

KEY INDICATOR

21/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.72	6.74	(2.50)	(56.60)
USD/IDR	14,773.00	14,845.00	-0.49%	3.71%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,272.81	-0.42%	-16.30%	19.26
MSCI	6,079.77	-0.56%	-16.58%	19.66
HSEI	25,113.84	1.30%	-10.91%	11.83
FTSE	6,001.89	-0.19%	-20.43%	19.53
DJIA	27,930.33	0.69%	-2.13%	25.07
NASDAQ	11,311.80	0.42%	26.07%	39.66

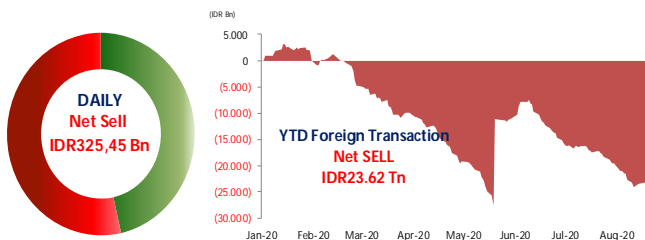
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	42.34	-0.56%	-23.96%	-30.66%
COAL	USD/TON	49.80	-0.60%	-23.91%	-26.44%
CPO	MYR/MT	2,681.00	-2.05%	21.42%	-12.16%
GOLD	USD/TOZ	1,940.48	-0.35%	29.14%	27.89%
TIN	USD/MT	17,570.00	0.00%	8.46%	2.30%
NICKEL	USD/MT	14,691.00	0.30%	-7.17%	4.75%

CORPORATE ACTION

TICKER	EVENT	NOTES
MBAP	Cum Dividend Date	IDR358/share
MARK	Cum Dividend Date	IDR7/share
ZINC	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA pushed higher +0.69% on Friday (21/08) by gains in Apple shares. Moreover, Nasdaq Composite rose by +0.42% followed by S&P 500 (+0.34%). The July-2020 home sales numbers were among the strongest the housing market has ever seen (+24.7% MoM). The increase was also supported by the release of US Manufacturing PMI data in August 2020 at 53.6, better than July's 50.9. On the other hand, the US Department of Labor reported US initial jobless claims, increasing by 135,000 to 1.10 million in the week ending August 15 which reflects the high unemployment rate in the country. Moreover, the market will look forward to several data releases today, such as: 1) US Chicago Fed National Activity Index; 2) US Short Term Bill Auction; 3) France Short Term Bill Auction.

Domestic Updates

- BI decided to maintain the 7-Day Reverse Repo Rate (7DRR) at 4.00%, the Deposit Facility rate at 3.25%, and the Lending Facility rate at 4.75%. This decision is consistent with the need to maintain external stability, amidst predicted low inflation. Bank Indonesia emphasizes on the quantity route through the provision of liquidity to encourage economic recovery from the impact of the COVID-19 pandemic, including the support to the Government in accelerating the realization of the 2020 State Budget.
- The Ministry of Public Works and Public Housing (PUPR) stated that the distribution of the Housing Financing Liquidity Facility (FLPP) had reached 84,080 units amounting to IDR8.54 trillion as of August 19, 2020. Furthermore, the Ministry and 13 Implementing Banks as well as 170 subsidized housing developers will hold a virtual exhibition for the First Subsidized Housing in Indonesia on August 25-29 2020.

Company News

- MDKA IJ recorded a USD199 million of revenue in 1H20, increased by 3.75% YoY from the previous USD192 million in the first 1H19. The increase in revenue was driven by gold sales, which rose 40.1% YoY to USD188.1 million. Although overall revenue increased, the gross profit margin and operating profit margin decreased due to an increase in cost of goods sold by 16.20% YoY followed by general administrative expenses by 50% YoY. Thus, net profit only reached USD38 million, slipped by 9.4% YoY. The decline was caused by technical problems where there was a steel content which resulted in the heap leach process being not optimal which resulted in a decline in revenue in the copper segment by 49.7% YoY (Market Bisnis). **MNCS Comment: MDKA's performance will still be largely affected by gold price movements and the increase on gold sales. We believe the problems experienced will not prolonged as MDKA is still continuing the Pani Mine exploration. MDKA is currently traded at 36.68x/5.37x PE/PBV.**
- SRIL IJ recorded a decrease on revenue growth of 3.83% YoY to USD608.23 million in 1H20. While domestic sales increased 8.18% YoY to USD275.59 million, export sales decreased by 11.93% YoY to USD332.64 million contributing to 54.69% of total sales. This caused a drop in net income by 7.98% YoY to USD49.84 million. (Market Bisnis). **MNCS Comment: We see that as an effort to boost export sales, the company planned to export personal protective equipment or APD when permitted by the Government with America and Europe as their target market. SRIL is currently traded at 3.27x/0.51x PE/PBV.**
- INOV IJ will be distributing dividends of IDR13.56 billion, this equals to 59.89% dividend payout ratio from the FY19 net profit amounting to IDR22.64 billion in 2019. Dividend per share stood at IDR7.5 while the remaining net income will be used as a reserve fund and retained earnings (Market Bisnis). **MNCS Comment: Dividend yield stood at 2.93%. While we note that this is the first time for INOV to distribute dividends. Meanwhile INOV is planning to build a new plastic processing plant in the future with USD10 million of Capex. INOV is currently traded at 1.43x PBV.**

IHSG Updates

JCI dropped by -0.42% to 5,272.81 on Wednesday (19/08) followed by net foreign sell reaching IDR325.45 billion. JCI dropped amid various movements from the Regional Asia indices although investors already anticipate the unchanging rate from BI. While there are no more significant data release that will bring positive sentiments, investors did a profit taking in the last day of trading as fear rises for further index strengthening. Meanwhile, the Rupiah exchange rate was weakening at IDR14,773. We estimate JCI will move in the range of 5,220-5,330 while waiting for Motorbike Sales. **Today's recommendation: UNTR, MAPI, BSDE, BBTN.**

Stock	Close Price	Recommendation	Tactical Moves
UNTR	23,475	Buy on Weakness	As long as UNTR is not corrected below 22.650, then the UNTR movement yesterday is part of wave 5 of wave (C).
MAPI	690	Buy on Weakness	This MAPI move is part of wave (b) of wave [b].
BSDE	740	Sell on Strength	The strengthening of BSDE yesterday, we estimate is the end of wave [i] of wave C.
BBTN	1,510	Sell on Strength	BBTN movement is already at the end of wave [iii] of wave C.



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	214,563	3.65	HOLD	5,500	(24.25)	25.37	13.05	10.41	1.07	1.00
Banking											
BBCA IJ	Bank Central Asia Tbk PT	780,331	13.14	SELL	28,400	7.00	9.09	25.52	23.39	4.02	3.56
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	94,176	1.59	SELL	4,300	(2.68)	5.97	6.29	5.94	0.81	0.75
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	439,111	7.39	SELL	3,200	(7.81)	1.06	13.73	13.58	2.07	1.91
BMRI IJ	Bank Mandiri Persero Tbk PT	284,667	4.79	SELL	5,100	(4.62)	9.13	10.86	9.95	1.29	1.18
BNGA IJ	Bank CIMB Niaga Tbk PT	20,105	0.34	HOLD	850	2.43	9.99	5.34	4.86	0.47	0.46
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	15,991	0.27	SELL	1,000	(24.98)	497.17	100.64	16.85	0.94	0.90
BRIS IJ	Bank Brisyariah Tbk PT	5,878	0.10	SELL	230	(32.21)	9.83	117.12	106.64	1.15	1.14
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	297,187	5.06	BUY	3,600	(8.00)	8.33	15.63	14.42	2.77	2.62
EXCL IJ	XL Axiata Tbk PT	26,979	0.46	HOLD	2,700	21.73	5.39	30.90	29.32	1.35	1.29
TOWR IJ	Sarana Menara Nusantara Tbk PT	53,820	0.92	HOLD	950	13.11	8.81	20.86	19.17	5.08	4.49
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	28,886	0.49	SELL	3,450	6.41	13.25	13.34	11.78	1.17	1.05
PGAS IJ	Perusahaan Gas Negara Tbk PT	31,635	0.54	HOLD	1,200	83.33	27.27	14.56	11.44	0.51	0.49
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	312,830	5.32	HOLD	8,400	1.60	6.48	41.64	39.11	36.43	34.23
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	117,785	2.00	HOLD	10,300	6.31	9.52	21.95	20.04	4.31	3.89
INDF IJ	Indofood Sukses Makmur Tbk PT	63,219	1.08	BUY	8,500	3.50	11.05	12.44	11.21	1.56	1.43
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	20,550	0.35	HOLD	1,400	9.01	13.34	23.15	20.42	6.24	5.86
TBLA IJ	Tunas Baru Lampung Tbk PT	4,407	0.07	SELL	630	(43.57)	5.01	10.87	10.35	0.82	0.78
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	75,235	1.28	SELL	1,280	4.28	7.25	28.78	26.83	4.26	3.92
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	27,697	0.47	SELL	1,400	(6.76)	6.90	28.57	26.72	5.08	4.64
ERAA IJ	Erajaya Swasembada Tbk PT	5,630	0.10	SELL	1,280	13.54	66.00	16.90	10.18	1.01	0.91
MAPI IJ	Mitra Adiperkasa Tbk PT	11,454	0.19	SELL	580	4.92	5.28	12.03	11.43	1.52	1.33
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,612	0.08	SELL	500	(32.91)	25.56	10.01	7.97	1.03	0.97
PZZA IJ	Sarimelati Kencana PT	1,949	0.03	BUY	840	4.23	20.53	9.38	7.78	1.23	1.06
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,172	0.04	BUY	755	(74.40)	99.60	12.13	6.08	0.32	0.31
PTPP IJ	PP Persero Tbk PT	6,293	0.11	HOLD	1,040	40.73	28.86	4.81	3.73	0.34	0.32
WIKA IJ	Wijaya Karya Persero Tbk PT	11,526	0.20	HOLD	1,225	17.35	20.10	4.30	3.58	0.61	0.53
WSBP IJ	Waskita Beton Precast Tbk PT	4,560	0.08	BUY	262	(29.90)	18.70	7.51	6.32	0.51	0.50
WSKT IJ	Waskita Karya Persero Tbk PT	8,959	0.15	BUY	880	8.47	137.68	8.80	3.70	0.31	0.30
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,847	0.03	BUY	300	4.17	20.85	3.93	3.25	0.66	0.57



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,667	0.27	BUY	1,110	(7.75)	12.60	5.46	4.85	0.39	0.36	
PWON IJ	Pakuwon Jati Tbk PT	19,842	0.34	BUY	520	(9.02)	(3.70)	8.29	8.61	1.14	1.02	
SMRA IJ	Summarecon Agung Tbk PT	8,440	0.14	HOLD	610	(69.64)	44.19	53.97	37.43	0.88	0.86	
CTRA IJ	Ciputra Development Tbk PT	13,178	0.22	BUY	880	8.58	(11.20)	10.55	11.88	0.80	0.76	
DMAS IJ	Puradelta Lestari Tbk PT	11,471	0.20	HOLD	228	(30.89)	31.52	12.43	9.45	1.91	2.13	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	19,680	0.33	SELL	9,125	240.96	15.24	27.34	23.72	1.02	0.98	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,721	0.11	HOLD	1,000	27.51	22.68	20.88	17.02	1.19	1.03	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	35,664	0.61	BUY	1,310	(18.31)	0.59	6.62	6.59	0.53	0.51	
PTBA IJ	Bukit Asam Tbk PT	24,309	0.41	BUY	2,390	(16.98)	4.55	6.85	6.55	1.30	1.28	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,265	0.16	BUY	10,630	(58.33)	(20.00)	10.06	12.58	0.36	0.31	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	19,104	0.32	BUY	920	26.09	42.23	15.97	11.23	0.87	0.80	
INCO IJ	Vale Indonesia Tbk PT	37,162	0.63	HOLD	3,590	13.79	2.00	45.89	44.99	1.15	1.11	
MDKA IJ	Merdeka Copper Gold Tbk PT	39,963	0.68	SELL	1,595	(21.21)	25.00	27.99	22.39	3.73	2.94	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	102,078	1.74	SELL	4,150	9.82	15.94	26.64	22.98	4.24	3.77	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,075	0.22	HOLD	1,150	(60.18)	121.37	18.54	8.38	1.10	0.98	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	104,237	1.77	HOLD	55,450	(16.02)	8.63	11.41	10.50	1.95	1.79	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	203,557	3.46	HOLD	1,650	(22.03)	3.26	19.02	18.42	6.07	6.10	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	43,439	0.74	BUY	13,900	19.34	12.44	19.83	17.64	1.85	1.81	
SMGR IJ	Semen Indonesia Persero Tbk PT	56,646	0.96	HOLD	9,000	30.77	(33.40)	18.12	27.21	1.68	1.63	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,245	0.06	HOLD	450	18.73	7.01	12.66	11.83	2.09	1.64	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	87,565	1.49	SELL	19,930	(18.84)	13.03	9.54	8.44	1.30	1.13	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	17.58	1.93
JAKCONS INDEX	19.21	4.10
JAKINFRA INDEX	31.23	2.17
JAKBIND INDEX	44.04	1.92
JAKTRAD INDEX	17.47	1.34
JAKPROP INDEX	1.00	0.02
JAKMINE INDEX	12.78	1.12
JAKMIND INDEX	11.37	1.23
JAKAGRI INDEX	-	0.93

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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