

KEY INDICATOR

31/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.83	6.83	(0.90)	(51.50)
USD/IDR	14,600.00	14,543.00	0.39%	4.10%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,149.63	0.75%	-18.25%	18.08
MSCI	5,849.05	1.17%	-19.75%	18.44
HSEI	24,595.35	-0.47%	-12.75%	11.36
FTSE	5,897.76	-1.54%	-21.81%	18.39
DJIA	26,428.32	0.44%	-7.39%	23.83
NASDAQ	10,745.27	1.49%	19.76%	37.80

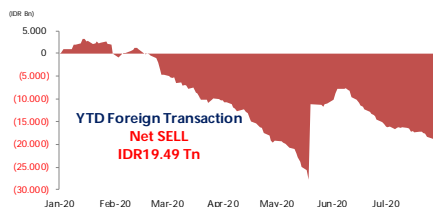
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.27	0.88%	-31.26%	-34.05%
COAL	USD/TON	51.95	0.10%	-25.20%	-23.26%
CPO	MYR/MT	2,677.00	1.21%	29.32%	-12.29%
GOLD	USD/TOZ	1,975.86	0.98%	39.76%	30.22%
TIN	USD/MT	17,897.00	0.52%	3.36%	4.20%
NICKEL	USD/MT	13,786.00	0.44%	-4.86%	-1.70%

CORPORATE ACTION

TICKER	EVENT	NOTES
TOTO	RUPS	
APII	RUPS	

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA rose by 0.44% on Friday (31/07) followed by S&P 500 (+0.77%) and Nasdaq (+1.49%). Stock closes higher as biggest tech companies such as Amazon, Apple and Facebook, buoyed the S&P 500 and offset disappointing earnings from some industrials and weak economic data. Meanwhile, consumer spending rose 5.6% in Jun-2020 but appears to have weakened in recent weeks, restraining the economic recovery from the coronavirus outbreak. Moreover, the market will look forward to several data releases today, such as: 1) US Manufacturing PMI; 2) China Caixin Manufacturing PMI; 3) Japan GDP Growth.

Domestic Updates

Indonesia's economic liquidity or broad money supply (M2) grew slowly in June 2020, in which the M2 position was recorded at IDR6,393.7 tn, an 8.2% YoY increase, lower than the previous month's growth of 10.4% YoY. The slowing growth was caused by all of its components - money supply in the narrow sense (M1), quasi money, and securities. M1 growth slowed down from 9.7% YoY in May to 8.2% YoY in June, due to slowing rupiah demand deposits. Quasi money grew slowly from 10.5% YoY in May to 8.1% YoY in June. Finally, securities other than shares rose 31.4% YoY in June, which lower compared to the previous month's growth of 37.5% YoY. Overall, the slowdown was caused due to a downturn in net foreign assets and landings.

Company News

- ASII IJ** recorded 1H20 revenue at IDR89.8 tn, a -23% YoY decrease. However, its net profit increased by 16% YoY to IDR11.4 tn because it includes the one-time gain from the sale of shares in Bank Permata. Without the divestment, its net profit decreased by -44% YoY to IDR 5.5 tn, due to the weak performance on the automotive, heavy equipment and mining, and financial services division. To mitigate the impact of Covid-19, the company temporarily closed the automotive manufacturing and distribution activities and increased the number of restructured loans in the financial services business (Market Bisnis). **MNCS Comment: The automotive and heavy equipment segment are incriminating ASII's performance, while still recording an incline in bottom-line, ASII's operational performance has not recovered. ASII is currently traded at 9.16x/1.36x PE/PBV.**
- UNVR IJ** recorded net sales for 1H20 at IDR21.77 tn, a 1.46% YoY increase. However, it also registered an increase in all kinds of cost, including an 0.80% YoY increase in COGS to IDR10.58 tn. In the end, its net profit decreased by -5.56% YoY to IDR4.73 tn. In terms of other factors, EPS decreased by 2 points YoY to IDR95, but the total assets of the company reached IDR21.35 tn, a 3.39% YoY increase (Emitennews). **MNCS Comment: Efficiency seems to have not been implemented by UNVR as reflected by the bottom-line. However, during this troubled time, UNVR still managed to distribute dividends. UNVR is currently traded at 44.27x/36.38x PE/PBV.**
- LSIP IJ** recorded a -1.88% YoY decrease in revenue, from IDR1.59 tn to IDR1.56 tn in 1H20. However, its net profit skyrocketed by 778% YoY to IDR91.98 bn, amidst the Covid-19 negative sentiment. The increase in net profit was due to the rise in additional income from other operating income posts at IDR28.21 bn and financial revenue of IDR24.08 bn. Thus, the EPS increased from IDR2 per share at the same time last year, to IDR13 per share (Market Bisnis). **MNCS Comment: A 9.16% YoY decrease in COGS seems to significantly impact the gross profit as the margin rise from 11% in 1H19 to 17.63% in 1H20 followed by a 122.37% YoY growth in finance income resulted in a substantial increase on bottom line. LSIP is currently traded at 20.84x/0.79x PE/PBV.**

IHSG Updates

JCI rose by +0.75% to 5,149.63 on Thursday (30/07) followed by net foreign buy reaching IDR49.58 billion. The stock movement is in line with most of the global and regional Asia indices. Meanwhile PMI Markit Manufacturing stood at 46.9 as of Jul-2020, higher than estimated making the fifth straight month of contraction in factory activity amid relaxed COVID-19 containment measures, while both output and new orders falling at much slower rates. Moreover, the Rupiah exchange rate was weakening at IDR14,600. We estimate JCI will move in the range of 5,070-5,130 while waiting for Inflation Rate. **Today's recommendation: UNVR, EXCL, BBKA, LSIP.**

Stock	Close Price	Recommendation	Tactical Moves
UNVR	8,400	Buy on Weakness	Currently, UNVR is at the beginning of wave C.
EXCL	2,500	Spec Buy	If EXCL is able to strengthen through 2.920, the target of EXCL's strengthening is to form the beginning of wave (C).
BBKA	31,200	Buy on Breakout	BBKA movement still has a chance to strengthen to form wave v of wave (iii) of wave C.
LSIP	990	Sell on Strength	As long as LSIP has not been able to break the resistance at the level of 1.030 and instead broke through support at 840, then we expect the LSIP to be in a wave (B).

MNCS UNIVERSE

Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)	
						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Automotive											
ASII IJ	Astra International Tbk PT	208,490	3.63	HOLD	5,500	(24.25)	25.37	12.68	10.12	1.04	0.98
Banking											
BBCA IJ	Bank Central Asia Tbk PT	769,236	13.26	HOLD	28,400	7.00	9.09	25.16	23.06	3.96	3.51
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	85,784	1.48	HOLD	4,300	(2.68)	5.97	5.73	5.41	0.74	0.68
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	389,773	6.72	HOLD	3,200	(7.81)	1.06	12.19	12.06	1.84	1.70
BMRI IJ	Bank Mandiri Persero Tbk PT	270,667	4.67	SELL	5,100	(4.62)	9.13	10.33	9.46	1.23	1.12
BNGA IJ	Bank CIMB Niaga Tbk PT	19,351	0.33	BUY	850	2.43	9.99	5.14	4.67	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,396	0.23	SELL	1,000	(24.98)	497.17	84.31	14.12	0.79	0.75
BRIS IJ	Bank Brisyariah Tbk PT	5,247	0.09	SELL	230	(32.21)	9.83	104.54	95.18	1.02	1.01
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	302,140	5.26	BUY	3,600	(8.00)	8.33	15.89	14.66	2.82	2.67
EXCL IJ	XL Axiata Tbk PT	26,765	0.47	HOLD	2,700	21.73	5.39	30.65	29.08	1.34	1.28
TOWR IJ	Sarana Menara Nusantara Tbk PT	57,902	1.01	SELL	950	13.11	8.81	22.44	20.62	5.47	4.83
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	28,523	0.50	SELL	3,450	6.41	13.25	13.17	11.63	1.15	1.04
PGAS IJ	Perusahaan Gas Negara Tbk PT	30,666	0.53	HOLD	1,200	83.33	27.27	14.11	11.09	0.49	0.47
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	320,460	5.58	HOLD	8,400	1.60	6.48	42.66	40.06	37.32	35.06
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	107,290	1.87	BUY	10,300	6.31	9.52	19.99	18.25	3.93	3.55
INDF IJ	Indofood Sukses Makmur Tbk PT	56,634	0.99	BUY	8,500	3.50	11.05	11.15	10.04	1.40	1.28
HOKI IJ	Buyung Poetra Sembada PT	1,623	0.03	HOLD	700	(26.89)	37.61	21.14	15.36	2.19	1.86
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	19,500	0.34	HOLD	1,400	9.01	13.34	21.96	19.38	5.92	5.56
TBLA IJ	Tunas Baru Lampung Tbk PT	3,900	0.07	SELL	630	(43.57)	5.01	9.62	9.16	0.73	0.69
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	73,360	1.28	SELL	1,280	4.28	7.25	28.06	26.16	4.15	3.82
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	30,013	0.52	SELL	1,400	(6.76)	6.90	30.95	28.96	5.50	5.03
ERAA IJ	Erajaya Swasembada Tbk PT	4,689	0.08	SELL	1,280	13.54	66.00	14.07	8.48	0.84	0.76
MAPI IJ	Mitra Adiperkasa Tbk PT	11,371	0.20	SELL	580	4.92	5.28	11.94	11.34	1.51	1.32
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,009	0.07	SELL	500	(32.91)	25.56	8.70	6.93	0.90	0.85
PZZA IJ	Sarimelati Kencana PT	1,889	0.03	BUY	840	4.23	20.53	9.09	7.54	1.20	1.03
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,137	0.04	BUY	755	(74.40)	99.60	11.93	5.98	0.31	0.30
PTPP IJ	PP Persero Tbk PT	6,045	0.11	HOLD	1,040	40.73	28.86	4.62	3.58	0.33	0.30
WIKA IJ	Wijaya Karya Persero Tbk PT	10,674	0.19	HOLD	1,225	17.35	20.10	3.98	3.31	0.57	0.49
WSBP IJ	Waskita Beton Precast Tbk PT	5,246	0.09	BUY	262	(29.90)	18.70	8.63	7.27	0.59	0.57
WSKT IJ	Waskita Karya Persero Tbk PT	8,484	0.15	BUY	880	8.47	137.68	8.34	3.51	0.29	0.29
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,857	0.03	BUY	300	4.17	20.85	3.95	3.27	0.66	0.57



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	14,608	0.25	BUY	1,110	(7.75)	12.60	5.09	4.52	0.36	0.34	
PWON IJ	Pakuwon Jati Tbk PT	20,420	0.36	BUY	520	(9.02)	(3.70)	8.53	8.86	1.17	1.05	
SMRA IJ	Summarecon Agung Tbk PT	8,656	0.15	HOLD	610	(69.64)	44.19	55.35	38.39	0.90	0.88	
CTRA IJ	Ciputra Development Tbk PT	12,157	0.21	BUY	880	8.58	(11.20)	9.73	10.96	0.74	0.70	
DMAS IJ	Puradelta Lestari Tbk PT	10,604	0.18	HOLD	228	(30.89)	31.52	11.49	8.74	1.76	1.97	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	18,669	0.33	HOLD	9,125	240.96	15.24	25.94	22.51	0.97	0.93	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,755	0.12	HOLD	1,000	27.51	22.68	20.98	17.10	1.20	1.04	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	34,705	0.60	BUY	1,310	(18.31)	0.59	6.45	6.41	0.52	0.49	
PTBA IJ	Bukit Asam Tbk PT	23,387	0.41	BUY	2,390	(16.98)	4.55	6.59	6.30	1.25	1.23	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,926	0.16	BUY	10,630	(58.33)	(20.00)	9.69	12.12	0.35	0.30	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	17,542	0.31	BUY	920	26.09	42.23	14.66	10.31	0.80	0.74	
INCO IJ	Vale Indonesia Tbk PT	33,982	0.59	HOLD	3,590	13.79	2.00	41.96	41.14	1.05	1.02	
MDKA IJ	Merdeka Copper Gold Tbk PT	39,197	0.68	SELL	1,595	(21.21)	25.00	27.45	21.96	3.66	2.89	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	102,078	1.78	SELL	4,150	9.82	15.94	26.64	22.98	4.24	3.77	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,430	0.22	HOLD	1,150	(60.18)	121.37	17.63	7.96	1.04	0.93	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	96,156	1.67	BUY	55,450	(16.02)	8.63	10.52	9.69	1.80	1.65	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	198,322	3.45	HOLD	1,650	(6.78)	3.44	15.50	14.98	5.55	5.57	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	45,555	0.79	BUY	13,900	19.34	12.44	20.80	18.50	1.94	1.90	
SMGR IJ	Semen Indonesia Persero Tbk PT	54,718	0.95	HOLD	9,000	30.77	(33.40)	17.50	26.28	1.62	1.57	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,098	0.05	HOLD	450	18.73	7.01	12.09	11.29	1.99	1.56	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	79,638	1.39	HOLD	19,930	(18.84)	13.03	8.67	7.67	1.18	1.02	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	14.41	1.79
JAKCONS INDEX	18.71	4.01
JAKINFRA INDEX	36.79	2.02
JAKBIND INDEX	36.76	1.83
JAKTRAD INDEX	15.68	1.31
JAKPROP INDEX	20.17	0.28
JAKMINE INDEX	12.32	1.06
JAKMIND INDEX	10.65	1.19
JAKAGRI INDEX	-	0.91

RATING AND RECOMMENDATIONS

MNCS' fundamental views and ratings (Buy, Hold, Sell) are medium-term calls within a 12-month investment horizon.

BUY

Share price may exceed 10% over the next 12 months

HOLD

Share price may fall within the range of +/- 10% of the next 12 months

SELL

Share price may fall by more than 10% over the next 12 months

NOT RATED

Stock is not within regular research coverage





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