

KEY INDICATOR

28/07/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.84	6.87	(2.70)	(44.60)
USD/IDR	14,535.00	14,535.00	0.00%	3.67%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,112.99	-0.07%	-18.84%	17.88
MSCI	5,820.03	0.07%	-20.15%	18.35
HSEI	24,772.76	0.69%	-12.12%	11.48
FTSE	6,129.26	0.40%	-18.74%	19.46
DJIA	26,379.28	-0.77%	-7.57%	23.49
NASDAQ	10,402.09	-1.27%	15.93%	37.97

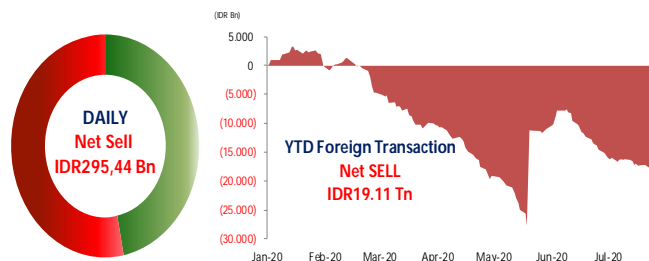
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	41.04	-1.35%	-27.84%	-32.79%
COAL	USD/TON	51.80	-0.86%	-27.65%	-23.49%
CPO	MYR/MT	2,603.00	-2.58%	26.30%	-14.71%
GOLD	USD/TOZ	1,958.43	0.83%	37.26%	29.08%
TIN	USD/MT	17,993.00	-0.23%	2.23%	4.76%
NICKEL	USD/MT	13,660.00	-0.43%	-4.81%	-2.60%

CORPORATE ACTION

TICKER	EVENT	NOTES
FISH	Cum Dividend	IDR75/share
AMAG	Ex Dividend	IDR30/share
KAEF	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA slipped by 0.77% on Tuesday (28/07) followed by S&P 500 (-0.65%) and Nasdaq (-1.27%). The stock prices drop was caused by the stimulus proposal by the House of Representative as the Democrat suggest a USD3 trillion stimulus, larger than USD1 trillion from the Republican. While Kentucky State Senator disagrees with both proposal as the Government has spend a large amount, whereas the Direct Cash assistance of USD600 will end by the week. Without it, and limited employment opportunities, it is feared that household consumption will be disrupted as it accounts for nearly 70% in the formation of Gross Domestic Product. Moreover, the market will look forward to several data releases today, such as: 1) US MBA Mortgage Application; 2) US Goods Trade Balance; 3) US Pending Home Sales.

Domestic Updates

The Indonesian government will widen the deficit of the state budget in 2021 to 5.2% of GDP. Previously, the 2021 state budget deficit was agreed at 4.15% of GDP, in which the House of Representatives noted that it could be increased to 4.7% of GDP. Although the deficit has widened further, the state budget deficit increase will give the government a larger reserve fund to around IDR179 tn, which will be used to restore the economy next year. Priorities will be given to the SME private sector.

Company News

- WEGE IJ** recorded new contract of IDR1.02 trillion, decreased by 42.49% YoY in 1H20. While order book grew by 4.03% YoY to IDR12.22 trillion in 1H20. WEGE targets to develop 70% from order book in FY20E. While WEGE projection to booked net profit of IDR138 billion and new contract IDR3.4 trillion in FY20E. (Analyst meeting) **MNCS Comment: WEGE still manage order book in 1H20, besides new contract decreased in 1H20. WEGE is currently traded at 0.87x PBV.**
- BRIS IJ** noted an incline of net profit by 226% YoY to IDR116 billion in 1H20. While total asset grew by 33.7% YoY to IDR37.92 trillion. Changes in business portfolio targets are potentially still be above 25%. Third Party Funds also increased by 46.2% YoY to IDR41.07 trillion in 1H20. Financing grew by 56% YoY to IDR37.44 trillion supported by consumers segment, which grew by 39% YoY. BRIS is committed to staying focused on the retail segment, including SMEs, which contributed up to 75% of the portfolio. (Republika). **MNCS Comment: BRIS shows a solid performance compare to other BUKU II banks. BRIS also applies a digital transformation strategy to maintain its performance this year. BRIS is currently traded at 1.11x PBV.**
- FREN IJ** recorded revenue of IDR4.30 trillion in 1H20, increased by 41.98% YoY compared to the same period the previous year. Revenue from the data business reached IDR3.91 trillion and non-data revenue reached IDR226.52 billion, followed by interconnection revenue of IDR61.69 billion and other income of IDR101.83 billion. At the same time, the company's operating expenses also rose by 22.86% YoY, from the original to IDR2.25 trillion. Thus FREN still recorded a loss of IDR1.22 trillion in 1H20, deeper than the loss in 1H19 which amounted to IDR1.07 trillion. (Market Bisnis). **MNCS Comment: Even though FREN recorded a significant growth of revenue, a sharply decline of forex loss and higher finance cost damning the bottom-line. FREN is currently traded at 2.60x PBV.**

IHSG Updates

JCI slipped by -0.07% to 5,113 on Tuesday (28/07) followed by net foreign sell reaching IDR295.44 billion. The flat movement was due to profit taking done by investors, as JCI has increased by 4.31% within this month. Furthermore, Covid-19 will still be a source of uncertainty, at least until next year according to the Minister of Finance. As of yesterday, 1,748 cases were added making the total reach 102,051 cases in Indonesia. While the corona virus is still haunting, then community and business activities will not return to normal quickly which will hamper the economy as the market are expecting the release of 2Q20 economic growth in early August. 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: HMSP, TKIM, KLBF, ANTM.**

Stock	Close Price	Recommendation	Tactical Moves
HMSP	1,685	Buy on Weakness	As long as the HMSP is not corrected below 1,620, we estimate the HMSP is currently at the end of wave C of wave (B).
TKIM	6,725	Buy on Weakness	TKIM will be corrected first to form wave (c) of wave [iv] of wave C.
KLBF	1,515	Buy on Weakness	KLBF is now at the end of wave [iv] of wave C.
ANTM	720	Sell on Strength	The position of ANTM is at the end of wave (v) of wave [c] of wave Y 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	209,502	3.68	HOLD	5,500	(24.25)	25.37	12.75	10.17	1.05	0.98
Banking											
BBCA IJ	Bank Central Asia Tbk PT	762,456	13.24	HOLD	28,400	7.00	9.09	24.94	22.86	3.93	3.48
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	87,276	1.52	HOLD	4,300	(2.68)	5.97	5.83	5.50	0.75	0.69
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	387,306	6.73	HOLD	3,200	(7.81)	1.06	12.11	11.98	1.83	1.69
BMRI IJ	Bank Mandiri Persero Tbk PT	273,000	4.74	SELL	5,100	(4.62)	9.13	10.41	9.54	1.24	1.13
BNGA IJ	Bank CIMB Niaga Tbk PT	19,603	0.34	HOLD	850	2.43	9.99	5.21	4.74	0.46	0.45
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,396	0.23	SELL	1,000	(24.98)	497.17	84.31	14.12	0.79	0.75
BRIS IJ	Bank Brisyariah Tbk PT	5,733	0.10	SELL	230	(32.21)	9.83	114.22	104.00	1.12	1.11
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	299,168	5.25	BUY	3,600	4.61	13.65	13.83	12.17	2.60	2.40
EXCL IJ	XL Axiata Tbk PT	29,227	0.51	HOLD	2,700	21.73	5.39	33.47	31.76	1.46	1.40
TOWR IJ	Sarana Menara Nusantara Tbk PT	55,096	0.97	SELL	950	13.11	8.81	21.35	19.62	5.20	4.59
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	29,249	0.51	SELL	3,450	6.41	13.25	13.50	11.92	1.18	1.06
PGAS IJ	Perusahaan Gas Negara Tbk PT	29,575	0.52	HOLD	1,200	83.33	27.27	13.61	10.69	0.47	0.46
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	310,923	5.45	HOLD	8,400	1.60	6.48	41.39	38.87	36.21	34.02
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	105,540	1.85	BUY	10,300	6.31	9.52	19.66	17.96	3.86	3.49
INDF IJ	Indofood Sukses Makmur Tbk PT	56,414	0.99	BUY	8,500	3.50	11.05	11.11	10.00	1.39	1.28
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	18,750	0.33	BUY	1,400	9.01	13.34	21.12	18.63	5.69	5.34
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	71,016	1.25	SELL	1,280	4.28	7.25	27.17	25.33	4.02	3.70
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	28,898	0.51	SELL	1,400	(6.76)	6.90	29.81	27.88	5.30	4.84
ERAA IJ	Erajaya Swasembada Tbk PT	4,610	0.08	SELL	1,280	13.54	66.00	13.83	8.33	0.83	0.75
MAPI IJ	Mitra Adiperkasa Tbk PT	11,620	0.20	SELL	580	4.92	5.28	12.21	11.59	1.55	1.35
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,974	0.07	SELL	500	(32.91)	25.56	8.62	6.87	0.89	0.84
PZZA IJ	Sarimelati Kencana PT	1,934	0.03	BUY	840	4.23	20.53	9.30	7.72	1.22	1.06
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,243	0.04	BUY	755	(74.40)	99.60	12.53	6.28	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	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	5,246	0.09	BUY	262	(29.90)	18.70	8.63	7.27	0.59	0.57
WSKT IJ	Waskita Karya Persero Tbk PT	9,027	0.16	BUY	880	8.47	137.68	8.87	3.73	0.31	0.31
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,905	0.03	BUY	300	4.17	20.85	4.05	3.35	0.68	0.58



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,349	0.27	BUY	1,110	(7.75)	12.60	5.35	4.75	0.38	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	8,872	0.16	HOLD	610	(69.64)	44.19	56.73	39.35	0.92	0.90	
CTRA IJ	Ciputra Development Tbk PT	12,343	0.22	BUY	880	8.58	(11.20)	9.88	11.12	0.75	0.71	
DMAS IJ	Puradelta Lestari Tbk PT	11,471	0.20	HOLD	228	(30.89)	31.52	12.43	9.45	1.91	2.13	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	17,900	0.31	HOLD	9,125	240.96	15.24	24.87	21.58	0.93	0.89	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,584	0.12	HOLD	1,000	27.51	22.68	20.45	16.67	1.17	1.01	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	34,865	0.61	BUY	1,310	(18.31)	0.59	6.48	6.44	0.52	0.50	
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	9,096	0.16	BUY	10,630	(58.33)	(20.00)	9.88	12.35	0.35	0.31	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	17,302	0.30	BUY	920	26.09	42.23	14.46	10.17	0.79	0.73	
INCO IJ	Vale Indonesia Tbk PT	34,082	0.60	HOLD	3,590	13.79	2.00	42.09	41.26	1.05	1.02	
MDKA IJ	Merdeka Copper Gold Tbk PT	39,635	0.70	SELL	1,595	(21.21)	25.00	27.76	22.21	3.70	2.92	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	101,668	1.78	SELL	4,150	9.82	15.94	26.53	22.89	4.22	3.75	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,192	0.23	HOLD	1,060	2.99	15.17	7.23	6.28	1.08	0.97	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	91,250	1.60	BUY	55,450	(16.02)	8.63	9.99	9.19	1.70	1.56	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	195,996	3.44	BUY	2,500	(6.78)	3.44	15.32	14.81	5.49	5.50	
Cement												
INTP IJ	Indocement Tunggai Prakarsa Tbk PT	45,463	0.80	BUY	13,900	19.34	12.44	20.76	18.46	1.93	1.89	
SMGR IJ	Semen Indonesia Persero Tbk PT	55,756	0.98	HOLD	9,000	30.77	(33.40)	17.84	26.78	1.65	1.60	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,113	0.05	HOLD	450	18.73	7.01	12.14	11.35	2.00	1.57	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	80,571	1.41	HOLD	19,930	(18.84)	13.03	8.77	7.76	1.20	1.04	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	14.00	1.79
JAKCONS INDEX	17.85	3.97
JAKINFRA INDEX	24.45	2.01
JAKBIND INDEX	34.19	1.82
JAKTRAD INDEX	14.66	1.29
JAKPROP INDEX	23.16	0.28
JAKMINE INDEX	11.78	1.06
JAKMIND INDEX	11.20	1.19
JAKAGRI INDEX	-	0.89

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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