

KEY INDICATOR

01/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.25	4.50	(25.00)	(175.00)
10 Yr (bps)	7.24	7.21	3.00	(13.00)
USD/IDR	14,283.00	14,265.00	0.13%	1.20%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,914.39	0.18%	-21.99%	16.50
MSCI	5,520.56	0.59%	-24.25%	17.24
HSEI	24,427.19	0.52%	-13.35%	11.43
FTSE	6,157.96	-0.19%	-18.36%	18.51
DJIA	25,734.97	-0.30%	-9.82%	23.63
NASDAQ	10,154.63	0.95%	13.17%	37.84

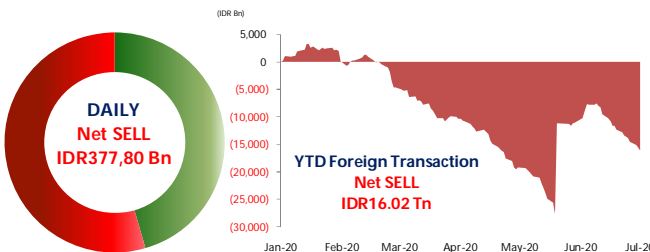
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	39.82	1.40%	-32.61%	-34.79%
COAL	USD/TON	51.60	-1.05%	-24.12%	-23.78%
CPO	MYR/MT	2,327.00	1.31%	18.85%	-23.75%
GOLD	USD/TOZ	1,770.09	-0.61%	27.88%	16.66%
TIN	USD/MT	16,750.00	0.17%	-11.38%	-2.47%
NICKEL	USD/MT	12,847.00	0.33%	4.02%	-8.40%

CORPORATE ACTION

TICKER	EVENT	NOTES
MIKA	Cum Dividend	IDR21/share
BLTZ	RUPS	
SOSS	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA was flat by -0.30% on Wednesday (01/07) followed by S&P 500 (+0.50%) and Nasdaq (+0.95%). These various movements were due to the success in clinical evaluation of Pfizer which shown positive results, making the Pfizer and BioNTech stocks rose 4.6% and 7%. This is also supported by the release of good US economic data. ADP and Moody's Analytic reported job creation reached 2.37 million in June. Employment creation in May was also revised up to 3 million. Meanwhile, the Institute for Supply Management (ISM) said US manufacturing activity grew to the highest level since April 2019, recovering from a sharp contraction in May. Moreover, the market will look forward to several data releases today, such as: 1) US FOMC Minutes; 2) US Unemployment Rate; 3) US Balance of Trade.

Domestic Updates

- The Central Statistics Agency (BPS) recorded inflation in June 2020 of 0.18% MoM and 1.96% YoY.** The main cause of inflation in June 2020 was volatile prices or volatile price groups, where volatile prices experienced inflation of 0.77% MoM. The causes of volatile prices inflation include an increase in the price of broiler chicken with a share of inflation by 0.14% mom and an increase in broiler eggs by 0.04% mom. Even so, in this component there are also commodities that have experienced price declines, such as garlic, red chili, cooking oil, and cayenne pepper.
- The IHS Markit Indonesia Manufacturing PMI rose to 39.1 in June 2020 from 28.6 in April 2020.** This was the fourth straight month of contraction in factory activity, as the COVID-19 containment measures were gradually eased. However, the latest reading was still the third lowest since the survey started over nine years ago. The drops in both output and new orders, while falling at notably slower rates than in May, were still substantial. Firms also reduced employment and purchasing activity at marked rates.

Company News

- UNTR IJ** decides to revise its business targets this year, including the allocation of capital expenditure. This year's capex allocation is estimated at around USD230 million - USD250 million. This amount is lower compared to the capex allocation which was originally budgeted up to USD450 million. In 1Q20, it absorbed capital expenditure of USD150 million. (Kontan) **MNCS Comment: We see that with the decline in the heavy equipment sales, UNTR will not need to enlarge capex while its should focused on maintaining efficiency. UNTR is currently traded at 8.70x/1.00x PE/PBV.**
- HOKI IJ** announced that it would distribute cash dividends of IDR28.63 billion, equivalent to 27.61% of the total net profit for the year in FY19 which was recorded at IDR103.72 billion. Dividend per share is IDR12/share with yield reaching 1.85%. The distribution date is yet to be announced. (Market Bisnis) **MNCS Comment: HOKI maintained their dividend payout ratio at around 25% - 30% while DPS last year was at IDR11/share. HOKI is currently traded at 26.00x/2.36x PE/PBV.**
- FAST IJ** recorded a decline in revenue of 0.83% YoY to IDR1.52 trillion in 1Q20. Meanwhile, revenue from food and beverage sales is still the backbone of the company's business with a contribution of 98.58%. On the other hand, the Restaurant Support Center in Jakarta supports the company's largest revenue of around 37.23% of total revenue. But there was an increase in cost of goods sold, selling and distribution expenses, general and administrative expenses, and other operating expenses. Thus, net profit fell 89.24% YoY to IDR5.41 billion in 1Q20. (Market Bisnis) **MNCS Comment: Due to the large scale social restriction, FAST cannot open restaurant for dine in which had cut their revenue, however FAST also can't maintain their efficiency which caused the net profit to tumble. FAST is currently traded at 2.20x PBV.**

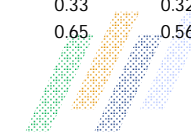
IHSG Updates

JCI was flat by +0.18% to 4,914.39 on Wednesday (01/07), although followed by net foreign sell reaching IDR377.80 billion. JCI flat movement was due to the improvement in the manufacturing sector and higher inflation compared to consensus is good news for the financial markets despite the additional 1,385 Covid-19 cases in Indonesia making the total case reached 57,770. Meanwhile, the Rupiah exchange rate against the USD was weakening at IDR14,283. We estimate JCI will move in the range of 4,862-5,020 while waiting for Consumer Confidence Data. **Today's recommendation: MDKA, MEDC, BBRI, ICBP.**

Stock	Close Price	Recommendation	Tactical Moves
MDKA	4,950	Buy on Breakout	Currently, MDKA is on the part of wave [iii] of wave C of wave (Y).
MEDC	470	Buy on Weakness	Currently, MEDC movement is at the beginning of wave (iii) of wave [c] of wave Y.
BBRI	3,060	Spec Buy	We expect BBRI to be at the end of wave [ii] of wave C.
ICBP	9,200	Sell on Strength	Currently, ICBP is at the end of wave [c] of wave A.

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	194,726	3.55	BUY	5,500	(24.25)	25.37	11.85	9.45	0.97	0.91
<b>Banking</b>											
BBCA IJ	Bank Central Asia Tbk PT	714,995	12.92	HOLD	28,400	7.00	9.09	23.38	21.44	3.68	3.26
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	84,665	1.53	HOLD	4,300	(2.68)	5.97	5.65	5.34	0.73	0.67
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	377,438	6.82	HOLD	3,200	(7.81)	1.06	11.80	11.68	1.78	1.64
BMRI IJ	Bank Mandiri Persero Tbk PT	232,867	4.21	HOLD	5,100	(4.62)	9.13	8.88	8.14	1.05	0.97
BNGA IJ	Bank CIMB Niaga Tbk PT	18,597	0.34	BUY	850	2.43	9.99	4.94	4.49	0.44	0.43
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,238	0.24	SELL	1,000	(24.98)	497.17	83.31	13.95	0.78	0.74
BRIS IJ	Bank Brisyariah Tbk PT	2,973	0.05	SELL	230	(32.21)	9.83	59.24	53.94	0.58	0.57
<b>Telco</b>											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	301,149	5.50	BUY	3,600	4.61	13.65	13.92	12.25	2.62	2.41
EXCL IJ	XL Axiata Tbk PT	29,227	0.53	HOLD	2,700	21.73	5.39	33.47	31.76	1.46	1.40
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,035	0.95	HOLD	950	13.11	8.81	20.16	18.53	4.92	4.34
<b>Toll Road &amp; Utilities</b>											
JSMR IJ	Jasa Marga Persero Tbk PT	31,935	0.58	SELL	3,450	6.41	13.25	14.74	13.02	1.29	1.16
PGAS IJ	Perusahaan Gas Negara Tbk PT	27,514	0.50	HOLD	1,200	83.33	27.27	12.66	9.95	0.44	0.42
<b>Consumer</b>											
UNVR IJ	Unilever Indonesia Tbk PT	297,570	5.43	HOLD	8,400	1.60	6.48	39.61	37.20	34.65	32.56
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	107,290	1.96	BUY	10,300	6.31	9.52	19.99	18.25	3.93	3.55
INDF IJ	Indofood Sukses Makmur Tbk PT	57,512	1.05	BUY	8,500	3.50	11.05	11.32	10.20	1.42	1.30
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	18,825	0.34	BUY	1,400	9.01	13.34	21.20	18.71	5.72	5.36
TBLA IJ	Tunas Baru Lampung Tbk PT	2,965	0.05	BUY	630	(43.57)	5.01	7.31	6.96	0.55	0.53
<b>Pharmacy</b>											
KLBF IJ	Kalbe Farma Tbk PT	68,672	1.25	SELL	1,280	4.28	7.25	26.27	24.49	3.89	3.58
<b>Retail</b>											
ACES IJ	Ace Hardware Indonesia Tbk PT	25,125	0.46	HOLD	1,400	(6.76)	6.90	25.91	24.24	4.61	4.21
ERAA IJ	Erajaya Swasembada Tbk PT	4,003	0.07	HOLD	1,280	13.54	66.00	12.01	7.24	0.72	0.65
MAPI IJ	Mitra Adiperkasa Tbk PT	13,031	0.24	SELL	580	4.92	5.28	13.69	13.00	1.73	1.51
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,151	0.08	SELL	500	(32.91)	25.56	9.01	7.17	0.93	0.88
PZZA IJ	Sarimelati Kencana PT	2,418	0.04	HOLD	840	4.23	20.53	11.63	9.65	1.53	1.32
<b>Construction</b>											
ADHI IJ	Adhi Karya Persero Tbk PT	2,154	0.04	BUY	755	(74.40)	99.60	12.03	6.03	0.32	0.30
PTPP IJ	PP Persero Tbk PT	5,456	0.10	BUY	1,040	40.73	28.86	4.17	3.24	0.30	0.27
WIKA IJ	Wijaya Karya Persero Tbk PT	10,450	0.19	HOLD	1,225	17.35	20.10	3.90	3.24	0.55	0.48
WSBP IJ	Waskita Beton Precast Tbk PT	5,167	0.09	BUY	262	(29.90)	18.70	8.50	7.16	0.58	0.56
WSKT IJ	Waskita Karya Persero Tbk PT	9,502	0.17	BUY	880	8.47	137.68	9.34	3.93	0.33	0.32
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,828	0.03	BUY	300	4.17	20.85	3.89	3.22	0.65	0.56



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
<b>Property</b>												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,349	0.28	BUY	1,110	(7.75)	12.60	5.35	4.75	0.38	0.36	
PWON IJ	Pakuwon Jati Tbk PT	19,842	0.36	BUY	520	(9.02)	(3.70)	8.29	8.61	1.14	1.02	
SMRA IJ	Summarecon Agung Tbk PT	8,656	0.16	HOLD	610	(69.64)	44.19	55.35	38.39	0.90	0.88	
CTRA IJ	Ciputra Development Tbk PT	11,229	0.20	BUY	880	8.58	(11.20)	8.99	10.12	0.68	0.65	
DMAS IJ	Puradelta Lestari Tbk PT	7,953	0.15	BUY	228	(30.89)	31.52	8.62	6.55	1.32	1.48	
<b>Agriculture</b>												
AALI IJ	Astra Agro Lestari Tbk PT	16,023	0.29	HOLD	9,125	240.96	15.24	22.26	19.32	0.83	0.80	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,765	0.11	BUY	1,000	27.51	22.68	17.91	14.60	1.02	0.88	
<b>Coal Mining</b>												
ADRO IJ	Adaro Energy Tbk PT	33,425	0.61	BUY	1,310	(18.31)	0.59	6.21	6.17	0.50	0.48	
PTBA IJ	Bukit Asam Tbk PT	24,078	0.44	BUY	2,390	(16.98)	4.55	6.79	6.49	1.29	1.27	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,192	0.15	BUY	10,630	(58.33)	(20.00)	8.90	11.12	0.32	0.28	
<b>Metal Mining</b>												
ANTM IJ	Aneka Tambang Tbk	14,418	0.26	BUY	920	26.09	42.23	12.05	8.47	0.65	0.61	
INCO IJ	Vale Indonesia Tbk PT	27,822	0.51	SELL	2,300	(20.63)	(33.21)	24.55	36.76	0.85	0.83	
MDKA IJ	Merdeka Copper Gold Tbk PT	30,328	0.55	HOLD	1,280	(19.26)	10.41	21.59	19.55	2.83	2.23	
<b>Poultry</b>												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	91,419	1.67	SELL	4,150	9.82	15.94	23.86	20.58	3.80	3.37	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,603	0.25	HOLD	1,060	2.99	15.17	7.46	6.48	1.11	1.00	
<b>Cigarette</b>												
GGRM IJ	Gudang Garam Tbk PT	90,432	1.65	BUY	55,450	(16.02)	8.63	9.90	9.11	1.69	1.55	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	189,017	3.45	BUY	2,500	(6.78)	3.44	14.77	14.28	5.29	5.30	
<b>Cement</b>												
INTP IJ	Indocement Tunggai Prakarsa Tbk PT	42,334	0.77	BUY	13,900	19.34	12.44	19.33	17.19	1.80	1.76	
SMGR IJ	Semen Indonesia Persero Tbk PT	57,239	1.04	HOLD	9,000	30.77	(33.40)	18.31	27.49	1.70	1.65	
<b>Basic Industry and Chemical</b>												
ARNA IJ	Arwana Citramulia Tbk PT	2,790	0.05	BUY	450	18.73	7.01	10.88	10.17	1.79	1.41	
<b>Heavy Equipment</b>												
UNTR IJ	United Tractors Tbk PT	63,412	1.16	BUY	19,930	(18.84)	13.03	6.91	6.11	0.94	0.82	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.09	1.69
JAKCONS INDEX	17.34	3.70
JAKINFRA INDEX	24.94	1.98
JAKBIND INDEX	34.89	1.78
JAKTRAD INDEX	13.88	1.25
JAKPROP INDEX	22.19	0.84
JAKMINE INDEX	10.39	0.97
JAKMIND INDEX	10.29	1.11
JAKAGRI INDEX	-	0.83

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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