

KEY INDICATOR

10/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.80	6.80	(0.20)	(74.00)
USD/IDR	14,648.00	14,625.00	0.16%	2.25%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,157.83	0.27%	-18.12%	18.61
MSCI	5,851.74	-0.04%	-19.71%	18.94
HSEI	24,377.43	-0.63%	-13.52%	11.37
FTSE	6,050.59	0.31%	-19.78%	19.60
DJIA	27,791.44	1.30%	-2.62%	25.12
NASDAQ	10,968.36	-0.39%	22.24%	38.40

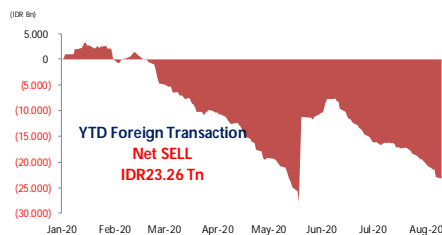
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	41.94	1.75%	-26.55%	-31.31%
COAL	USD/TON	50.50	-1.37%	-24.80%	-25.41%
CPO	MYR/MT	2,709.00	-1.78%	22.47%	-11.24%
GOLD	USD/TOZ	2,027.34	-0.40%	35.02%	33.62%
TIN	USD/MT	17,716.00	-0.31%	3.60%	3.15%
NICKEL	USD/MT	14,286.00	-0.65%	-10.29%	1.86%

CORPORATE ACTION

TICKER	EVENT	NOTES
RISE	RUPS	
PORT	RUPS	
MARK	RUPS	

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA rose by +1.30% on Monday (10/08) followed by various movements of S&P 500 (+0.27%) and Nasdaq (-0.39%). Nasdaq fell due to the drop in tech stock namely: 1)Facebook (-2%); 2) Netflix (-2%); 3) Microsoft (-1.99%); 4) Amazon (-0.6%); 5)Alphabet (-0.1%). Meanwhile, the other indices strengthening is driven by stimulus provided by President Trump through an executive order by maintaining assistance for unemployment benefits, a temporary payroll tax suspension, eviction protection, and student loan relief. This is considered better than nothing and provides a temporary solution and certainly a catalyst that can provide a picture of further economic recovery. Moreover, the market will look forward to several data releases today, such as: 1) US PPI; 2) UK Employment Change; 3) Eurozone ZEW Economic Sentiment Index.

Domestic Updates

The Minister of Finance will be distributing a guarantee of working capital credit from the government, but the company needs to meet these conditions: 1) have working capital a minimum of IDR10 billion or a maximum of IDR1 tn; 2) have a minimum of 300 employees; and 3) the company needs to prove through corporate performance data that it was affected by the pandemic. The sectors more prioritized for obtaining the guarantee are labor-intensive corporations (including tourism, automotive, and many more), because these companies will be guaranteed 80% by the government and 20% from banks. In comparison, other companies will only be guaranteed 60% by the government and 40% by banks.

Company News

1. **IPCC IJ** is distributing a total of IDR101 billion, which is equivalent to IDR55.51 share and a payout ratio of 75.01% from its FY19 net profit of IDR135.30 billion. Previously, the company had distributed interim dividends amounting to IDR63.41 billion, 46.86% of the total dividends. Thus, the remaining amount is IDR20.94 per share, or IDR38 billion in total (Neraca). **MNCS Comment: IPCC dividend is quite interesting with a relatively high yield at 13.15%, as this time the value is higher than the last dividend of IDR34.87. In 1Q20 IPCC managed to recorded a 0.3% YoY growth while the net profit dropped by 20.5% YoY. IPCC is currently traded at 9.40x/0.7x PE/PBV.**
2. **APLN IJ** has its debt rating lowered again from CCC- to C due to its subsidiary extending the term of the MTN. The company changed the MTN term from 370 days to two years, so the new MTN maturity changes from 26 August, 2020 to 22 August, 2021. A consequence of this change is that the interest rate will increase from 11% per year to 11.61% per year starting January 2021. In total, the company recorded liabilities of IDR19.4 trillion in June 2020, an increase from IDR16.62 trillion in December 2019 (Investor Daily). **MNCS Comment: The existence of covid-19 has an impact on the rotation of APLN's financial statements. This happens in almost all property companies, where the low achievement of marketing sales and not optimal recurring income increases the risk of the current property business. APLN is currently traded at 0.28x PBV.**
3. **BRPT IJ** secured a loan facility of IDR3.64 trillion from Bangkok Bank Public Company Limited. The loan must be repaid within 60 months. Management said that the loan will be used to finance the power plant projects of its indirect subsidiary, PT Indo Raya Tenaga. BRPT controls 34% of Indo Raya Tenaga share (Investor Daily). **MNCS Comment: We see that with the loan, the company will be able to finance other projects while the current debt to equity ratio stood at 2.12x. BRPT is currently traded at 4.49x PBV.**

IHSG Updates

JCI rose by +0.27% to 5,157.83 on Monday (10/08) although followed by net foreign sell reaching IDR477.71 billion. The rise occurred amid the various movement on the Regional Asia and global indices, while it was supported by positive catalyst from the government such as: 1) Productive social assistance of IDR30 trillion for 12 million Micro, Small and Medium Enterprises (MSMEs); 2) Social assistance in the form of 15 kilograms of rice per head of family, for 10 million recipients of the Family Hope Program (PKH) with a budget of IDR4.6 trillion; 3) Social assistance in the form of direct cash assistance of IDR500,000 per recipient of staple food cards with a budget of IDR 5 trillion; 4) Social assistance in the form of direct cash assistance of IDR600,000 for social assistance for to workers whose salary is below IDR5 million per month; 5) Thirteenth salary distribution amounting to IDR28.82 trillion. Moreover, the Rupiah exchange rate was weakening at IDR14,648. We estimate JCI will move in the range of 5,080-5,187 while waiting for the release of current account and retail sales data. **Today's recommendation: AKRA, ICBP, INTP, BTPS.**

Stock	Close Price	Recommendation	Tactical Moves
AKRA	2,780	Buy on Weakness	Currently, we estimate that AKRA is in the part of wave [iv] of wave C.
ICBP	10,175	Accum Buy	ICBP is currently in wave [iv] of wave C.
INTP	11,775	Spec Buy	We expect INTP to be in a triangle pattern and form the initial wave [c] of wave E.
BTPS	3,870	Sell on Strength	BTPS is already at the end of wave [v] of wave 3, this means that the strengthening of BTPS is relatively limited and prone to correction to form wave 4.

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	207,478	3.61	HOLD	5,500	(24.25)	25.37	12.62	10.07	1.04	0.97
Banking											
BBCA IJ	Bank Central Asia Tbk PT	754,443	12.99	HOLD	28,400	7.00	9.09	24.67	22.62	3.89	3.45
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	86,157	1.48	HOLD	4,300	(2.68)	5.97	5.75	5.43	0.74	0.68
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	386,072	6.65	HOLD	3,200	(7.81)	1.06	12.07	11.94	1.82	1.68
BMRI IJ	Bank Mandiri Persero Tbk PT	270,667	4.66	SELL	5,100	(4.62)	9.13	10.33	9.46	1.23	1.12
BNGA IJ	Bank CIMB Niaga Tbk PT	19,226	0.33	BUY	850	2.43	9.99	5.11	4.64	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,138	0.24	SELL	1,000	(24.98)	497.17	88.98	14.90	0.83	0.79
BRIS IJ	Bank Brisyariah Tbk PT	5,441	0.09	SELL	230	(32.21)	9.83	108.41	98.71	1.06	1.05
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	294,215	5.12	BUY	3,600	(8.00)	8.33	15.47	14.28	2.74	2.60
EXCL IJ	XL Axiata Tbk PT	26,230	0.46	BUY	2,700	21.73	5.39	30.04	28.50	1.31	1.25
TOWR IJ	Sarana Menara Nusantara Tbk PT	55,351	0.96	SELL	950	13.11	8.81	21.45	19.71	5.23	4.62
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	29,104	0.51	SELL	3,450	6.41	13.25	13.44	11.87	1.17	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
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	309,015	5.37	HOLD	8,400	1.60	6.48	41.14	38.63	35.98	33.81
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	118,660	2.06	HOLD	10,300	6.31	9.52	22.11	20.19	4.34	3.92
INDF IJ	Indofood Sukses Makmur Tbk PT	61,243	1.07	BUY	8,500	3.50	11.05	12.06	10.86	1.51	1.39
HOKI IJ	Buyung Poetra Sembada PT	1,551	0.03	HOLD	700	(26.89)	37.61	20.21	14.68	2.10	1.78
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	20,925	0.36	HOLD	1,400	9.01	13.34	23.57	20.79	6.35	5.96
TBLA IJ	Tunas Baru Lampung Tbk PT	4,327	0.08	SELL	630	(43.57)	5.01	10.67	10.16	0.81	0.77
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	75,469	1.31	SELL	1,280	4.28	7.25	28.87	26.92	4.27	3.93
Retail											
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	5,327	0.09	SELL	1,280	13.54	66.00	15.99	9.63	0.96	0.86
MAPI IJ	Mitra Adiperkasa Tbk PT	11,454	0.20	SELL	580	4.92	5.28	12.03	11.43	1.52	1.33
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,435	0.08	SELL	500	(32.91)	25.56	9.62	7.67	0.99	0.94
PZZA IJ	Sarimelati Kencana PT	1,904	0.03	BUY	840	4.23	20.53	9.16	7.60	1.21	1.04
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	10,001	0.17	HOLD	1,225	17.35	20.10	3.73	3.11	0.53	0.46
WSBP IJ	Waskita Beton Precast Tbk PT	4,350	0.08	BUY	262	(29.90)	18.70	7.16	6.03	0.49	0.47
WSKT IJ	Waskita Karya Persero Tbk PT	8,552	0.15	BUY	880	8.47	137.68	8.40	3.54	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	
Property												
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	18,493	0.32	BUY	520	(9.02)	(3.70)	7.73	8.02	1.06	0.95	
SMRA IJ	Summarecon Agung Tbk PT	7,574	0.13	BUY	610	(69.64)	44.19	48.43	33.59	0.79	0.77	
CTRA IJ	Ciputra Development Tbk PT	11,786	0.20	BUY	880	8.58	(11.20)	9.43	10.62	0.72	0.68	
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	19,487	0.34	HOLD	9,125	240.96	15.24	27.07	23.49	1.01	0.97	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,857	0.12	HOLD	1,000	27.51	22.68	21.30	17.36	1.22	1.05	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,464	0.63	BUY	1,310	(18.31)	0.59	6.77	6.73	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	24,424	0.42	BUY	2,390	(16.98)	4.55	6.88	6.58	1.30	1.28	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,689	0.17	BUY	10,630	(58.33)	(20.00)	10.52	13.15	0.38	0.33	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	19,825	0.34	BUY	920	26.09	42.23	16.57	11.65	0.90	0.83	
INCO IJ	Vale Indonesia Tbk PT	36,168	0.63	HOLD	3,590	13.79	2.00	44.66	43.79	1.12	1.08	
MDKA IJ	Merdeka Copper Gold Tbk PT	43,357	0.75	SELL	1,595	(21.21)	25.00	30.37	24.29	4.05	3.19	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	102,897	1.79	SELL	4,150	9.82	15.94	26.85	23.16	4.27	3.80	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,372	0.22	HOLD	1,150	(60.18)	121.37	17.55	7.93	1.04	0.92	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	98,706	1.72	HOLD	55,450	(16.02)	8.63	10.80	9.94	1.84	1.69	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	193,670	3.37	HOLD	1,650	(22.03)	3.26	18.10	17.53	5.77	5.80	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	43,347	0.75	BUY	13,900	19.34	12.44	19.79	17.60	1.84	1.81	
SMGR IJ	Semen Indonesia Persero Tbk PT	56,943	0.99	HOLD	9,000	30.77	(33.40)	18.22	27.35	1.69	1.64	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,083	0.05	HOLD	450	18.73	7.01	12.03	11.24	1.98	1.56	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	92,414	1.61	SELL	19,930	(18.84)	13.03	10.06	8.90	1.37	1.19	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	15.14	1.86
JAKCONS INDEX	18.91	4.03
JAKINFRA INDEX	33.42	2.07
JAKBIND INDEX	43.42	1.90
JAKTRAD INDEX	16.98	1.34
JAKPROP INDEX	21.88	0.27
JAKMINE INDEX	12.67	1.12
JAKMIND INDEX	11.08	1.19
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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