

KEY INDICATOR

05/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.81	6.84	(3.40)	(86.70)
USD/IDR	14,550.00	14,625.00	-0.51%	2.07%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,127.05	1.03%	-18.61%	18.16
MSCI	5,820.03	1.29%	-20.15%	18.69
HSEI	25,102.54	0.62%	-10.95%	11.66
FTSE	6,104.72	1.14%	-19.06%	19.70
DJIA	27,201.52	1.39%	-4.68%	24.57
NASDAQ	10,998.40	0.52%	22.58%	38.59

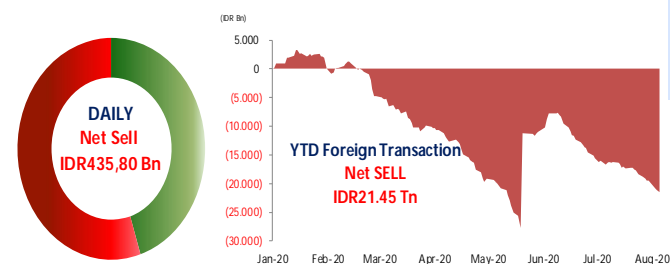
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	42.19	1.18%	-22.86%	-30.90%
COAL	USD/TON	51.60	-1.62%	-25.11%	-23.78%
CPO	MYR/MT	2,717.00	-1.84%	29.81%	-10.98%
GOLD	USD/TOZ	2,038.12	0.94%	39.24%	34.33%
TIN	USD/MT	17,885.00	0.65%	5.80%	4.13%
NICKEL	USD/MT	14,419.00	2.17%	-3.10%	2.81%

CORPORATE ACTION

TICKER	EVENT	NOTES
TOYS	IPO	IDR350/share
INTP	Cum Dividend Date	IDR500/share
SRSN	Cum Dividend Date	IDR2/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA increased by +1.39% on Wednesday (05/08) followed by S&P 500 (+0.64%) and Nasdaq (+0.52%). Stock prices rally was supported by positive catalyst from Disney's better-than-expected earnings followed by a USD1 billion deal between Johnson & Johnson and the US government to produce 100 million doses of vaccine. Furthermore, investors are also monitoring negotiations for a new stimulus package in which, Democrats and Republicans have agreed on a USD1,200 benefit for the unemployed but still disagree on the value of unemployment benefits per week. Moreover, the market will look forward to several data releases today, such as: 1) US Initial Jobless Claims; 2) UK Interest Rate Decision; 3) Taiwan Inflation Rate.

Domestic Updates

Indonesia's economy in the second quarter of 2020 faced a contraction by -4.19% QoQ and -5.32% YoY. In terms of production, the transportation and warehousing industry experienced the highest contraction at -29.22% QoQ and -30.84% YoY. In terms of expenditure, both export sector and import sector contracted at -12.81% QoQ/-11.6% YoY and -14.16% QoQ/-16.96% YoY, respectively. In terms of 1H20, Indonesia's economy fell by -1.26% CoC.

Company News

- MAPI IJ** posted a sharply decline in revenue for 1H20 at IDR6.7 tn, a -47.47% YoY decrease. As a result, it posted a net loss of IDR407.94 bn. This is a contrast to the previous period, in which it managed to record a profit of IDR499.32 bn. The net loss was also caused by the high operating income from the SOGO outlets, which caused a net income loss of IDR330.93 bn, and the application of the PSAK 73 accounting standards. The company said that it will strengthen its business by deploying its omnichannel capabilities (Market Bisnis). **MNCS Comment: MAPI's 1H20 decline performance resulting from the widespread closing of stores for the majority of the fiscal period due to Covid-19 pandemic. We see that management is re-organizing actively to substantially reduce operating expenses which includes salaries and rentals and limiting capital expenditure. MAPI is currently traded at 2.02x PBV.**
- ACES IJ** announced that it will distribute cash dividends at IDR310.41 bn, which is IDR18.1 per share since the company's total outstanding shares at the moment is 17.15 bn. The cash dividend will have a payout ratio of 30% from FY19 net profit. However, this payout ratio is actually smaller in comparison to the dividends from FY18 net profit, which has a payout ratio of 50%, and each share is worth IDR28.25. In actuality, the company's revenue increased by 12.5% YoY, and net profit grew by 6.2% YoY (Market Bisnis). **MNCS Comment: We believe ACES will potentially benefited from both the higher income target segment and exposure to home improvement and lifestyle necessities. Moreover, ACES provides a variety of survival kit and sports product during the pandemic. ACES is currently traded at 40.12x/5.79x PE/PBV.**
- TBIG IJ** saw strong growth in 1H20, with revenue increasing by 13.18% YoY to IDR2.57 tn, and net profit increasing by 33.51% YoY to IDR510 bn. Tower rentals are still the company's primary source of income, with TLKM alone contributing revenue of IDR1.02 tn. The company is optimistic that it can achieve performance targets throughout 2020, leading to double-digit growth for both revenue, EBITDA, and net profit. Its strategy is to increase capital expenditure by IDR1 tn and tenants to a total of 3000 tenants, with 2500 tenants so far in June 2020 (Market Bisnis). **MNCS Comment: TBIG delivered the solid growth in 1H20 supported by a defensive business model and manageable credit risk. Meanwhile, Covid-19 may impact the municipal permit issuance process of new tower. TBIG is currently traded at 28.33x/5.10x PE/PBV.**

IHSG Updates

JCI rose by +1.03% to 5,127.05 on Wednesday (05/08) followed by net foreign sell reaching IDR435.81 billion. The strengthening occurred despite the disappointing GDP data release which dropped by -5.32% YoY in the 2Q20. It seems that investors have been anticipating this, as the market has decline on Monday, while it remains resilient yesterday. The rise is led by the mining sector as gold prices hike. Moreover, the Rupiah exchange rate was strengthening at IDR14,550. We estimate JCI will move in the range of 5,080-5,150 while waiting for Consumer Confidence data. **Today's recommendation: EXCL, GGRM, INKP, ADRO.**

Stock	Close Price	Recommendation	Tactical Moves
EXCL	2,480	Buy on Weakness	Currently EXCL is at the beginning of wave (C), with the note that EXCL has not corrected below 2.330.
GGRM	50,700	Buy on Weakness	Currently GGRM is at the beginning of wave C, so that GGRM still has the potential to continue strengthening.
INKP	8,325	Buy on Weakness	INKP is at the beginning of wave (iii) of wave [v] of wave C.
ADRO	1,050	Sell on Strength	Currently ADRO position is at the beginning of wave [iv] of wave C of wave (B), this means that ADRO's strengthening will be relatively limited.

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	204,442	3.58	HOLD	5,500	(24.25)	25.37	12.44	9.92	1.02	0.96
Banking											
BBCA IJ	Bank Central Asia Tbk PT	764,922	13.25	HOLD	28,400	7.00	9.09	25.02	22.93	3.94	3.49
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	86,343	1.50	HOLD	4,300	(2.68)	5.97	5.77	5.44	0.75	0.68
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	379,905	6.58	HOLD	3,200	(7.81)	1.06	11.88	11.75	1.79	1.65
BMRI IJ	Bank Mandiri Persero Tbk PT	266,000	4.61	SELL	5,100	(4.62)	9.13	10.15	9.30	1.20	1.10
BNGA IJ	Bank CIMB Niaga Tbk PT	18,849	0.33	BUY	850	2.43	9.99	5.01	4.55	0.44	0.43
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,979	0.24	SELL	1,000	(24.98)	497.17	87.98	14.73	0.82	0.78
BRIS IJ	Bank Brisyariah Tbk PT	5,344	0.09	SELL	230	(32.21)	9.83	106.48	96.95	1.04	1.03
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	299,168	5.23	BUY	3,600	(8.00)	8.33	15.73	14.52	2.79	2.64
EXCL IJ	XL Axiata Tbk PT	26,551	0.46	HOLD	2,700	21.73	5.39	30.41	28.85	1.33	1.27
TOWR IJ	Sarana Menara Nusantara Tbk PT	59,177	1.04	SELL	950	13.11	8.81	22.93	21.08	5.59	4.94
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	30,556	0.53	SELL	3,450	6.41	13.25	14.11	12.46	1.23	1.11
PGAS IJ	Perusahaan Gas Negara Tbk PT	29,938	0.52	HOLD	1,200	83.33	27.27	13.78	10.82	0.48	0.46
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	314,738	5.51	HOLD	8,400	1.60	6.48	41.90	39.35	36.65	34.44
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	123,033	2.15	HOLD	10,300	6.31	9.52	22.92	20.93	4.50	4.07
INDF IJ	Indofood Sukses Makmur Tbk PT	62,122	1.09	BUY	8,500	3.50	11.05	12.23	11.01	1.54	1.41
HOKI IJ	Buyung Poetra Sembada PT	1,515	0.03	BUY	700	(26.89)	37.61	19.74	14.34	2.05	1.74
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	20,625	0.36	HOLD	1,400	9.01	13.34	23.23	20.49	6.26	5.88
TBLA IJ	Tunas Baru Lampung Tbk PT	4,007	0.07	SELL	630	(43.57)	5.01	9.88	9.41	0.75	0.71
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	75,703	1.32	SELL	1,280	4.28	7.25	28.96	27.00	4.29	3.94
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	28,898	0.51	SELL	1,400	(6.76)	6.90	29.81	27.88	5.30	4.84
ERAA IJ	Erajaya Swasembada Tbk PT	4,833	0.08	SELL	1,280	13.54	66.00	14.50	8.74	0.87	0.78
MAPI IJ	Mitra Adiperkasa Tbk PT	11,039	0.19	SELL	580	4.92	5.28	11.60	11.01	1.47	1.28
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,832	0.07	HOLD	500	(32.91)	25.56	8.32	6.62	0.86	0.81
PZZA IJ	Sarimelati Kencana PT	1,798	0.03	BUY	840	4.23	20.53	8.65	7.18	1.14	0.98
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,083	0.04	BUY	755	(74.40)	99.60	11.63	5.83	0.31	0.29
PTPP IJ	PP Persero Tbk PT	5,828	0.10	BUY	1,040	40.73	28.86	4.45	3.46	0.32	0.29
WIKA IJ	Wijaya Karya Persero Tbk PT	10,046	0.18	HOLD	1,225	17.35	20.10	3.75	3.12	0.53	0.46
WSBP IJ	Waskita Beton Precast Tbk PT	4,719	0.08	BUY	262	(29.90)	18.70	7.77	6.54	0.53	0.51
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	1,838	0.03	BUY	300	4.17	20.85	3.91	3.23	0.66	0.56



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
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	14,608	0.26	BUY	1,110	(7.75)	12.60	5.09	4.52	0.36	0.34
PWON IJ	Pakuwon Jati Tbk PT	18,879	0.33	BUY	520	(9.02)	(3.70)	7.89	8.19	1.08	0.97
SMRA IJ	Summarecon Agung Tbk PT	7,935	0.14	BUY	610	(69.64)	44.19	50.74	35.19	0.83	0.81
CTRA IJ	Ciputra Development Tbk PT	12,064	0.21	BUY	880	8.58	(11.20)	9.66	10.87	0.73	0.69
DMAS IJ	Puradelta Lestari Tbk PT	11,086	0.19	HOLD	228	(30.89)	31.52	12.01	9.14	1.84	2.06
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	18,766	0.33	HOLD	9,125	240.96	15.24	26.07	22.62	0.98	0.93
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,618	0.12	HOLD	1,000	27.51	22.68	20.56	16.76	1.17	1.02
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	33,585	0.59	BUY	1,310	(18.31)	0.59	6.24	6.20	0.50	0.48
PTBA IJ	Bukit Asam Tbk PT	23,502	0.41	BUY	2,390	(16.98)	4.55	6.62	6.34	1.26	1.24
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,729	0.15	BUY	10,630	(58.33)	(20.00)	9.48	11.85	0.34	0.29
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	18,023	0.32	BUY	920	26.09	42.23	15.06	10.59	0.82	0.76
INCO IJ	Vale Indonesia Tbk PT	35,970	0.63	HOLD	3,590	13.79	2.00	44.42	43.55	1.11	1.08
MDKA IJ	Merdeka Copper Gold Tbk PT	42,372	0.74	SELL	1,595	(21.21)	25.00	29.68	23.74	3.95	3.12
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	101,668	1.78	SELL	4,150	9.82	15.94	26.53	22.89	4.22	3.75
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,254	0.21	BUY	1,150	(60.18)	121.37	17.38	7.85	1.03	0.92
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	97,551	1.71	HOLD	55,450	(16.02)	8.63	10.68	9.83	1.82	1.67
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	189,598	3.32	HOLD	1,650	(22.03)	3.26	17.72	17.16	5.65	5.68
Cement											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	45,371	0.79	BUY	13,900	19.34	12.44	20.71	18.42	1.93	1.89
SMGR IJ	Semen Indonesia Persero Tbk PT	56,053	0.98	HOLD	9,000	30.77	(33.40)	17.93	26.92	1.66	1.61
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	3,039	0.05	HOLD	450	18.73	7.01	11.86	11.08	1.95	1.54
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	80,291	1.40	HOLD	19,930	(18.84)	13.03	8.74	7.74	1.19	1.03

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	14.35	1.77
JAKCONS INDEX	18.87	4.05
JAKINFRA INDEX	35.75	2.03
JAKBIND INDEX	43.40	1.89
JAKTRAD INDEX	16.17	1.30
JAKPROP INDEX	19.13	0.27
JAKMINE INDEX	12.39	1.09
JAKMIND INDEX	10.84	1.16
JAKAGRI INDEX	-	0.92

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





Thendra Crisnanda – Head of Institution Research
thendra.crisnanda@mncgroup.com
 Investment Strategy
 Ext. 52162



Victoria Venny – Research Analyst
victoria.nawang@mncgroup.com
 Telco, Toll Road, Logistic, Consumer, Poultry
 Ext. 52236



T. Herditya Wicaksana – Technical Analyst
herditya.wicaksana@mncgroup.com
 Technical Specialist – Elliott Wave
 Ext. 52150



Muhamad Rudy Setiawan – Research Analyst
muhamad.setiawan@mncgroup.com
 Construction, Property, Oil and Gas
 Ext. 52317



Catherina Vincentia – Research Associate
catherina.vincentia@mncgroup.com
 Generalist
 Ext. 52306

Disclaimer : MNCS Morning Navigator has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, directors and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discussed herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.

