

KEY INDICATOR

28/05/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.37	7.35	2.30	(55.00)
USD/IDR	14,715.00	14,710.00	0.03%	2.26%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,716.19	1.61%	-25.13%	14.10
MSCI	5,190.86	2.68%	-28.78%	14.09
HSEI	23,132.76	-0.72%	-17.94%	10.88
FTSE	6,218.79	1.21%	-17.55%	18.36
DJIA	25,400.64	-0.58%	-10.99%	23.21
NASDAQ	9,368.99	-0.46%	4.42%	34.37

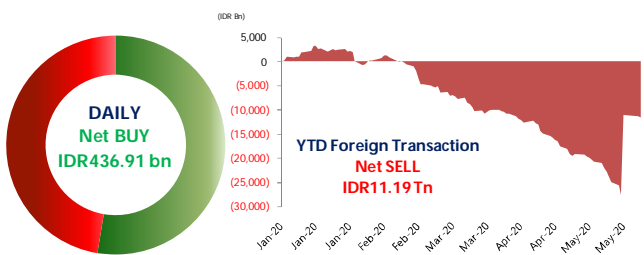
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	33.71	2.74%	-46.48%	-44.79%
COAL	USD/TON	52.25	-0.48%	-37.69%	-22.82%
CPO	MYR/MT	2,268.00	-0.57%	10.26%	-25.69%
GOLD	USD/TOZ	1,718.33	0.52%	34.80%	13.25%
TIN	USD/MT	15,515.00	1.41%	-20.33%	-9.67%
NICKEL	USD/MT	12,246.00	1.07%	1.45%	-12.68%

CORPORATE ACTION

TICKER	EVENT	NOTES
AMRT	Recording Date	IDR13.38/share
PGAS	Ex Dividend	IDR56.99/share
HMSP	Cum Dividend	IDR119.8/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA slipped by -0.58% on Wednesday (27/05) followed by the increase of S&P 500 (-0.21%) and Nasdaq (-0.46%). These decrease although rather flat, was caused by a rising tension between the US and China as the US President continuously expressing displeasure over China's Covid-19 countermeasures as well as commenting on the confirmation on constitution that grants China more power over Hongkong. The market will look forward to several data releases today, such as: 1) US PCE Price Index per Apr-2020; 2) Eurozone Core Inflation Rate per 2Q20; 3) Italy GDP growth Rate per Apr-2020.

Domestic Updates

Automotive sector update: Toyota Indonesia on the track to restart production on June 2nd after temporary shutdown. Production will resume at 35% of installed capacity with 1 work shift cycle. On the other hand, Honda keeps halting production due to weak market demand in Indonesia. It will become positive catalyst for ASII as rising market share in 2Q20. However MNCS views that the upswing of ASII's stock price recently has already priced in the good news. Therefore we recommend Sell on Strength for ASII for tactical of trading purpose. (Bloomberg news)

Company News

- HMSP** will record cum date for its dividend distribution on Friday, May 29th 2020. The total dividend is around IDR13.93 tn with 101.5% of dividend payout ratio (DPR). The dividend per share is IDR119.8 or equal to 6.2% of dividend yield with closing price at IDR1,925. MNCS comment: HMSP is very risky to get profit taking tomorrow as the sell on news effect of dividend story. HMSP is traded at 16.89x/5.73x PE/PBV, much premium than peers.
- WIKA** estimates the fall of net profit by around 25% - 50% in 3M20 and 4M20 due to COVID-19. The pandemic has impacted the operation activities and leads into suspension of several projects. As of April 2020, the suspended projects has reached 13% and followed by 23% of slow down project from total of 208 ongoing projects. MNCS comment: The negative impact is unavoidable to operational as the social distancing protocol, expect for recovery in 2H20 but valuation is lucrative. WIKA is traded at only 4.25x/0.59x PE/PBV, lower than peers. (emitennews.com)
- TBLA** recorded significant decrease of net profit by -50.09% YoY to IDR101.50 billion in 1Q20. Meanwhile the revenue surged by 27.25% YoY to IDR2.76 trillion in 1Q20. The contradiction in that performance was caused by non-operating loss mainly from foreign exchange loss at around IDR154.72 billion. MNCS comment: Exclude the forex loss, the company actually still recorded good performance. However the mainly risk for TBLA currently is only at its huge leverage at 2.24x. TBLA is traded at only 7.05x/0.53x PE/PBV, lower than peers. (emitennews.com)

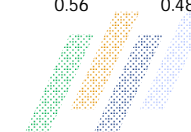
IHSG Updates

JCI surged by +1.61% to 4,716.19 on Thursday (28/05) supported by a net foreign buy reaching IDR436.91 billion. The upswing movement was triggered by the euphoria of re-opening economy in several countries as well as in Indonesia. Moreover the upcoming economy stimulus from developed country especially EU becomes the booster for JCI. However we remind the investors to be cautious as the euphoria of re-opening and high expectation of vaccine recovery will be haunted by the rise of geopolitical tension. China approves Hongkong security legislation issues and territorial disputes in South China Sea will put different color to JCI movement in June'2020. We recommend profit taking for stocks in banking, automotive and selected consumer sector. Meanwhile, the Rupiah exchange rate against the USD was depreciated at IDR14,715. We estimate JCI will move in the range of 4,650-4,750 while waiting for the Money Supply data of Apr-2020. **Today's recommendation: JPFA, BRPT, BBCA, ASII.**

Stock	Close Price	Recommendation	Tactical Moves
JPFA	920	Buy on Weakness	As long as not corrected below 875, currently JPFA is in the part of wave [iii] of wave C.
BRPT	1,275	Buy on Weakness	In the short term BRPT is still likely to strengthen to form wave [b] of wave A.
BBCA	26,475	Sell on Strength	Currently BBCA is at the end of wave (iii) of wave 3, which means in short term BBCA is vulnerable to correction forming wave (iv).
ASII	4,540	Sell on Strength	Currently ASII is at the end of wave [iii] of wave C, which means the strengthening of ASII is quietly limited and vulnerable to correction forming wave [iv] in the short term.

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	183,795	3.50	HOLD	4,900	1.49	3.45	8.35	8.07	0.92	0.86	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	652,741	12.29	HOLD	28,400	7.00	9.09	21.35	19.57	3.36	2.98	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	68,254	1.29	BUY	4,300	(2.68)	5.97	4.56	4.30	0.59	0.54	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	336,734	6.34	BUY	3,200	(7.81)	1.06	10.53	10.42	1.59	1.47	
BMRI IJ	Bank Mandiri Persero Tbk PT	200,200	3.77	BUY	5,100	(4.62)	9.13	7.64	7.00	0.91	0.83	
BNGA IJ	Bank CIMB Niaga Tbk PT	16,084	0.30	BUY	850	2.43	9.99	4.27	3.89	0.38	0.37	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	8,578	0.16	BUY	1,000	(24.98)	497.17	53.99	9.04	0.51	0.48	
BRIS IJ	Bank Brisyariah Tbk PT	2,934	0.06	SELL	230	(32.21)	9.83	58.46	53.23	0.57	0.57	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	310,065	5.90	BUY	3,600	4.61	13.65	14.34	12.61	2.69	2.48	
EXCL IJ	XL Axiata Tbk PT	26,658	0.51	HOLD	2,700	21.73	5.39	30.53	28.97	1.33	1.27	
TOWR IJ	Sarana Menara Nusantara Tbk PT	47,189	0.90	SELL	800	13.11	8.81	18.29	16.81	4.46	3.94	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	27,652	0.53	HOLD	3,450	6.41	13.25	12.77	11.27	1.12	1.01	
PGAS IJ	Perusahaan Gas Negara Tbk PT	21,454	0.41	BUY	1,200	83.33	27.27	9.87	7.76	0.34	0.33	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	306,154	5.82	HOLD	8,400	1.60	6.48	40.76	38.28	35.65	33.50	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	97,085	1.85	BUY	10,300	6.31	9.52	18.09	16.52	3.55	3.21	
INDF IJ	Indofood Sukses Makmur Tbk PT	49,829	0.95	BUY	8,500	3.50	11.05	9.81	8.83	1.23	1.13	
HOKI IJ	Buyung Poetra Sembada PT	1,623	0.03	BUY	990	20.45	3.77	12.83	12.36	2.21	1.96	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,675	0.36	BUY	1,400	9.01	13.34	21.03	18.56	5.67	5.32	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	63,516	1.21	HOLD	1,280	4.28	7.25	24.30	22.65	3.60	3.31	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	25,554	0.49	HOLD	1,400	(6.76)	6.90	26.36	24.65	4.68	4.28	
ERAA IJ	Erajaya Swasembada Tbk PT	4,019	0.08	HOLD	1,280	13.54	66.00	12.06	7.27	0.72	0.65	
MAPI IJ	Mitra Adiperkasa Tbk PT	12,284	0.23	SELL	580	4.92	5.28	12.90	12.26	1.63	1.43	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,258	0.08	SELL	500	(32.91)	25.56	9.24	7.36	0.95	0.90	
PZZA IJ	Sarimelati Kencana PT	2,206	0.04	BUY	840	4.23	20.53	10.61	8.80	1.40	1.21	
Construction												
ADHI IJ	Adhi Karya Persero Tbk PT	1,887	0.04	BUY	755	(74.40)	99.60	10.54	5.28	0.28	0.27	
PTPP IJ	PP Persero Tbk PT	4,464	0.08	BUY	1,040	40.73	28.86	3.41	2.65	0.24	0.22	
WIKA IJ	Wijaya Karya Persero Tbk PT	9,732	0.19	BUY	1,225	17.35	20.10	3.63	3.02	0.52	0.45	
WSBP IJ	Waskita Beton Precast Tbk PT	4,086	0.08	BUY	262	(29.90)	18.70	6.73	5.67	0.46	0.45	
WSKT IJ	Waskita Karya Persero Tbk PT	8,416	0.16	BUY	880	8.47	137.68	8.27	3.48	0.29	0.29	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,560	0.03	BUY	300	4.17	20.85	3.32	2.74	0.56	0.48	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	12,703	0.24	BUY	1,110	(7.75)	12.60	4.87	4.32	0.35	0.32	
PWON IJ	Pakuwon Jati Tbk PT	18,108	0.34	BUY	520	(9.02)	(3.70)	7.57	7.86	1.04	0.93	
SMRA IJ	Summarecon Agung Tbk PT	6,550	0.12	BUY	610	18.80	15.30	10.70	9.28	0.83	0.76	
CTRA IJ	Ciputra Development Tbk PT	10,115	0.19	BUY	880	8.58	(11.20)	8.10	9.12	0.62	0.58	
DMAS IJ	Puradelta Lestari Tbk PT	6,651	0.13	BUY	228	(30.89)	31.52	7.21	5.48	1.11	1.23	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	13,906	0.26	HOLD	6,620	(1.86)	(5.89)	67.12	71.32	0.74	0.73	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	4,844	0.09	BUY	1,000	27.51	22.68	15.05	12.27	0.86	0.74	
TBLA IJ	Tunas Baru Lampung Tbk PT	2,858	0.05	BUY	790	21.14	14.60	3.28	2.86	0.47	0.42	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	32,946	0.63	HOLD	1,100	(18.31)	0.59	6.12	6.08	0.49	0.47	
PTBA IJ	Bukit Asam Tbk PT	24,078	0.46	BUY	2,310	(3.33)	(6.24)	5.83	6.22	1.28	1.26	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,265	0.18	BUY	10,630	(39.96)	(18.30)	6.98	8.55	0.51	0.44	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	12,616	0.24	BUY	920	26.09	42.23	10.54	7.41	0.57	0.53	
INCO IJ	Vale Indonesia Tbk PT	28,120	0.53	SELL	2,300	(20.63)	(33.21)	24.82	37.16	0.86	0.84	
MDKA IJ	Merdeka Copper Gold Tbk PT	27,372	0.52	HOLD	1,280	(19.26)	10.41	19.49	17.65	2.55	2.02	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	85,270	1.62	SELL	4,150	9.82	15.94	22.25	19.19	3.54	3.15	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	10,788	0.21	BUY	1,060	2.99	15.17	5.92	5.14	0.88	0.80	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	92,212	1.75	BUY	55,450	(16.02)	8.63	10.09	9.29	1.72	1.58	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	223,912	4.26	BUY	2,500	(6.78)	3.44	17.50	16.92	6.27	6.28	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	44,911	0.85	BUY	13,900	19.34	12.44	20.50	18.24	1.91	1.87	
SMGR IJ	Semen Indonesia Persero Tbk PT	56,943	1.08	HOLD	9,000	30.77	(33.40)	18.22	27.35	1.69	1.64	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	2,893	0.06	BUY	450	18.73	7.01	11.28	10.54	1.86	1.46	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	56,325	1.07	BUY	19,930	(18.84)	13.03	6.13	5.43	0.84	0.72	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	11.54	1.46
JAKCONS INDEX	18.08	1.32
JAKINFRA INDEX	20.50	2.02
JAKBIND INDEX	39.80	1.88
JAKTRAD INDEX	11.20	1.21
JAKPROP INDEX	8.80	0.75
JAKMINE INDEX	10.43	1.00
JAKMIND INDEX	9.22	1.04
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





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