ANALISA SAHAM INDONESIA

August 6, 2021

* **The JCI trading range: 6,175pt - 6,315pt (Yesterday close: 6,205pt)**

* **Wall Street ended higher by some 0.8%, mainly supported by data of the United States (US) weekly initial claims of unemployment benefits, at the widely-expected level of 385k units**

* **The JCI is expected to gain edge by support of stable USDIDR and oil-close**

Morning,

The Jakarta Composite Index (JCI) today (8/6) is expected to trade between 6,175pt - 6,315pt likely to gain edge and be supported by bargain hunters. Meanwhile, yesterday (8/5) Wall Street ended with the DJIA closed higher by 272 points or 0.8% to 35,064pt, while the S&P500 and the Nasdaq closed higher by 0.6% and 0.8%, respectively.

Indonesia 2Q21 GDP figure came in at 7.07% YoY (1Q21:-0.71% YoY, 2020: -2.07% YoY), which is at the high-end of consensus' estimate of 5% YoY – 7.7% YoY. Overall 2Q21 figures, by sectoral and by expenditures, indicate a general successful 2Q take-off for the country to recover this year. During the 2Q21, private consumptions grew by 5.93% YoY vs.-2.22% YoY in the 1Q21, and accounted the most for source of 2Q21 annual growth at 3.17ppt. The second most contributing is Investment, grew by 7.54% YoY in the 2Q21 vs. -0.23% YoY in the 1Q21, which accounted to 2.3ppt to total 2Q21 annual growth in the economy.

Meanwhile, Transportation and Logistics sector enjoyed the base-effect in the 2Q21, to grow by 25.1% YoY as compared to -13.1% YoY in the 1Q21. So is the Accomodation and Food & Beverages sector, increases at 21.6% YoY in the 2Q21 vs. -7.3% YoY in the 1Q21. At present, the full year consensus estimate of the country's GDP growth is at 3.8% factoring in urgent lockdown that started on July 3. The JCI may have absorbed the slower growth rate of the economy and hence created many bargain counters that are worth of stakeholders' consideration.

At the other end, yesterday the WTI price closed higher by 1.4% to USD69.1/barrel , mainly on supply worries as geopolitic risks, this time around mostly between Israel and Iran, heightened. Meanwhile, the USDIDR closed at IDR14,342 vs. IDR14,324 the previous one.

We advise the following recommendations, for both trading and longer-time investment purpose. **AALI**, **LSIP** (**sector of** *Agri*, **allocation suggestion** *Underweight*), **UNTR**, **ITMG**, **ADRO**, **PTBA** (**sector of** *Coal Mining*, **allocation suggestion** *Market-weight*), **SIDO**, **ULTJ**, **UNVR**, **ICBP** (**sector of** *Consumer*, **allocation suggestion** *Overweight*), **and ACES**, **SCMA**, **MAPI**,**MNCN** (**sector of** *Trade*, **allocation suggestion** *Overweight*),**and TKIM** (**sector of** *Basic Industry*, **allocation suggestion** *Market-weight*).

Cheers,