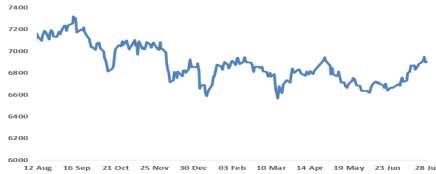


Morning Brief

Daily | July 31, 2023

JCI Movement



Today's Outlook:

All three major US indexes ended last week in solidly positive territory with the Nasdaq again leading the gains by rising 1.9% after a raft of sentiment from Big Tech companies' earnings reports, economic data, and central bank announcements boosted investors' confidence in a soft landing for the U.S. economy. U.S. annual inflation slowed significantly in June, likely prompting the Federal Reserve to quickly end its fastest interest rate hike cycle since the 1980s. In the 12 months to June, the PCE price index rose 3.0%. That was the smallest annual gain since March 2021 and followed a 3.8% increase in May. Meanwhile, US Treasury yields fell on Friday as well as markets digested the Bank of Japan's decision to alter its ultra-loose monetary policy. **From the Asia**, here are a series of sentiments that will be considered by investors in determining the direction of stock market movements at the beginning of this week: China's Caixin manufacturing PMI; Consumer Confidence index, as well as Japan's new home construction and unemployment data for June; Australia's manufacturing PMI data for July as well as building approvals (June); and not forgetting South Korea preparing with July import/export growth report. Later in the afternoon, the Euro Zone's CPI (July) and 2Q23 GDP data will be awaited.

Considering the closing position of JCI last week, it seems that JCI successfully tested the nearest Support which is MA10 because it was still able to close above the level of 6887; thus this short-term uptrend is still relatively intact. Investors are still expected to be vigilant because as long as Resistance 6950-6970 has not been broken, then the JCI direction is still open to the possibility of returning to short consolidation towards the following Supports: 6887 / 6812. **Advise: Hold; Wait &**

Company News

MYOR : Net Profit Surged 86% to IDR1.21 Trillion in 1H23
INCO : Aiming for 70,000 Tons of Nickel Production by 2023
EXCL : Recorded IDR 650 Billion Net Profit in the First Half of 2023

Domestic & Global News

Wealthy People Save More Often, the Number of Accounts above IDR 1 Billion Rises the Highest
Zelenskiy Expects Russia to Resume Attacks on Ukraine's Power Grid

Sectors

	Last	Chg.	%
Basic Material	1076.63	10.53	0.99%
Infrastructure	850.78	6.32	0.75%
Consumer Non-Cyclicals	752.63	3.67	0.49%
Healthcare	1529.82	2.88	0.19%
Finance	1433.46	2.60	0.18%
Property	753.47	1.10	0.15%
Energy	1947.33	-6.72	-0.34%
Transportation & Logistic	1928.29	-7.74	-0.40%
Consumer Cyclicals	928.28	-4.13	-0.44%
Industrial	1198.01	-5.85	-0.49%
Technology	4707.00	-63.21	-1.33%

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)	3.46	0.44	Govt. Spending Yoy	3.99%	-4.77%
Exports Yoy	-21.18%	0.96%	FDI (USD bn)	5.14	5.14
Imports Yoy	-18.35%	14.35%	Business Confidence	104.82	105.33
Inflation Yoy	3.52%	4.00%	Cons. Confidence*	127.10	128.30

JCI Index

July 28	6,900.23
Chg.	3.57 pts (+0.05%)
Volume (bn shares)	17.21
Value (IDR tn)	9.72
Up 189 Down 307 Unchanged 180	

Most Active Stocks

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BMRI	692.1	EXCL	258.0
BBCA	681.7	AMMN	247.1
TLKM	674.3	MAHA	224.0
BBRI	419.5	ASII	186.1
BBNI	359.8	BOGA	149.7

Foreign Transaction

(IDR bn)			
by Value			
Stocks	Val.	Stocks	Val.
BMRI	57.1	BBCA	390.8
MIDI	45.9	TLKM	122.4
EXCL	44.9	BBNI	112.7
FILM	21.6	ASII	72.7
GGRM	20.7	BBRI	35.7

Government Bond Yields & FX

	Last	Chg.
Tenor: 10 year	6.29%	0.04%
USDIDR	15,095	0.63%
KRWIDR	11.83	0.74%

Global Indices

Index	Last	Chg.	%
Dow Jones	35,459.29	176.57	0.50%
S&P 500	4,582.23	44.82	0.99%
FTSE 100	7,694.27	1.51	0.02%
DAX	16,469.75	63.72	0.39%
Nikkei	32,759.23	(131.93)	-0.40%
Hang Seng	19,916.56	277.45	1.41%
Shanghai	3,275.93	59.26	1.84%
Kospi	2,608.32	4.51	0.17%
EIDO	23.37	0.04	0.17%

Commodities

Commodity	Last	Chg.	%
Gold (\$/troy oz.)	1,959.5	13.5	0.69%
Crude Oil (\$/bbl)	80.58	0.49	0.61%
Coal (\$/ton)	134.45	0.45	0.34%
Nickel LME (\$/MT)	22,307	618.0	2.85%
Tin LME (\$/MT)	28,740	60.0	0.21%
CPO (MYR/Ton)	4,006	(20.0)	-0.50%

MYOR : Net Profit Surged 86% to IDR1.21 Trillion in 1H23

PT Mayora Indah Tbk (MYOR) continued the upward trend in net profit throughout 1H23. MYOR's bottom line was recorded to grow 86.59% year on year (YoY), from Rp653.22 billion in 1H22 to Rp1.21 trillion in 1H23. This increase in profit was enjoyed by MYOR even though sales growth was only 3.09 percent YoY from IDR14.37 trillion to IDR14.81 trillion. (Bisnis)

INCO : Aiming for 70,000 Tons of Nickel Production by 2023

Nickel mining company PT Vale Indonesia Tbk (INCO) is targeting nickel production in matte to reach 70,000 tons in 2023. The production target is higher than the realization of 60,090 tons in 2022 and 65,388 tons in 2021. In the first semester of 2023, INCO produced 33,691 tons of nickel in matte, up from 26,394 tons in the first semester of 2022. (Bisnis)

EXCL : Recorded IDR 650 Billion Net Profit in the First Half of 2023

PT XL Axiata Tbk (EXCL) managed to maintain an increase in revenue and net profit throughout the first semester of 2023. EXCL's revenue rose 12% year on year (YoY) to Rp 15.76 trillion from Rp 14.07 trillion. Meanwhile, EXCL's net profit grew 5.81% YoY to Rp 650.68 billion. (Kontan)

Domestic & Global News

Wealthy People Save More Often, the Number of Accounts above IDR 1 Billion Rises the Highest

The Deposit Insurance Corporation (LPS) has just released data on the Distribution of Commercial Bank Deposits (BU) on Friday (28/7/2023). Interestingly, the data shows growth in the number of deposit accounts, especially for customers above IDR 1 billion. Based on deposit tiering, the highest number of deposit accounts is found in the deposit tier below and equal to IDR 100 million, which accounts for 98.7% of total deposit accounts. However, the number of accounts in all deposit tiers that experienced the largest increase was in the IDR 1 billion to IDR 2 billion deposit tier, which reached 1.1% on a monthly basis (MoM). On the other hand, based on deposit tiering, the largest deposit nominal was in the deposit tier above IDR 5 billion, which accounted for 52.5% of total deposits. For nominal deposits in all deposit tiers that experienced an increase with the highest increase was in the IDR 1 billion to IDR 2 billion deposit tier at 0.9% MoM. (IDX Channel)

Zelenskiy Expects Russia to Resume Attacks on Ukraine's Power Grid

President Volodymyr Zelenskiy said on Sunday that he expects Russia to resume its attacks on Ukraine's energy system once cold weather returns later this year, and vowed to do everything possible to protect the power grid. Nearly 40% of the Ukrainian energy system was damaged in Russian missile and drone strikes over the past winter, which plunged Ukrainian cities into darkness and cold in what Kyiv called a deliberate strategy to harm civilians, a war crime. Moscow says it launched the attacks to reduce Ukraine's ability to fight. Since warm weather returned, strikes on Ukraine's energy infrastructure have subsided in place of attacks on other targets. But Zelenskiy said during a visit to the western city of Ivano-Frankivsk on Sunday he expected attacks on energy to resume. Zelenskiy said the government, security officials and energy workers were working to protect the energy system from physical damage, sabotage or cyberattacks. Every city and town in Ukraine should be ready to handle energy sector emergencies, he added. (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							3,700.1							
BBCA	9,125	8,550	10,200	Overweight	11.8	24.1	1,124.9	24.0x	5.0x	21.9	2.2	22.2	34.2	0.9
BBRI	5,700	4,940	6,000	Overweight	5.3	30.7	863.9	15.8x	3.1x	19.8	5.1	10.3	28.8	1.1
BBNI	8,875	9,225	12,000	Buy	35.2	13.4	165.5	8.4x	1.2x	14.9	4.4	12.2	17.0	1.2
BMRI	5,700	4,963	6,300	Overweight	10.5	41.6	532.0	12.2x	2.4x	21.2	4.6	16.0	25.1	1.3
AMAR	296	232	392	Buy	32.4	2.8	5.4	N/A	1.3x	(4.3)	N/A	0.7	N/A	0.9
Consumer Non-Cyclicals							1,191.7							
INDF	7,325	6,725	8,600	Buy	17.4	6.2	64.3	8.2x	1.1x	14.4	3.5	11.3	62.8	0.5
ICBP	11,200	10,000	13,000	Buy	16.1	24.8	130.6	19.8x	3.3x	17.3	1.7	11.4	104.2	0.5
UNVR	3,870	4,700	4,200	Overweight	8.5	(14.2)	147.6	31.4x	37.5x	110.4	3.6	(5.5)	(20.0)	0.5
MYOR	2,430	2,500	3,200	Buy	31.7	40.1	54.3	22.9x	4.1x	19.1	1.4	11.4	135.7	0.7
CPIN	4,960	5,650	5,500	Overweight	10.9	(13.7)	81.3	41.0x	3.1x	7.5	2.2	1.9	(79.5)	0.5
JPFA	1,280	1,295	1,300	Hold	1.6	(15.8)	15.0	26.3x	1.2x	4.5	3.9	(3.2)	N/A	0.6
AALI	7,700	8,025	9,200	Buy	19.5	(19.4)	14.8	11.5x	0.7x	6.1	5.2	(14.4)	(54.6)	1.0
Consumer Cyclicals							420.6							
ERAA	484	392	600	Buy	24.0	(2.8)	7.7	8.0x	1.1x	14.2	3.9	28.9	(21.1)	0.8
MAPI	2,020	1,445	2,000	Hold	(1.0)	129.5	33.5	15.7x	3.8x	27.0	0.4	27.3	(5.2)	0.7
Healthcare							287.5							
KLBF	1,910	2,090	2,300	Buy	20.4	14.4	89.5	26.0x	4.2x	16.4	2.0	12.2	3.1	0.4
SIDO	640	755	1,000	Buy	56.3	(34.0)	19.2	17.3x	5.9x	34.0	5.7	2.6	0.6	0.6
MIKA	2,890	3,190	3,000	Hold	3.8	11.2	41.2	41.6x	7.1x	17.9	1.3	(6.0)	(14.5)	0.3
Infrastructure							847.15							
TLKM	3,720	3,750	5,000	Buy	34.4	(12.3)	368.5	17.5x	2.7x	16.0	4.5	2.5	5.0	0.8
JSMR	3,830	2,980	5,100	Buy	33.2	7.0	27.8	9.7x	1.2x	13.2	2.0	21.2	34.3	0.8
EXCL	2,250	2,140	3,800	Buy	68.9	(5.5)	29.5	23.3x	1.1x	5.1	1.9	12.0	(13.8)	0.8
TOWR	1,010	1,100	1,370	Buy	35.6	(15.1)	51.5	15.1x	3.3x	23.8	2.4	9.4	(11.8)	0.3
TBIG	1,890	2,300	2,390	Buy	26.5	(38.8)	42.8	27.4x	3.6x	14.5	1.9	(1.4)	(25.6)	0.4
MTEL	655	800	865	Buy	32.1	(10.3)	54.7	28.3x	1.6x	5.8	3.3	#N/A	N/A	N/A
WIKA	456	800	1,280	Buy	180.7	(51.2)	4.1	N/A	0.3x	(4.6)	N/A	37.4	N/A	1.2
PTPP	605	715	1,700	Buy	181.0	(33.5)	3.8	13.3x	0.3x	2.5	N/A	1.9	20.0	1.1
Property & Real Estate							272.1							
CTRA	1,100	940	1,500	Buy	36.4	22.9	20.4	11.0x	1.1x	10.2	1.4	(4.6)	(4.3)	0.9
PWON	486	456	690	Buy	42.0	5.7	23.4	13.3x	1.3x	10.3	1.3	5.9	60.5	1.1
Energy							1,319.1							
PGAS	1,370	1,760	1,770	Buy	29.2	(18.7)	33.2	7.2x	0.8x	10.9	10.3	11.6	(20.0)	0.9
PTBA	2,800	3,690	4,900	Buy	75.0	(34.4)	32.3	2.8x	1.1x	41.1	39.1	21.4	(48.9)	1.0
ADRO	2,470	3,850	3,900	Buy	57.9	(24.7)	79.0	2.0x	0.8x	46.2	19.7	50.1	15.3	1.3
Industrial							435.4							
UNTR	26,650	26,075	32,000	Buy	20.1	(14.9)	99.4	4.5x	1.1x	27.2	26.3	24.7	26.6	0.9
ASII	6,625	5,700	8,000	Buy	20.8	9.5	268.2	8.7x	1.3x	16.3	9.7	15.5	27.2	1.1
Basic Ind.							1,138.2							
SMGR	6,750	6,575	9,500	Buy	40.7	5.4	45.6	17.1x	1.1x	6.1	3.6	4.5	(2.1)	0.9
INTP	10,400	9,900	12,700	Buy	22.1	13.0	38.3	17.6x	1.8x	10.0	1.5	19.3	109.8	0.8
INCO	6,825	7,100	8,200	Buy	20.1	10.5	67.8	20.5x	1.8x	9.2	1.3	16.7	12.6	1.2
ANTM	1,960	1,985	3,450	Buy	76.0	(2.0)	47.1	11.7x	1.9x	16.9	4.1	18.9	13.5	1.4

* Target Price

Source: Bloomberg, NHKS Research

Global & Domestic Economic Calendar

Date	Country	Hour Jakarta	Event	Period	Actual	Consensus	Previous
Monday	US	20:45	MNI Chicago PMI	Jul		43.5	41.5
<i>31 – July</i>	CH	08:30	Manufacturing PMI	Jul		48.9	49.0
	GE	15:00	GDP SA QoQ	2Q P		0.1%	-0.3%
	JP	06:50	Industrial Production MoM	Jun P		2.4%	-2.2%
Tuesday	US	20:45	S&P Global US Manufacturing PMI	Jul F		49.0	49.0
<i>1 – Aug</i>	US	21:00	ISM Manufacturing	Jul		46.9	46.0
	CH	08:45	Caixin China PMI Mfg	Jul		49.8	50.5
	GE	14:55	Unemployment Change (000's)	Jul		25.0K	28.0K
	GE	14:55	HCOB Germany Manufacturing PMI	Jul F		38.8	38.8
	KR	07:00	Trade Balance	Jul		—	\$1130m
	KR	07:30	S&P Global South Korea PMI Mfg	Jul		—	47.8
	JP	06:30	Jobless Rate	Jun		2.6%	2.6%
	JP	06:30	Job-To-Applicant Ratio	Jun		1.32	1.31
	JP	07:30	Jibun Bank Japan PMI Mfg	Jul F		—	49.4
	ID	07:30	S&P Global Indonesia PMI Mfg	Jul		—	52.5
	ID	11:00	CPI YoY	Jul		3.21%	3.52%
Wednesday	US	18:00	MBA Mortgage Applications	Jul 28		—	-1.8%
<i>2 – Aug</i>	US	19:15	ADP Employment Change	Jul		185K	497K
	KR	06:00	CPI YoY	Jul		2.4%	2.7%
	JP	06:50	Monetary Base YoY	Jul		—	-1.0%
Thursday	US	19:30	Initial Jobless Claims	Jul 29		—	221K
<i>3 – Aug</i>	US	21:00	Factory Orders	Jun		0.1%	0.3%
	US	21:00	Durable Goods Orders	Jun F		—	4.7%
	JP	07:30	Jibun Bank Japan PMI Composite	Jul F		—	52.1
	JP	07:30	Jibun Bank Japan PMI Services	Jul F		—	53.9
Friday	US	19:30	Change in Nonfarm Payrolls	Jul		190K	209K
<i>4 – Aug</i>	US	19:30	Unemployment Rate	Jul		3.6%	3.6%
	GE	13:00	Factory Orders MoM	Jun		-2.4%	6.4%

Source: Bloomberg, NHKSI Research

Corporate Calendar

Date	Event	Company
Monday	RUPS	AWAN, DEAL, KRAS, YELO
<i>31 – July</i>	Cum Dividend	—
Tuesday	RUPS	HOTL, ICON
<i>1 – Aug</i>	Cum Dividend	—
Wednesday	RUPS	WIFI
<i>2 – Aug</i>	Cum Dividend	XCID
Thursday	RUPS	ITIC, TEBE
<i>3 – Aug</i>	Cum Dividend	AKRA
Friday	RUPS	AKSI, SRSN
<i>4 – Aug</i>	Cum Dividend	—

Source: Bloomberg



IHSG projection for 31 July 2023 :

KONSOLIDASI - Uji Support MA10 terkesan sukses.

Support : 6888 / 6812 / 6765-6740 / 6670 / 6620-6600 / 6560-6550.

Resistance : 6950-6970 / 7000.

ADVISE : Hold, Wait & See.

ASSA—PT Adi Sarana Armada TBK



PREDICTION 31 JULY 2023

Overview

Break pattern falling wedge

Buy

Entry level 1270-1310

Target 1420-1450

SL 1205

HEAL—PT Hermina TBK



PREDICTION 31 JULY 2023

Overview

Break pattern bullish pennant

Buy on break

Entry level 1520-1530

Target 1615

SL 1445

HRUM—PT Harum Energy TBK



PREDICTION 31 JULY 2023

Overview

Uji neckline pattern inverted head and shoulder

Buy

Entry level 1600-1650

Target 1785 / 1800-1820 / 1980-2000

SL 1570

ERAA—PT Erajaya Swasembada Tbk



PREDICTION 31 JULY 2023

Overview

Berada di support pattern symmetrical triangle

Buy on weakness

Entry level 476-484

Target 500-510 / 520 / 560

SL 472

BUKA—PT Bukalapak Tbk



PREDICTION 31 JULY 2023

Overview

Uji support MA20 dan support parallel channel

Buy on weakness

Entry level 224

Target 244-248 / 266

SL 216

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