

Morning Brief

Daily | July 22, 2024

JCI Movement



Today's Outlook:

- World stock indexes fell on Friday trading (07/19/24) as global cyber disruptions have disrupted operations in various industries, while the US DOLLAR rose along with the US TREASURY YIELD. The S&P 500 and Nasdaq recorded their biggest weekly percentage declines since April. The disruptions affected services ranging from airlines, banks to healthcare. Cyber security company CrowdStrike fell 11.1% after an update to one of its products appeared to trigger a glitch in Microsoft's Windows operating system. As a result, the CBOE Volatility index - Wall Street's "fear indicator" - hit its highest level since late April. On WallStreet, the DJIA led the decline by dropping 377.5 points / -0.93% to 40,287.53. The MSCI index of global shares also fell 6.58 points, or 0.80%, to 810.87; while the STOXX 600 index dropped 0.77%. Investors are also preparing to monitor key results in the US second quarter earnings season in the coming weeks. The performance of megacaps will be in focus, with the S&P 500 Technology-related sector down 5.1% this week as investors turn to laggard sectors this year.
- DOLLAR INDEX rose and is on track for its first weekly gain in 3 weeks, bouncing back on strong latest US economic data and concerns about recent tech disruptions. The dollar index, which measures the dollar's strength against a basket of currencies including the Yen and Euro, rose 0.21% to 104.36, where the Euro was down 0.14% at USD 1.0881. Against the Japanese Yen, the Dollar strengthened 0.06% to 157.46.
- The Federal Reserve is scheduled for its next policy announcement at the end of July. The market is almost fully price-in for a cut at the September FOMC Meeting, according to the CME FedWatch survey. US Treasury yields rose as investors awaited this week's important PCE PRICE INDEX data update. The yield on the benchmark 10-year US Treasury note rose 5.5 basis points to 4.243%, from 4.188% at the end of Thursday.
- COMMODITIES: OIL prices fell more than USD 2 on Friday at their lowest level since mid-June, as traders eyed the possibility of a ceasefire in Gaza, while the strengthening US Dollar pushed buying interest in oil down further. BRENT crude oil prices fell 2.9%, to USD 82.63/barrel. US WTI futures fell 3.3%, to USD 80.13.
- ASIA & EUROPE MARKETS: Today it's the turn of CHINA's central bank to set interest rates where they are still expected to remain the same: at 3.95% for long term, and 3.45% for short term. While in GERMANY, the German Retail Sales (May) figure will be monitored which plays an important role regarding the European region's Inflation, especially after they reported a heating PPI in June. In the UK, last Friday they announced their Retail Sales which turned out to be a contraction as a result of the economic slowdown.
- JCI seems to be still struggling in the Resistance region around 7300 although last Thursday's gain saved JCI's position back above MA10 again, making 7278 level as the closest Support at the moment. NHKSI RESEARCH feels it is still necessary to remind investors/traders to refrain from positioning large amounts of Buy, given the vulnerability of the JCI to consolidate.

Company News

- BIRD: Realizing Company's Capital Expenditure of IDR223 Billion, Mostly for Fleet Rejuvenation
- TPIA: Chandra Asri Optimizes Three Subsidiary Ports
- MDKA: Ready to Pay Principal and Interest on Maturing Bonds

Domestic & Global News

Airlangga Speaks Out about Free Lunch Budget Cut to IDR 7,500
Israel Strikes Yemen for the First Time Following Deadly Houthi Drone Attack

Sectors

	Last	Chg.	%
Basic Material	1364.42	-18.94	-1.37%
Technology	3265.59	-30.53	-0.93%
Transportation & Logistic	1356.94	-8.15	-0.60%
Infrastructure	1593.69	-7.74	-0.48%
Industrial	1018.75	-4.12	-0.40%
Finance	1400.34	-4.51	-0.32%
Consumer Non-Cyclicals	717.07	-1.74	-0.24%
Consumer Cyclicals	748.73	-1.20	-0.16%
Property	639.78	-0.61	-0.10%
Energy	2455.72	-1.99	-0.08%
Healthcare	1429.56	10.22	0.72%

Indonesia Macroeconomic Data

Monthly Indicators	Last	Prev.	Quarterly Indicators	Last	Prev.
BI 7 Day Rev Repo Rate	6.25%	6.25%	Real GDP	5.11%	5.04%
FX Reserve (USD bn)	140.18	139.00	Current Acc (USD bn)	-2.16	-1.29
Trd Balance (USD bn)	2.39	2.93	Govt. Spending Yoy	19.90%	2.81%
Exports Yoy	1.17%	2.86%	FDI (USD bn)	6.03	4.82
Imports Yoy	7.58%	-8.83%	Business Confidence	104.82	104.30
Inflation Yoy	2.51%	2.84%	Cons. Confidence*	123.30	125.20

JCI Index

July 19	7,294.50
Chg.	-26.58 pts (-0.36%)
Volume (bn shares)	15.83
Value (IDR tn)	9.51
Up 185 Down 290 Unchanged 199	

Most Active Stocks

(IDR bn)

by Value

Stocks	Val.	Stocks	Val.
BREN	859.0	ADRO	349.6
BBRI	659.5	BBNI	339.1
BBCA	542.2	AMMN	274.6
TLKM	434.4	TPIA	187.6
BMRI	410.0	ASII	184.0

Foreign Transaction

(IDR bn)

Buy

Sell

Net Buy (Sell)

Top Buy	NB Val.	Top Sell	NS Val.
BBRI	121.6	BREN	153.2
BBCA	98.5	TLKM	89.1
ADRO	74.7	TPIA	52.6
KLBF	40.3	BMRI	51.9
ISAT	24.5	ICBP	21.8

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.95%	0.02%
USDIDR	16,190	0.20%
KRWIDR	11.64	-0.27%

Global Indices

Index	Last	Chg.	%
Dow Jones	40,287.53	(377.49)	-0.93%
S&P 500	5,505.00	(39.59)	-0.71%
FTSE 100	8,155.72	(49.17)	-0.60%
DAX	18,171.93	(182.83)	-1.00%
Nikkei	40,063.79	(62.56)	-0.16%
Hang Seng	17,417.68	(360.73)	-2.03%
Shanghai	2,982.31	5.18	0.17%
Kospi	2,795.46	(28.89)	-1.02%
EIDO	20.19	(0.08)	-0.39%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	2,400.8	(44.3)	-1.81%
Crude Oil (\$/bbl)	80.13	(2.69)	-3.25%
Coal (\$/ton)	135.10	0.10	0.07%
Nickel LME (\$/MT)	16,256	(167.0)	-1.02%
Tin LME (\$/MT)	31,050	(554.0)	-1.75%
CPO (MYR/Ton)	3,961	24.0	0.61%

BIRD : Realizing Company's Capital Expenditure of IDR223 Billion, Mostly for Fleet Rejuvenation

PT Bluebird Tbk (BIRD) shows its commitment in supporting sustainable mobility and continues to adapt to the needs of the times. Until the first quarter of 2024, the company has realized capital expenditure (capex) of IDR 223 billion, most of which is allocated for fleet rejuvenation. Bluebird President Director Adrianto Djokosoetono explained that the capex budget was intended for strategic projects such as fleet rejuvenation and addition, as well as supporting the company's sustainable mobility vision. (Investor Id)

TPIA : Chandra Asri Optimizes Three Subsidiary Ports

PT Chandra Asri Pacific Tbk (Chandra Asri Group) or (TPIA), a chemical and infrastructure solutions company in Indonesia, is currently operating an integrated solution in the form of seaport services (loading and unloading services and mooring services) and liquid bulk storage (tank rental) for various industries in Cilegon and surrounding areas through its subsidiary, PT Chandra Pelabuhan Nusantara (CPN). CPN operates three strategic jetties in the Sunda Strait with a total capacity of 96,000 DWT for various products and tank facilities of 518,000 cubic meters for naphtha, ethylene, propylene, pyrolysis gasoline (Py-Gas) and others. (Emiten News)

MDKA : Ready to Pay Principal and Interest on Maturing Bonds

PT Merdeka Copper Gold Tbk (MDKA) has prepared funds for the principal repayment and fourth interest payment of the Shelf Registration Bond IV Phase III Year 2023 Series A. Adi Adriansyah Sjoekri, Corporate Secretary of MDKA, in a written statement on Friday (19/7), stated that the funds will be used for the principal repayment and fourth interest payment of bonds maturing on August 11, 2024, with an interest rate of 6.75%. For information, Merdeka Copper Gold Phase III 2023 Shelf Registration Bond IV Series A (MDKA04ACN3) has a nominal value of IDR 1,084,485,000,000.00 with a fixed interest rate of 6.75% per annum and a period of 367 calendar days. "The funds will be paid to PT Kustodian Sentral Efek Indonesia (KSEI) on August 11, 2024," Adi said. (Emiten News)

Domestic & Global News

Airlangga Speaks Out about Free Lunch Budget Cut to IDR 7,500

Coordinating Minister for Economic Affairs Airlangga Hartarto opened his voice about the free lunch budget being cut from IDR 15,000 to IDR 7,500 per child. "Of course each region is different and the technicalities [of the program] will be discussed in the future," said Airlangga during a press conference on the Launch of the One Map Policy Geoportal 2.0 and the Submission of PSN and KEK Achievements in Jakarta, Thursday (19/7/2024). Airlangga also emphasized that the gratis lunch budget has been set in the 2025 State Budget Draft (RAPBN) at Rp71 trillion. For technical implementation, he said, the government will discuss further in meetings with the House of Representatives. "First, the free meal program has been budgeted in the Draft State Budget of Rp 71 trillion. The technicalities will be discussed in more detail," he explained. Met separately, Vice President-elect Gibran Rakabuming Raka said there was no certainty about cutting the Free Meal budget, which was his program with President-elect Prabowo Subianto in the future. (Bisnis)

Israel Strikes Yemen for the First Time Following Deadly Houthi Drone Attack

For the first time, Israel has struck inside Yemen, following a deadly drone attack launched by Houthi rebels on Tel Aviv. Since the October 7 attacks by Hamas on Israel, the Houthis have been targeting shipping in the Red Sea in solidarity - they say - with Gaza. After Israel struck back on Saturday, the Houthis said they launched a fresh barrage of missiles towards Israel, promising a response that will be "huge and great." Direct attacks on each other's soil between the Israeli military and the Iran-backed rebel group now risk creating a new front in a conflict that already threatened to spill over into the region, with Houthi spokesperson Mohammed Abdulsalam on Sunday describing the situation as "open war." (CNN News)

	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							3,776.0							
BBCA	10,125	9,400	11,025	Overweight	8.9	10.7	1,248.2	25.0x	5.5x	22.8	2.7	7.6	10.6	1.0
BBRI	4,900	5,725	6,375	Buy	30.1	(12.9)	742.6	12.2x	2.5x	21.1	6.5	17.8	1.9	1.3
BBNI	5,100	5,375	6,475	Buy	27.0	14.6	190.2	9.0x	1.3x	14.7	5.5	9.4	2.2	1.2
BMRI	6,525	6,050	7,800	Buy	19.5	22.0	609.0	11.0x	2.5x	24.1	5.4	13.2	1.1	1.2
AMAR	222	320	400	Buy	80.2	(22.9)	4.1	18.5x	1.2x	5.9	1.4	35.1	8.3	0.1
Consumer Non-Cyclicals							1,055.1							
INDF	6,075	6,450	7,400	Buy	21.8	(17.3)	53.3	7.9x	0.9x	11.4	4.4	0.8	(36.3)	0.5
ICBP	10,800	10,575	13,600	Buy	25.9	(8.1)	125.9	23.4x	2.9x	13.0	1.9	4.1	(40.4)	0.6
UNVR	2,800	3,530	3,100	Overweight	10.7	(34.4)	106.8	22.0x	22.1x	95.1	5.0	(5.0)	2.7	0.4
MYOR	2,580	2,490	2,800	Overweight	8.5	6.2	57.7	16.1x	3.6x	24.3	2.1	3.7	51.5	0.4
CPIN	5,475	5,025	5,500	Hold	0.5	2.8	89.8	32.3x	3.2x	10.3	0.5	9.3	186.7	0.6
JPFA	1,685	1,180	1,400	Sell	(16.9)	23.0	19.8	10.6x	1.4x	13.9	N/A	18.4	N/A	1.0
AALI	5,775	7,025	8,000	Buy	38.5	(26.2)	11.1	10.5x	0.5x	4.8	4.3	0.8	2.6	0.8
TBLA	685	695	900	Buy	31.4	(13.3)	4.2	6.5x	0.5x	7.9	5.8	0.6	(10.6)	0.4
Consumer Cyclicals							404.7							
ERAA	386	426	600	Buy	55.4	(18.6)	6.2	7.2x	0.8x	11.6	4.4	12.6	7.8	0.9
MAPI	1,385	1,790	2,200	Buy	58.8	(27.1)	23.0	12.0x	2.2x	20.2	0.6	17.8	5.9	0.6
HRTA	392	348	590	Buy	50.5	(8.4)	1.8	5.3x	0.9x	17.6	3.8	89.7	47.1	0.4
Healthcare							280.1							
KLBF	1,575	1,610	1,800	Overweight	14.3	(21.3)	73.8	25.4x	3.3x	13.2	2.0	6.3	12.5	0.5
SIDO	745	525	700	Underweight	(6.0)	4.2	22.4	21.5x	5.9x	30.1	4.1	16.1	30.1	0.6
MIKA	2,940	2,850	3,000	Hold	2.0	3.9	41.9	38.4x	6.9x	18.8	1.2	19.7	34.1	0.6
Infrastructure							2,014.04							
TLKM	3,140	3,950	4,800	Buy	52.9	(18.4)	311.1	12.9x	2.2x	17.4	5.7	3.7	(5.8)	1.1
JSMR	5,350	4,870	5,100	Hold	(4.7)	40.1	38.8	5.6x	1.4x	27.1	0.7	36.1	24.7	1.0
EXCL	2,180	2,000	3,800	Buy	74.3	9.0	28.6	17.7x	1.1x	6.1	2.2	11.8	156.3	0.9
TOWR	780	990	1,310	Buy	67.9	(25.7)	39.8	11.8x	2.3x	20.3	3.1	6.3	6.7	0.9
TBIG	2,000	2,090	2,390	Buy	19.5	2.3	45.3	28.7x	3.8x	13.3	3.0	5.4	4.3	0.5
MTEL	685	705	860	Buy	25.5	5.4	57.2	28.2x	1.7x	5.9	2.7	7.3	0.0	0.7
PTPP	398	428	1,700	Buy	327.1	(37.3)	2.5	4.6x	0.2x	4.7	N/A	5.7	150.0	1.7
Property & Real Estate							327.5							
CTRA	1,225	1,170	1,300	Overweight	6.1	12.9	22.7	11.9x	1.1x	9.7	1.7	8.7	18.2	0.7
PWON	420	454	500	Buy	19.0	(13.2)	20.2	11.0x	1.0x	9.9	2.1	10.5	(44.4)	0.7
Energy							1,535.5							
ITMG	26,525	25,650	26,000	Hold	(2.0)	5.0	30.0	4.9x	1.1x	22.4	16.6	(28.6)	(68.8)	1.0
PTBA	2,630	2,440	4,900	Buy	86.3	(4.4)	30.3	5.3x	1.4x	22.1	15.1	(5.5)	(31.8)	0.8
HRUM	1,240	1,335	1,600	Buy	29.0	(16.8)	16.8	20.8x	1.2x	5.7	N/A	(9.7)	(99.1)	0.9
ADRO	3,100	2,380	2,870	Underweight	(7.4)	33.0	99.2	3.8x	0.8x	22.9	13.2	(21.5)	(17.7)	1.1
Industrial							347.9							
UNTR	24,650	22,625	25,900	Overweight	5.1	1.6	91.9	4.5x	1.1x	22.9	9.2	(7.1)	(14.6)	0.9
ASII	4,530	5,650	6,900	Buy	52.3	(31.1)	183.4	5.6x	0.9x	16.0	11.5	(2.1)	(14.4)	1.2
Basic Ind.							2,353.7							
SMGR	4,060	6,400	9,500	Buy	134.0	(40.1)	27.4	13.2x	0.6x	4.8	2.1	(6.3)	(15.7)	1.1
INTP	7,350	9,400	12,700	Buy	72.8	(28.5)	27.1	13.9x	1.2x	8.8	1.2	(3.8)	(35.9)	0.6
INCO	3,840	4,249	5,000	Buy	30.2	(39.4)	40.5	13.1x	0.9x	7.3	N/A	(36.7)	(96.5)	0.6
ANTM	1,350	1,705	2,050	Buy	51.9	(32.2)	32.4	19.6x	1.0x	5.9	9.5	(25.6)	(85.7)	1.2
NCKL	930	1,000	1,320	Buy	41.9	6.3	58.7	11.4x	2.4x	29.8	2.9	26.1	(36.1)	N/A
Technology							286.1							
GOTO	50	86	81	Buy	62.0	(56.5)	60.1	N/A	1.4x	(109.2)	N/A	22.4	78.1	1.7
Transportation & Logistic							39.8							
ASSA	770	790	990	Buy	28.6	(34.2)	2.8	23.0x	1.5x	6.8	2.6	3.1	32.3	1.4

* Target Price

Source: Bloomberg, NHKS Research

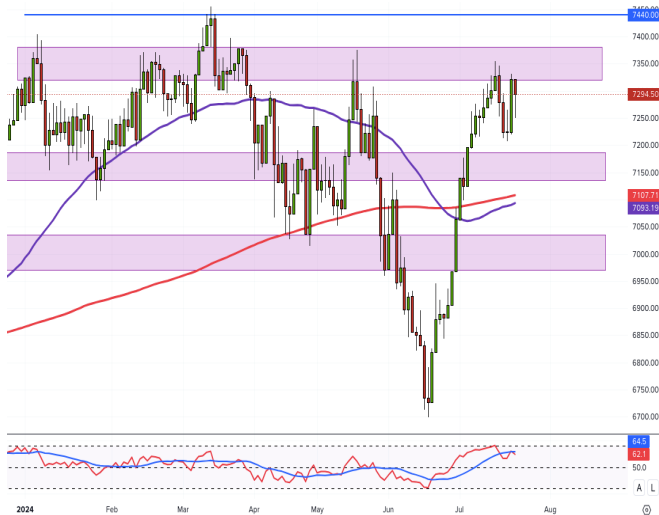
Date	Country	Hour Jakarta	Event	Actual	Period	Consensus	Previous
Monday	-	-	-	-	-	-	-
22 – July							
Tuesday	US	21.00	Existing Home Sales	-	Jun	4.00 m	4.11 m
23 – July							
Wednesday	JP	07..30	Jibun Bank Japan PMI Manufacturing	-	July P	-	50.0
24 - July	GE	14.30	HCOB Germany Manufacturing PMI	-	July P	44.5	43.5
	US	18.00	MBA Mortgage Applications	-	July 19	-	3.9%
	US	19.30	S&P Global US Manufacturing PMI	-	Jun	-	51.6
	US	21.00	New Home Sales	-	Jun	640k	619k
Thursday	GE	15.00	IFO Business Climate	-	July	89.0	88.6
25 – July	US	19.30	Initial Jobless Claims	-	July 20	-	243k
	US	19.30	Durable Goods Order	-	June P	0.5%	0.1%
	US	19.30	GDP Annualized QoQ	-	2Q A	1.8%	1.4%
Friday	US	19.30	Personal Spending	-	June	0.2%	0.2%
26 - July	US	19.30	Personal Income	-	June	0.4%	0.5%
	US	21.00	US Of Michigan Sentiment	-	July F	-	66.0

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	JATI
22– July	Cum Dividend	-
Tuesday	RUPS	-
23-July	Cum Dividend	-
Wednesday	RUPS	-
24 – July	Cum Dividend	-
Thursday	RUPS	INAF
25 – July	Cum Dividend	-
Friday	RUPS	GGRP
26 – July	Cum Dividend	-

Source: Bloomberg, NHKSI Research



IHSG projection for 22 July 2024 :

Reject resistance area

Support : 7135-7185 / 6970-7035 / 6850-6875

Resistance : 7320-7380 / 7440

ADVISE : trailing stop

SMGR —PT Semen Indonesia (Persero) Tbk.



PREDICTION 22 July 2024

Overview

Double bottom

Advise

Spec buy

Entry Level: 4060

Target: 4450-4580 / 4740 / 5460

Stoploss: 3900

ARTO —PT Bank Jago Tbk



PREDICTION 22 July 2024

Overview

Reverse heads n shoulders

Advise

Buy on break

Entry Level: >2520

Target: 2700-2730 / 2800-2840 / 2900-2930

Stoploss: 2400

INKP —PT Indah Kiat Pulp & Paper Tbk



PREDICTION 22 July 2024

Overview

Potential double bottom

Advise

Spec buy

Entry Level: 8500

Target: 8975-9000 / 9150-9200 / 9300-9400

Stoploss: 8300

TOWR —PT Sarana Menara Nusantara Tbk



PREDICTION 22 July 2024

Overview

Retest broken resistance, long wick rejection

Advise

Spec buy

Entry Level: 780-770

Target: 815-825 / 860-875 / 920-940

Stoploss: 755

ABMM —PT ABM Investama Tbk



PREDICTION 22 July 2024

Overview

Double bottom break

Advise

Buy on weakness

Entry Level: 3790-3750

Target: 3920-3950 / 4090-4140

Stoploss: 3660

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