

Indonesia Market Daily

July 30, 2021

Daily Market

JCI Index: +0.53%

JCI was rebound by +32.20 points (+0.53%) to 6,120.73 on the back of ease global market uncertainties and solid corporate earnings results. Risk sentiment improves following the Fed reassurance that interest rate hikes remain distant, while in the region, China also reassures investors over its latest regulatory crackdown. Locally, stellar financial performance has driven the surge in company's shares, including for ISAT (+5.83%). The company recorded a net profit of IDR 5.61trn in 1H21, significantly improve from the IDR 217.66bn net loss in the previous period. Meanwhile, TPIA (+2.54) shares were surge amid Thai Oil plans to acquire a 15.4% stake in the company from BRPT (+9.77%). Positive economic indicators also helped the upward movement of the JCI as the government's tax incentives, rising commodity price, and sufficient liquidity is expected to help the recovery in the automotive, palm oil, and banking industry.

Trading Value: IDR 13.14trn
Foreign Net Buy: IDR 50.98bn

Bond:2Y:4.153%(-2.86bp)/10Y:6.465%(-1.40bp)

The bond yields of 2-year and 10-year instruments were lower as the Fed kept its key interest rate near zero and left its bond-buying program unchanged as expected. This means the risk of a selloff in the Indonesian bond market is low for now, while the domestic market also remains attractive as reflected from the robust demand in this week Sukuk auction.

FX: IDR/USD: 14,483 (+0.03%)

Indonesia Rupiah continues to strengthen following the dovish signal from the Fed. This development overshadowed concerns on the spread of the Delta variant. However, the Rupiah appreciation was limited due to the increasing need for foreign debt payment at the end of June.

Company News

PT Astra International Tbk (ASII)

ASII managed to book a double-digit revenue growth of 19.6% YoY in 1H21 to IDR 107.39trn. However, the bottom line was lower by 22.38% YoY to IDR 8.83trn as the company recorded a gain on sale of investment in PT Bank Permata Tbk (BNLI) last year amounted to IDR 5.88trn. Without taking into account the profit from selling BNLI shares in 2020, ASII's earnings were actually rose by 61% YoY. The company's performance is expected to continue to improve on the back of the recovery in the automotive and plantation sectors.

Source: *Bisnis Indonesia*

PT Bank Mandiri Tbk (BMRI)

BMRI's net profit was jumped by 21.45% YoY to IDR 10.29trn in 1H21 supported by the credit business, payment transaction, and stellar performance of its subsidiaries. BMRI's credit growth stood at 16.37% YoY driven by the wholesale, corporate banking, and commercial banking segments which grew by 7.13% YoY, while the retail banking segment grew by 5.87% YoY. This achievement is in line with the banking industry credit growth that continues to recover, reflected in the growth of 0.59% YoY as of June 2021, the first positive growth rate in 2021.

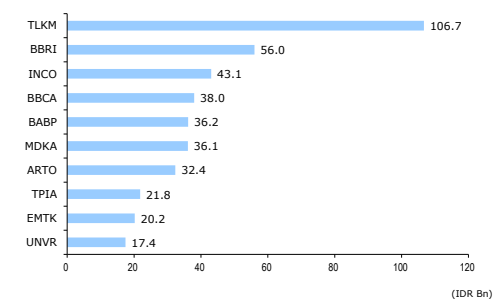
Source: *Katadata*

Indices

	Last	Change	Change (%)
US 30 Futures	34,979.90	-104.60	-0.30%
US 500 Futures	4,385.80	-33.30	-0.75%
Dow Jones	35,084.53	153.60	0.44%
S&P 500	4,419.15	18.51	0.42%
Nasdaq	14,778.30	15.70	0.11%
S&P 500 VIX	17.70	-0.61	-3.33%
Dollar Index	91.97	0.06	0.06%

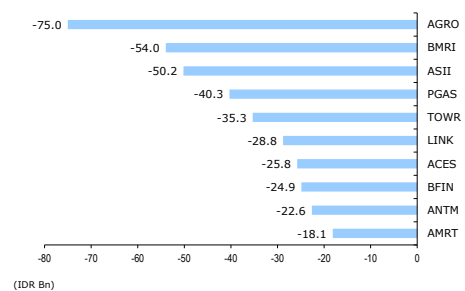
Source: *Investing.com, Shinhan Sekuritas Indonesia*

Foreigner Most Buy (Net)



Source: *IDX, Shinhan Sekuritas Indonesia*

Foreigner Most Sell (Net)



Source: *IDX, Shinhan Sekuritas Indonesia*

Jakarta Stock Exchange Composite Index



Source: *IDX, Shinhan Sekuritas Indonesia*



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