

KEY INDICATOR

07/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.25	4.50	(25.00)	(175.00)
10 Yr (bps)	7.15	7.23	(8.70)	(10.50)
USD/IDR	14,440.00	14,490.00	-0.35%	2.35%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,987.08	-0.04%	-20.83%	17.18
MSCI	5,636.60	0.25%	-22.66%	17.83
HSEI	25,975.66	-1.38%	-7.85%	12.03
FTSE	6,189.90	-1.53%	-17.93%	18.69
DJIA	25,890.18	-1.51%	-9.28%	23.61
NASDAQ	10,343.89	-0.86%	15.28%	38.04

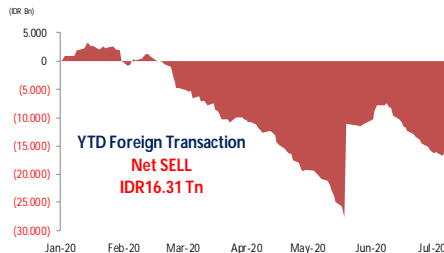
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.62	-0.02%	-29.55%	-33.48%
COAL	USD/TON	53.00	0.66%	-29.52%	-21.71%
CPO	MYR/MT	2,359.00	-1.34%	21.29%	-22.71%
GOLD	USD/TOZ	1,794.86	0.57%	28.61%	18.30%
TIN	USD/MT	16,970.00	-0.24%	-8.25%	-1.19%
NICKEL	USD/MT	13,469.00	1.00%	5.89%	-3.96%

CORPORATE ACTION

TICKER	EVENT	NOTES
HOKI	Cum Dividend	IDR12/share
TUGU	Cum Dividend	IDR77.40/share
ELSA	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA slipped by -1.51% on Tuesday (07/07) followed by S&P 500 (-1.08%) and Nasdaq (-0.86%). These index movements were weakening as the technology giant's stock rally lost power, and concerns about the corona virus outbreak weighed on investor sentiment. Market participants began to be cautious, after seeing a surge in new cases of the corona virus in almost all US states, so more fiscal stimulus was needed to help the economy recover fully from the crisis. Furthermore, the market will look forward to several data releases today, such as: 1) US Mortgage Application; 2) Japan Current Account; 3) UK Supplementary Budget.

Domestic Updates

Indonesia's foreign exchange reserves at the end of June 2020 stood at USD131.7 billion, an increase compared to May 2020 of USD130.5 billion. The position of foreign exchange reserves is equivalent to financing 8.4 months of imports or 8.1 months of imports and payments of government foreign debt, and is above the international adequacy standard of about 3 months of imports. Bank Indonesia assesses that foreign exchange reserves remain adequate, supported by stability and maintained economic prospects, along with various policy responses in encouraging economic recovery.

Company News

- MDKA IJ management estimates that its cash will decrease by 62.42% after its buyback. The buyback will be done using the company's internal cash. It will result in a decrease in the company's internal cash with a maximum value of IDR568 billion. Nevertheless, MDKA ensures that the buyback will not affect the company's revenue. MDKA will seek approval from shareholders to conduct the buyback on 29 July 2020. The buyback will be done no later than 18 months after the approval from the shareholders is given. (IDNFinancials) **MNCS Comment: The management has not stated the exact price of stock for the buyback, as the price has bounce back from their lowest level at IDR905 in March. MDKA is currently traded at 3.68x PBV.**
- EXCL IJ has spent IDR134.44 billion of its total buyback budget of IDR500 billion in the last three months since 6 April 2020. Management said that the number of shares repurchased by the company reached 56,487,800 shares with an average price of IDR2,376/share. The company still has a budget of IDR365.55 billion for the buyback. As for the buyback plan, the maximum number of shares allowed to be repurchased by the company is 2,137,592,085 shares with a maximum purchase price of IDR2,500 per share. (IDNFinancials) **MNCS Comment: We believe the buyback strategies were successfully applied to maintain its stock movement as it already bounce back 120.53% from the lowest level in Mar-2020. EXCL is currently traded at 5.11x/1.50x PE/PBV.**
- PPRO IJ recorded marketing sales of IDR365 billion until June 2020. In 1Q20 the company posted IDR263 billion marketing sales. So when the PSBB took place the company still posted IDR102 billion in 2Q20. When compared with this year's marketing sales target of IDR2.5 trillion, the realization achieved in the first 6 months was only 14.6%. (Market Bisnis) **MNCS Comment: Construction sector became one of the companies that is majorly impacted by the Covid-19 outbreak. PPRO is currently traded at 0.77x PBV.**

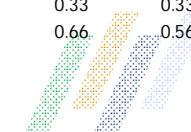
IHSG Updates

JCI was flat by -0.04% to 4,987.08 on Tuesday (07/07), followed by net foreign buy reaching IDR377.39 billion. The movement occurred with the weakening of global and regional Asia indices driven. Moreover, the positive release of the foreign exchange reserves data seem to not affecting the movement of JCI despite optimism within the market as they believe that the risk of the exchange rate will be minimized amid the increase in foreign exchange reserves. The position of foreign exchange reserves will further strengthen the ability of the Indonesian government to fulfill its foreign obligations, such as fulfilling imports plus payment of government foreign debt obligations or even stabilizing the rupiah exchange rate. Meanwhile, the Rupiah exchange rate against the USD was strengthening at IDR14,440. We estimate JCI will move in the range of 4,914-5,020 while waiting for Retail Sales Data. **Today's recommendation: ANTM, MEDC, BMRI, ACES.**

Stock	Close Price	Recommendation	Tactical Moves
ANTM	650	Buy on Weakness	Currently, ANTM is in wave (iii) of wave [iii] of wave C.
MEDC	470	Buy on Weakness	As long as MEDC is not corrected below 440, we estimate MEDC is currently in wave (iii) of wave [c] of wave Y.
BMRI	5,050	Buy on Weakness	As long as BMRI is not corrected below 4,870, we estimate BMRI's current position is at the beginning of wave (iii) of wave [iii] of wave C.
ACES	1,540	Sell on Strength	As long as ACES has not been able to close above 1.585, we estimate ACES will tend to be corrected to form wave [iii] of wave (B).

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	195,536	3.52	BUY	5,500	(24.25)	25.37	11.90	9.49	0.98	0.92
Banking											
BBCA IJ	Bank Central Asia Tbk PT	738,418	13.15	HOLD	28,400	7.00	9.09	24.15	22.14	3.81	3.37
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	85,784	1.53	HOLD	4,300	(2.68)	5.97	5.73	5.41	0.74	0.68
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	373,738	6.65	HOLD	3,200	(7.81)	1.06	11.68	11.56	1.76	1.63
BMRI IJ	Bank Mandiri Persero Tbk PT	235,667	4.20	HOLD	5,100	(4.62)	9.13	8.99	8.24	1.07	0.98
BNGA IJ	Bank CIMB Niaga Tbk PT	18,723	0.33	BUY	850	2.43	9.99	4.97	4.52	0.44	0.43
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	12,973	0.23	SELL	1,000	(24.98)	497.17	81.65	13.67	0.77	0.73
BRIS IJ	Bank Brisyariah Tbk PT	4,392	0.08	SELL	230	(32.21)	9.83	87.50	79.67	0.86	0.85
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	309,074	5.56	BUY	3,600	4.61	13.65	14.29	12.57	2.69	2.47
EXCL IJ	XL Axiata Tbk PT	31,047	0.56	HOLD	2,700	21.73	5.39	35.56	33.74	1.55	1.48
TOWR IJ	Sarana Menara Nusantara Tbk PT	55,861	1.00	SELL	950	13.11	8.81	21.65	19.89	5.28	4.66
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	31,862	0.57	SELL	3,450	6.41	13.25	14.71	12.99	1.29	1.16
PGAS IJ	Perusahaan Gas Negara Tbk PT	27,635	0.50	HOLD	1,200	83.33	27.27	12.72	9.99	0.44	0.43
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	302,339	5.44	HOLD	8,400	1.60	6.48	40.25	37.80	35.21	33.08
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	110,788	1.99	HOLD	10,300	6.31	9.52	20.64	18.85	4.06	3.66
INDF IJ	Indofood Sukses Makmur Tbk PT	57,731	1.04	BUY	8,500	3.50	11.05	11.36	10.23	1.43	1.31
HOKI IJ	Buyung Poetra Sembada PT	1,611	0.03	HOLD	700	(26.89)	37.61	20.98	15.25	2.18	1.85
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,450	0.33	BUY	1,400	9.01	13.34	20.78	18.33	5.60	5.26
TBLA IJ	Tunas Baru Lampung Tbk PT	3,072	0.06	HOLD	630	(43.57)	5.01	7.57	7.21	0.57	0.55
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	71,016	1.28	SELL	1,280	4.28	7.25	27.17	25.33	4.02	3.70
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	26,411	0.48	HOLD	1,400	(6.76)	6.90	27.24	25.48	4.84	4.43
ERAA IJ	Erajaya Swasembada Tbk PT	4,307	0.08	HOLD	1,280	13.54	66.00	12.92	7.79	0.77	0.70
MAPI IJ	Mitra Adiperkasa Tbk PT	12,035	0.22	SELL	580	4.92	5.28	12.64	12.01	1.60	1.40
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,080	0.07	SELL	500	(32.91)	25.56	8.85	7.05	0.91	0.86
PZZA IJ	Sarimelati Kencana PT	2,025	0.04	BUY	840	4.23	20.53	9.74	8.08	1.28	1.11
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,226	0.04	BUY	755	(74.40)	99.60	12.43	6.23	0.33	0.31
PTPP IJ	PP Persero Tbk PT	6,138	0.11	HOLD	1,040	40.73	28.86	4.69	3.64	0.33	0.31
WIKA IJ	Wijaya Karya Persero Tbk PT	10,629	0.19	HOLD	1,225	17.35	20.10	3.96	3.30	0.56	0.49
WSBP IJ	Waskita Beton Precast Tbk PT	5,325	0.10	BUY	262	(29.90)	18.70	8.76	7.38	0.60	0.58
WSKT IJ	Waskita Karya Persero Tbk PT	9,638	0.17	BUY	880	8.47	137.68	9.47	3.99	0.33	0.33
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,838	0.03	BUY	300	4.17	20.85	3.91	3.23	0.66	0.56



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,667	0.28	BUY	1,110	(7.75)	12.60	5.46	4.85	0.39	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	8,584	0.15	HOLD	610	(69.64)	44.19	54.89	38.07	0.89	0.87	
CTRA IJ	Ciputra Development Tbk PT	11,415	0.21	BUY	880	8.58	(11.20)	9.14	10.29	0.69	0.66	
DMAS IJ	Puradelta Lestari Tbk PT	7,953	0.14	BUY	228	(30.89)	31.52	8.62	6.55	1.32	1.48	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	16,745	0.30	HOLD	9,125	240.96	15.24	23.26	20.19	0.87	0.83	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,936	0.11	BUY	1,000	27.51	22.68	18.44	15.03	1.05	0.91	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	33,585	0.60	BUY	1,310	(18.31)	0.59	6.24	6.20	0.50	0.48	
PTBA IJ	Bukit Asam Tbk PT	23,617	0.42	BUY	2,390	(16.98)	4.55	6.66	6.37	1.26	1.24	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,390	0.15	BUY	10,630	(58.33)	(20.00)	9.11	11.39	0.33	0.28	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	15,620	0.28	BUY	920	26.09	42.23	13.05	9.18	0.71	0.66	
INCO IJ	Vale Indonesia Tbk PT	31,299	0.56	SELL	2,300	(20.63)	(33.21)	27.62	41.36	0.95	0.93	
MDKA IJ	Merdeka Copper Gold Tbk PT	30,109	0.54	HOLD	1,280	(19.26)	10.41	21.43	19.41	2.81	2.22	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	104,127	1.87	SELL	4,150	9.82	15.94	27.18	23.44	4.32	3.84	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	14,072	0.25	SELL	1,060	2.99	15.17	7.72	6.70	1.15	1.04	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	89,807	1.62	BUY	55,450	(16.02)	8.63	9.83	9.05	1.68	1.54	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	190,762	3.43	BUY	2,500	(6.78)	3.44	14.91	14.41	5.34	5.35	
Cement												
INTP IJ	Indocement Tunggai Prakarsa Tbk PT	43,070	0.77	BUY	13,900	19.34	12.44	19.66	17.49	1.83	1.79	
SMGR IJ	Semen Indonesia Persero Tbk PT	57,387	1.03	HOLD	9,000	30.77	(33.40)	18.36	27.56	1.70	1.65	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	2,716	0.05	BUY	450	18.73	7.01	10.60	9.90	1.75	1.37	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	64,625	1.16	BUY	19,930	(18.84)	13.03	7.04	6.23	0.96	0.83	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.25	1.70
JAKCONS INDEX	16.96	3.75
JAKINFRA INDEX	25.23	2.02
JAKBIND INDEX	34.13	1.81
JAKTRAD INDEX	14.18	1.25
JAKPROP INDEX	21.04	0.30
JAKMINE INDEX	10.88	1.01
JAKMIND INDEX	10.35	1.12
JAKAGRI INDEX	-	0.84

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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