

KEY INDICATOR

10/12/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	3.75	4.00	(0.25)	(125.00)
10 Yr (bps)	6.18	6.19	(0.02)	(94.90)
USD/IDR	14,105	14,110	-0.04%	0.61%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,933.70	-0.18%	-5.81%	23.63
MSCI	6,627.84	-0.08%	-9.06%	21.13
HSEI	26,410.59	-0.35%	-6.31%	14.24
FTSE	6,599.76	0.54%	-12.50%	21.70
DJIA	29,999.26	-0.23%	5.12%	24.66
NASDAQ	12,405.81	0.54%	38.26%	39.89

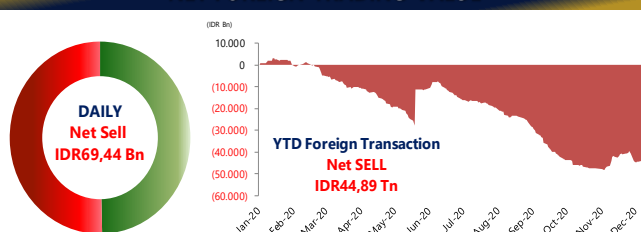
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	46.78	2.77%	-21.03%	-23.39%
COAL	USD/TON	77.50	1.17%	17.42%	14.48%
CPO	MYR/MT	3,403.00	1.34%	17.22%	11.50%
GOLD	USD/TOZ	1,836.57	-0.16%	25.42%	21.04%
TIN	USD/MT	19,465.00	0.12%	11.93%	13.33%
NICKEL	USD/MT	17,430.00	4.35%	30.03%	24.28%

CORPORATE ACTION

TICKER	EVENT	NOTES
GEMS	Cum Dividend Date	IDR0.0034/share
AMRT	Cum Dividend Date	IDR6.03/share
ATAP	IPO	IDR100/share

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA lowered by -0.23% on Thursday (10/12) followed by S&P 500 (-0.13%) while Nasdaq rose by +0.54%. Dow slipped as jobless claims jumped to 853,000 last week, up sharply from the prior week's upwardly revised 716,000. Continuing claims rose 230,000 to 5.76 million, the first increase since late August. Meanwhile, Food and Drug Administration advisory panel recommended Thursday night that the FDA approve the Pfizer and BioNTech vaccine for people 16 and older. Panel members spoke positively about the Pfizer coronavirus vaccine, which showed 95% effectiveness in a final-stage trial. As soon as the FDA grants emergency use approval, a massive distribution effort will get underway, with vaccinations starting almost immediately. Pfizer and BioNTech plan to seek full FDA approval next spring, when it will have coronavirus vaccine data for children age 12-15 as well as other groups not included in the first wave of studies. Moreover, the market will look forward to several data releases today, such as: 1) US Michigan Consumer Sentiment Preliminary; 2) US Producer Price Index; 3) Germany Inflation Rate.

Domestic Updates

- Tobacco excise tax is officially raised by 12.5% average in FY21F.** While details are as follows: cigarette hand kretek +0%, White Machine Cigarette (I: +18.4%, II A: +16.5%, II B: +18.1%), and Machine clove cigarettes (I: +16.9%, II A: +13.8%, II B: +15.4%).
- Retail sales in Indonesia tumbled by -14.9% YoY in October 2020**, after declining by -8.7% a month earlier. This marked the eleventh straight month of fall in retail trade, and the steepest pace since June, amid the prolonged impact caused by the Covid-19 crisis that made people to stay at home most of their time. On a monthly basis, retail sales dropped by -5.3% in October, the steepest decline since April, after a -1.4% fall in September.
- Furthermore, the new cases of Covid-19 infection in Jakarta is reported to be 1,180 yesterday.**

Company News

- INAF IJ** will potentially get 130 million doses of Corona vaccine from biotechnology company from the United States, Novavax Inc. Vaccine delivery is planned to start in May or June 2021. So, the supply commitment is a binding volume of 30 million doses and a non-binding volume of 100 million doses. In developing this vaccine, the company has received funding from the Coalition for Epidemic Preparedness Innovations (CEPI) of USD388 million and from global funds of USD2 billion (Market Bisnis). **MNCS Comment: We hope this will be a catalyst for INAF in the future, as INAF's performance was hit earlier this year. INAF is currently traded at 27.99x PBV.**
- PPRE IJ** aiming for the acquisition of new contracts worth IDR3.5 trillion - IDR3.7 trillion in 2021. The target for new contracts is higher than the 2020 target of IDR2 trillion. Meanwhile, optimism for setting targets in 2021 follows the achievement of this year's target, which until November 2020 has been realized worth IDR2.3 trillion. As for several projects targeted by PPRE in 2021, they come from the construction and mining services sector (Market Bisnis). **MNCS Comment: PPRE has the potential to get the value of the project. Due to infrastructure funds increased by more than 40% YoY in FY21F. PPRE is currently traded at 121.43x/1.23x PE/PBV.**
- GEMS IJ** recorded coal sales of 24.6 million tons as of September 2020. That volume grew 19% YoY from 20.8 million tons as of September 2019. From the production side, there was also an increase to 23.9 million tons, growing 16% YoY from the previous 20.7 million tons. The majority of coal sales to the domestic market were 9.4 million tons, China 8.8 million tons, India 4.5 million tonnes, and South Korea with 0.5 million tonnes. Of the total domestic sales, a total of 3.8 million tonnes was purchased by PLN (Market Bisnis). **MNCS Comment: We believe GEMS will also be benefitted from the rise on demand due to winter as the export contributes half of the revenue. GEMS is currently traded at 11.79x/2.74x PE/PBV.**

IHSG Updates

JCI dropped by -0.18% to 5,933.70 on Thursday (10/12) followed by net foreign sell reaching IDR70.31 billion. JCI decreased due to the announcement of excise tax while some negative sentiments from vaccine also weigh on the movement. Tobacco stocks dropped such as GGRM and HMSP while some pharmaceutical stocks also dropped due to a bad report of vaccination in the UK. Meanwhile, the Rupiah exchange rate was weakening at IDR14,105. We estimate JCI will move in the range of 5,775 - 6,010 while waiting for balance of trade data release. **Today's recommendation: UNTR, WSBP, ADRO, TKIM.**

Stock	Close Price	Recommendation	Tactical Moves
UNTR	26,025	Buy on Weakness	Yesterday's correction (10/12) is part of wave 4, so UNTR is still vulnerable to continue the correction.
WSBP	234	Buy on Weakness	Currently WSBP has hit the minimum correction target to form wave 4 of wave (C).
ADRO	1,545	Sell on Strength	Currently, ADRO position is at the end of wave (v) of wave [c] of wave 3.
TKIM	10,050	Sell on Strength	As long as TKIM has not been able to strengthen above 10,300, then the position of TKIM is currently at the beginning of wave [iv] 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
Automotive											
ASII IJ	Astra International Tbk PT	235,817	3.56	BUY	6,700	(27.15)	59.76	14.92	9.34	1.20	1.12
Banking											
BBCA IJ	Bank Central Asia Tbk PT	810,533	12.13	BUY	36,200	7.00	9.09	26.51	24.30	4.18	3.70
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	123,081	1.84	HOLD	6,700	(28.97)	24.57	11.26	9.04	1.10	1.01
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	534,087	7.99	SELL	3,200	(7.81)	1.06	16.70	16.52	2.52	2.32
BMRI IJ	Bank Mandiri Persero Tbk PT	317,333	4.75	SELL	5,100	(4.62)	9.13	12.11	11.09	1.44	1.32
BNGA IJ	Bank CIMB Niaga Tbk PT	26,765	0.40	SELL	850	2.43	9.99	7.11	6.47	0.63	0.62
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	18,109	0.27	SELL	1,000	(24.98)	497.17	113.97	19.09	1.07	1.01
BRIS IJ	Bank Brisyariah Tbk PT	14,752	0.22	SELL	230	(32.21)	9.83	288.45	262.64	2.82	2.80
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	322,943	4.88	BUY	4,000	(8.00)	8.33	16.98	15.67	3.01	2.85
EXCL IJ	XL Axiata Tbk PT	25,909	0.39	BUY	2,700	21.73	5.39	29.67	28.15	1.29	1.24
TOWR IJ	Sarana Menara Nusantara Tbk PT	51,525	0.78	BUY	1,150	13.11	8.81	19.97	18.35	4.87	4.30
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	33,314	0.50	SELL	3,450	6.41	13.25	15.38	13.58	1.34	1.21
PGAS IJ	Perusahaan Gas Negara Tbk PT	40,483	0.61	SELL	1,200	83.33	27.27	18.63	14.64	0.65	0.62
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	288,033	4.35	BUY	8,400	1.60	6.48	38.34	36.01	33.54	31.51
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	116,036	1.75	BUY	12,500	6.31	9.52	21.62	19.74	4.25	3.83
INDF IJ	Indofood Sukses Makmur Tbk PT	61,243	0.93	BUY	8,500	3.50	11.05	12.06	10.86	1.51	1.39
HOKI IJ	Buyung Poetra Sembada PT	2,613	0.04	SELL	700	(26.89)	37.61	33.57	24.40	3.48	2.96
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	23,700	0.36	BUY	1,400	118.02	13.34	13.35	11.78	3.60	3.38
TBLA IJ	Tunas Baru Lampung Tbk PT	4,300	0.07	SELL	630	(43.57)	5.01	10.60	10.10	0.80	0.76
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	69,375	1.05	BUY	1,700	4.28	7.25	26.54	24.74	3.93	3.61
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	28,812	0.44	SELL	1,400	(6.76)	6.90	29.72	27.80	5.28	4.83
ERAA IJ	Erajaya Swasembada Tbk PT	6,061	0.09	BUY	2,200	13.54	66.00	18.19	10.96	1.09	0.98
MAPI IJ	Mitra Adiperkasa Tbk PT	14,027	0.21	SELL	580	4.92	5.28	14.73	13.99	1.87	1.63
RAIS IJ	Ramayana Lestari Sentosa Tbk PT	5,464	0.08	SELL	500	(32.91)	25.56	11.86	9.44	1.22	1.15
PZZA IJ	Sarimelati Kencana PT	2,493	0.04	HOLD	840	4.23	20.53	11.99	9.95	1.58	1.36
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	4,487	0.07	SELL	790	(74.40)	99.60	25.06	12.55	0.66	0.63
PTPP IJ	PP Persero Tbk PT	9,827	0.15	SELL	1,160	(58.56)	30.26	25.50	19.58	0.53	0.49
WIKA IJ	Wijaya Karya Persero Tbk PT	15,877	0.24	SELL	1,350	(69.76)	7.05	22.98	21.46	0.84	0.73
WSBP IJ	Waskita Beton Precast Tbk PT	6,169	0.09	BUY	262	(29.90)	18.70	10.15	8.55	0.69	0.67
WSKT IJ	Waskita Karya Persero Tbk PT	15,678	0.24	SELL	930	(67.97)	18.14	52.18	44.17	0.54	0.53
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	2,374	0.04	BUY	300	4.17	20.85	5.05	4.17	0.85	0.73

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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	23,394	0.35	BUY	1,300	(7.75)	12.60	8.15	7.24	0.58	0.54
PWON IJ	Pakuwon Jati Tbk PT	26,247	0.40	HOLD	520	(9.02)	(3.70)	10.97	11.39	1.50	1.34
SMRA IJ	Summarecon Agung Tbk PT	11,614	0.18	SELL	610	(69.64)	44.19	74.26	51.50	1.21	1.18
CTRA IJ	Ciputra Development Tbk PT	17,261	0.26	HOLD	880	8.58	(11.20)	13.82	15.56	1.05	0.99
DMAS IJ	Puradelta Lestari Tbk PT	11,953	0.18	HOLD	228	(30.89)	31.52	12.95	9.85	1.99	2.22
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	22,759	0.34	HOLD	11,800	240.96	15.24	31.62	27.44	1.18	1.13
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	8,290	0.13	HOLD	1,250	27.51	22.68	25.75	20.99	0.95	0.92
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	49,418	0.75	SELL	1,310	(18.31)	0.59	9.18	9.13	0.73	0.70
PTBA IJ	Bukit Asam Tbk PT	32,258	0.49	SELL	2,390	(16.98)	4.55	9.09	8.70	1.72	1.70
ITMG IJ	Indo Tambangraya Megah Tbk PT	16,101	0.24	SELL	10,630	(58.33)	(20.00)	17.48	21.86	0.63	0.54
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	33,523	0.51	HOLD	1,430	26.09	42.23	28.02	19.70	1.52	1.41
INCO IJ	Vale Indonesia Tbk PT	49,930	0.75	HOLD	4,675	13.79	2.00	61.66	60.45	1.54	1.50
MDKA IJ	Merdeka Copper Gold Tbk PT	42,481	0.64	SELL	1,595	(21.21)	25.00	29.75	23.80	3.96	3.13
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	103,307	1.56	SELL	4,150	9.82	15.94	26.96	23.25	4.29	3.81
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	16,710	0.25	SELL	1,150	(60.18)	121.37	23.70	10.71	1.40	1.25
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	85,189	1.29	BUY	55,000	(16.02)	8.63	9.32	8.58	1.59	1.46
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	194,251	2.94	HOLD	1,650	(22.03)	3.26	18.15	17.58	5.79	5.82
Cement											
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	53,470	0.81	HOLD	13,900	19.34	12.44	24.41	21.71	2.27	2.23
SMGR IJ	Semen Indonesia Persero Tbk PT	69,399	1.05	SELL	9,000	30.77	(33.40)	22.20	33.33	2.06	2.00
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	3,964	0.06	BUY	650	18.73	7.01	15.46	14.45	2.55	2.00
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	97,077	1.47	HOLD	27,800	(30.93)	(10.36)	12.42	13.86	1.41	1.32

SECTOR RATIO		
SECTOR	PE	PBV
JAKFIN INDEX	23.34	2.04
JAKCONS INDEX	19.93	4.02
JAKINFRA INDEX	75.51	2.44
JAKBIND INDEX	70.37	2.34
JAKTRAD INDEX	14.51	1.18
JAKPROP INDEX	-	1.07
JAKMINE INDEX	25.54	1.51
JAKMIND INDEX	15.80	1.37
JAKAGRI INDEX	-	1.06

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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