

KEY INDICATOR

25/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.70	6.70	(0.20)	(54.00)
USD/IDR	14,649.00	14,671.00	-0.15%	3.05%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,338.89	1.17%	-15.25%	19.50
MSCI	6,186.94	1.72%	-15.11%	19.95
HSEI	25,486.22	-0.26%	-9.59%	12.04
FTSE	6,037.01	-1.11%	-19.96%	19.73
DJIA	28,248.44	-0.21%	-1.02%	25.34
NASDAQ	11,466.47	0.76%	27.79%	40.23

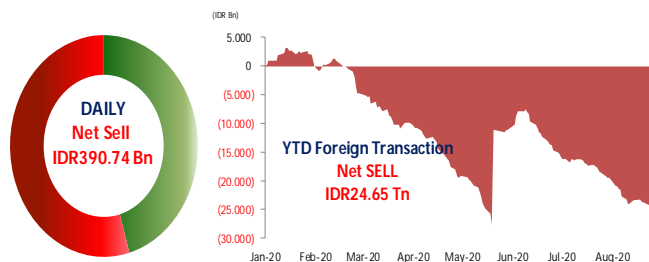
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	43.35	1.71%	-19.97%	-29.00%
COAL	USD/TON	49.75	0.10%	-24.33%	-26.51%
CPO	MYR/MT	2,615.00	-1.77%	15.61%	-14.32%
GOLD	USD/TOZ	1,928.18	-0.04%	26.28%	27.08%
TIN	USD/MT	17,360.00	0.29%	9.32%	1.08%
NICKEL	USD/MT	14,976.00	0.33%	-4.37%	6.78%

CORPORATE ACTION

TICKER	EVENT	NOTES
BAYU	Cum Dividend Date	IDR50/share
ACST	Rights Issue	IDR262/share
MNCN	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA slipped -0.21 on Tuesday (25/08) though followed by the rise of S&P500 (+0.36%) and Nasdaq (+0.76%). The unfortunate news came from the release of the US Consumer Confidence Index data which fell to 84.8 in August, a sharp decrease from 91.7 in July, this figure is also much worse than the consensus of economists who targeted at 93. Furthermore, the airline sector is still haunted by the corona crisis with its shares falling again due to the low level of travel by people using airplanes which causes further unemployment. Subsequently, the riot in Wisconsin has been declared as an emergency by the Governor Tony Evers and the National Security Force will be deployed after the City of Kenosha riots occurred for 3 consecutive nights. Moreover, the market will look forward to several data releases today, such as: 1) US Durable Goods Order; 2) US MBA Mortgage Application; 3) US Fed Daily Speech.

Domestic Updates

Indonesia's finance minister said that Indonesia's economic recovery is very fragile and could reverse, as shown by the tax revenue data in July. Even though revenues had improved temporarily in June, the improvement stagnated in July, with some sectors deteriorating, such as trade, mining, and construction. The minister warned that avoiding a recession in the third quarter will be hard and "require an extraordinary struggle," as she expects that July-September GDP will be in the range of -2% to 0%. Overall, the minister maintained her 2020 outlook of between -1.1% to 0.2%.

Company News

- BMRI IJ** managed to record positive performance during 1H20, pocketing a revenue of IDR2.09 trillion (+23.47% YoY) and net profit of IDR719 billion (+30.53% YoY). The increase in net profit was supported by the strengthening of low-cost funds (CASA) and increasing digital transactions, and both increased margin income and fee-based income. The ratio of low-cost funds has risen from 54.2% last year to 57.93% this year, decreasing the cost of funds for the bank and solidify liquidity (Kontan). **MNCS Comment: We see that BMRI still booked a resilient 2Q20 performance with positive profits despite lockdown effect and conservative accounting. Management focus area in 2H20 including healthy loan growth, lowering cost of fund and opex savings. BMRI is currently traded at 14.17x/1.63x PE/PBV.**
- CPIN IJ** will be distributing dividends at IDR81 per share or IDR21.42 trillion from FY19 net profit of IDR58.63 trillion, which increased by 8.67% YoY. While net profit increased, its company's cost of goods sold actually increased from IDR44.82 trillion in 2018 to IDR50.52 trillion in 2019. Furthermore, it also recorded a drastic increase in operating expenses from IDR123.72 billion to IDR580.63 billion in 2019 (Bisnis Market). **MNCS Comment: We note the dividend payout ratio was lower at 36.53% (vs 42.45% in FY19). CPIN is currently traded at 30.20x/4.40x PE/PBV.**
- ZINC IJ** is focusing in current activities and investments to improve the company's performance and future. The company is still optimistic that it can reach its sales target, despite not even reaching 50% in the 1H20. With restrictions easing, the company can continue its projects, such as refining smelter projects in lead and zinc. For example, ZINC signed a 2.5 MW Surat Perjanjian Jual Beli Tenaga Listrik (SPKBTL) with PLN to guarantee the operations of its lead smelters. In terms of investments, ZINC continues to commit to making the company's business sustainable in the construction of lead and zinc, by investing in downstream programs to provide added value to the company's mineral products (Investor Daily). **MNCS Comment: We see that ZINC is expecting a recovery in 2H20, backed by an agreement with the government. ZINC has not released their performance in the FY20 yet, but their stock prices has plummet by -64.7% YTD.. ZINC is currently traded at 46.33x/4.34x PE/PBV.**

IHSG Updates

JCI rose by +1.17% to 5,338.88 on Tuesday (25/08) though followed by net foreign sell reaching IDR390.74 billion. Index rise again amid various movements from the regional Asia Indices. Although there's a negative sentiment from the Ministry of Finance as stated that the economy in 3Q20 could drop to -2% while FY20E is predicted to decrease by 1.1%. But the statement didn't seem to budge the growth in the market. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,649. We estimate JCI will move in the range of 5,220-5,350 while waiting for Loan Growth data release. **Today's recommendation: RALS, GGRM, CTRA, BMRI.**

Stock	Close Price	Recommendation	Tactical Moves
RALS	695	Buy on Breakout	Currently RALS is in wave [v] of wave C.
GGRM	53,400	Buy on Weakness	As long as GGRM has not been able to break its resistance at 55,000, currently the movement of GGRM is still part of wave [ii] of wave C.
CTRA	770	Buy on Weakness	CTRA will first form wave 4 of wave (C).
BMRI	6,250	Sell on Strength	The position of BMRI is currently at the end of wave [v] of wave C, so that the strengthening of BMRI will be relatively limited and vulnerable to correction.

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	3.60	HOLD	5,500	(24.25)	25.37	13.05	10.41	1.07	1.00	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	784,646	13.05	SELL	28,400	7.00	9.09	25.66	23.52	4.04	3.58	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	98,372	1.64	HOLD	5,700	(2.68)	5.97	6.57	6.20	0.85	0.78	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	468,714	7.80	SELL	3,200	(7.81)	1.06	14.65	14.50	2.21	2.04	
BMRI IJ	Bank Mandiri Persero Tbk PT	291,667	4.85	SELL	5,100	(4.62)	9.13	11.13	10.20	1.32	1.21	
BNGA IJ	Bank CIMB Niaga Tbk PT	20,482	0.34	HOLD	850	2.43	9.99	5.44	4.95	0.48	0.47	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,626	0.28	SELL	1,000	(24.98)	497.17	104.64	17.52	0.98	0.93	
BRIS IJ	Bank Brisyariah Tbk PT	6,996	0.12	SELL	230	(32.21)	9.83	139.39	126.91	1.36	1.35	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	295,205	4.96	BUY	3,600	(8.00)	8.33	15.52	14.33	2.75	2.60	
EXCL IJ	XL Axiata Tbk PT	26,551	0.45	HOLD	2,700	21.73	5.39	30.41	28.85	1.33	1.27	
TOWR IJ	Sarana Menara Nusantara Tbk PT	53,310	0.90	HOLD	950	13.11	8.81	20.66	18.99	5.04	4.45	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	28,741	0.48	SELL	3,450	6.41	13.25	13.27	11.72	1.16	1.05	
PGAS IJ	Perusahaan Gas Negara Tbk PT	32,484	0.55	SELL	1,200	83.33	27.27	14.95	11.74	0.52	0.50	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	312,830	5.26	HOLD	8,400	1.60	6.48	41.64	39.11	36.43	34.23	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	121,575	2.04	HOLD	10,300	6.31	9.52	22.65	20.68	4.45	4.02	
INDF IJ	Indofood Sukses Makmur Tbk PT	68,926	1.16	HOLD	8,500	3.50	11.05	13.57	12.22	1.70	1.56	
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	20,400	0.34	HOLD	1,400	9.01	13.34	22.98	20.27	6.20	5.81	
TBLA IJ	Tunas Baru Lampung Tbk PT	4,327	0.07	SELL	630	(43.57)	5.01	10.67	10.16	0.81	0.77	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	75,938	1.28	SELL	1,280	4.28	7.25	29.05	27.08	4.30	3.96	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	28,298	0.48	SELL	1,400	(6.76)	6.90	29.19	27.30	5.19	4.74	
ERAA IJ	Erajaya Swasembada Tbk PT	5,598	0.09	SELL	1,280	13.54	66.00	16.80	10.12	1.01	0.91	
MAPI IJ	Mitra Adiperkasa Tbk PT	11,703	0.20	SELL	580	4.92	5.28	12.29	11.68	1.56	1.36	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,932	0.08	SELL	500	(32.91)	25.56	10.70	8.52	1.10	1.04	
PZZA IJ	Sarimelati Kencana PT	1,964	0.03	BUY	840	4.23	20.53	9.45	7.84	1.24	1.07	
Construction												
ADHI IJ	Adhi Karya Persero Tbk PT	2,208	0.04	BUY	755	(74.40)	99.60	12.33	6.18	0.32	0.31	
PTPP IJ	PP Persero Tbk PT	6,417	0.11	HOLD	1,040	40.73	28.86	4.90	3.80	0.35	0.32	
WIKA IJ	Wijaya Karya Persero Tbk PT	11,840	0.20	HOLD	1,225	17.35	20.10	4.42	3.68	0.63	0.55	
WSBP IJ	Waskita Beton Precast Tbk PT	4,613	0.08	BUY	262	(29.90)	18.70	7.59	6.40	0.52	0.50	
WSKT IJ	Waskita Karya Persero Tbk PT	9,366	0.16	BUY	880	8.47	137.68	9.20	3.87	0.32	0.32	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,886	0.03	BUY	300	4.17	20.85	4.01	3.32	0.67	0.58	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	16,725	0.28	BUY	1,110	(7.75)	12.60	5.83	5.17	0.42	0.39	
PWON IJ	Pakuwon Jati Tbk PT	20,612	0.35	BUY	520	(9.02)	(3.70)	8.61	8.94	1.18	1.06	
SMRA IJ	Summarecon Agung Tbk PT	9,089	0.15	HOLD	610	(69.64)	44.19	58.12	40.31	0.95	0.93	
CTRA IJ	Ciputra Development Tbk PT	14,291	0.24	BUY	880	8.58	(11.20)	11.44	12.88	0.87	0.82	
DMAS IJ	Puradelta Lestari Tbk PT	11,278	0.19	HOLD	228	(30.89)	31.52	12.22	9.29	1.87	2.09	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	19,199	0.32	HOLD	9,125	240.96	15.24	26.67	23.14	1.00	0.96	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,516	0.11	HOLD	1,000	27.51	22.68	20.24	16.50	1.15	1.00	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	35,185	0.59	BUY	1,310	(18.31)	0.59	6.54	6.50	0.52	0.50	
PTBA IJ	Bukit Asam Tbk PT	24,424	0.41	BUY	2,390	(16.98)	4.55	6.88	6.58	1.30	1.28	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,378	0.16	BUY	10,630	(58.33)	(20.00)	10.18	12.73	0.37	0.32	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	18,984	0.32	BUY	920	26.09	42.23	15.87	11.16	0.86	0.80	
INCO IJ	Vale Indonesia Tbk PT	37,559	0.63	HOLD	3,590	13.79	2.00	46.38	45.47	1.16	1.13	
MDKA IJ	Merdeka Copper Gold Tbk PT	39,525	0.66	SELL	1,595	(21.21)	25.00	27.68	22.15	3.69	2.91	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	100,028	1.68	SELL	4,150	9.82	15.94	26.11	22.52	4.15	3.69	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,368	0.22	HOLD	1,150	(60.18)	121.37	18.96	8.56	1.12	1.00	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	102,746	1.73	HOLD	55,450	(16.02)	8.63	11.24	10.35	1.92	1.76	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	198,904	3.34	HOLD	1,650	(22.03)	3.26	18.59	18.00	5.93	5.96	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	45,647	0.77	BUY	13,900	19.34	12.44	20.84	18.54	1.94	1.90	
SMGR IJ	Semen Indonesia Persero Tbk PT	61,095	1.03	SELL	9,000	30.77	(33.40)	19.54	29.34	1.81	1.76	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,230	0.05	HOLD	450	18.73	7.01	12.60	11.78	2.08	1.63	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	87,845	1.48	SELL	19,930	(18.84)	13.03	9.57	8.46	1.30	1.13	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	18.08	1.98
JAKCONS INDEX	19.39	4.13
JAKINFRA INDEX	31.16	2.17
JAKBIND INDEX	44.18	1.92
JAKTRAD INDEX	17.59	1.35
JAKPROP INDEX	1.02	0.02
JAKMINE INDEX	12.68	1.12
JAKMIND INDEX	11.39	1.23
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





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