

KEY INDICATOR

23/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.88	6.95	(6.80)	(38.80)
USD/IDR	14,580.00	14,650.00	-0.48%	4.25%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,145.01	0.68%	-18.33%	18.00
MSCI	5,863.95	0.72%	-19.54%	18.53
HSEI	25,263.00	0.82%	-10.38%	11.72
FTSE	6,211.44	0.07%	-17.65%	19.64
DJIA	26,652.33	-1.31%	-6.61%	23.85
NASDAQ	10,461.42	-2.29%	16.59%	38.37

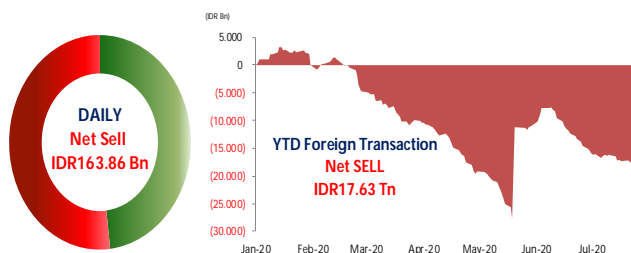
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	41.07	-1.98%	-27.66%	-32.74%
COAL	USD/TON	51.95	-0.29%	-29.65%	-23.26%
CPO	MYR/MT	2,708.00	1.96%	35.13%	-11.27%
GOLD	USD/TOZ	1,887.44	0.86%	33.12%	24.40%
TIN	USD/MT	17,813.00	1.32%	0.78%	3.71%
NICKEL	USD/MT	13,689.00	4.21%	-3.39%	-2.40%

CORPORATE ACTION

TICKER	EVENT	NOTES
LSIP	Cum Dividend	IDR15/share
ICBP	Ex Dividend	IDR215/share
INDF	Ex Dividend	IDR278/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA dropped by -1.31% on Thursday (23/07) followed by S&P (-1.23%) and Nasdaq (-2.29%). These falls were caused by jobless claims data release which is at 1.42 million for the week ended July 18, up from 1.31 million the previous week. This is the first weekly increase since the week ended on March 28, when unemployment benefit claims reached 6.9 million due to lockdown area. This is also followed by the rising tension between the US and China as the US Government ordered to close the Chinese consulate in Houston for security reasons, in return China will close the US consulate in Wuhan. Moreover, the market will look forward to several data releases today, such as: 1) US Market Manufacturing PMI; 2) Eurozone Market Manufacturing PMI; 3) UK Retail Sales.

Domestic Updates

OJK predicts that bank loans at the end of 2020 will grow to a maximum of 3-4%. In May 2020, credit growth was 3%, which is much lower when compared to the same time in the previous year at 6%. The credit decreased even more in June. However, it is predicted credit growth will start to rise in July as economic activity begins to move again, and this rise will continue until the end of the year.

Company News

- PGAS IJ** recorded growth in its monthly operational performance in June 2020 by increasing its consolidated gas distribution by 14.1% YoY to 758 Billion British Thermal Units Per day (BBTUD). The increase can be attributed to the easing of PSBB and the Idul Fitri holiday. However, the cumulative operational performance for 1H20 decreased by 9% YoY to 811 BBTUD. Nonetheless, this is close to its revised target of 870-880 BBTUD this year (Market Bisnis). **MNCS Comment: The economic reopening gave positive impact to PGAS distribution, although on cumulative operation decrease in 1H20. PGAS is currently traded at 9.65x/0.71x PE/PBV.**
- ANTM IJ** managed to reach 48% of both its production and sales target in 1H20, recording 12,762 TNi for cumulative production of ferronickel commodities, and 13,045 TNi for sales. When looking at 2Q20 alone, they managed to increase ferronickel output by 2% QoQ to 6,447 TNi and ferronickel sales by 11% QoQ to 6,315 TNi. The increase in production and sales performance is in line with improving global economic conditions and growing nickel demand. Now, ANTM is focusing on reducing cash cost production and optimize operations (Market Bisnis). **MNCS Comment: ANTM is not just being in position of advantage from the rise in gold price but also from the increase on demand in nickel commodities. ANTM is currently traded at 0.92x PBV.**
- LPPF IJ** will close several stores and will not expand new outlets in 2021. It is also targeting to close eight unprofitable large scaled shops by 2020. LPPF has also drastically controlled expenditures such as promotion costs, salary cuts, and organizational streamlining (Kontan). **MNCS Comment: We believe that efficiency is one of the strategies used to maintain its margins amid the pandemic as we expect retailer will experience a sharp downturn in 2Q20. LPPF is currently traded at 3.04x PBV.**

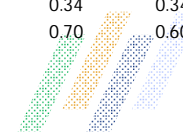
IHSG Updates

JCI increased by +0.68% to 5,145.01 on Thursday (23/07) followed by net foreign sell reaching IDR163.86 billion. The increase was in-line with the strengthening of regional Asia indices while US indices fell. Furthermore, the market should be watchful towards the earnings season which the 2Q20 is estimated to be disappointing. Meanwhile, the Rupiah exchange rate was strengthening at the level of IDR14,580. We estimate JCI will move in the range of 5,032-5,150 while waiting for Loan Growth data release. **Today's recommendation: JPFA, BBNI, INCO, AALI.**

Stock	Close Price	Recommendation	Tactical Moves
JPFA	1,160	Spec Buy	Currently, JPFA is forming a triangle wave pattern (d) of wave [iv] of wave C.
BBNI	4,710	Buy on Weakness	As long as BBNI is not corrected below 4,510, BBNI's position is currently part of wave (v) of wave [a] of wave 5.
INCO	3,250	Buy on Weakness	As long as INCO does not correct back below 3.110, then yesterday's correction is part of wave (v) of wave [c] of wave Y.
AALI	9,425	Sell on Strength	At this time we expect AALI to be in wave (iv) of wave [v] of wave C.

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	209,502	3.65	HOLD	5,500	(24.25)	25.37	12.75	10.17	1.05	0.98
Banking											
BBCA IJ	Bank Central Asia Tbk PT	764,305	13.19	HOLD	28,400	7.00	9.09	25.00	22.91	3.94	3.49
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	87,835	1.52	HOLD	4,300	(2.68)	5.97	5.87	5.54	0.76	0.69
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	387,306	6.68	HOLD	3,200	(7.81)	1.06	12.11	11.98	1.83	1.69
BMRI IJ	Bank Mandiri Persero Tbk PT	266,000	4.59	SELL	5,100	(4.62)	9.13	10.15	9.30	1.20	1.10
BNGA IJ	Bank CIMB Niaga Tbk PT	20,231	0.35	HOLD	850	2.43	9.99	5.38	4.89	0.48	0.47
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,714	0.24	SELL	1,000	(24.98)	497.17	86.31	14.45	0.81	0.77
BRIS IJ	Bank Brisyariah Tbk PT	4,800	0.08	SELL	230	(32.21)	9.83	95.63	87.08	0.94	0.93
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	304,121	5.30	BUY	3,600	4.61	13.65	14.06	12.37	2.64	2.43
EXCL IJ	XL Axiata Tbk PT	30,191	0.53	HOLD	2,700	21.73	5.39	34.58	32.81	1.51	1.44
TOWR IJ	Sarana Menara Nusantara Tbk PT	56,116	0.98	SELL	950	13.11	8.81	21.75	19.99	5.30	4.68
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	30,410	0.53	SELL	3,450	6.41	13.25	14.04	12.40	1.23	1.11
PGAS IJ	Perusahaan Gas Negara Tbk PT	30,181	0.53	HOLD	1,200	83.33	27.27	13.89	10.91	0.48	0.47
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	307,108	5.35	HOLD	8,400	1.60	6.48	40.88	38.40	35.76	33.60
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	109,622	1.91	HOLD	10,300	6.31	9.52	20.42	18.65	4.01	3.62
INDF IJ	Indofood Sukses Makmur Tbk PT	59,048	1.03	BUY	8,500	3.50	11.05	11.62	10.47	1.46	1.34
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	19,050	0.33	BUY	1,400	9.01	13.34	21.46	18.93	5.79	5.43
TBLA IJ	Tunas Baru Lampung Tbk PT	3,793	0.07	SELL	630	(43.57)	5.01	9.35	8.91	0.71	0.67
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	75,703	1.32	SELL	1,280	4.28	7.25	28.96	27.00	4.29	3.94
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	28,383	0.49	SELL	1,400	(6.76)	6.90	29.27	27.38	5.20	4.76
ERAA IJ	Erajaya Swasembada Tbk PT	4,753	0.08	SELL	1,280	13.54	66.00	14.26	8.59	0.85	0.77
MAPI IJ	Mitra Adiperkasa Tbk PT	11,537	0.20	SELL	580	4.92	5.28	12.12	11.51	1.53	1.34
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,045	0.07	SELL	500	(32.91)	25.56	8.78	6.99	0.90	0.85
PZZA IJ	Sarimelati Kencana PT	1,979	0.03	BUY	840	4.23	20.53	9.52	7.90	1.25	1.08
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,297	0.04	BUY	755	(74.40)	99.60	12.83	6.43	0.34	0.32
PTPP IJ	PP Persero Tbk PT	6,634	0.12	HOLD	1,040	40.73	28.86	5.07	3.93	0.36	0.33
WIKA IJ	Wijaya Karya Persero Tbk PT	11,257	0.20	HOLD	1,225	17.35	20.10	4.20	3.50	0.60	0.52
WSBP IJ	Waskita Beton Precast Tbk PT	5,378	0.09	BUY	262	(29.90)	18.70	8.85	7.46	0.60	0.59
WSKT IJ	Waskita Karya Persero Tbk PT	9,909	0.17	BUY	880	8.47	137.68	9.74	4.10	0.34	0.34
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,972	0.03	BUY	300	4.17	20.85	4.19	3.47	0.70	0.60



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,561	0.27	BUY	1,110	(7.75)	12.60	5.42	4.81	0.39	0.36	
PWON IJ	Pakuwon Jati Tbk PT	20,516	0.36	BUY	520	(9.02)	(3.70)	8.57	8.90	1.18	1.05	
SMRA IJ	Summarecon Agung Tbk PT	8,728	0.15	HOLD	610	(69.64)	44.19	55.81	38.71	0.91	0.89	
CTRA IJ	Ciputra Development Tbk PT	12,250	0.21	BUY	880	8.58	(11.20)	9.80	11.04	0.74	0.70	
DMAS IJ	Puradelta Lestari Tbk PT	10,604	0.18	HOLD	228	(30.89)	31.52	11.49	8.74	1.76	1.97	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	18,140	0.32	HOLD	9,125	240.96	15.24	25.20	21.87	0.94	0.90	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,925	0.12	HOLD	1,000	27.51	22.68	21.51	17.54	1.23	1.06	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,144	0.63	BUY	1,310	(18.31)	0.59	6.71	6.67	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	24,309	0.42	BUY	2,390	(16.98)	4.55	6.85	6.55	1.30	1.28	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,926	0.16	BUY	10,630	(58.33)	(20.00)	9.69	12.12	0.35	0.30	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	16,581	0.29	BUY	920	26.09	42.23	13.86	9.74	0.75	0.70	
INCO IJ	Vale Indonesia Tbk PT	32,293	0.56	BUY	3,590	13.79	2.00	39.88	39.10	1.00	0.97	
MDKA IJ	Merdeka Copper Gold Tbk PT	37,445	0.65	HOLD	1,595	(21.21)	25.00	26.23	20.98	3.49	2.76	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	100,028	1.74	SELL	4,150	9.82	15.94	26.11	22.52	4.15	3.69	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,603	0.24	HOLD	1,150	2.99	15.17	7.46	6.48	1.11	1.00	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	95,002	1.66	BUY	55,450	(16.02)	8.63	10.40	9.57	1.77	1.63	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	204,720	3.57	BUY	2,500	(6.78)	3.44	16.00	15.47	5.73	5.74	
Cement												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	45,647	0.80	BUY	13,900	19.34	12.44	20.84	18.54	1.94	1.90	
SMGR IJ	Semen Indonesia Persero Tbk PT	56,053	0.98	HOLD	9,000	30.77	(33.40)	17.93	26.92	1.66	1.61	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,230	0.06	HOLD	450	18.73	7.01	12.60	11.78	2.08	1.63	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	74,882	1.31	HOLD	19,930	(18.84)	13.03	8.16	7.21	1.11	0.96	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.80	1.78
JAKCONS INDEX	18.26	4.06
JAKINFRA INDEX	24.33	2.02
JAKBIND INDEX	35.59	1.89
JAKTRAD INDEX	14.50	1.28
JAKPROP INDEX	23.68	0.29
JAKMINE INDEX	11.49	1.05
JAKMIND INDEX	10.90	1.18
JAKAGRI INDEX	-	0.91

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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