

KEY INDICATOR

08/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.25	4.50	(25.00)	(175.00)
10 Yr (bps)	7.12	7.15	(2.10)	(12.60)
USD/IDR	14,410.00	14,440.00	-0.21%	2.14%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,076.17	1.79%	-19.42%	17.57
MSCI	5,800.92	2.92%	-20.41%	18.35
HSEI	26,129.18	0.59%	-7.31%	12.10
FTSE	6,156.16	-0.55%	-18.38%	18.52
DJIA	26,067.28	0.68%	-8.66%	23.73
NASDAQ	10,492.50	1.44%	16.94%	38.43

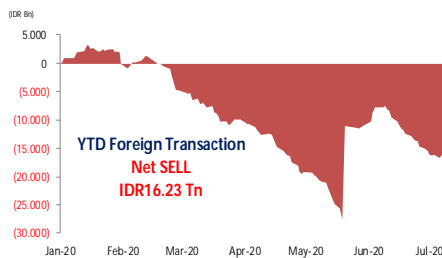
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.90	0.69%	-29.07%	-33.02%
COAL	USD/TON	52.55	-0.85%	-30.12%	-22.38%
CPO	MYR/MT	2,407.00	2.03%	23.75%	-21.13%
GOLD	USD/TOZ	1,808.89	0.78%	29.62%	19.22%
TIN	USD/MT	17,075.00	0.62%	-7.68%	-0.58%
NICKEL	USD/MT	13,493.00	0.18%	6.08%	-3.79%

CORPORATE ACTION

TICKER	EVENT	NOTES
TAXI	RUPS	
DOID	RUPS	
BUMI	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA increased by +0.68% on Wednesday (08/07) followed by S&P 500 (+0.78%) and Nasdaq (1.44%). These increases are supported by the rise in tech stocks namely: 1) Apple (+2.3%); 2) Microsoft (+2.2%); 3) Netflix (+2%); 4) Amazon (+2.7%) which made S&P recorded an all-time high. Market sentiment also improved slightly after the US government signed a USD1.6 billion contract with Novavax to develop the corona vaccine. Meanwhile, the Covid-19 cases in the US has reached 3.05 million with 132,256 mortality. Furthermore, the market will look forward to several data releases today, such as: 1) US Initial Jobless Claims; 2) China Inflation Rate; 3) Germany Balance of Trade.

Domestic Updates

Retail sales in Indonesia tumbled by 20.6% YoY year in May 2020, after a 16.9% YoY fall a month earlier. This marked the sixth straight month of drop in retail trade and the steepest since October 2008, amid deteriorating consumption as people were forced to stay at home on the back of public health measures to contain the spread of Covid-19. Sales decreased at faster paces for all categories: clothing (-74% YoY), information & communication equipment (-19.7% YoY), cultural & recreational goods (-53.7% YoY), fuel (-45.4% YoY), automotive parts & accessories (-46.9% YoY), home appliances (-21.9% YoY), and food, beverages & tobacco (-9.7% YoY). On a monthly basis, retail sales rose by 4% MoM in May, after a 13.3% MoM slump in April.

Company News

1. **SMRA IJ** recorded 1H20 marketing sales at IDR1.1 trillion, in which 70% of the sales are contributed from residential projects. However, this target is only equivalent to 24.44% of their total year-round target of IDR4.5 trillion. Management refused to comment on the company's next steps to meet the target. However, SMRA does have an advantage of stable recurring income from tenant rents at malls, and lower interest rate from bank at 11%. (Market Bisnis) **MNCS Comment: SMRA's marketing sales achievements were quite low during the pandemic, but reopening mall will reduce the risk of a deeper decline in SMRA's financial statements. SMRA is currently traded at 1.23x PBV.**
2. **INAF IJ** recorded a decrease in sales of 14.47% YoY to IDR1.36 trillion in FY19. Yet, the company managed to reduce the cost of goods sold, sales expenses, general and administrative expenses, and financial expenses. So INAF managed to score a net profit of IDR7.96 billion in FY19 compared to a net loss of IDR32.73 billion in FY18. (Market Bisnis) **MNCS Comment: Along with the Covid-19 pandemic, the demand of medicine and healthcare supplies will rise and become an advantage for INAF. INAF is currently traded at 6.44x PBV.**
3. **WIKA IJ** recorded a new contract value of IDR3.14 trillion in 5M20. Most of the contracts obtained from precast concrete products. The next contributors came from infrastructure projects. This includes the construction of roads, buildings and others. In detail, WIKA's acquisition of new contracts came from industries amounting to IDR1.61 trillion, infrastructure and buildings amounting to IDR1.11 trillion, energy and industrial plants IDR143 billion, and properties amounting to IDR275.74 billion. (Market Bisnis) **MNCS Comment: WIKA's new contract fell to 75% YoY in 5M20, and only reached 5% of the target in FY20E. WIKA is currently traded at 0.77x PBV.**

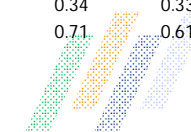
IHSG Updates

JCI rose by +1.79% to 5,076.17 on Wednesday (08/07), followed by net foreign buy reaching IDR78.26 billion. This increased movement is supported by improved economic data as indicated by the Consumer Confidence Index in June 2020 which rose to 83.8 compared to the previous month at 77.8. This is followed by another positive sentiment such as foreign exchange reserves for June 2020 which rose to USD131.7 billion compared with the position of the end of May 2020 at USD130.5 billion. The improved data seem to raise optimism about the state of the Indonesian economy as foreign investors re-enter the stock market, reflected in the net foreign buy. Meanwhile, the Rupiah exchange rate against the USD was strengthening at IDR14,410. We estimate JCI will move in the range of 4,973-5,140 while observing the global market. **Today's recommendation: MDKA, PWON, BBRI, TKIM.**

Stock	Close Price	Recommendation	Tactical Moves
MDKA	1,450	Buy on Weakness	Currently, MDKA is still in part of wave [iii] of wave C of wave (Y).
PWON	420	Buy on Breakout	As long as the PWON does not get corrected below 410, currently, PWON is at the beginning of wave B of wave (B).
BBRI	3,190	Buy on Breakout	Currently BBRI to be at the beginning of wave [iii] of wave C.
TKIM	7,100	Sell on Strength	Currently, TKIM is at the end of wave (v) of wave [iii], so the strengthening of TKIM will tend to be limited.

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	198,774	3.51	BUY	5,500	(24.25)	25.37	12.09	9.65	0.99	0.93
<b>Banking</b>											
BBCA IJ	Bank Central Asia Tbk PT	764,305	13.37	HOLD	28,400	7.00	9.09	25.00	22.91	3.94	3.49
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	89,514	1.57	SELL	4,300	(2.68)	5.97	5.98	5.64	0.77	0.71
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	393,473	6.88	HOLD	3,200	(7.81)	1.06	12.30	12.17	1.86	1.71
BMRI IJ	Bank Mandiri Persero Tbk PT	246,167	4.31	HOLD	5,100	(4.62)	9.13	9.39	8.61	1.11	1.02
BNGA IJ	Bank CIMB Niaga Tbk PT	19,226	0.34	BUY	850	2.43	9.99	5.11	4.64	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,191	0.25	SELL	1,000	(24.98)	497.17	89.31	14.96	0.84	0.79
BRIS IJ	Bank Brisyariah Tbk PT	4,275	0.07	SELL	230	(32.21)	9.83	85.18	77.56	0.83	0.83
<b>Telco</b>											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	312,046	5.51	BUY	3,600	4.61	13.65	14.43	12.70	2.71	2.50
EXCL IJ	XL Axiata Tbk PT	31,690	0.56	HOLD	2,700	21.73	5.39	36.29	34.44	1.58	1.51
TOWR IJ	Sarana Menara Nusantara Tbk PT	54,841	0.97	SELL	950	13.11	8.81	21.25	19.53	5.18	4.57
<b>Toll Road &amp; Utilities</b>											
JSMR IJ	Jasa Marga Persero Tbk PT	32,225	0.57	SELL	3,450	6.41	13.25	14.88	13.14	1.30	1.17
PGAS IJ	Perusahaan Gas Negara Tbk PT	28,363	0.50	HOLD	1,200	83.33	27.27	13.05	10.25	0.45	0.44
<b>Consumer</b>											
UNVR IJ	Unilever Indonesia Tbk PT	309,015	5.46	HOLD	8,400	1.60	6.48	41.14	38.63	35.98	33.81
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	110,205	1.95	HOLD	10,300	6.31	9.52	20.53	18.75	4.04	3.64
INDF IJ	Indofood Sukses Makmur Tbk PT	58,170	1.03	BUY	8,500	3.50	11.05	11.45	10.31	1.44	1.32
HOKI IJ	Buyung Poetra Sembada PT	1,575	0.03	HOLD	700	(26.89)	37.61	20.52	14.91	2.13	1.81
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,375	0.32	BUY	1,400	9.01	13.34	20.70	18.26	5.58	5.24
TBLA IJ	Tunas Baru Lampung Tbk PT	3,098	0.05	HOLD	630	(43.57)	5.01	7.64	7.28	0.58	0.55
<b>Pharmacy</b>											
KLBF IJ	Kalbe Farma Tbk PT	71,250	1.26	SELL	1,280	4.28	7.25	27.25	25.41	4.04	3.71
<b>Retail</b>											
ACES IJ	Ace Hardware Indonesia Tbk PT	26,497	0.47	HOLD	1,400	(6.76)	6.90	27.33	25.56	4.86	4.44
ERAA IJ	Erajaya Swasembada Tbk PT	4,211	0.07	HOLD	1,280	13.54	66.00	12.64	7.61	0.76	0.68
MAPI IJ	Mitra Adiperkasa Tbk PT	12,201	0.22	SELL	580	4.92	5.28	12.82	12.17	1.62	1.42
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	2,070	0.04	BUY	840	4.23	20.53	9.96	8.26	1.31	1.13
<b>Construction</b>											
ADHI IJ	Adhi Karya Persero Tbk PT	2,261	0.04	BUY	755	(74.40)	99.60	12.63	6.33	0.33	0.32
PTPP IJ	PP Persero Tbk PT	6,231	0.11	HOLD	1,040	40.73	28.86	4.76	3.69	0.34	0.31
WIKI IJ	Wijaya Karya Persero Tbk PT	11,078	0.20	HOLD	1,225	17.35	20.10	4.13	3.44	0.59	0.51
WSBP IJ	Waskita Beton Precast Tbk PT	5,589	0.10	BUY	262	(29.90)	18.70	9.20	7.75	0.63	0.61
WSKT IJ	Waskita Karya Persero Tbk PT	9,841	0.17	BUY	880	8.47	137.68	9.67	4.07	0.34	0.33
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,991	0.04	BUY	300	4.17	20.85	4.23	3.50	0.71	0.61



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
<b>Property</b>												
BSDE IJ	Bumi Serpong Damai Tbk PT	16,408	0.29	BUY	1,110	(7.75)	12.60	5.71	5.08	0.41	0.38	
PWON IJ	Pakuwon Jati Tbk PT	20,227	0.36	BUY	520	(9.02)	(3.70)	8.45	8.78	1.16	1.04	
SMRA IJ	Summarecon Agung Tbk PT	8,872	0.16	HOLD	610	(69.64)	44.19	56.73	39.35	0.92	0.90	
CTRA IJ	Ciputra Development Tbk PT	11,879	0.21	BUY	880	8.58	(11.20)	9.51	10.71	0.72	0.68	
DMAS IJ	Puradelta Lestari Tbk PT	8,724	0.15	BUY	228	(30.89)	31.52	9.45	7.19	1.45	1.62	
<b>Agriculture</b>												
AALI IJ	Astra Agro Lestari Tbk PT	16,649	0.29	HOLD	9,125	240.96	15.24	23.13	20.07	0.87	0.83	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,936	0.10	BUY	1,000	27.51	22.68	18.44	15.03	1.05	0.91	
<b>Coal Mining</b>												
ADRO IJ	Adaro Energy Tbk PT	34,065	0.60	BUY	1,310	(18.31)	0.59	6.33	6.29	0.51	0.49	
PTBA IJ	Bukit Asam Tbk PT	23,963	0.42	BUY	2,390	(16.98)	4.55	6.75	6.46	1.28	1.26	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,446	0.15	BUY	10,630	(58.33)	(20.00)	9.17	11.46	0.33	0.28	
<b>Metal Mining</b>												
ANTM IJ	Aneka Tambang Tbk	15,860	0.28	BUY	920	26.09	42.23	13.26	9.32	0.72	0.67	
INCO IJ	Vale Indonesia Tbk PT	31,001	0.55	SELL	2,300	(20.63)	(33.21)	27.36	40.96	0.95	0.92	
MDKA IJ	Merdeka Copper Gold Tbk PT	31,752	0.56	SELL	1,280	(19.26)	10.41	22.60	20.47	2.96	2.34	
<b>Poultry</b>												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	104,127	1.84	SELL	4,150	9.82	15.94	27.18	23.44	4.32	3.84	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	14,013	0.25	SELL	1,060	2.99	15.17	7.68	6.67	1.15	1.03	
<b>Cigarette</b>												
GGRM IJ	Gudang Garam Tbk PT	90,432	1.60	BUY	55,450	(16.02)	8.63	9.90	9.11	1.69	1.55	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	193,088	3.41	BUY	2,500	(6.78)	3.44	15.09	14.59	5.40	5.42	
<b>Cement</b>												
INTP IJ	Indocement Tunggai Prakarsa Tbk PT	43,807	0.77	BUY	13,900	19.34	12.44	20.00	17.79	1.86	1.82	
SMGR IJ	Semen Indonesia Persero Tbk PT	57,684	1.02	HOLD	9,000	30.77	(33.40)	18.45	27.71	1.71	1.66	
<b>Basic Industry and Chemical</b>												
ARNA IJ	Arwana Citramulia Tbk PT	2,716	0.05	BUY	450	18.73	7.01	10.60	9.90	1.75	1.37	
<b>Heavy Equipment</b>												
UNTR IJ	United Tractors Tbk PT	68,821	1.22	HOLD	19,930	(18.84)	13.03	7.50	6.63	1.02	0.88	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.73	1.76
JAKCONS INDEX	17.12	3.79
JAKINFRA INDEX	25.41	2.03
JAKBIND INDEX	34.75	1.84
JAKTRAD INDEX	14.22	1.25
JAKPROP INDEX	21.18	0.30
JAKMINE INDEX	10.85	1.00
JAKMIND INDEX	10.47	1.13
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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