

KEY INDICATOR

03/06/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.00	7.15	(14.90)	(73.60)
USD/IDR	14,095.00	14,415.00	-2.22%	-1.09%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,941.01	1.93%	-21.57%	15.30
MSCI	5,617.84	2.86%	-22.92%	15.92
HSEI	24,325.62	1.37%	-13.71%	11.48
FTSE	6,382.41	2.61%	-15.38%	19.31
DJIA	26,269.89	2.05%	-7.95%	23.96
NASDAQ	9,682.91	0.78%	7.92%	35.58

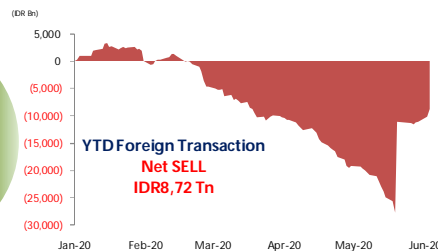
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	37.29	1.30%	-29.97%	-38.93%
COAL	USD/TON	55.80	0.45%	-23.82%	-17.58%
CPO	MYR/MT	2,399.00	2.48%	18.29%	-21.40%
GOLD	USD/TOZ	1,699.67	-1.62%	28.25%	12.02%
TIN	USD/MT	16,001.00	-0.05%	-16.44%	-6.84%
NICKEL	USD/MT	12,867.00	0.11%	8.33%	-8.26%

CORPORATE ACTION

TICKER	EVENT	NOTES
ADHI	RUPS	
LPPF	RUPS	
ADRO	Cum Dividend	IDR114.25/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +2.05% on Wednesday (04/06) followed by the increase of S&P 500 (+1.36%) and Nasdaq (+1.25%). These increases were still driven by the positive catalyst of the economic recovery as businesses and factories can now re-operate, although the situation in the US are not getting any better as demonstration has been going for more than a week followed by some riots and pillage on some retails. The market will look forward to several data releases today, such as: 1) Eurozone Interest Rate Decision; 2) US Balance of Trade per May-2020; 3) US Initial Jobless Claims per May-2020.

Domestic Updates

Money supply (M2) grew slowly in April 2020, recorded at IDR6,238.3 trillion or grew 8.6% YoY lower than the previous month's growth of 12.1% YoY. The slowdown in M2 growth was caused by a slowdown in all its components such as M1 only grew by 8.4% YoY due to slowing rupiah demand deposits. In addition, quasi money in April 2020 slightly increases to 8.5% YoY. The slowdown also occurred in securities other than shares, from 44.6% YoY in the previous month to 20.6% YoY in April 2020.

Company News

- RALS** revenue decreased by 12.41% YoY to IDR916.13 billion in 1Q20 from Rp1.046 trillion in the same period the previous year. Outright goods sales dropped to IDR768.26 in 1Q20 billion from IDR876.73 billion and the commission on consignment sales fell to IDR147.87 billion in 1Q20 from Rp169.31 billion. So net profit decreased by 82.84% YoY to IDR13.29 in 1Q20 compared to IDR77.50 billion in 1Q19. **MNCS comment: The slump performance on retail companies are already anticipated along with the outbreak of Covid-19 as shopping centers had to shut down operation. RALS is traded at 7.05x/0.98x PE/PBV, lower than peers. (Emiten News)**
- PPRE** will be distributing dividend amounting to IDR66.3 billion or equals to 20% of the net profit in FY19. Dividend per share is at IDR6.50/share with dividend yield at 3.20%. The allocation for retained earnings balance increased by 17.1% YoY to IDR248.4 billion or equivalent to 75% of net income attributable to owners of the parent entity. **MNCS comment: We see that PPRE can still manage to distribute dividends amidst the pandemic situation. PPRE is traded at 6.69x/0.87x PE/PBV, lower than peers. (Market Bisnis)**
- SMBR** halts the operation of one factory in the city of Baturaja and maximizes the operation of the other factories. Management predicts the contribution of income from operational activities will decrease by 25%-50% from the total consolidated revenue over the past year. **MNCS Comment: We consider this will impact of delays in infrastructure projects and property sales, furthermore the covid-19 pandemic has forced the companies to close their plant temporarily to reduce operating costs. SMBR is traded at 0.91x PBV, lower than peers. (Market Bisnis)**

IHSG Updates

JCI surged by +1.93% to 4,941.01 on Wednesday (04/06) supported by a net foreign buy reaching IDR1.50 trillion. The increase was due to a consecutive inflow from the foreign investor in four days in a row, amidst optimism toward the opening of large scale social restriction tomorrow, although health and safety precautions will always be done in business operations as a part of the new normal lifestyle. Moreover, the Covid-19 cases in Indonesia increased by 684 cases yesterday, making the current cases reaching 28.233 cases. Meanwhile, the Rupiah exchange rate against the USD was appreciated at IDR14,095. We estimate JCI will move in the range of 4,780-4,975 while waiting for Foreign Exchange reserve as of May-2020. **Today's recommendation: TBIG, INCO, UNVR, WIKA.**

Stock	Close Price	Recommendation	Tactical Moves
TBIG	1,090	Buy	As long as TBIG is not corrected below 1,000, we estimate TBIG is at the beginning of wave [iii] of wave C.
INCO	2,880	Buy on Weakness	As long as INCO is not corrected below 2,740, currently INCO is at the beginning of wave [v] of wave 3.
UNVR	8,225	Buy on Weakness	Currently UNVR is in wave [b] of wave B, which means UNVR potential to strengthen in the short term before being corrected to form wave [c] of wave B.
WIKA	1,190	Sell on Strength	Yesterday's WIKA movement was the end of wave [iii] of wave C, where the further strengthening of WIKA will quietly limited and vulnerable to correction to form wave [iv].

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	197,965	3.59	HOLD	4,900	1.49	3.45	8.99	8.69	0.99	0.93
Banking											
BBCA IJ	Bank Central Asia Tbk PT	712,530	12.81	HOLD	28,400	7.00	9.09	23.30	21.36	3.67	3.25
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	77,019	1.38	HOLD	4,300	(2.68)	5.97	5.14	4.85	0.67	0.61
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	382,372	6.87	HOLD	3,200	(7.81)	1.06	11.95	11.83	1.80	1.66
BMRI IJ	Bank Mandiri Persero Tbk PT	226,800	4.08	HOLD	5,100	(4.62)	9.13	8.65	7.93	1.03	0.94
BNGA IJ	Bank CIMB Niaga Tbk PT	17,843	0.32	BUY	850	2.43	9.99	4.74	4.31	0.42	0.41
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	10,696	0.19	HOLD	1,000	(24.98)	497.17	67.32	11.27	0.63	0.60
BRIS IJ	Bank Brisyariah Tbk PT	3,109	0.06	SELL	230	(32.21)	9.83	61.95	56.40	0.61	0.60
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	325,915	5.92	HOLD	3,600	4.61	13.65	15.07	13.26	2.83	2.61
EXCL IJ	XL Axiata Tbk PT	27,622	0.50	HOLD	2,700	21.73	5.39	31.63	30.01	1.38	1.32
TOWR IJ	Sarana Menara Nusantara Tbk PT	51,525	0.94	HOLD	950	13.11	8.81	19.97	18.35	4.87	4.30
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	28,596	0.52	SELL	3,450	6.41	13.25	13.20	11.66	1.15	1.04
PGAS IJ	Perusahaan Gas Negara Tbk PT	23,514	0.43	BUY	1,200	83.33	27.27	10.82	8.50	0.38	0.36
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	313,784	5.70	HOLD	8,400	1.60	6.48	41.77	39.23	36.54	34.33
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	99,126	1.80	BUY	10,300	6.31	9.52	18.47	16.86	3.63	3.28
INDF IJ	Indofood Sukses Makmur Tbk PT	54,439	0.99	BUY	8,500	3.50	11.05	10.72	9.65	1.35	1.23
HOKI IJ	Buyung Poetra Sembada PT	1,647	0.03	BUY	990	20.45	3.77	13.02	12.55	2.24	1.99
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,375	0.33	BUY	1,400	9.01	13.34	20.70	18.26	5.58	5.24
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	66,328	1.20	HOLD	1,280	4.28	7.25	25.37	23.66	3.76	3.46
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	25,725	0.47	HOLD	1,400	(6.76)	6.90	26.53	24.82	4.72	4.31
ERAA IJ	Erajaya Swasembada Tbk PT	4,099	0.07	HOLD	1,280	13.54	66.00	12.30	7.41	0.74	0.66
MAPI IJ	Mitra Adiperkasa Tbk PT	11,952	0.22	SELL	580	4.92	5.28	12.55	11.92	1.59	1.39
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,329	0.08	SELL	500	(32.91)	25.56	9.39	7.48	0.97	0.91
PZZA IJ	Sarimelati Kencana PT	2,176	0.04	BUY	840	4.23	20.53	10.47	8.68	1.38	1.19
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	1,905	0.03	BUY	755	(74.40)	99.60	10.64	5.33	0.28	0.27
PTPP IJ	PP Persero Tbk PT	4,712	0.09	BUY	1,040	40.73	28.86	3.60	2.79	0.26	0.24
WIKA IJ	Wijaya Karya Persero Tbk PT	10,674	0.19	HOLD	1,225	17.35	20.10	3.98	3.31	0.57	0.49
WSBP IJ	Waskita Beton Precast Tbk PT	4,271	0.08	BUY	262	(29.90)	18.70	7.03	5.92	0.48	0.47
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	1,675	0.03	BUY	300	4.17	20.85	3.56	2.95	0.60	0.51



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,205	0.28	BUY	1,110	(7.75)	12.60	5.83	5.17	0.42	0.39	
PWON IJ	Pakuwon Jati Tbk PT	19,842	0.36	BUY	520	(9.02)	(3.70)	8.29	8.61	1.14	1.02	
SMRA IJ	Summarecon Agung Tbk PT	7,718	0.14	BUY	610	18.80	15.30	12.61	10.94	0.97	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	7,471	0.14	BUY	228	(30.89)	31.52	8.10	6.16	1.24	1.39	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	14,820	0.27	SELL	6,620	(1.86)	(5.89)	71.53	76.01	0.79	0.78	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,356	0.10	BUY	1,000	27.51	22.68	16.64	13.56	0.95	0.82	
TBLA IJ	Tunas Baru Lampung Tbk PT	2,805	0.05	BUY	790	21.14	14.60	3.22	2.81	0.46	0.41	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	37,264	0.68	HOLD	1,100	(18.31)	0.59	6.92	6.88	0.55	0.53	
PTBA IJ	Bukit Asam Tbk PT	24,309	0.44	HOLD	2,310	(3.33)	(6.24)	5.88	6.27	1.29	1.27	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,972	0.18	BUY	10,630	(39.96)	(18.30)	7.51	9.20	0.55	0.48	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	13,337	0.24	BUY	920	26.09	42.23	11.15	7.84	0.61	0.56	
INCO IJ	Vale Indonesia Tbk PT	28,617	0.52	SELL	2,300	(20.63)	(33.21)	25.25	37.81	0.87	0.85	
MDKA IJ	Merdeka Copper Gold Tbk PT	29,562	0.54	HOLD	1,280	(19.26)	10.41	21.05	19.06	2.76	2.18	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	98,388	1.79	SELL	4,150	9.82	15.94	25.68	22.15	4.08	3.63	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,661	0.25	HOLD	1,060	2.99	15.17	7.49	6.50	1.12	1.01	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	92,693	1.68	BUY	55,450	(16.02)	8.63	10.14	9.34	1.73	1.59	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	215,188	3.91	BUY	2,500	(6.78)	3.44	16.82	16.26	6.02	6.04	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	49,329	0.90	HOLD	13,900	19.34	12.44	22.52	20.03	2.10	2.05	
SMGR IJ	Semen Indonesia Persero Tbk PT	57,536	1.04	HOLD	9,000	30.77	(33.40)	18.41	27.64	1.70	1.66	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	2,863	0.05	BUY	450	18.73	7.01	11.17	10.44	1.84	1.45	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	63,692	1.16	BUY	19,930	(18.84)	13.03	6.94	6.14	0.95	0.82	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	12.55	1.58
JAKCONS INDEX	17.92	3.87
JAKINFRA INDEX	22.15	2.09
JAKBIND INDEX	44.31	2.00
JAKTRAD INDEX	11.93	1.23
JAKPROP INDEX	16.60	0.85
JAKMINE INDEX	13.27	1.02
JAKMIND INDEX	9.51	1.10
JAKAGRI INDEX	-	0.79

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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