

KEY INDICATOR

01/10/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.93	6.96	(3.60)	(36.70)
USD/IDR	14,835.00	14,880.00	-0.30%	4.35%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,970.09	2.05%	-21.10%	18.17
MSCI	5,487.20	3.31%	-24.71%	17.94
HSEI	23,459.05	0.79%	-16.78%	12.41
FTSE	5,879.45	0.23%	-22.05%	19.29
DJIA	27,816.90	0.13%	-2.53%	24.16
NASDAQ	11,326.51	1.42%	26.23%	38.10

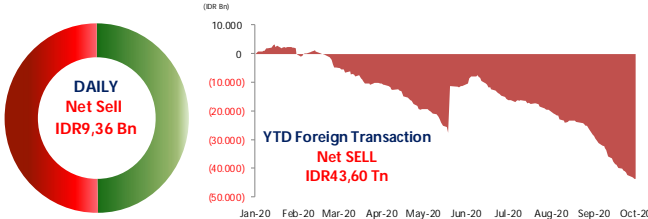
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	38.72	-3.73%	-27.79%	-36.59%
COAL	USD/TON	58.60	0.00%	-13.06%	-13.44%
CPO	MYR/MT	2,789.00	2.76%	28.70%	-8.62%
GOLD	USD/TOZ	1,906.01	1.07%	28.86%	25.62%
TIN	USD/MT	17,302.00	-1.10%	6.47%	0.74%
NICKEL	USD/MT	14,343.00	-1.20%	-16.71%	2.27%

CORPORATE ACTION

TICKER	EVENT	NOTES
MBTO	RUPS	
JSKY	RUPS	
BEKS	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA was flat by +0.13% on Thursday (01/10) followed by S&P 500 (+0.53%) and Nasdaq (+1.42%). These were due to the uncertainty in stimulus agreement as The White House offered a USD1.6 trillion package, short of Democrats' USD2.2 trillion proposal. While the counter-offer also included USD400 a week in additional unemployment insurance, less than the USD600 the Democrats requested. The stimulus bill would also include much-needed aid for the airline industry to stem a wave of layoffs in the wake of weaker travel demand. Moreover, the market will look forward to several data releases today, such as: 1) US Unemployment Rate; 2) US Non Farm Payroll; 3) US Michigan Consumer Sentiment Final.

Domestic Updates

•BPS announce a deflation of 0.05% MoM while on a yearly basis inflation are recorded at 1.42% YoY and 0.89% YTD. Deflation occurred due to lower prices as indicated by the fall in several indexes for the expenditure group, namely: the food, beverages and tobacco group by 0.37%; clothing and footwear group by 0.01%; the transportation group of 0.33%; and the information, communication and financial services group of 0.01% (BPS).

•The IHS Markit Indonesia Manufacturing PMI fell to 47.2 in September 2020, from 50.8 in August 2020 due to the re-imposition of large-scale social restrictions (PSBB) in Jakarta in mid-September amid rising COVID-19 infections. Output and new orders both shrank solidly, while firms stepped up their efforts to scale back on capacity and overheads, with employment and purchasing activity falling further. Looking ahead, sentiment remained elevated on hopes that the pandemic will be brought under control (Trading Economics).

Company News

1. **AALI IJ** will be distributing an interim dividend of IDR42 per share, with yield at 0.91%. Total dividend amounted to IDR80.83 billion. Cum date will be at 07 October 2020 while Payment date will be at 27 October 2020. Meanwhile AALI's bottom line in 1H20 rose significantly by 796.59% YoY (Market Bisnis). **MNCS Comment: AALI's performance in 1H20 has exceed expectation, this is benefitted from the rise on CPO price. We expect the final dividend that will be distributed next year might has a larger amount. AALI has not yet distributed an interim dividend since FY18. AALI is currently traded at 26.21x/1.09x PE/PBV.**
2. **ADHI IJ** has received the realization of the sixth payment for the Jabodebek Phase I LRT project worth IDR1.8 trillion. The amount does not include tax. This payment is made based on the progress of work from October 2019 to December 2019. Overall, ADHI has received payment for the construction of the Jabodebek LRT infrastructure amounting to IDR10.8 trillion. As of September 25, 2020, the progress of the implementation of the Jabodebek Phase I LRT infrastructure development has reached 77.3% (Market Bisnis). **MNCS Comment: the acceptance received by ADHI will at least help ADHI's cash flow in the midst of a challenging business. ADHI is currently traded at 80.56x/0.32x PE/PBV.**
3. **ENRG IJ** recorded a 28% YoY increase in sales to USD148 million compared to the USD116.3 million in the 1H19. In addition, the company's net profit also managed to increase by 3% to USD 27.34 million in 1H20. From the operational side, the company has produced 2,556 barrels of oil per day, up 8% YoY from the same period last year. Meanwhile, gas production rose 36% YoY to 172 million cubic feet of gas per day (Market Bisnis). **MNCS Comment: The increase in ENRG profit was quite good amidst the volatility of oil commodity prices. However, investors must remain alert to share prices which are still in the range of IDR50-60 per share. ENRG is currently traded at 0.73x/0.17x PE/PBV.**

IHSG Updates

JCI rose by +2.05% to 4,970.09 on Thursday (01/10) followed by net foreign sell reaching IDR9.33 billion. Index rallied entering October, despite the release of monthly deflation and a lower PMI, market seems to ignore the bad news. Moreover, China is currently celebrating mid-autumn festival so the stock exchanges won't open for a week. As for Nikkei, the index was not running yesterday due to technical faulty. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,835. We estimate JCI will move in the range of 4,900 – 5,000 while waiting for Consumer Confidence data release. **Today's recommendation: TLKM, PGAS, AALI, SMRA.**

Stock	Close Price	Recommendation	Tactical Moves
TLKM	2,750	Buy on Weakness	As long as it is not corrected below 2,540, at the moment the position of TLKM is forming the beginning of wave C.
PGAS	955	Buy on Weakness	The PGAS movement yesterday (1/10) we estimate will be the start of wave B of wave (B).
AALI	10,675	Buy on Weakness	At the moment AALI is in the initial wave [iii] of wave 5.
SMRA	565	Sell on Strength	The strengthening of SMRA will tend to be limited to forming wave (c) of wave [b].

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	186,629	3.37	BUY	5,500	(24.25)	25.37	11.35	9.06	0.93	0.87	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	686,642	12.27	HOLD	28,400	7.00	9.09	22.46	20.59	3.54	3.14	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	85,224	1.52	BUY	5,700	(28.97)	24.57	7.80	6.26	0.76	0.70	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	389,773	6.96	HOLD	3,200	(7.81)	1.06	12.19	12.06	1.84	1.70	
BMRI IJ	Bank Mandiri Persero Tbk PT	242,667	4.34	HOLD	5,100	(4.62)	9.13	9.26	8.48	1.10	1.01	
BNGA IJ	Bank CIMB Niaga Tbk PT	18,472	0.33	BUY	850	2.43	9.99	4.91	4.46	0.43	0.42	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,079	0.23	SELL	1,000	(24.98)	497.17	82.31	13.78	0.77	0.73	
BRIS IJ	Bank Brisyariah Tbk PT	7,724	0.14	SELL	230	(32.21)	9.83	153.91	140.13	1.51	1.49	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	272,421	4.92	BUY	3,600	(8.00)	8.33	14.32	13.22	2.54	2.40	
EXCL IJ	XL Axiata Tbk PT	23,553	0.43	BUY	2,700	21.73	5.39	26.97	25.59	1.18	1.12	
TOWR IJ	Sarana Menara Nusantara Tbk PT	54,076	0.98	SELL	950	13.11	8.81	20.95	19.26	5.11	4.51	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	26,346	0.48	HOLD	3,450	6.41	13.25	12.16	10.74	1.06	0.96	
PGAS IJ	Perusahaan Gas Negara Tbk PT	23,151	0.42	BUY	1,200	83.33	27.27	10.65	8.37	0.37	0.36	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	306,154	5.53	HOLD	8,400	1.60	6.48	40.76	38.28	35.65	33.50	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	118,368	2.14	HOLD	10,300	6.31	9.52	22.05	20.14	4.33	3.91	
INDF IJ	Indofood Sukses Makmur Tbk PT	63,000	1.14	BUY	8,500	3.50	11.05	12.40	11.17	1.56	1.43	
HOKI IJ	Buyung Poetra Sembada PT	1,849	0.03	HOLD	700	(26.89)	37.61	24.09	17.51	2.50	2.12	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,350	0.40	BUY	1,400	118.02	13.34	12.59	11.10	3.39	3.18	
TBLA IJ	Tunas Baru Lampung Tbk PT	4,007	0.07	SELL	630	(43.57)	5.01	9.88	9.41	0.75	0.71	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	75,469	1.36	SELL	1,280	4.28	7.25	28.87	26.92	4.27	3.93	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	27,612	0.50	SELL	1,400	(6.76)	6.90	28.48	26.64	5.06	4.63	
ERAA IJ	Erajaya Swasembada Tbk PT	4,849	0.09	SELL	1,280	13.54	66.00	14.55	8.77	0.87	0.78	
MAPI IJ	Mitra Adiperkasa Tbk PT	9,628	0.17	HOLD	580	4.92	5.28	10.11	9.61	1.28	1.12	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,761	0.07	HOLD	500	(32.91)	25.56	8.16	6.50	0.84	0.79	
PZZA IJ	Sarimelati Kencana PT	1,768	0.03	BUY	840	4.23	20.53	8.50	7.06	1.12	0.97	
Construction												
ADHI IJ	Adhi Karya Persero Tbk PT	1,816	0.03	BUY	660	(74.40)	99.60	10.14	5.08	0.27	0.26	
PTPP IJ	PP Persero Tbk PT	5,208	0.09	HOLD	870	(58.56)	30.26	13.51	10.37	0.28	0.26	
WIKA IJ	Wijaya Karya Persero Tbk PT	10,046	0.18	BUY	1,290	(69.76)	7.05	14.54	13.58	0.53	0.46	
WSBP IJ	Waskita Beton Precast Tbk PT	3,691	0.07	BUY	262	(29.90)	18.70	6.07	5.12	0.41	0.40	
WSKT IJ	Waskita Karya Persero Tbk PT	6,923	0.12	BUY	650	(67.97)	18.14	23.04	19.50	0.24	0.23	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,532	0.03	BUY	300	4.17	20.85	3.25	2.69	0.55	0.47	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,773	0.28	BUY	1,110	(7.75)	12.60	5.49	4.88	0.39	0.37	
PWON IJ	Pakuwon Jati Tbk PT	17,048	0.31	BUY	520	(9.02)	(3.70)	7.12	7.40	0.98	0.87	
SMRA IJ	Summarecon Agung Tbk PT	8,151	0.15	HOLD	610	(69.64)	44.19	52.12	36.15	0.85	0.83	
CTRA IJ	Ciputra Development Tbk PT	12,528	0.23	BUY	880	8.58	(11.20)	10.03	11.29	0.76	0.72	
DMAS IJ	Puradelta Lestari Tbk PT	9,929	0.18	BUY	228	(30.89)	31.52	10.76	8.18	1.65	1.84	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	20,546	0.37	SELL	9,125	240.96	15.24	28.54	24.77	1.07	1.02	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,516	0.12	HOLD	1,000	27.51	22.68	20.24	16.50	1.15	1.00	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	37,743	0.68	BUY	1,310	(18.31)	0.59	7.01	6.97	0.56	0.54	
PTBA IJ	Bukit Asam Tbk PT	23,041	0.42	BUY	2,390	(16.98)	4.55	6.49	6.21	1.23	1.21	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,265	0.17	BUY	10,630	(58.33)	(20.00)	10.06	12.58	0.36	0.31	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	17,663	0.32	BUY	920	26.09	42.23	14.76	10.38	0.80	0.74	
INCO IJ	Vale Indonesia Tbk PT	36,168	0.65	HOLD	3,590	13.79	2.00	44.66	43.79	1.12	1.08	
MDKA IJ	Merdeka Copper Gold Tbk PT	35,584	0.64	HOLD	1,595	(21.21)	25.00	24.92	19.94	3.32	2.62	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	95,108	1.72	SELL	4,150	9.82	15.94	24.82	21.41	3.95	3.51	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,720	0.25	HOLD	1,150	(60.18)	121.37	19.46	8.79	1.15	1.02	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	77,829	1.40	BUY	55,450	(16.02)	8.63	8.52	7.84	1.45	1.33	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	165,753	2.99	BUY	1,650	(22.03)	3.26	15.49	15.00	4.94	4.96	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	39,665	0.72	BUY	13,900	19.34	12.44	18.11	16.11	1.69	1.65	
SMGR IJ	Semen Indonesia Persero Tbk PT	56,794	1.02	HOLD	9,000	30.77	(33.40)	18.17	27.28	1.68	1.63	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,274	0.06	HOLD	450	18.73	7.01	12.77	11.94	2.10	1.65	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	84,954	1.53	SELL	19,930	(18.84)	13.03	9.25	8.19	1.26	1.09	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	15.89	1.72
JAKCONS INDEX	18.06	3.85
JAKINFRA INDEX	32.16	2.08
JAKBIND INDEX	51.05	1.83
JAKTRAD INDEX	11.68	0.37
JAKPROP INDEX	1.18	0.95
JAKMINE INDEX	23.63	1.13
JAKMIND INDEX	10.15	1.09
JAKAGRI INDEX	-	0.91

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
 Investment Strategy
 Ext. 52162



Victoria Venny – Research Analyst
victoria.nawang@mncgroup.com
 Telco, Toll Road, Logistic, Consumer, Poultry
 Ext. 52236



T. Herditya Wicaksana – Technical Analyst
herditya.wicaksana@mncgroup.com
 Technical Specialist – Elliott Wave
 Ext. 52150



Muhamad Rudy Setiawan – Research Analyst
muhamad.setiawan@mncgroup.com
 Construction, Property, Oil and Gas
 Ext. 52317



Catherina Vincentia – Research Associate
catherina.vincentia@mncgroup.com
 Generalist
 Ext. 52306

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