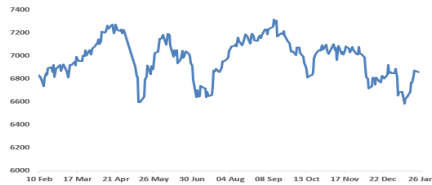


Morning Brief

Daily | Jan. 27, 2023

JCI Movement



Today's Outlook:

The Wall Street indices got a jolt from the 4Q22 GDP data, which emerged at 2.9%, beating the expectations of 2.6% but indeed lower than 3Q22, which reported at 3.2%. This sign of economic slowdown started to emerge due to the Federal Reserve's aggressive pace of interest rate hikes, as well as the weakening demand in the housing market as reflected in Building Permits, which contracted to 1.337 million, lower than the previous 1.351 million. The weakening demand was also seen from the New Home Sales (Dec.), which fell to 616K, lower than the forecast of 617K, although more robust than the previous month at 602 K. As for the labor market remains tight despite the massive wave of layoffs at several technology giants, with Initial Jobless Claims still at 186K, coming in lower than the 205K expected for last week and below the previous period of 192K. Those several results have made investors expect increasingly dovish future rate hikes, though The Fed has emphasized that the 5% FFR is non-negotiable to suppress US inflation further.

JCI received a boost of 34.8 points to 6864, with a focus on FY22 earnings and macroeconomic data. Foreign fund flows have been eagerly entering the equity market with net purchases amounting to IDR 978.15 billion (all market) over the past week, with focusing on the blue-chip stocks in basic materials, technology, banks, and industrial sectors. Moreover, Rupiah is still hanging below the 15000 level, adding a positive catalyst to the 4Q22 banking stocks performance, such as BBNI & BBCA, which have been released with profits above expectation. Updates on the constituents of the LQ45 and other similar indices will change the battle map, especially the Fund Managers' portfolio concentration. NHKSI RESEARCH is optimistic that this dynamic, positive momentum can be maintained at the end of this week, with expecting JCI to close above 6900, thus could end the current medium-term downward.

Company News

INDY : Establishing the Bioneer Indika Diagnostik
INTA : Revenue Target in 2023
ADHI : Targeting New Contracts to Rise 15%

Domestic & Global News

Adjustment on Subsidized House Price Benchmark in 2023
Australia's Inflation Reaches 7.8%

Sectors

| | Last | Chg. | % |
|---------------------------|---------|--------|--------|
| Transportation & Logistic | 1780.62 | 63.93 | 3.72% |
| Finance | 1422.19 | 22.07 | 1.58% |
| Consumer Cyclical | 825.13 | 8.16 | 1.00% |
| Consumer Non-Cyclical | 739.50 | 6.38 | 0.87% |
| Infrastructure | 850.75 | 5.47 | 0.65% |
| Basic Material | 1270.46 | 5.80 | 0.46% |
| Technology | 5542.32 | 12.27 | 0.22% |
| Property | 702.27 | 0.22 | 0.03% |
| Industrial | 1175.12 | -7.51 | -0.64% |
| Healthcare | 1530.59 | -12.16 | -0.79% |
| Energy | 2164.19 | -41.80 | -1.89% |

Indonesia Macroeconomic Data

| Monthly Indicators | Last | Prev. | Quarterly Indicators | Last | Prev. |
|------------------------|--------|--------|----------------------|--------|--------|
| BI 7 Day Rev Repo Rate | 5.75% | 5.50% | Real GDP | 5.72% | 5.44% |
| FX Reserve (USD bn) | 137.20 | 134.00 | Current Acc (USD bn) | 4.02 | 4.97 |
| Trd Balance (USD bn) | 3.89 | 5.16 | Govt. Spending Yoy | -2.88% | -7.74% |
| Exports Yoy | 6.58% | 5.58% | FDI (USD bn) | 5.14 | 4.70 |
| Imports Yoy | -6.61% | -1.89% | Business Confidence | 104.82 | 105.33 |
| Inflation Yoy | 5.51% | 5.42% | Cons. Confidence* | 119.90 | 119.10 |

JCI Index

| | |
|-------------------------------|--------------------|
| January 26 | 6,864.82 |
| Chg. | 34.89 pts (+0.51%) |
| Volume (bn shares) | 20.54 |
| Value (IDR tn) | 10.65 |
| Up 284 Down 215 Unchanged 164 | |

Most Active Stocks

| (IDR bn) | | | |
|----------|-------|--------|-------|
| by Value | | | |
| Stocks | Val. | Stocks | Val. |
| BBCA | 661.9 | GOTO | 278.5 |
| BBRI | 524.0 | ADRO | 253.8 |
| TLKM | 463.0 | ASII | 237.0 |
| BBNI | 360.7 | ANTM | 213.7 |
| BMRI | 349.4 | GGRM | 203.1 |

Foreign Transaction

| (IDR bn) | |
|----------------|-------|
| Buy | 3,707 |
| Sell | 2,854 |
| Net Buy (Sell) | 853 |

| Top Buy | NB Val. | Top Sell | NS Val. |
|---------|---------|----------|---------|
| BBCA | 257.5 | BMRI | 54.3 |
| TLKM | 225.3 | BBRI | 43.2 |
| BBNI | 186.5 | ACES | 30.3 |
| MDKA | 84.0 | GOTO | 28.8 |
| ANTM | 53.0 | ASII | 25.4 |

Government Bond Yields & FX

| | Last | Chg. |
|----------------|--------|--------|
| Tenor: 10 year | 6.68% | 0.02% |
| USDIDR | 14,948 | -0.11% |
| KRWIDR | 12.14 | -0.09% |

Global Indices

| Index | Last | Chg. | % |
|-----------|-----------|---------|--------|
| Dow Jones | 33,949.41 | 205.57 | 0.61% |
| S&P 500 | 4,060.43 | 44.21 | 1.10% |
| FTSE 100 | 7,761.11 | 16.24 | 0.21% |
| DAX | 15,132.85 | 51.21 | 0.34% |
| Nikkei | 27,362.75 | (32.26) | -0.12% |
| Hang Seng | 22,566.78 | 522.13 | 2.37% |
| Shanghai | 3,240.28 | 15.87 | 0.49% |
| Kospi | 2,468.65 | 40.08 | 1.65% |
| EIDO | 23.34 | 0.29 | 1.26% |

Commodities

| Commodity | Last | Chg. | % |
|--------------------|---------|--------|--------|
| Gold (\$/troy oz.) | 1,929.2 | (16.9) | -0.87% |
| Crude Oil (\$/bbl) | 81.01 | 0.86 | 1.07% |
| Coal (\$/ton) | 355.60 | 1.60 | 0.45% |
| Nickel LME (\$/MT) | 29,427 | 245.0 | 0.84% |
| Tin LME (\$/MT) | 32,262 | 1412.0 | 4.58% |
| CPO (MYR/Ton) | 3,781 | 28.0 | 0.75% |

INDY : Establishing the Bioneer Indika Diagnostik

PT Indika Energy Tbk (INDY) is expanding into the health sector business line as the company is seen to establish a special business entity labeled Bioneer Indika Diagnostik (BID). This business entity will carry out the distribution of medical devices. This establishment is counted as the company's step to expand and diversify its business in the Indonesian health sector. (Emiten News)

INTA : Revenue Target in 2023

PT Intraco Penta Tbk (INTA) targets sales to reach IDR1.2 trillion by 2023. The company will also maximize its four business lines. The company's business line performance will support the growth, which is targeted to grow up to 86% YoY in 2023. Additionally, this target is in line with the plan to change the business line of PT Intan Baruprana Tbk (IBFN), which will change its business line to become a distributor of commercial transport equipment. (Emiten News)

ADHI : Targeting New Contracts to Rise 15%

PT Adhi Karya (Persero) Tbk (ADHI) targets new contract growth to reach 10%-15% by 2023, or around IDR27.25 trillion. The contract acquisition is targeted to be derived from toll road infrastructure development projects, water and waste management, and other infrastructure projects. Additionally, the source of funds is expected to come from the government, BUMN, and the private sector. (Bisnis Indonesia)

Domestic & Global News

Adjustment on Subsidized House Price Benchmark in 2023

Through the Ministry of Public Works and Public Housing, the government ensures that there will be an adjustment to the price benchmark for subsidized houses in 2023. Currently, the public has to wait for technical regulations from the Ministry of Finance to determine the price limit that will get the Value Added Tax (VAT) exemption. (CNBC Indonesia)

Australia's Inflation Reaches 7.8%

The inflation in Australia hit 7.8% in December 2022, a 32-year high. This surpassed the previous high of 7.3% in September and was just a little away from the Reserve Bank's forecast of 8%. According to the Australian Bureau of Statistics, the Consumer Price Index rose 1.9% in the 4th quarter, driven by a surge in electricity prices and holiday travel accommodation costs. (IDX Channel)

| | 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 | | | | | | | 3,309.1 | | | | | | | |
| BBCA | 8,475 | 8,550 | 9,000 | Overweight | 6.2 | 10.1 | 1,044.8 | 28.1x | 4.9x | 18.1 | 1.8 | 6.4 | 24.9 | 0.9 |
| BBRI | 4,590 | 4,940 | 5,500 | Buy | 19.8 | 12.2 | 695.7 | 13.0x | 2.3x | 17.8 | 1.2 | 7.6 | 80.4 | 1.2 |
| BBNI | 9,475 | 9,225 | 10,700 | Overweight | 12.9 | 33.0 | 176.7 | 9.6x | 1.3x | 14.1 | 1.5 | 8.7 | 67.8 | 1.4 |
| BMRI | 9,825 | 9,925 | 10,000 | Hold | 1.8 | 31.4 | 458.5 | 11.6x | 2.2x | 19.3 | 3.7 | 9.0 | 59.3 | 1.2 |
| Consumer Non-Cyclicals | | | | | | | 1,183.1 | | | | | | | |
| ICBP | 10,075 | 10,000 | 11,400 | Overweight | 13.2 | 15.1 | 117.5 | 24.9x | 3.4x | 14.1 | 2.1 | 14.8 | (33.3) | 0.5 |
| UNVR | 4,800 | 4,700 | 4,850 | Hold | 1.0 | 16.2 | 183.1 | 30.6x | 32.0x | 108.4 | 3.2 | 5.0 | 5.2 | 0.5 |
| MYOR | 2,430 | 2,500 | 2,900 | Buy | 19.3 | 20.9 | 54.3 | 41.8x | 4.6x | 11.5 | 0.9 | 11.8 | 11.4 | 0.6 |
| HMSP | 980 | 840 | 950 | Hold | (3.1) | 2.1 | 114.0 | 17.7x | 4.3x | 24.0 | 6.5 | 15.0 | (12.5) | 0.7 |
| CPIN | 5,950 | 5,650 | 6,600 | Overweight | 10.9 | (8.5) | 97.6 | 23.6x | 3.7x | 16.3 | 1.8 | 15.5 | 19.0 | 0.6 |
| AALI | 8,175 | 8,025 | 11,000 | Buy | 34.6 | (16.6) | 15.7 | 9.2x | 0.7x | 8.3 | 5.4 | (8.3) | (17.2) | 1.0 |
| Consumer Cyclicals | | | | | | | 342.1 | | | | | | | |
| ERAA | 420 | 392 | 500 | Buy | 19.0 | (23.6) | 6.7 | 6.8x | 1.0x | 15.9 | 5.4 | 12.1 | (4.4) | 0.8 |
| MAPI | 1,310 | 1,445 | 1,700 | Buy | 29.8 | 73.5 | 21.7 | 10.7x | 3.0x | 31.9 | N/A | 55.8 | N/A | 0.9 |
| Healthcare | | | | | | | 292.0 | | | | | | | |
| KLBF | 2,040 | 2,090 | 2,300 | Overweight | 12.7 | 20.0 | 95.6 | 28.2x | 4.8x | 17.8 | 1.7 | 10.9 | 9.5 | 0.5 |
| SIDO | 770 | 755 | 800 | Hold | 3.9 | (18.1) | 23.1 | 20.7x | 6.6x | 33.9 | 4.7 | (5.9) | (17.4) | 0.6 |
| MIKA | 2,850 | 3,190 | 3,000 | Overweight | 5.3 | 20.3 | 40.6 | 36.5x | 7.7x | 21.2 | 1.3 | (9.8) | (16.1) | 0.4 |
| Infrastructure | | | | | | | 819.21 | | | | | | | |
| TLKM | 3,970 | 3,750 | 4,940 | Buy | 24.4 | (9.6) | 393.3 | 17.5x | 3.2x | 19.7 | 3.8 | 2.7 | (12.1) | 0.8 |
| JSMR | 3,140 | 2,980 | 5,100 | Buy | 62.4 | (5.7) | 22.8 | 12.3x | 1.1x | 9.1 | N/A | 10.2 | 34.4 | 0.8 |
| EXCL | 2,300 | 2,140 | 3,800 | Buy | 65.2 | (25.3) | 30.2 | 19.6x | 1.2x | 6.2 | 2.2 | 9.1 | (2.1) | 0.8 |
| TOWR | 1,115 | 1,100 | 1,520 | Buy | 36.3 | 7.2 | 56.9 | 16.3x | 4.0x | 26.9 | 2.2 | 33.6 | (1.9) | 0.4 |
| TBIG | 2,120 | 2,300 | 3,240 | Buy | 52.8 | (27.9) | 48.0 | 27.5x | 3.8x | 15.6 | 1.7 | 7.9 | 8.1 | 0.6 |
| WIKA | 680 | 800 | 1,280 | Buy | 88.2 | (33.7) | 6.1 | N/A | 0.5x | (0.1) | N/A | 9.8 | N/A | 1.1 |
| PTPP | 655 | 715 | 1,700 | Buy | 159.5 | (29.2) | 4.1 | 14.5x | 0.4x | 2.5 | N/A | 20.1 | 9.5 | 1.1 |
| Property & Real Estate | | | | | | | 249.1 | | | | | | | |
| CTRA | 935 | 940 | 1,500 | Buy | 60.4 | 5.6 | 17.4 | 7.7x | 1.0x | 13.0 | 1.5 | 8.7 | 49.1 | 1.1 |
| PWON | 446 | 456 | 690 | Buy | 54.7 | 6.2 | 21.5 | 11.6x | 1.3x | 11.4 | 0.9 | 18.7 | 65.0 | 1.1 |
| Energy | | | | | | | 1,392.4 | | | | | | | |
| PGAS | 1,560 | 1,760 | 1,770 | Overweight | 13.5 | 15.1 | 37.8 | 7.6x | 1.0x | 12.7 | 8.0 | 17.2 | 8.5 | 1.0 |
| PTBA | 3,390 | 3,690 | 4,900 | Buy | 44.5 | 18.1 | 39.1 | 3.0x | 1.5x | 56.0 | 20.3 | 60.3 | 104.5 | 0.9 |
| ADRO | 3,010 | 3,850 | 3,900 | Buy | 29.6 | 36.2 | 96.3 | 2.6x | 1.1x | 49.1 | 13.0 | 130.2 | 366.8 | 1.1 |
| Industrial | | | | | | | 423.9 | | | | | | | |
| UNTR | 25,250 | 26,075 | 32,000 | Buy | 26.7 | 10.9 | 94.2 | 5.1x | 1.2x | 25.2 | 6.8 | 58.3 | 102.9 | 0.8 |
| ASII | 5,900 | 5,700 | 8,000 | Buy | 35.6 | 8.3 | 238.9 | 8.4x | 1.3x | 16.0 | 4.8 | 32.2 | 55.7 | 1.0 |
| Basic Ind. | | | | | | | 949.9 | | | | | | | |
| SMGR | 7,325 | 6,575 | 9,500 | Buy | 29.7 | 6.8 | 49.5 | 19.1x | 1.2x | 6.4 | 2.4 | (0.2) | 18.8 | 0.9 |
| INTP | 10,100 | 9,900 | 12,700 | Buy | 25.7 | (8.6) | 37.2 | 23.4x | 1.9x | 7.6 | 5.0 | 9.9 | (17.5) | 0.8 |
| INCO | 7,275 | 7,100 | 8,200 | Overweight | 12.7 | 50.6 | 72.3 | 22.9x | 2.1x | 9.5 | N/A | 27.3 | 36.3 | 1.2 |
| ANTM | 2,320 | 1,985 | 3,450 | Buy | 48.7 | 28.5 | 55.8 | 20.1x | 2.5x | 12.9 | 1.7 | 27.2 | 53.6 | 1.5 |

* Target Price

Source: Bloomberg, NHKS Research

Global & Domestic Economic Calendar

| koDate | Country | Hour Jakarta | Event | Period | Actual | Consensus | Previous |
|------------------|---------|-----------------|-------------------------------------|--------|--------|-----------|----------|
| Monday | US | 22:00 | Leading Index | Dec | -1.0% | -0.7% | -1.0% |
| 23 - Jan. | PD | 16:00 | Retail Sales YoY | Dec | 15.5% | 17.8% | 18.4% |
| Tuesday | US | 21:45 | S&P Global US Manufacturing PMI | Jan P | 46.8 | 46.0 | 46.2 |
| 24 - Jan. | FR | 15:15 | S&P Global France Manufacturing PMI | Jan P | 50.8 | 49.5 | 49.2 |
| | GE | 15:30 | S&P Global Germany Manufact. PMI | Jan P | 47.0 | 48.0 | 47.1 |
| | JP | 07:30 | Jibun Bank Japan PMI Mfg | Jan P | 48.9 | — | 48.9 |
| Wednesday | US | 19:00 | MBA Mortgage Applications | Jan 20 | 7.0% | — | 27.9% |
| 25 - Jan. | KR | — | Retail Sales YoY | Dec | — | — | 8.4% |
| Thursday | US | 20:30 | GDP Annualized QoQ | 4Q A | 2.9% | 2.6% | 3.2% |
| 26 - Jan. | US | 20:30 | Initial Jobless Claims | Jan 21 | 186 K | 205 K | 190 K |
| | US | 20:30 | Durable Goods Orders | Dec P | 5.6% | 2.5% | -2.1% |
| Friday | US | 20:30 | Personal Income | Dec | | 0.2% | 0.4% |
| 27 - Jan. | US | 20:30 | Personal Spending | Dec | | -0.1% | 0.1% |
| | JP | 06:30 | Tokyo CPI YoY | Jan | | 4.0% | 4.0% |

Source: Bloomberg, NHKSI Research

Corporate Calendar

| Date | Event | Company |
|------------------|--------------|------------------------------|
| Monday | RUPS | — |
| 23 - Jan. | Cum Dividend | — |
| Tuesday | RUPS | SMBR |
| 24 - Jan. | Cum Dividend | — |
| Wednesday | RUPS | BEKS, CLAY, CLEO, KIAS, KOIN |
| 25 - Jan. | Cum Dividend | — |
| Thursday | RUPS | NPGF |
| 26 - Jan. | Cum Dividend | — |
| Friday | RUPS | GOLL |
| 27 - Jan. | Cum Dividend | — |

Source: Bloomberg



IHSG projection for 27 January 2023:

Bullish – Uji Resistance jk.menengah 6880-6900.

Support : 6815 / 6775 -6765.

Resistance : 6880- 6900 / 6955-6965 / 7000.

ADVISE : Buy on Break , or Average Up accordingly.

ACES—PT Ace Hardware Indonesia TBK



PREDICTION 27 JANUARY 2023

Overview

Break ketiga Resistance Moving Average.

Potensi bullish jk.pendek menuju upper channel – Up-trend.

Advise

Buy

Entry Level: 486-480.

Average Up >488.

Target: 495-500 / 525-550

Stoploss: 470

AKRA—PT AKR Corporindo TBK



PREDICTION 27 JANUARY 2023

Overview

Break pattern Parallel Channel – Downtrend.

Advise

Buy.

Entry Level : 1400-1380.

Average Up >1420.

Target: 1460 / 1560-1580

Stoploss: 1350.

SCMA—PT Surya Citra Media TBK



PREDICTION 27 JANUARY 2023

Overview

Break pola Cup and Handle (bullish reversal).

Advise

Buy

Entry Level: 232-228.

Average Up >242

Target: 248-250 / 262.

Stoploss: 224.

SIDO—PT SIDO MUNCUL TBK



PREDICTION 27 JANUARY 2023

Overview

Break ketiga Resistance Moving Average.

Potensi bullish jk.pendek menuju upper channel – Uptrend.

Advise

Buy

Entry Level: 770-760.

Average Up >775.

Target: 790-800 / 820-840.

Stoploss: 725.

SRTG—PT Saratoga Investama Sedaya TBK



PREDICTION 27 JANUARY 2023

Overview

Break ke atas MA10 & MA20.
potensi Bullish jk.pendek.

Advise

Buy

Entry Level: 2470

Average Up >2510

Target: 2560 / 2610-2640

Stoploss: 2380.

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