMGR	6,550	6,575	9,500	Buy	45.0	1.0	44.2	16.6x	1.0x	6.1	3.7	4.5	(2.1)	0.8
INTP	10,275	9,900	12,700	Buy	23.6	12.6	37.8	17.4x	1.8x	10.0	1.6	19.3	109.8	0.8
INCO	6,450	7,100	8,200	Buy	27.1	25.2	64.1	18.3x	1.7x	9.9	1.4	54.5	45.6	1.2
ANTM	2,000	1,985	3,450	Buy	72.5	16.3	48.1	12.0x	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%	0.3%	0.3%
<i>11 – July</i>	GE	13:00	CPI YoY	Jun F	6.4%	6.4%	6.4%
	GE	16:00	ZEW Survey Expectations	Jul	-14.7	-10.6	-8.5
	GE	16:00	ZEW Survey Current Situation	Jul	-59.5	-62.0	-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



IHSG projection for 12 July 2023 :

BULLISH - finally break Neckline pola bullish reversal
INVERTED HEAD & SHOULDERS.

Support : 6765-6745 / 6730-6700 / 6620-6600 / 6560-6550.

Resistance : 6800-6820 / 6950-6960 / 7000-7040.

ADVISE : Buy ; or Average Up accordingly.

ESSA—PT Surya Esa Perkasa TBK



PREDICTION 12 JULY 2023

Overview

On the way menuju TARGET pola bullish reversal
INVERTED HEAD & SHOULDERS.

Advise

Buy.

Entry Level: 690

Average Up >700

Target: 730 / 800-815 / 880-900 / 930

Stoploss: 640.

ASSA—PT Adi Sarana Armada TBK



PREDICTION 12 JULY 2023

Overview

Usaha rebound dari support lower channel – Uptrend ;
pun sudah break ke atas MA10.

Uji Resistance MA20.

Advise

Speculative Buy.

Entry Level: 1285

Average Up >1300

Target : 1360 / 1420 / 1650

Stoploss : 1230.

TKIM—PT Tjiwi Kimia TBK



PREDICTION 12 JULY 2023

Overview

On the way menuju TARGET penguatan dari pola PARALLEL CHANNEL - Downtrend (mid-term).
Uji Resistance upper channel – Uptrend (jk.pendek).

Advise

Buy on Break.
Entry Level: 6750-6800
Average Up >6850
Target: 7150-7200 / 7350-7400
Stoploss: 6350.

HEAL—PT Hermina Tbk



PREDICTION 12 JULY 2023

Overview

On the way menuju TARGET dari pattern PARALLEL CHANNEL.

Advise

Buy
Entry Level: 1450
Average Up >1500.
Target : 1580-1600 / 1750-1800
Stoploss: 1360.

INCO—PT Vale Indonesia Tbk



PREDICTION 12 JULY 2023

Overview

Finally break bullish reversal pattern FALLING WEDGE.

Advise

Speculative Buy.
Entry Level : 6450
Average Up >6550
Target: 6675-6725 / 7000 / 7125-7200
Stoploss: 6275.

Research Division

Head of Research

Liza Camelia Suryanata

Equity Strategy, Macroeconomics,
Technical

T +62 21 5088 ext 9134

E liza.camelia@nhsec.co.id

Analyst

Cindy Alicia Ramadhania

Consumer, Healthcare

T +62 21 5088 ext 9129

E cindy.alicia@nhsec.co.id

Analyst

Leonardo Lijuwardi

Banking, Infrastructure

T +62 21 5088 ext 9127

E leonardo.lijuwardi@nhsec.co.id

Research Support

Amalia Huda Nurfalah

Editor & Translator

T +62 21 5088 ext 9132

E amalia.huda@nhsec.co.id

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia



PT. NH Korindo Sekuritas Indonesia

Member of Indonesia Stock Exchange

JAKARTA (HEADQUARTER)

Treasury Tower 51th Floor, District 8, SCBD Lot 28,
Jl. Jend. Sudirman No.Kav 52-53, RT.5/RW.3,
Senayan, Kebayoran Baru, South Jakarta City, Jakarta 12190
No. Telp : +62 21 5088 9102

BANDENGAN (Jakarta Utara)

Jl. Bandengan Utara Kav. 81 Blok A No. 01, Lt. 1
Kel. Penjaringan, Kec. Penjaringan
Jakarta Utara – DKI Jakarta 14440
No. Telp : +62 21 66674959

BANDUNG

Paskal Hypersquare blok A1
Jl. Pasirkaliki no 25-27 Bandung 40181
No. Telp : +62 22 860 22122

BALI

Jl. Cok Agung Tresna
Ruko Griya Alamanda no. 9 Renon
Denpasar, Bali 80226
No. Telp : +62 361 209 4230

ITC BSD (Tangerang Selatan)

BSD Serpong: ITC BSD Blok R No. 48
Jalan Pahlawan Seribu, Lekong Wetan,
Kec. Serpong, Kel. Serpong
Tangerang Selatan – Banten 15311
No. Telp : +62 21 509 20230

KAMAL MUARA (Jakarta Utara)

Rukan Exclusive Mediterania Blok F No.2,
Kel. Kamal Muara, Kec. Penjaringan,
Jakarta Utara 14470
No. Telp : +62 21 5089 7480

MAKASSAR

Jl. Gunung Latimojong No. 120A
Kec. Makassar Kel. Lariang Bangi
Makassar, Sulawesi Selatan
No. Telp : +62 411 360 4650

MEDAN

Jl. Asia No. 548 S
Medan – Sumatera Utara 20214
No. Telp : +62 61 415 6500

PEKANBARU

Sudirman City Square
Jl. Jend. Sudirman Blok A No. 7
Pekanbaru, Riau
No. Telp : +62 761 801 1330

A Member of NH Investment & Securities Global Network

Seoul | New York | Hong Kong | Singapore | Shanghai | Beijing | Hanoi |
Jakarta