

KEY INDICATOR

03/11/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(0.25)	(200.00)
10 Yr (bps)	6.59	6.61	(0.02)	(39.20)
USD/IDR	14,585	14,640	-0.38%	4.08%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,159.45	0.87%	-18.10%	19.12
MSCI	5,704.30	0.86%	-21.73%	17.74
HSEI	24,939.73	1.96%	-11.53%	13.01
FTSE	5,786.77	2.33%	-23.28%	18.80
DJIA	27,480.03	2.06%	-3.71%	22.69
NASDAQ	11,160.57	1.85%	24.38%	36.14

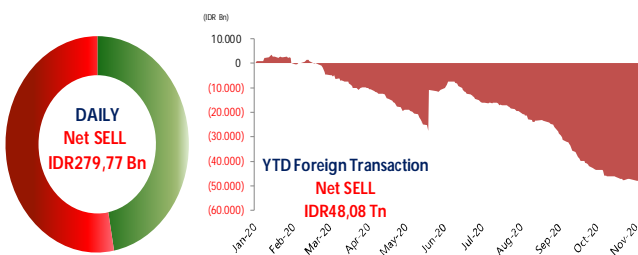
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	37.66	2.31%	-33.39%	-38.32%
COAL	USD/TON	60.55	1.09%	-10.10%	-10.56%
CPO	MYR/MT	3,070.00	3.19%	21.39%	0.59%
GOLD	USD/TOZ	1,909.17	0.72%	26.45%	25.83%
TIN	USD/MT	18,075.00	1.72%	10.05%	5.24%
NICKEL	USD/MT	15,363.00	1.34%	-6.21%	9.54%

CORPORATE ACTION

TICKER	EVENT	NOTES

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +2.06% on Tuesday (03/11) followed by S&P 500 (+1.78%) and Nasdaq (+1.85%). Stocks rose on investors' hopes that the US presidential election would run smoothly without a lawsuit. The market sees Biden going to win hands down so the lawsuit won't happen and discussion of the stimulus will be carried out more quickly. A recent poll from NBC News / Wall Street Journal shows former Vice President Joe Biden outperformed Trump on the final day of the vote by gaining 52% of the vote. Moreover, the market will look forward to several data releases today, such as: 1) US Balance of Trade; 2) US ISM Non Manufacturing PMI; 3) China Caixin Composite PMI.

Domestic Updates

The Ministry of Public Works and Public Housing (PUPR) seeks to address the housing shortage (backlog) and encourage low-income people (MBR) to have livable houses. As of 31 October 2020 the One Million Houses Program has reached 601,637 units. The achievements of the One Million Houses Program consist of the results of the construction of 434,828 low-income community houses (MBR) and 166,809 non-MBR units. The construction of MBR houses consists of the construction of 77,812 units of independent houses from the Ministry of PUPR and 393 units of Housing Special Allocation Fund (DAK).

Company News

1. ISAT IJ revenue increased by 3.1% YoY to IDR20.59 trillion in 9M20. The cellular phones segment which maintained to give highest contribution of IDR17.03 trillion experienced an increase of 12.9% YoY from its data center, while others such as the Multimedia, Internet and Data (MIDI) segment that contributes IDR3.16 trillion has decreased by -2.5% YoY due to lower sales from internet and IT, and telecommunication segment (IDR395.5 million) decreased by -24% YoY due to lower traffic. Despite the increase in revenue, ISAT undergone higher loss of IDR457.5 billion in 9M20 (Market Bisnis). **MNCS Comment: We note that customer base and ARPU growth drives a better topline in 3Q20, while its finance cost still dampening the bottom-line. ISAT is currently traded at 0.89x PBV.**
2. ADRO IJ revenue fell by -26% YoY to USD1.95 billion in 3Q20. Revenues from the mining and coal trading segments decreased -25% YoY, the mining services segment decreased by -42% YoY, and other segments decreased -32% YoY. However, with a strong short-term strategy, ADRO managed to decrease its COGS by -20% YoY, cost of coal cash per tonne by -17%, fuel cost by -28% and operating expense by -23%. Despite that, net profit plunged by -73.05% YoY to USD109.37 million in 3Q20 (Market Bisnis). **MNCS Comment: ADRO seem to be affected by the declining demand as well as commodity price, although ADRO is on the long term advantage due to their business diversification and coal downstream. ADRO is currently traded at 16.92x/0.68x PE/PBV.**
3. HOKI IJ booked a negative growth on sales of 23.6% YoY to IDR936.57 billion in 9M20 due the ongoing pandemic forcing the kiosk and supermarket to close. Even though HOKI managed to reduce COGS by -21.6% YoY, the operating expense increased 9.81% YoY. So, HOKI's net profit decreased significantly by 62.46% YoY to IDR28.50 billion in 9M20 (Market Bisnis). **MNCS Comment: We are concerned that demand in the traditional markets would weaken along with the possible shift in rice consumption from premium to medium rice segment by informal sector workers. However, we believe that the potential demand for HOKI's rice would come only from the festive season in 4Q20. HOKI is currently traded at 53.52x/3.17x PBV.**

IHSG Updates

JCI rose by +0.87% to 5,159.45 on Tuesday (03/11) followed by net foreign sell reaching IDR279.98 billion. JCI return to hike amid the strengthening on Global and Regional Asia Indices due to positive PMI data releases and the US election. All sector were rising led by Miscellaneous and Consumer sector. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,585. We estimate JCI will move in the range of 5,120 – 5,182 while waiting for 3Q20 GDP data release. **Today's recommendation: BBCA, CPIN, TKIM, ASRI.**

Stock	Close Price	Recommendation	Tactical Moves
BBCA	29,450	Buy on Weakness	BBCA movement is currently at the beginning of wave (v) of wave [a] of wave 5.
CPIN	5,950	Buy on Weakness	Currently CPIN is in the initial wave [iii] of wave C of wave (Y).
TKIM	6,425	Buy on Weakness	TKIM position is currently at the beginning of wave [iii] of wave C of wave (Y).
ASRI	156	Sell on Strength	As long as ASRI is unable to break its resistance at 166, the current ASRI movement will tend to be corrected 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	222,660	3.87	HOLD	5,500	(24.25)	25.37	13.55	10.81	1.11	1.04
Banking											
BBCA IJ	Bank Central Asia Tbk PT	726,090	12.50	HOLD	28,400	7.00	9.09	23.75	21.77	3.74	3.32
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	87,089	1.50	BUY	5,700	(28.97)	24.57	7.97	6.40	0.78	0.72
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	416,909	7.18	HOLD	3,200	(7.81)	1.06	13.03	12.90	1.97	1.81
BMRI IJ	Bank Mandiri Persero Tbk PT	280,000	4.82	SELL	5,100	(4.62)	9.13	10.68	9.79	1.27	1.16
BNGA IJ	Bank CIMB Niaga Tbk PT	18,849	0.32	BUY	850	2.43	9.99	5.01	4.55	0.44	0.43
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,826	0.26	SELL	1,000	(24.98)	497.17	93.31	15.63	0.87	0.83
BRIS IJ	Bank Brisyariah Tbk PT	11,465	0.20	SELL	230	(32.21)	9.83	228.44	207.99	2.23	2.21
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	255,581	4.44	BUY	3,600	(8.00)	8.33	13.44	12.40	2.38	2.26
EXCL IJ	XL Axiata Tbk PT	21,519	0.37	BUY	2,700	21.73	5.39	24.65	23.38	1.07	1.03
TOWR IJ	Sarana Menara Nusantara Tbk PT	50,249	0.87	BUY	1,150	13.11	8.81	19.47	17.90	4.75	4.19
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	27,435	0.48	HOLD	3,450	6.41	13.25	12.67	11.18	1.11	1.00
PGAS IJ	Perusahaan Gas Negara Tbk PT	26,060	0.45	BUY	1,200	83.33	27.27	11.99	9.42	0.42	0.40
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	298,524	5.19	HOLD	8,400	1.60	6.48	39.74	37.32	34.76	32.66
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	113,412	1.97	HOLD	10,300	6.31	9.52	21.13	19.29	4.15	3.75
INDF IJ	Indofood Sukses Makmur Tbk PT	61,463	1.07	BUY	8,500	3.50	11.05	12.10	10.90	1.52	1.39
HOKI IJ	Buyung Poetra Sembada PT	2,040	0.04	SELL	700	(26.89)	37.61	26.58	19.31	2.76	2.34
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	24,300	0.42	BUY	1,400	118.02	13.34	13.68	12.07	3.69	3.46
TBLA IJ	Tunas Baru Lampung Tbk PT	3,953	0.07	SELL	630	(43.57)	5.01	9.75	9.28	0.74	0.70
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	69,141	1.20	SELL	1,280	4.28	7.25	26.45	24.66	3.92	3.60
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	26,840	0.47	SELL	1,400	(6.76)	6.90	27.68	25.89	4.92	4.50
ERAA IJ	Erajaya Swasembada Tbk PT	5,662	0.10	SELL	1,280	13.54	66.00	16.99	10.24	1.02	0.92
MAPI IJ	Mitra Adiperkasa Tbk PT	10,624	0.18	HOLD	580	4.92	5.28	11.16	10.60	1.41	1.23
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,903	0.07	HOLD	500	(32.91)	25.56	8.47	6.75	0.87	0.82
PZZA IJ	Sarimelati Kencana PT	1,843	0.03	BUY	840	4.23	20.53	8.87	7.36	1.17	1.01
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,083	0.04	BUY	660	(74.40)	99.60	11.63	5.83	0.31	0.29
PTPP IJ	PP Persero Tbk PT	5,642	0.10	HOLD	870	(58.56)	30.26	14.64	11.24	0.31	0.28
WIKA IJ	Wijaya Karya Persero Tbk PT	10,809	0.19	HOLD	1,290	(69.76)	7.05	15.64	14.61	0.57	0.50
WSBP IJ	Waskita Beton Precast Tbk PT	4,218	0.07	BUY	262	(29.90)	18.70	6.94	5.85	0.47	0.46
WSKT IJ	Waskita Karya Persero Tbk PT	10,248	0.18	SELL	650	(67.97)	18.14	34.11	28.87	0.35	0.35
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,713	0.03	BUY	300	4.17	20.85	3.64	3.01	0.61	0.53



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	19,160	0.33	BUY	1,110	(7.75)	12.60	6.67	5.93	0.48	0.44	
PWON IJ	Pakuwon Jati Tbk PT	20,323	0.35	BUY	520	(9.02)	(3.70)	8.49	8.82	1.17	1.04	
SMRA IJ	Summarecon Agung Tbk PT	9,305	0.16	HOLD	610	(69.64)	44.19	59.50	41.27	0.97	0.95	
CTRA IJ	Ciputra Development Tbk PT	15,219	0.26	HOLD	880	8.58	(11.20)	12.18	13.72	0.93	0.88	
DMAS IJ	Puradelta Lestari Tbk PT	10,507	0.18	HOLD	228	(30.89)	31.52	11.39	8.66	1.75	1.95	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	20,690	0.36	HOLD	11,800	240.96	15.24	28.74	24.94	1.08	1.03	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,686	0.12	BUY	1,100	27.51	22.68	20.77	16.93	0.77	0.74	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,624	0.64	BUY	1,310	(18.31)	0.59	6.80	6.76	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	22,465	0.39	BUY	2,390	(16.98)	4.55	6.33	6.06	1.20	1.18	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,378	0.16	BUY	10,630	(58.33)	(20.00)	10.18	12.73	0.37	0.32	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	26,674	0.46	SELL	920	26.09	42.23	22.29	15.67	1.21	1.12	
INCO IJ	Vale Indonesia Tbk PT	42,031	0.73	SELL	3,590	13.79	2.00	51.90	50.88	1.30	1.26	
MDKA IJ	Merdeka Copper Gold Tbk PT	41,058	0.71	SELL	1,595	(21.21)	25.00	28.76	23.01	3.83	3.03	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	97,568	1.70	SELL	4,150	9.82	15.94	25.46	21.96	4.05	3.60	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,489	0.22	HOLD	1,150	(60.18)	121.37	17.71	8.00	1.05	0.93	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	78,551	1.37	BUY	55,450	(16.02)	8.63	8.60	7.91	1.47	1.35	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	165,172	2.87	BUY	1,650	(22.03)	3.26	15.43	14.95	4.92	4.95	
Cement												
INTP IJ	Indocement Tunggai Prakarsa Tbk PT	45,187	0.79	BUY	13,900	19.34	12.44	20.63	18.35	1.92	1.88	
SMGR IJ	Semen Indonesia Persero Tbk PT	52,939	0.92	HOLD	9,000	30.77	(33.40)	16.94	25.43	1.57	1.52	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,641	0.06	HOLD	450	18.73	7.01	14.20	13.27	2.34	1.84	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	77,960	1.36	HOLD	19,930	(18.84)	13.03	8.49	7.51	1.16	1.00	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	17.83	1.82
JAKCONS INDEX	18.32	3.79
JAKINFRA INDEX	32.95	2.02
JAKBIND INDEX	54.81	1.91
JAKTRAD INDEX	12.30	1.05
JAKPROP INDEX	1.13	0.88
JAKMINE INDEX	36.18	1.19
JAKMIND INDEX	13.89	1.24
JAKAGRI INDEX	-	0.93

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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