ANALISA SAHAM INDONESIA

September 2, 2021

* **The JCI trading range**: **6,075pt - 6,150pt** (**Yesterday close**: **6,091pt**)

* **Wall Street ended with little change as investors is in monitor for the United States initial jobless claims Thursday and non-farm payrolls data tomorrow**

* **The JCI is expected to fluctuate and be supported by stable USDIDR and oil-close**

Morning,

The Jakarta Composite Index (JCI) today (9/2) is expected to trade between 6,075pt - 6,150pt likely to reverse also by support of bargain hunters. Meanwhile, yesterday (9/1) Wall Street ended with the DJIA closed lower by 48 points or 0.1% to 35,313pt, while the S&P500 and the Nasdaq both closed higher by 0.03% and 0.33%, respectively.

The JCI was trending into the lower range of our estimate during yesterday's trading soon after the release of the country's August inflation figure, and closed by 1% lower at 6,091pt. Broader market participants seemed to react unfavorably to the data, which comes in at 0.03% MoM, lower as compared to July's of 0.08% MoM. The August's CPI figure is seen as failed to hold the JCI despite most economists' estimate of August price hike of 0.01%MoM.

As excerpted from the central bank Bank Indonesia release, August monthly inflation rate should not come as a surprise, we view. Also, weaker Indonesia Consumer Confidence Index in the month of Julyof 80.2pt (vs. June of 107.4pt), has consistently impacted the following month's consumers' purchasing level. To remind, Indonesia started urgent full lock-down against second wave COVID-19 spread on July 3 until August24 and this have impacted short-term macro data series. The JCI is expected to partially reverse today.

At the other end, yesterday the WTI price closed higher by 9 cents to USD68.6/barrel , mainly as OPEC+ members, during yesterday's meeting, agreed to the existing production policy despite the urge from the White House to increase output. Meanwhile, the USDIDR closed at IDR14,284 vs. IDR14,306 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,