

KEY INDICATOR

05/11/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(0.25)	(200.00)
10 Yr (bps)	6.46	6.64	(0.18)	(49.40)
USD/IDR	14,380	14,565	-1.27%	2.93%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,260.33	3.04%	-16.50%	19.47
MSCI	5,875.73	4.76%	-19.38%	18.17
HSEI	25,695.92	3.25%	-8.85%	13.32
FTSE	5,906.18	0.39%	-21.69%	19.60
DJIA	28,390.18	1.95%	-0.52%	23.41
NASDAQ	11,890.93	2.59%	32.52%	38.47

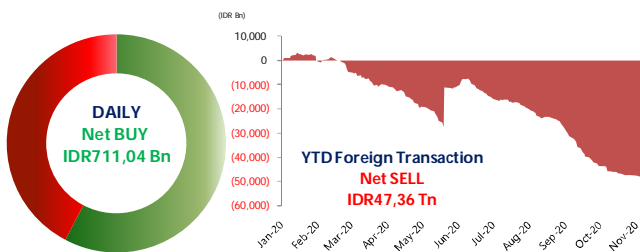
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	38.79	-0.92%	-32.22%	-36.47%
COAL	USD/TON	61.45	1.40%	-8.49%	-9.23%
CPO	MYR/MT	3,208.00	3.58%	27.55%	5.11%
GOLD	USD/TOZ	1,949.66	2.46%	31.41%	28.50%
TIN	USD/MT	18,240.00	0.27%	10.85%	6.20%
NICKEL	USD/MT	15,561.00	1.40%	-4.42%	10.95%

CORPORATE ACTION

TICKER	EVENT	NOTES
PNBS	Rights Issue	IDR100/share
PKPK	RUPS	
DVLA	Cum Dividend Date	IDR37/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +1.95% on Thursday (05/11) followed by S&P 500 (+1.95%) and Nasdaq (+2.59%). Stocks soared on hopes the winner of the U.S. presidential and congressional elections would soon be determined, with shares of major tech-related companies leading the gains. Investors in this high growth sector cheered a potential divided government as it likely means taxes won't go up, antitrust scrutiny could stay in check and the China trade war doesn't get any worse. Moreover, the market will look forward to several data releases today, such as: 1) US Unemployment Rate; 2) US Fed Rate Decision; 3) US Non Farm Payroll.

Domestic Updates

Indonesia's annual economic shrank by 3.49% YoY (5.05% QoQ) in 3Q20, slightly lower from market consensus of 3% contraction. 64.13% of GDP made up from Industry, Agriculture, Trade, Construction, and Mining sector. Most of the sector experienced a contraction such as manufacturing (-4.31% YoY), construction (-4.52% YoY), trade (-5.03% YoY), accommodation and F&B (-11.86% YoY), transportation (-16.07% YoY), while agriculture sector increased 2.15% YoY. Household consumption contracted 4.04% (vs -5.52% Q2) or -2.17% YoY, and export and import dropped by 10.82%YoY and 21.86% YoY respectively. Meanwhile government spending increase 9.76% YoY.

Company News

- TLKM IJ** announced a revenue of IDR99.94 trillion (-2.62% YoY) for 9M20. Data revenues reached IDR56.45 trillion (+3.46% YoY), revenue from the mobile data business reached IDR48.82 trillion (+5.17% YoY), Indihome's income also increased to IDR16.11 trillion (+17.07% YoY) but unfortunately telephone revenue which fell to IDR15.13 trillion. Thus, the net income still increased by 1.33% YoY to IDR16.68 trillion in 9M20 (Market Bisnis). **MNCS Comment: Despite the drop on top line, TLKM's bottom line is lifted from the mobile data and internet business. TLKM is currently traded at 12.49x/2.86x PE/PBV.**
- GOOD IJ** reported revenue decreased by -9.15% YoY to IDR5.74 trillion which comprised 95.09% from local sales and the rest came from export. Even though, the company managed to reduce its COGS and selling expenses by -6.32% and -20.28% YoY respectively, the financial expenses and other operating expenses increased significantly by 18.81% and 122.78% YoY respectively. Therefore, the net income slumped -42.92% YoY to IDR162.98 billion (Market Bisnis). **MNCS Comment: GOOD's performance seem to still be affected by the pandemic while GOOD has not implement an efficiency strategy causing the bottom line to drop. GOOD is currently traded at 32.38x/3.63x PE/PBV.**
- EXCL IJ** booked revenue of IDR19.66 trillion in 3Q20, rose 5% YoY. The data revenue grew 12% YoY, increasing its contribution to the total service revenue (92%). Data traffic for 9M20 has increased 47% YoY, while customer smartphone's penetration rate increased to 88%. EXCL managed to decrease the operating cost by 14% YoY for 9M20. The decrease was driven by lower cost of infrastructure (-28% YoY) due to adoption of IFRS16, interconnection costs and other direct costs (-24%YoY), and marketing costs (-6% YoY). Hence, the net income rose significantly by 316.32% YoY to IDR2.07 trillion in 3Q20 (Market Bisnis). **MNCS Comment: Aside from the increasing traffic, EXCL managed to slashed the cost and improved the bottom line significantly. EXCL is currently traded at 8.16x/1.08x PBV.**

IHSG Updates

JCI soared by +3.04% to 5,260.33 on Thursday (05/11) followed by net foreign buy reaching IDR711.04 billion. JCI increased higher although the 3Q GDP slumped deeper than estimated but it seems that investors has anticipated this. The optimism rose from Biden whose the running US vote leader which has boost the finance and infrastructure sector significantly. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,380. We estimate JCI will move in the range of 5,200 – 5,280 while waiting for Consumer confidence. **Today's recommendation: TLKM, BBRI, SMGR, BEST.**

Stock	Close Price	Recommendation	Tactical Moves
TLKM	2,770	Buy on Weakness	Currently TLKM is in wave (c) of wave [i] of wave C.
BBRI	3,490	Buy on Weakness	BBRI movement is currently in the part of wave [c] of wave B.
SMGR	9,950	Buy on Weakness	Currently SMGR is in the wave [c] part of wave B of wave (B).
BEST	167	Sell on Strength	BEST's movement is a part of wave C, where BEST is still vulnerable to correction.

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	3.80	HOLD	5,500	(24.25)	25.37	13.55	10.81	1.11	1.04
Banking											
BBCA IJ	Bank Central Asia Tbk PT	758,142	12.80	HOLD	28,400	7.00	9.09	24.80	22.73	3.91	3.46
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	90,073	1.52	BUY	5,700	(28.97)	24.57	8.24	6.62	0.81	0.74
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	430,477	7.27	HOLD	3,200	(7.81)	1.06	13.46	13.32	2.03	1.87
BMRI IJ	Bank Mandiri Persero Tbk PT	278,833	4.71	SELL	5,100	(4.62)	9.13	10.64	9.75	1.26	1.16
BNGA IJ	Bank CIMB Niaga Tbk PT	19,226	0.32	BUY	850	2.43	9.99	5.11	4.64	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	15,197	0.26	SELL	1,000	(24.98)	497.17	95.64	16.02	0.90	0.85
BRIS IJ	Bank Brisyariah Tbk PT	12,361	0.21	SELL	230	(32.21)	9.83	244.89	222.98	2.40	2.37
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	274,402	4.68	BUY	3,600	(8.00)	8.33	14.43	13.32	2.56	2.42
EXCL IJ	XL Axiata Tbk PT	22,590	0.39	BUY	2,700	21.73	5.39	25.87	24.55	1.13	1.08
TOWR IJ	Sarana Menara Nusantara Tbk PT	50,504	0.86	BUY	1,150	13.11	8.81	19.57	17.99	4.77	4.21
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	27,652	0.47	HOLD	3,450	6.41	13.25	12.77	11.27	1.12	1.01
PGAS IJ	Perusahaan Gas Negara Tbk PT	26,181	0.45	BUY	1,200	83.33	27.27	12.05	9.47	0.42	0.40
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	301,385	5.14	HOLD	8,400	1.60	6.48	40.12	37.68	35.10	32.97
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	115,453	1.97	HOLD	10,300	6.31	9.52	21.51	19.64	4.23	3.82
INDF IJ	Indofood Sukses Makmur Tbk PT	62,561	1.07	BUY	8,500	3.50	11.05	12.32	11.09	1.55	1.42
HOKI IJ	Buyung Poetra Sembada PT	2,017	0.03	SELL	700	(26.89)	37.61	26.27	19.09	2.73	2.31
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	24,450	0.42	BUY	1,400	118.02	13.34	13.77	12.15	3.71	3.48
TBLA IJ	Tunas Baru Lampung Tbk PT	4,060	0.07	SELL	630	(43.57)	5.01	10.01	9.53	0.76	0.72
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	70,313	1.20	SELL	1,280	4.28	7.25	26.90	25.08	3.98	3.66
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	27,612	0.47	SELL	1,400	(6.76)	6.90	28.48	26.64	5.06	4.63
ERAA IJ	Erajaya Swasembada Tbk PT	5,567	0.09	SELL	1,280	13.54	66.00	16.71	10.06	1.00	0.90
MAPI IJ	Mitra Adiperkasa Tbk PT	10,790	0.18	SELL	580	4.92	5.28	11.33	10.77	1.43	1.25
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,009	0.07	SELL	500	(32.91)	25.56	8.70	6.93	0.90	0.85
PZZA IJ	Sarimelati Kencana PT	1,874	0.03	BUY	840	4.23	20.53	9.01	7.48	1.19	1.02
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,101	0.04	BUY	660	(74.40)	99.60	11.73	5.88	0.31	0.30
PTPP IJ	PP Persero Tbk PT	5,704	0.10	HOLD	870	(58.56)	30.26	14.80	11.36	0.31	0.29
WIKA IJ	Wijaya Karya Persero Tbk PT	11,078	0.19	HOLD	1,290	(69.76)	7.05	16.03	14.98	0.59	0.51
WSBP IJ	Waskita Beton Precast Tbk PT	4,191	0.07	BUY	262	(29.90)	18.70	6.90	5.81	0.47	0.46
WSKT IJ	Waskita Karya Persero Tbk PT	10,180	0.17	SELL	650	(67.97)	18.14	33.88	28.68	0.35	0.34
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,723	0.03	BUY	300	4.17	20.85	3.66	3.03	0.61	0.53



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	19,689	0.34	BUY	1,110	(7.75)	12.60	6.86	6.09	0.49	0.46	
PWON IJ	Pakuwon Jati Tbk PT	20,034	0.34	BUY	520	(9.02)	(3.70)	8.37	8.69	1.15	1.03	
SMRA IJ	Summarecon Agung Tbk PT	9,522	0.16	HOLD	610	(69.64)	44.19	60.89	42.23	0.99	0.97	
CTRA IJ	Ciputra Development Tbk PT	15,127	0.26	HOLD	880	8.58	(11.20)	12.11	13.63	0.92	0.87	
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	20,739	0.35	HOLD	11,800	240.96	15.24	28.81	25.00	1.08	1.03	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,755	0.12	BUY	1,100	27.51	22.68	20.98	17.10	0.78	0.75	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,464	0.62	BUY	1,310	(18.31)	0.59	6.77	6.73	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	22,696	0.39	BUY	2,390	(16.98)	4.55	6.40	6.12	1.21	1.19	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,435	0.16	BUY	10,630	(58.33)	(20.00)	10.25	12.81	0.37	0.32	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	27,035	0.46	SELL	920	26.09	42.23	22.59	15.89	1.23	1.14	
INCO IJ	Vale Indonesia Tbk PT	42,428	0.72	SELL	3,590	13.79	2.00	52.39	51.37	1.31	1.27	
MDKA IJ	Merdeka Copper Gold Tbk PT	42,481	0.72	SELL	1,595	(21.21)	25.00	29.75	23.80	3.96	3.13	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	102,488	1.75	SELL	4,150	9.82	15.94	26.75	23.07	4.25	3.78	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,841	0.22	HOLD	1,150	(60.18)	121.37	18.21	8.23	1.08	0.96	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	79,272	1.35	BUY	55,450	(16.02)	8.63	8.68	7.99	1.48	1.36	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	165,753	2.83	BUY	1,650	(22.03)	3.26	15.49	15.00	4.94	4.96	
Cement												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	46,015	0.78	BUY	13,900	19.34	12.44	21.01	18.68	1.96	1.92	
SMGR IJ	Semen Indonesia Persero Tbk PT	59,019	1.01	HOLD	9,000	30.77	(33.40)	18.88	28.35	1.75	1.70	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,671	0.06	HOLD	450	18.73	7.01	14.32	13.38	2.36	1.85	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	77,867	1.33	HOLD	19,930	(18.84)	13.03	8.48	7.50	1.16	1.00	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	19.05	1.86
JAKCONS INDEX	18.50	3.82
JAKINFRA INDEX	33.85	2.05
JAKBIND INDEX	55.05	1.96
JAKTRAD INDEX	12.46	1.07
JAKPROP INDEX	1.14	0.89
JAKMINE INDEX	35.41	1.23
JAKMIND INDEX	14.51	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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