

## KEY INDICATOR

07/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.80	6.79	1.50	(69.50)
USD/IDR	14,625.00	14,585.00	0.27%	2.81%

## INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,143.89	-0.66%	-18.34%	18.50
MSCI	5,854.04	-0.62%	-19.68%	18.94
HSEI	24,531.62	-1.60%	-12.98%	11.46
FTSE	6,032.18	0.09%	-20.02%	19.56
DJIA	27,433.48	0.17%	-3.87%	24.79
NASDAQ	11,010.98	-0.87%	22.72%	38.51

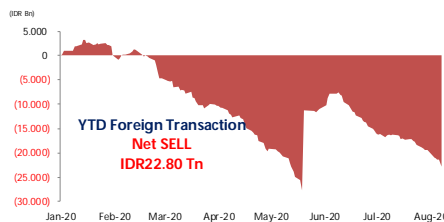
## COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	41.22	-1.74%	-19.32%	-32.49%
COAL	USD/TON	51.20	1.99%	-24.43%	-24.37%
CPO	MYR/MT	2,758.00	-0.25%	31.08%	-9.63%
GOLD	USD/TOZ	2,035.55	-1.36%	35.60%	34.16%
TIN	USD/MT	17,771.00	-0.39%	6.06%	3.47%
NICKEL	USD/MT	14,380.00	-0.68%	-2.90%	2.53%

## CORPORATE ACTION

TICKER	EVENT	NOTES
SGER	IPO	IDR108/share
CTRA	Cash Dividend Date	IDR8/share
TPMA	Cash Dividend Date	IDR23.5/share

## NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

## Global Market Highlight

**DJIA rose by +0.17% on Friday (10/08)** followed by various movements of S&P 500 (+0.06%) and Nasdaq (-0.87%). The rise was supported by a good news from the data release, in which the US Department of Labor reported the unemployment rate in July fell sharply to 10.2% from 11.1% previously. In addition, over the past month, the US absorbed workers outside the agricultural sector, known as non-farm payrolls, totaling 1.763 million people, more than the forecast of 1.53 million. Not only that, the average hourly wages also increased 0.2% in July after declining for 2 consecutive months. The rising wages is likely to increase consumer spending or household spending, which is the backbone of the US economy and contributes about 70% to US GDP. Furthermore, US President signed four executive orders, one of which contains direct assistance to the unemployed of USD400 per week. This is done in order to move the US economy, so that the US economic revival will be gradual. Moreover, the market will look forward to several data releases today, such as: 1) US Consumer Inflation Expectations; 2) China Inflation Rate; 3) China PPI.

## Domestic Updates

**The position of Indonesia's foreign exchange reserves at the end of July 2020 amounted to USD135.1 billion**, an increase compared to the end of June 2020 at USD131.7 billion. This increase is influenced by the issuance of global bonds and the withdrawal of government loans. This new level is equivalent to financing 9.0 months of imports or 8.6 months of imports and government external debt. Meanwhile, the international adequacy standard is only 3 months of imports. Bank Indonesia considers the foreign exchange reserves to be able to support external resilience and maintain financial stability.

## Company News

- TLKM IJ** obtained IDR66.85 trillion of revenue as of 1H20 which slipped by 3.58% YoY IDR69.34 trillion in the same period last year. This is followed by a number of cost efficiency in which operational, maintenance, and telecommunication services expenses decreased by 25.53% YoY, marketing expenses also decreased by 26.90% YoY, general and administrative expenses also decreased by 2.89% YoY to Rp2.89 trillion in the first semester of 2020. Unfortunately, the financing expense increased by 12.92% YoY and posted an impairment loss of investment value of IDR342 billion. Thus, TLKM posted a net profit of IDR10.98 trillion (-0.80% YoY) in 1H20 (Market Bisnis). **MNCS Comment: This result in net profit translating 53%/57% of Street/MNCS FY20E estimate, slightly above the expectation. TLKM will take a multi prolonged approach in terms of managing competition, which is continue to focus on high-value customers as well as adjusting and calibrating prices. BUY TP:IDR3,600. TLKM is currently traded at 12.57x/2.77x PE/PBV.**
- SILO IJ** recorded a decrease of 5.92% YoY in revenue which amounted to IDR 3.18 trillion in 1H20. This was due to the decreasing volume of inpatients and outpatients whereas the volume of inpatients dropped by 44.8% YoY in th 2Q20 while the volume of outpatients was also depressed by 18.7% YoY because patients delayed hospitalization due to Covid-19. As a result, SILO incurred a loss of IDR130.04 billion in 1H20 (Kontan). **MNCS Comment: the decrease in patient volume was due to the hospital being an object with a high risk of spreading covid-19. In addition, the development of digital health has also decreased the volume of hospital patients. SILO is currently traded at 1.31x PBV.**
- MNCN IJ** scored a net income of IDR3.96 trillion in 1H20 which was decreased by 6.70% YoY. The decrease was due to non-digital advertising revenue or conventional advertising, which was the company's main contributor, shrinking by 13.51% YoY. Likewise, revenue from content also decreased by 10.34% YoY. However, at the same time, digital advertising revenue was recorded to have increased by 25.85% YoY. Moreover, net profit was recorded to have dropped 17.37% YoY to IDR956 billion in 1H20 (Market Bisnis). **MNCS Comment: We believe that through the digitalization breakthrough MNC will be able to increase their performance. Furthermore, management is optimist that non digital advertising will increase in 2H20. MNCN is currently traded at 6.64x/1.01x PE/PBV.**

## IHSG Updates

**JCI slipped by -0.66% to 5,143.89 on Friday (10/08)** followed by net foreign sell reaching IDR1.33 trillion. The market dropped despite the increase on foreign exchange reserves. The movement is in-line with the weakening on regional Asia indices. Meanwhile, the cumulative total of Covid-19 case reached 125,396 in Indonesia. In the Southeast Asia region, Indonesia is in second place after the Philippines with a total of 129,913 cases. It is feared that the increase in cases in the country tends to increase to around 2,000 cases per day and the restrictions will be tightened. Cases in DKI Jakarta also tend to keep setting records so that the DKI Jakarta provincial government has decided to extend the transitional PSBB period until August 13. Moreover, the Rupiah exchange rate was weakening at IDR14,625. We estimate JCI will move in the range of 5,080-5,187 while waiting for the release of current account data as of 2Q20. **Today's recommendation: BMRI, TOWR, ACES, ANTM.**

## Stock Close Price Recommendation

BMRI	5,800	Buy on Weakness
TOWR	1,080	Buy on Weakness
ACES	1,660	Buy on Weakness
ANTM	840	Sell on Strength

## Tactical Moves

The increase in BMRI is estimated to be part of wave [v] of wave C.

There is still a downside potential on the TOWR to the 1.035-1.040 to form wave A

Currently ACES is in the wave [iv] part of wave C.

Yesterday's ANTM movement was at the end of wave (v) of wave [c] of wave Y.

# 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
<b>Automotive</b>											
ASII IJ	Astra International Tbk PT	213,551	3.72	HOLD	5,500	(24.25)	25.37	12.99	10.36	1.07	1.00
<b>Banking</b>											
BBCA IJ	Bank Central Asia Tbk PT	761,840	13.15	HOLD	28,400	7.00	9.09	24.92	22.84	3.93	3.48
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	86,157	1.49	HOLD	4,300	(2.68)	5.97	5.75	5.43	0.74	0.68
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	383,605	6.62	HOLD	3,200	(7.81)	1.06	11.99	11.87	1.81	1.67
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	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	14,085	0.24	SELL	1,000	(24.98)	497.17	88.65	14.84	0.83	0.79
BRIS IJ	Bank Brisyariah Tbk PT	5,344	0.09	SELL	230	(32.21)	9.83	106.48	96.95	1.04	1.03
<b>Telco</b>											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	295,205	5.15	BUY	3,600	(8.00)	8.33	15.52	14.33	2.75	2.60
EXCL IJ	XL Axiata Tbk PT	26,123	0.46	BUY	2,700	21.73	5.39	29.92	28.39	1.30	1.25
TOWR IJ	Sarana Menara Nusantara Tbk PT	55,096	0.96	SELL	950	13.11	8.81	21.35	19.62	5.20	4.59
<b>Toll Road &amp; Utilities</b>											
JSMR IJ	Jasa Marga Persero Tbk PT	29,249	0.51	SELL	3,450	6.41	13.25	13.50	11.92	1.18	1.06
PGAS IJ	Perusahaan Gas Negara Tbk PT	29,332	0.51	HOLD	1,200	83.33	27.27	13.50	10.60	0.47	0.45
<b>Consumer</b>											
UNVR IJ	Unilever Indonesia Tbk PT	309,969	5.40	HOLD	8,400	1.60	6.48	41.26	38.75	36.10	33.91
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	118,660	2.07	HOLD	10,300	6.31	9.52	22.11	20.19	4.34	3.92
INDF IJ	Indofood Sukses Makmur Tbk PT	60,365	1.05	BUY	8,500	3.50	11.05	11.88	10.70	1.49	1.37
HOKI IJ	Buyung Poetra Sembada PT	1,527	0.03	HOLD	700	(26.89)	37.61	19.89	14.46	2.06	1.75
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	21,075	0.37	HOLD	1,400	9.01	13.34	23.74	20.94	6.40	6.01
TBLA IJ	Tunas Baru Lampung Tbk PT	4,194	0.07	SELL	630	(43.57)	5.01	10.34	9.85	0.78	0.74
<b>Pharmacy</b>											
KLBF IJ	Kalbe Farma Tbk PT	74,063	1.29	SELL	1,280	4.28	7.25	28.33	26.41	4.19	3.86
<b>Retail</b>											
ACES IJ	Ace Hardware Indonesia Tbk PT	28,469	0.50	SELL	1,400	(6.76)	6.90	29.36	27.47	5.22	4.77
ERAA IJ	Erajaya Swasembada Tbk PT	5,168	0.09	SELL	1,280	13.54	66.00	15.51	9.34	0.93	0.84
MAPI IJ	Mitra Adiperkasa Tbk PT	11,620	0.20	SELL	580	4.92	5.28	12.21	11.59	1.55	1.35
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,329	0.08	SELL	500	(32.91)	25.56	9.39	7.48	0.97	0.91
PZZA IJ	Sarimelati Kencana PT	1,813	0.03	BUY	840	4.23	20.53	8.72	7.24	1.15	0.99
<b>Construction</b>											
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	5,735	0.10	BUY	1,040	40.73	28.86	4.38	3.40	0.31	0.29
WIKA IJ	Wijaya Karya Persero Tbk PT	9,867	0.17	BUY	1,225	17.35	20.10	3.68	3.06	0.52	0.45
WSBP IJ	Waskita Beton Precast Tbk PT	4,481	0.08	BUY	262	(29.90)	18.70	7.38	6.21	0.50	0.49
WSKT IJ	Waskita Karya Persero Tbk PT	8,416	0.15	BUY	880	8.47	137.68	8.27	3.48	0.29	0.29
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,780	0.03	BUY	300	4.17	20.85	3.78	3.13	0.63	0.55



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
<b>Property</b>											
BSDE IJ	Bumi Serpong Damai Tbk PT	14,502	0.25	BUY	1,110	(7.75)	12.60	5.05	4.49	0.36	0.34
PWON IJ	Pakuwon Jati Tbk PT	18,108	0.32	BUY	520	(9.02)	(3.70)	7.57	7.86	1.04	0.93
SMRA IJ	Summarecon Agung Tbk PT	7,646	0.13	BUY	610	(69.64)	44.19	48.89	33.91	0.80	0.78
CTRA IJ	Ciputra Development Tbk PT	11,786	0.21	BUY	880	8.58	(11.20)	9.43	10.62	0.72	0.68
DMAS IJ	Puradelta Lestari Tbk PT	10,700	0.19	HOLD	228	(30.89)	31.52	11.60	8.82	1.78	1.98
<b>Agriculture</b>											
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	6,789	0.12	HOLD	1,000	27.51	22.68	21.09	17.19	1.20	1.04
<b>Coal Mining</b>											
ADRO IJ	Adaro Energy Tbk PT	35,025	0.61	BUY	1,310	(18.31)	0.59	6.51	6.47	0.52	0.50
PTBA IJ	Bukit Asam Tbk PT	23,617	0.41	BUY	2,390	(16.98)	4.55	6.66	6.37	1.26	1.24
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,870	0.15	BUY	10,630	(58.33)	(20.00)	9.63	12.04	0.35	0.30
<b>Metal Mining</b>											
ANTM IJ	Aneka Tambang Tbk	20,186	0.35	HOLD	920	26.09	42.23	16.87	11.86	0.92	0.85
INCO IJ	Vale Indonesia Tbk PT	36,268	0.63	HOLD	3,590	13.79	2.00	44.79	43.91	1.12	1.09
MDKA IJ	Merdeka Copper Gold Tbk PT	44,890	0.78	SELL	1,595	(21.21)	25.00	31.44	25.15	4.19	3.31
<b>Poultry</b>											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	102,488	1.79	SELL	4,150	9.82	15.94	26.75	23.07	4.25	3.78
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
<b>Cigarette</b>											
GGRM IJ	Gudang Garam Tbk PT	97,118	1.69	HOLD	55,450	(16.02)	8.63	10.63	9.78	1.81	1.66
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	192,506	3.36	HOLD	1,650	(22.03)	3.26	17.99	17.42	5.74	5.76
<b>Cement</b>											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	43,715	0.76	BUY	13,900	19.34	12.44	19.96	17.75	1.86	1.82
SMGR IJ	Semen Indonesia Persero Tbk PT	57,387	1.00	HOLD	9,000	30.77	(33.40)	18.36	27.56	1.70	1.65
<b>Basic Industry and Chemical</b>											
ARNA IJ	Arwana Citramulia Tbk PT	3,083	0.05	HOLD	450	18.73	7.01	12.03	11.24	1.98	1.56
<b>Heavy Equipment</b>											
UNTR IJ	United Tractors Tbk PT	92,134	1.61	SELL	19,930	(18.84)	13.03	10.03	8.88	1.37	1.18

## SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	15.12	1.86
JAKCONS INDEX	18.80	4.00
JAKINFRA INDEX	34.98	2.08
JAKBIND INDEX	42.85	1.87
JAKTRAD INDEX	16.75	1.33
JAKPROP INDEX	21.60	0.27
JAKMINE INDEX	12.57	1.11
JAKMIND INDEX	11.31	1.21
JAKAGRI INDEX	-	0.94

## 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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