

KEY INDICATOR

22/05/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.54	7.65	(11.00)	(38.30)
USD/IDR	14,710.00	14,770.00	-0.41%	2.22%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,545.95	-0.06%	-27.84%	13.11
MSCI	4,898.62	0.32%	-32.79%	13.11
HSEI	22,952.24	0.10%	-18.58%	10.66
FTSE	5,993.28	-0.37%	-20.54%	17.42
DJIA	24,465.16	-0.04%	-14.27%	22.34
NASDAQ	9,324.59	0.43%	3.92%	34.20

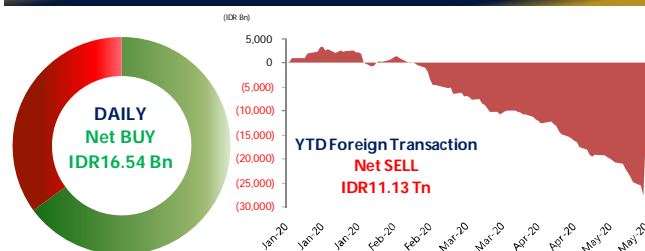
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	33.25	-1.98%	-45.86%	-45.55%
COAL	USD/TON	51.95	0.00%	-37.90%	-23.26%
CPO	MYR/MT	2,167.00	-1.81%	7.49%	-29.00%
GOLD	USD/TOZ	1,731.95	-0.16%	34.79%	14.15%
TIN	USD/MT	15,355.00	-0.94%	-20.54%	-10.60%
NICKEL	USD/MT	12,250.00	-4.13%	2.25%	-12.66%

CORPORATE ACTION

TICKER	EVENT	NOTES
KINO	Cash Dividend	IDR83/share
WSBP	Cash Dividend	IDR8.22/share

NET FOREIGN TRADING VALUE



Source: Bloomberg LP, MNCS

Global Market Highlight

DJIA decreased by -0.04% on Friday (22/05) although followed by the increase of S&P 500 (+0.24%) and Nasdaq (+0.43%). These flat movements was caused by the lukewarm condition in the market such as the lockdown easing in the US while the successful research from Moderna still leaves a question mark as it has not been confirmed by the authorities. Meanwhile, the US celebrated Memorial Day on Monday (25/5) and so the market was closed and will re-open on Tuesday. The market will look forward to several data releases today, such as: 1) US Consumer Confidence per Apr-2020; 2) US new Home Sales per Apr-2020; 3) Germany Consumer Confidence per Apr-2020.

Domestic Updates

Indonesia's current account deficit is recorded at USD3.9 billion in 1Q20 or 1.4% of GDP from 2.8% the previous quarter, as imports fell and the deficit in services shrank. This is as expected as BI has predicted that CAD could be maintained at 1.5% in 1Q20. The country's financial and capital accounts had a USD2.9 billion deficit in January-March, compared with the previous three-month's USD12.6 billion surplus, due to portfolio outflows related to the COVID-19 pandemic. Indonesia's Balance of Payments in 1Q20 recorded a deficit of USD8.5 billion, following a USD4.3 billion surplus in the 4Q19. While and the position of foreign exchange reserves at the end of March 2020 was recorded at USD121.0 billion.

Company News

1. **INDF** posted net sales of IDR19.30 trillion in 1Q20 (+0.70% YoY) from IDR19.16 trillion in 1Q19. On the other hand, operating expenses slipped by 2.62% YoY from IDR13.37 trillion in 1Q19 to IDR13.02 trillion in 1Q20. The sales growth and the decrease in operating expenses made INDF to record a profit of IDR1.40 trillion in 1Q20, rose by 4% YoY compared to 1Q19 which amounted to IDR1.34 trillion. INDF is currently traded at 11.37x PE. (Market Bisnis)
2. **ICBP** signed an agreement with Pinehill Corpora Limited and Steele Lake. The transaction was signed on Friday (22/5) and is worth USD2.99 billion or equivalent to IDR44.25 trillion the acquisition fee reached USD300 million and will be paid with with internal cash generated from business activities. The rest will be financed from loan facilities from banking institutions. ICBP is currently traded at 19.70x PE. (Kontan)
3. **KLBF** will distribute IDR937.5 billion of FY19 net profit as cash dividends with dividend per share at IDR20/share. The total net profit in FY19 reached IDR2.51 trillion so the Dividend Payout Ratio (DPR) is 37.3%. While in the previous year, the DPR was higher around 49% to 50%. The ex Dividend Date in the Regular Market & Negotiation Market will be on June 2, 2020 followed by recording date on June 3, 2020. KLBF is currently traded at 24.34x PE. (Kontan)

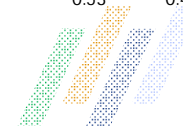
IHSG Updates

JCI slipped by -0.06% to 4,548.66 on Wednesday (20/05) although followed by a net foreign buy reaching IDR16.54 billion. The flat index movement was due to the release of a widened current account deficit in 1Q20 which will affect the domestic economy. This was followed by the unchanged BI rate on the level of 4.50% while the consensus estimated a 25 bps rate cut. Meanwhile, the Rupiah exchange rate against the USD was appreciated at IDR14,710. We estimate JCI will move in the range of 4,500-4,600 while waiting for the Money Supply of Apr-2020. **Today's recommendation: INCO, ICBP, TKIM, BBRI.**

Stock	Close Price	Recommendation	Tactical Moves
INCO	2,960	Buy on Weakness	As long as INCO is not corrected below 2.660, INCO is currently at the beginning of wave [v] of wave 3.
ICBP	9,600	Buy on Weakness	Currently ICBP is in wave [b] of wave B, where ICBP still tends to be corrected.
TKIM	4,030	Buy on Weakness	TKIM correction is the end of the correction wave (c) of wave [b] of wave A.
BBRI	2,480	Sell on Strength	BBRI is at the end of wave iv of wave (c), where the strength of BBRI is quietly limited and vulnerable to being corrected again to form 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	
<b>Automotive</b>												
ASII IJ	Astra International Tbk PT	160,720	3.17	BUY	4,900	1.49	3.45	7.30	7.05	0.80	0.75	
<b>Banking</b>												
BBCA IJ	Bank Central Asia Tbk PT	587,406	11.47	BUY	28,400	7.00	9.09	19.21	17.61	3.03	2.68	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	67,135	1.31	BUY	4,300	(2.68)	5.97	4.48	4.23	0.58	0.53	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	305,898	5.98	BUY	3,200	(7.81)	1.06	9.56	9.46	1.44	1.33	
BMRI IJ	Bank Mandiri Persero Tbk PT	189,933	3.71	BUY	5,100	(4.62)	9.13	7.25	6.64	0.86	0.79	
BNGA IJ	Bank CIMB Niaga Tbk PT	15,582	0.30	BUY	850	2.43	9.99	4.14	3.76	0.37	0.36	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	8,154	0.16	BUY	1,000	(24.98)	497.17	51.32	8.59	0.48	0.46	
BRIS IJ	Bank Brisyariah Tbk PT	2,798	0.05	SELL	230	(32.21)	9.83	55.75	50.76	0.55	0.54	
<b>Telco</b>												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	315,018	6.22	BUY	3,600	4.61	13.65	14.57	12.82	2.74	2.52	
EXCL IJ	XL Axiata Tbk PT	25,694	0.51	BUY	2,700	21.73	5.39	29.43	27.92	1.28	1.23	
TOWR IJ	Sarana Menara Nusantara Tbk PT	46,933	0.93	SELL	800	13.11	8.81	18.19	16.72	4.43	3.91	
<b>Toll Road &amp; Utilities</b>												
JSMR IJ	Jasa Marga Persero Tbk PT	26,854	0.53	HOLD	3,450	6.41	13.25	12.40	10.95	1.08	0.98	
PGAS IJ	Perusahaan Gas Negara Tbk PT	20,120	0.40	BUY	1,200	83.33	27.27	9.26	7.27	0.32	0.31	
<b>Consumer</b>												
UNVR IJ	Unilever Indonesia Tbk PT	307,108	6.06	HOLD	8,400	1.60	6.48	40.88	38.40	35.76	33.60	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	111,954	2.21	BUY	11,500	6.31	9.52	20.86	19.05	4.10	3.70	
INDF IJ	Indofood Sukses Makmur Tbk PT	56,414	1.11	BUY	8,500	3.50	11.05	11.11	10.00	1.39	1.28	
HOKI IJ	Buyung Poetra Sembada PT	1,140	0.03	BUY	990	20.45	3.77	12.74	12.27	2.19	1.95	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,525	0.37	BUY	1,400	9.01	13.34	20.86	18.41	5.63	5.28	
<b>Pharmacy</b>												
KLBF IJ	Kalbe Farma Tbk PT	62,813	1.24	HOLD	1,280	4.28	7.25	24.03	22.40	3.56	3.27	
<b>Retail</b>												
ACES IJ	Ace Hardware Indonesia Tbk PT	22,381	0.44	HOLD	1,400	(6.76)	6.90	23.08	21.59	4.10	3.75	
ERAA IJ	Erajaya Swasembada Tbk PT	3,621	0.07	BUY	1,280	13.54	66.00	10.87	6.55	0.65	0.59	
MAPI IJ	Mitra Adiperkasa Tbk PT	11,620	0.23	SELL	580	4.92	5.28	12.21	11.59	1.55	1.35	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,151	0.08	SELL	500	(32.91)	25.56	9.01	7.17	0.93	0.88	
PZZA IJ	Sarimelati Kencana PT	2,130	0.04	BUY	840	4.23	20.53	10.25	8.50	1.35	1.16	
<b>Construction</b>												
ADHI IJ	Adhi Karya Persero Tbk PT	1,766	0.03	BUY	755	(74.40)	99.60	9.86	4.94	0.26	0.25	
PTPP IJ	PP Persero Tbk PT	3,968	0.08	BUY	1,040	40.73	28.86	3.03	2.35	0.22	0.20	
WIKA IJ	Wijaya Karya Persero Tbk PT	8,611	0.17	BUY	1,225	17.35	20.10	3.21	2.67	0.46	0.40	
WSBP IJ	Waskita Beton Precast Tbk PT	4,033	0.08	BUY	262	(29.90)	18.70	6.64	5.59	0.45	0.44	
WSKT IJ	Waskita Karya Persero Tbk PT	7,873	0.16	BUY	880	8.47	137.68	7.74	3.26	0.27	0.27	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,484	0.03	BUY	300	4.17	20.85	3.15	2.61	0.53	0.46	



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	
<b>Property</b>												
BSDE IJ	Bumi Serpong Damai Tbk PT	11,644	0.23	BUY	1,110	(7.75)	12.60	4.46	3.96	0.32	0.30	
PWON IJ	Pakuwon Jati Tbk PT	16,374	0.32	BUY	520	(9.02)	(3.70)	6.84	7.10	0.94	0.84	
SMRA IJ	Summarecon Agung Tbk PT	6,030	0.12	BUY	610	18.80	15.30	9.86	8.55	0.76	0.70	
CTRA IJ	Ciputra Development Tbk PT	9,095	0.18	BUY	880	8.58	(11.20)	7.28	8.20	0.55	0.52	
DMAS IJ	Puradelta Lestari Tbk PT	6,603	0.13	BUY	228	(30.89)	31.52	7.16	5.44	1.10	1.22	
<b>Agriculture</b>												
AALI IJ	Astra Agro Lestari Tbk PT	12,607	0.25	SELL	6,620	(1.86)	(5.89)	60.85	64.65	0.67	0.67	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	4,844	0.10	BUY	1,000	27.51	22.68	15.05	12.27	0.86	0.74	
TBLA IJ	Tunas Baru Lampung Tbk PT	2,885	0.06	BUY	790	21.14	14.60	3.31	2.89	0.48	0.42	
<b>Coal Mining</b>												
ADRO IJ	Adaro Energy Tbk PT	31,346	0.62	BUY	1,100	(18.31)	0.59	5.82	5.79	0.47	0.45	
PTBA IJ	Bukit Asam Tbk PT	22,120	0.44	BUY	2,310	(3.33)	(6.24)	5.35	5.71	1.18	1.16	
ITMG IJ	Indo Tambangraya Megah Tbk PT	8,672	0.17	BUY	10,630	(39.96)	(18.30)	6.54	8.00	0.48	0.41	
<b>Metal Mining</b>												
ANTM IJ	Aneka Tambang Tbk	12,496	0.25	BUY	920	26.09	42.23	10.44	7.34	0.57	0.53	
INCO IJ	Vale Indonesia Tbk PT	29,412	0.58	SELL	2,300	(20.63)	(33.21)	25.96	38.86	0.90	0.88	
MDKA IJ	Merdeka Copper Gold Tbk PT	29,562	0.58	HOLD	1,280	(19.26)	10.41	21.05	19.06	2.76	2.18	
<b>Poultry</b>												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	76,907	1.52	SELL	4,150	9.82	15.94	20.07	17.31	3.19	2.84	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	10,495	0.21	BUY	1,060	2.99	15.17	5.75	5.00	0.86	0.77	
<b>Cigarette</b>												
GGRM IJ	Gudang Garam Tbk PT	91,442	1.80	BUY	55,450	(16.02)	8.63	10.01	9.21	1.71	1.57	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	205,883	4.06	BUY	2,500	(6.78)	3.44	16.09	15.56	5.76	5.78	
<b>Cement</b>												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	39,665	0.78	BUY	13,900	19.34	12.44	18.11	16.11	1.69	1.65	
SMGR IJ	Semen Indonesia Persero Tbk PT	50,566	1.00	HOLD	9,000	30.77	(33.40)	16.18	24.29	1.50	1.45	
<b>Basic Industry and Chemical</b>												
ARNA IJ	Arwana Citramulia Tbk PT	2,922	0.06	BUY	450	18.73	7.01	11.40	10.65	1.88	1.48	
<b>Heavy Equipment</b>												
UNTR IJ	United Tractors Tbk PT	54,460	1.07	BUY	19,930	(18.84)	13.03	5.93	5.25	0.81	0.70	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	10.81	1.36
JAKCONS INDEX	18.34	1.32
JAKINFR INDEX	20.90	2.02
JAKBIND INDEX	34.86	1.77
JAKTRAD INDEX	10.12	1.17
JAKPROP INDEX	8.49	0.73
JAKMINE INDEX	10.34	1.00
JAKMIND INDEX	8.33	0.95
JAKAGRI INDEX	-	0.74

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





**Thendra Crisnanda – Head of Institution Research**  
[thendra.crisnanda@mncgroup.com](mailto:thendra.crisnanda@mncgroup.com)  
 Investment Strategy  
 Ext. 52162



**Victoria Venny – Research Analyst**  
[victoria.nawang@mncgroup.com](mailto:victoria.nawang@mncgroup.com)  
 Telco, Toll Road, Logistic, Consumer, Poultry  
 Ext. 52236



**T. Herditya Wicaksana – Technical Analyst**  
[herditya.wicaksana@mncgroup.com](mailto:herditya.wicaksana@mncgroup.com)  
 Technical Specialist – Elliott Wave  
 Ext. 52150



**Muhamad Rudy Setiawan – Research Analyst**  
[muhamad.setiawan@mncgroup.com](mailto:muhamad.setiawan@mncgroup.com)  
 Construction, Property, Oil and Gas  
 Ext. 52317



**Catherina Vincentia – Research Associate**  
[catherina.vincentia@mncgroup.com](mailto:catherina.vincentia@mncgroup.com)  
 Generalist  
 Ext. 52306

**Disclaimer :** MNCS Morning Navigator has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, directors and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.

