

KEY INDICATOR

13/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.25	4.50	(25.00)	(175.00)
10 Yr (bps)	7.07	7.08	(0.40)	(13.10)
USD/IDR	14,425.00	14,435.00	-0.07%	2.98%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,064.45	0.66%	-19.61%	17.42
MSCI	5,761.47	0.76%	-20.95%	17.98
HSEI	25,772.12	0.17%	-8.58%	11.89
FTSE	6,176.19	1.33%	-18.11%	18.87
DJIA	26,085.80	0.04%	-8.59%	23.74
NASDAQ	10,390.84	-2.13%	15.81%	38.38

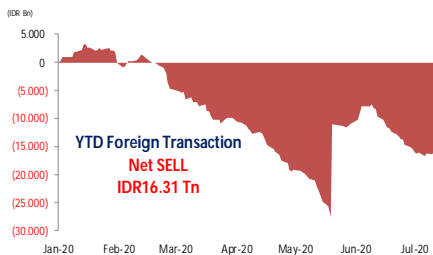
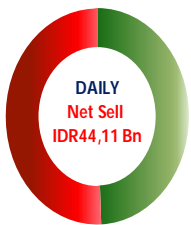
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.10	-1.11%	-33.40%	-34.33%
COAL	USD/TON	52.20	-0.38%	-30.03%	-22.90%
CPO	MYR/MT	2,429.00	0.70%	24.95%	-20.41%
GOLD	USD/TOZ	1,802.76	0.23%	27.34%	18.82%
TIN	USD/MT	17,435.00	0.72%	-4.20%	1.51%
NICKEL	USD/MT	13,711.00	1.45%	1.79%	-2.24%

CORPORATE ACTION

TICKER	EVENT	NOTES
VINS	Ex Dividend	IDR9.5/share
DVLA	Cum Dividend	IDR70/share
ASBI	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA was flat by +0.04% on Monday (13/07) followed by the weakening from S&P 500 (-0.94%) and Nasdaq (-2.13%). This various movements were influenced by market players who look forward to the earnings season. In addition, there will be release of US inflation data today which is projected to decline by -1.1% compared to the previous year by 1.2%. On the other hand, the US-China dispute continues. Reportedly China intends to emphasize the use of the yuan in various transactions. However, this decision is still not strong considering the globalization of the yuan largely depends on convertibility under the capital account. Moreover, the market will look forward to several data releases today, such as: 1) US Core Inflation Rate; 2) China Balance of Trade; 3) Eurozone Economic Sentiment.

Domestic Updates

Director General of Financing and Risk Management stated that during 1H20 the government had issued 3 SBNs denominated in foreign currencies as part of financing the State Budget (APBN) 2020. The government first issued global bonds in January 2020 amounting to USD2 billion and EUR1 billion, respectively. Subsequently, the government re-issued three series of USD-denominated global Government Bonds (SUN) with a total nominal value of USD4.3 billion in April 2020. This issuance is the first Sovereign Bond issuance during a pandemic with relatively low yields. In addition, one of the global bond series has the longest tenure of up to 50 years. Then, the government last issued global bonds in June 2020 which were Global Sukuk of USD2.5 billion. In the 2H20E the government will still implement opportunistic, flexible, and prudent strategies in the issuance of foreign currency SBN.

Company News

1. **LPKR IJ** recorded marketing sales of IDR1.05 trillion in 1Q20, a 26% YoY increase. Thus, it already achieved 42% of their 2020 marketing sales target, which is IDR2.5 trillion. In 2Q20, marketing sales are also projected at IDR349 billion, a 65% YoY increase. Management said that they will maintain their 2020 marketing sales target due to a number of new projects, namely Cendana Homes and Waterfront. However, the Covid-19 pandemic still remained a concern for the launch of these new projects (Kontan). **MNCS Comment: This achievement was due to sales in Cikarang with a price of IDR500 million to IDR1.5 billion per unit. The housing segment is intended for the first owner. LPKR is currently traded at 0.42x PBV.**
2. **ANTM IJ** is exploring the European market as a potential export destination for nickel after an increase in their profit margins. Their performance has been doing well due to an increase in the global demand of nickel and the company's ability to decrease cash cost. The average global cash cost of ferronickel production is USD4.85 per pound, while ANTM managed to reduce it to USD3.35, the lowest in the World (Market Bisnis). **MNCS Comment: Other than the rise in gold price, ANTM is also benefitted from the rise of nickel demand and price. ANTM is currently traded at 0.90x PBV.**
3. **MSIN IJ** sought to raise IDR146.65 billion through the issuance of 520.2 million new shares. It will use the new shares to develop its digital platforms, mainly in KlakKlik and AdMediate. Management will also use the money to increase the production of video content in their online and TV platforms (IDN Financials). **MNCS Comment: Management has not yet set the price for the rights issue plan and still needs to obtain approval from its shareholders. MSIN is currently traded at 5.48x/0.92x PE/PBV.**

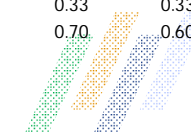
IHSG Updates

JCI increased by +0.66% to 5,064.45 on Monday (13/07), although followed by net foreign sell reaching IDR44.11 billion. The increase occurred amid the strengthening of Regional Asia Indices despite the various movements of the US Indices. Furthermore, there was an additional of 1,282 cases yesterday making the total case in Indonesia reaching 76,981. As a result, DKI Jakarta Governor warned of the possibility of the PSBB being re-applied if the number of cases continues to increase. This will further hampered the domestic economy as the risk of recession is getting bigger. Meanwhile, the Rupiah exchange rate against the USD was strengthening at IDR14,425. We estimate JCI will move in the range of 5,009-5,140 while waiting for the Balance of Trade data release. **Today's recommendation: UNTR, ERAA, ASII, BMRI.**

Stock	Close Price	Recommendation	Tactical Moves
UNTR	18,500	Buy	Currently UNTR is at the beginning of wave [v] of wave C.
ERAA	1,380	Buy on Weakness	Currently ERAA is at the end of wave iii of wave (i), so ERAA has the opportunity to be corrected first to form wave iv of wave (i).
ASII	4,900	Buy on Weakness	Currently ASII is at the beginning of wave [v] of wave C.
BMRI	5,250	Sell on Strength	The strengthening of BMRI was part of wave [v] 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
Automotive											
ASII IJ	Astra International Tbk PT	198,369	3.51	BUY	5,500	(24.25)	25.37	12.07	9.63	0.99	0.93
Banking											
BBCA IJ	Bank Central Asia Tbk PT	761,223	13.35	HOLD	28,400	7.00	9.09	24.90	22.82	3.92	3.48
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	88,581	1.55	HOLD	4,300	(2.68)	5.97	5.92	5.58	0.77	0.70
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	389,773	6.83	HOLD	3,200	(7.81)	1.06	12.19	12.06	1.84	1.70
BMRI IJ	Bank Mandiri Persero Tbk PT	245,000	4.30	HOLD	5,100	(4.62)	9.13	9.35	8.56	1.11	1.02
BNGA IJ	Bank CIMB Niaga Tbk PT	20,734	0.36	HOLD	850	2.43	9.99	5.51	5.01	0.49	0.48
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,032	0.25	SELL	1,000	(24.98)	497.17	88.31	14.79	0.83	0.79
BRIS IJ	Bank Brisyariah Tbk PT	4,683	0.08	SELL	230	(32.21)	9.83	93.31	84.96	0.91	0.90
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	306,102	5.42	BUY	3,600	4.61	13.65	14.15	12.45	2.66	2.45
EXCL IJ	XL Axiata Tbk PT	31,476	0.56	HOLD	2,700	21.73	5.39	36.05	34.20	1.57	1.50
TOWR IJ	Sarana Menara Nusantara Tbk PT	54,331	0.96	SELL	950	13.11	8.81	21.05	19.35	5.13	4.53
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	32,298	0.57	SELL	3,450	6.41	13.25	14.91	13.17	1.30	1.18
PGAS IJ	Perusahaan Gas Negara Tbk PT	28,120	0.50	HOLD	1,200	83.33	27.27	12.94	10.17	0.45	0.43
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	306,154	5.42	HOLD	8,400	1.60	6.48	40.76	38.28	35.65	33.50
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	107,873	1.91	BUY	10,300	6.31	9.52	20.10	18.35	3.95	3.56
INDF IJ	Indofood Sukses Makmur Tbk PT	57,731	1.02	BUY	8,500	3.50	11.05	11.36	10.23	1.43	1.31
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	18,300	0.32	BUY	1,400	9.01	13.34	20.61	18.18	5.56	5.21
TBLA IJ	Tunas Baru Lampung Tbk PT	3,232	0.06	HOLD	630	(43.57)	5.01	7.97	7.59	0.60	0.57
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	68,438	1.21	SELL	1,280	4.28	7.25	26.18	24.41	3.88	3.57
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	27,955	0.50	SELL	1,400	(6.76)	6.90	28.83	26.97	5.12	4.68
ERAA IJ	Erajaya Swasembada Tbk PT	4,402	0.08	HOLD	1,280	13.54	66.00	13.21	7.96	0.79	0.71
MAPI IJ	Mitra Adiperkasa Tbk PT	11,952	0.21	SELL	580	4.92	5.28	12.55	11.92	1.59	1.39
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
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,279	0.04	BUY	755	(74.40)	99.60	12.73	6.38	0.33	0.32
PTPP IJ	PP Persero Tbk PT	6,169	0.11	HOLD	1,040	40.73	28.86	4.71	3.66	0.33	0.31
WIKA IJ	Wijaya Karya Persero Tbk PT	11,392	0.20	HOLD	1,225	17.35	20.10	4.25	3.54	0.60	0.52
WSBP IJ	Waskita Beton Precast Tbk PT	5,378	0.10	BUY	262	(29.90)	18.70	8.85	7.46	0.60	0.59
WSKT IJ	Waskita Karya Persero Tbk PT	9,705	0.17	BUY	880	8.47	137.68	9.54	4.01	0.33	0.33
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,953	0.03	BUY	300	4.17	20.85	4.15	3.43	0.70	0.60



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,879	0.28	BUY	1,110	(7.75)	12.60	5.53	4.91	0.40	0.37	
PWON IJ	Pakuwon Jati Tbk PT	19,649	0.35	BUY	520	(9.02)	(3.70)	8.21	8.52	1.13	1.01	
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	12,250	0.22	BUY	880	8.58	(11.20)	9.80	11.04	0.74	0.70	
DMAS IJ	Puradelta Lestari Tbk PT	8,676	0.15	BUY	228	(30.89)	31.52	9.40	7.15	1.44	1.61	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	16,504	0.29	HOLD	9,125	240.96	15.24	22.93	19.90	0.86	0.82	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,970	0.11	BUY	1,000	27.51	22.68	18.55	15.12	1.06	0.92	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,944	0.65	BUY	1,310	(18.31)	0.59	6.86	6.82	0.55	0.53	
PTBA IJ	Bukit Asam Tbk PT	25,000	0.44	BUY	2,390	(16.98)	4.55	7.05	6.74	1.34	1.31	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,757	0.16	BUY	10,630	(58.33)	(20.00)	9.51	11.89	0.34	0.29	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	16,221	0.29	BUY	920	26.09	42.23	13.56	9.53	0.74	0.68	
INCO IJ	Vale Indonesia Tbk PT	32,989	0.58	HOLD	3,590	13.79	2.00	40.74	39.94	1.02	0.99	
MDKA IJ	Merdeka Copper Gold Tbk PT	33,503	0.59	HOLD	1,595	(21.21)	25.00	23.47	18.77	3.13	2.47	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	100,848	1.79	SELL	4,150	9.82	15.94	26.32	22.70	4.19	3.72	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,720	0.24	HOLD	1,060	2.99	15.17	7.52	6.53	1.12	1.01	
Cigarette												
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	195,414	3.46	BUY	2,500	(6.78)	3.44	15.27	14.76	5.47	5.48	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	42,794	0.76	BUY	13,900	19.34	12.44	19.54	17.38	1.82	1.78	
SMGR IJ	Semen Indonesia Persero Tbk PT	55,460	0.98	HOLD	9,000	30.77	(33.40)	17.74	26.64	1.64	1.60	
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	69,008	1.22	HOLD	19,930	(18.84)	13.03	7.52	6.65	1.02	0.89	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.75	1.77
JAKCONS INDEX	16.99	3.73
JAKINFRA INDEX	25.05	2.00
JAKBIND INDEX	34.74	1.84
JAKTRAD INDEX	14.19	1.25
JAKPROP INDEX	20.83	0.29
JAKMINE INDEX	11.20	1.03
JAKMIND INDEX	10.44	1.13
JAKAGRI INDEX	-	0.85

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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