

KEY INDICATOR

27/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.87	6.89	(1.90)	(34.80)
USD/IDR	14,535.00	14,610.00	-0.51%	3.76%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,116.67	0.66%	-18.78%	17.89
MSCI	5,815.83	1.09%	-20.20%	18.28
HSEI	24,603.26	-0.41%	-12.72%	11.40
FTSE	6,104.88	-0.31%	-19.06%	19.35
DJIA	26,584.77	0.43%	-6.85%	23.75
NASDAQ	10,536.27	1.67%	17.43%	38.42

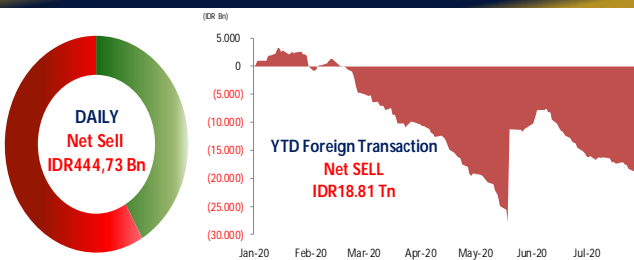
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	41.60	0.75%	-25.98%	-31.87%
COAL	USD/TON	52.25	0.48%	-29.63%	-22.82%
CPO	MYR/MT	2,672.00	-3.82%	29.27%	-12.45%
GOLD	USD/TOZ	1,942.24	2.11%	36.88%	28.01%
TIN	USD/MT	18,035.00	2.14%	2.18%	5.01%
NICKEL	USD/MT	13,719.00	0.46%	-2.70%	-2.18%

CORPORATE ACTION

TICKER	EVENT	NOTES
AMAG	Cum Dividend	IDR30/share
POWR	Ex Dividend	IDR41/share
INTP	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by 0.43% on Monday (27/07) followed by S&P 500 (+0.74%) and Nasdaq (+0.74%). Stocks rose on Monday as investors bet that the largest technology firms will power ahead in an uncertain economic environment, Amazon.com and Apple led the major indexes higher. Furthermore the new stimulus proposed by the Republican House of Representative amounting to USD1 trillion which means direct cash assistance will be USD200 from USD600 and gradually increased to USD1,200 per household. While the Democrat proposed the stimulus to be increased up to USD3 trillion until the end of the year. There will also be a financial aid for small businesses and schools. Moreover, the market will look forward to several data releases today, such as: 1) US CB Consumer Confidence; 2) Spain Unemployment Rate; 3) UK Distributive Trades.

Domestic Updates

Government has allocated funds of IDR11.5 trillion to seven Regional Development Banks (BPD). The aim of this policy was to boost the economy in the regions. The seven BPDs are as the following: 1) Bank DKI (IDR2 trillion); 2) Bank BJB (IDR2.5 trillion); 3) Bank Jawa Tengah (IDR2 trillion); 4) Bank Sulutgo (IDR1 trillion). While the remaining three other BPDs are still being evaluated for the placement of these funds, namely BPD Bali and DIY BPD with a budget of IDR1 trillion each followed by Bank Jatim with IDR2 trillion.

Company News

- BBCA IJ** recorded a drop in net profit by 4.8% YoY to IDR12.24 trillion in 1H20. Credit was also impacted by the pandemic, which only grew by 5.3% YoY to IDR595.1 trillion, supported by the growth in corporate credit (+17.7% YoY) while Commercial and consumer credit slumped by -0.9%/5.1% YoY. BBKA still focuses on supporting various segments of customers by selectively restructuring their loan. (Analyst Meeting). **MNCS Comment: BBKA still show a solid performance during the pandemic, whereas the decline on net profit is not as deep as expected, but slightly above the consensus estimates 53% while reaching 50% of MNCS Estimates. BBKA is currently traded at 4.38x PBV.**
- UNTR IJ** sales of heavy equipment dropped by 55% YoY from 1.917 units in 1H19 to 853 unit in 1H20. From the total of 307 units, 36% were sold to mining sector, 30% sold to construction sector, 22% sold to forestry sector, and 12% sold to agribusiness sector. Moreover, UNTR will be launching their financial report of 1H20 on the next 29th July (Kontan). **MNCS Comment: UNTR was affected by the temporary business discontinuation during the pandemics, while we are still expecting a recovery in the next quarter. UNTR is currently traded at 10.74x/1.24x PE/PBV.**
- KINO IJ** booked a revenue of IDR2.19 trillion in 1H20, slipped by 1.3% YoY from IDR2.22 trillion in 1H19. Following the decrease, the purchasing profit for Morinaga & CO Ltd amounting to IDR264.21 billion also slash the profit margin. Though COGS already dropped by 8.54% YoY to IDR1.1 trillion, net profit is still decreased by 67.52% YoY to IDR118.64 billion (Market Bisnis). **MNCS Comment: Unlike other consumer companies, KINO seems to be affected by the pandemic. Meanwhile we are still waiting for the full financial statement to be released. KINO is currently traded at 20.43x/1.75x PE/PBV.**

IHSG Updates

JCI increased by +0.66% to 5,116.67 on Monday (27/07) although still followed by net foreign sell reaching IDR444.73 billion. The strengthening is in line with the increase on the US indices while regional Asia indices were closed in various positions. Meanwhile, the stimulus from the government towards the regional development banks and the development from the Covid-19 vaccine brought out positive sentiments in the market. This is also followed by the strengthening in the Rupiah exchange rate which is at the level of IDR14,490. We estimate JCI will move in the range of 5,030-5,150 while waiting for Loan Growth and Money Supply data release. **Today's recommendation: TLKM, TINS, BBRI, BRPT.**

Stock	Close Price	Recommendation	Tactical Moves
TLKM	3,040	Spec Buy	As long as TLKM is not corrected below 2,970, the current TLKM position is at the end of wave (ii) of wave [iii] of wave C.
TINS	725	Buy on Weakness	The strengthening of TINS is now part of wave (c) of wave [v] of wave C.
BBRI	3,150	Buy on Breakout	BBRI is currently in wave [iii] of wave C.
BRPT	1,095	Sell on Strength	As long as the BRPT has not been able to strengthen above 1,270-1,300, the BRPT position is still part of wave C 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	207,478	3.64	HOLD	5,500	(24.25)	25.37	12.62	10.07	1.04	0.97	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	751,978	13.05	HOLD	28,400	7.00	9.09	24.59	22.54	3.87	3.43	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	86,716	1.50	HOLD	4,300	(2.68)	5.97	5.79	5.47	0.75	0.69	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	388,539	6.74	HOLD	3,200	(7.81)	1.06	12.15	12.02	1.83	1.69	
BMRI IJ	Bank Mandiri Persero Tbk PT	274,167	4.76	SELL	5,100	(4.62)	9.13	10.46	9.58	1.24	1.14	
BNGA IJ	Bank CIMB Niaga Tbk PT	19,854	0.34	HOLD	850	2.43	9.99	5.28	4.80	0.47	0.46	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,555	0.24	SELL	1,000	(24.98)	497.17	85.31	14.29	0.80	0.76	
BRIS IJ	Bank Brisyariah Tbk PT	4,664	0.08	SELL	230	(32.21)	9.83	92.92	84.61	0.91	0.90	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	301,149	5.28	BUY	3,600	4.61	13.65	13.92	12.25	2.62	2.41	
EXCL IJ	XL Axiata Tbk PT	29,977	0.53	HOLD	2,700	21.73	5.39	34.33	32.57	1.50	1.43	
TOWR IJ	Sarana Menara Nusantara Tbk PT	55,351	0.97	SELL	950	13.11	8.81	21.45	19.71	5.23	4.62	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	29,540	0.52	SELL	3,450	6.41	13.25	13.64	12.04	1.19	1.07	
PGAS IJ	Perusahaan Gas Negara Tbk PT	29,817	0.52	HOLD	1,200	83.33	27.27	13.72	10.78	0.48	0.46	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	308,061	5.40	HOLD	8,400	1.60	6.48	41.01	38.51	35.87	33.71	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	104,957	1.84	BUY	10,300	6.31	9.52	19.56	17.86	3.84	3.47	
INDF IJ	Indofood Sukses Makmur Tbk PT	56,853	1.00	BUY	8,500	3.50	11.05	11.19	10.08	1.41	1.29	
HOKI IJ	Buyung Poetra Sembada PT	1,539	0.03	HOLD	700	(26.89)	37.61	20.05	14.57	2.08	1.76	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,825	0.33	BUY	1,400	9.01	13.34	21.20	18.71	5.72	5.36	
TBLA IJ	Tunas Baru Lampung Tbk PT	3,846	0.07	SELL	630	(43.57)	5.01	9.48	9.03	0.72	0.68	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	72,656	1.27	SELL	1,280	4.28	7.25	27.79	25.91	4.11	3.79	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	28,298	0.50	SELL	1,400	(6.76)	6.90	29.19	27.30	5.19	4.74	
ERAA IJ	Erajaya Swasembada Tbk PT	4,769	0.08	SELL	1,280	13.54	66.00	14.31	8.62	0.86	0.77	
MAPI IJ	Mitra Adiperkasa Tbk PT	11,454	0.20	SELL	580	4.92	5.28	12.03	11.43	1.52	1.33	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,009	0.07	SELL	500	(32.91)	25.56	8.70	6.93	0.90	0.85	
PZZA IJ	Sarimelati Kencana PT	1,949	0.03	BUY	840	4.23	20.53	9.38	7.78	1.23	1.06	
Construction												
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	6,200	0.11	HOLD	1,040	40.73	28.86	4.74	3.68	0.34	0.31	
WIKA IJ	Wijaya Karya Persero Tbk PT	10,854	0.19	HOLD	1,225	17.35	20.10	4.05	3.37	0.58	0.50	
WSBP IJ	Waskita Beton Precast Tbk PT	5,272	0.09	BUY	262	(29.90)	18.70	8.68	7.31	0.59	0.58	
WSKT IJ	Waskita Karya Persero Tbk PT	9,095	0.16	BUY	880	8.47	137.68	8.94	3.76	0.31	0.31	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,895	0.03	BUY	300	4.17	20.85	4.03	3.33	0.68	0.58	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	15,455	0.27	BUY	1,110	(7.75)	12.60	5.38	4.78	0.39	0.36
PWON IJ	Pakuwon Jati Tbk PT	20,612	0.36	BUY	520	(9.02)	(3.70)	8.61	8.94	1.18	1.06
SMRA IJ	Summarecon Agung Tbk PT	8,945	0.16	HOLD	610	(69.64)	44.19	57.20	39.67	0.93	0.91
CTRA IJ	Ciputra Development Tbk PT	12,157	0.21	BUY	880	8.58	(11.20)	9.73	10.96	0.74	0.70
DMAS IJ	Puradelta Lestari Tbk PT	10,989	0.19	HOLD	228	(30.89)	31.52	11.91	9.06	1.83	2.04
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	18,092	0.32	HOLD	9,125	240.96	15.24	25.13	21.81	0.94	0.90
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,857	0.12	HOLD	1,000	27.51	22.68	21.30	17.36	1.22	1.05
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	35,504	0.62	BUY	1,310	(18.31)	0.59	6.60	6.56	0.53	0.51
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	9,039	0.16	BUY	10,630	(58.33)	(20.00)	9.82	12.27	0.35	0.30
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	17,422	0.31	BUY	920	26.09	42.23	14.56	10.24	0.79	0.73
INCO IJ	Vale Indonesia Tbk PT	34,479	0.60	HOLD	3,590	13.79	2.00	42.58	41.74	1.06	1.03
MDKA IJ	Merdeka Copper Gold Tbk PT	40,730	0.71	SELL	1,595	(21.21)	25.00	28.53	22.82	3.80	3.00
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	101,258	1.78	SELL	4,150	9.82	15.94	26.43	22.79	4.20	3.74
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,251	0.23	HOLD	1,060	2.99	15.17	7.27	6.31	1.08	0.98
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	93,318	1.64	BUY	55,450	(16.02)	8.63	10.21	9.40	1.74	1.60
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	197,741	3.47	BUY	2,500	(6.78)	3.44	15.45	14.94	5.53	5.55
Cement											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	45,279	0.79	BUY	13,900	19.34	12.44	20.67	18.39	1.93	1.89
SMGR IJ	Semen Indonesia Persero Tbk PT	55,608	0.97	HOLD	9,000	30.77	(33.40)	17.79	26.71	1.65	1.60
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	3,142	0.06	HOLD	450	18.73	7.01	12.26	11.45	2.02	1.59
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	78,333	1.37	HOLD	19,930	(18.84)	13.03	8.53	7.55	1.16	1.01

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.81	1.77
JAKCONS INDEX	17.91	3.98
JAKINFRA INDEX	24.45	2.02
JAKBIND INDEX	34.78	1.85
JAKTRAD INDEX	14.60	1.28
JAKPROP INDEX	23.52	0.28
JAKMINE INDEX	11.65	1.07
JAKMIND INDEX	11.08	1.17
JAKAGRI INDEX	-	0.90

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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