

ANALISA SAHAM INDONESIA

In the name of Allah, the Most Gracious the Most Merciful

DECEMBER 22, 2021

* THE JCI TRADING RANGE: 6,500PT -6,610PT (YESTERDAY CLOSE: 6,554PT)

* WALL STREET ENDED WITH MAJOR EQUITY INDICES CLOSED HIGHER BY CLOSE TO 2% MAINLY AS BARGAIN HUNTERS SPOTTED AN OVERSOLD SITUATION FOLLOWING SELL-OFF DURING THE PREVIOUS 3(THREE) DAYS

* THE JCI IS EXPECTED TO FLUCTUATE AND SUPPORTED BY STABLE USDIDR AND OIL-CLOSE

Morning,

The Jakarta Composite Index (JCI) today (12/22) is expected to trade between 6,500pt - 6,610pt to gain edge also on the back of bargain hunters. Issues on tighter monetary policy implementation next year by the United States (US) central bank, current higher spread of COVID-19 new variant cases in major countries such as in Europe, US and Japan are pull factors for the JCI today and in the medium term. To the contrary, if the stable COVID-19 domestic pandemic indicators can be maintained, this should eventually support the JCI.

Meanwhile, yesterday (12/21), Wall Street ended with the DJIA closed higher by 561pt or 1.6% to 35,493pt, and the S&P500 and the Nasdaq Composite also closed higher by 1.8% and 2.4%, respectively. The yield of the reference 10-year Treasury note closed higher by 6.5 bp to 1.484% in the last close. Previous sell-off in the US equity market had prompted funds' return to the more risky assets, as a possible explanation.

At the other end, yesterday the WTI price closed higher by 3.7% to USD71.1/barrel, mainly on a technical rebound despite news that more countries to implement stricter control ahead of year-end festives to curb COVID-19 variant resurgence. Meanwhile, the USDIDR closed at IDR14,349 vs. IDR14,383 the previous one.

We advise the following recommendations, for both trading and longer-time investment purpose.
AAI, 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,