ANALISA SAHAM INDONESIA

August 8, 2021

* **The JCI trading range: 6,150pt - 6,315pt (Friday close:6,203pt)**

* **Wall Street ended with both the DJIA and the S&P500 again hit record closes at 35,209pt and 4,437pt respectively, on better-than-expected July's job addition of the United States (US)**

* **The JCI is expected to hover positively on stable USDIDR close**

Morning,

The Jakarta Composite Index (JCI) today (8/9) is expected to trade between 6,150pt - 6,315pt likely to gain edge and be supported by bargain hunters. Meanwhile, Friday last week (8/6) Wall Street ended with the DJIA closed higher by 144 points or 0.4% to 35,209pt, while the S&P500 and the Nasdaq closed higher by 0.2% and lower by 0.4%, respectively.

The US Labor Department reported data of addition 943k unit nonfarm payrolls for July vs. 845k units economists' estimate. In addition the US unemployment rate for the month of July is recorded at 5.4% YoY (June: 5.9% YoY) or better-than-expected of 5.7% YoY. Stakeholders are in monitor of a possible sooner-than- expected QE tapering schedule from the central bank, as several Fed officials are scheduled for speaking appearances this week.

The higher recovery rate discrepancy this year between Indonesia and other advanced economies the more of possible unfavorable impacts domestically, we reckon. However, at the current level and in the very short term the JCI seems to be strongly be supported by the currently improving COVID-19 pandemic management, stable IDR currency values, and annual higher level of main commodity price, to name severals. The second term of urgent lockdown for Java and Bali ends today, and more relaxation measures means favor to the JCI. The central government is expected to annouce the decision this morning.

At the other end, last week the WTI price closed lower by 1.2% to USD68.3/barrel , also on the stronger US dollar along with the higher-than-estimated July's job gain in the US. Meanwhile, the USDIDR closed at IDR14,369 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,