

KEY INDICATOR

22/10/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(0.25)	(200.00)
10 Yr (bps)	6.61	6.61	0.00	(48.60)
USD/IDR	14,660	14,633	0.18%	4.41%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,091.82	-0.09%	-19.17%	19.93
MSCI	5,665.86	0.34%	-22.26%	18.78
HSEI	24,786.13	0.13%	-12.07%	12.99
FTSE	5,785.65	0.16%	-23.29%	18.92
DJIA	28,363.66	0.54%	-0.61%	23.74
NASDAQ	11,506.01	0.19%	28.23%	37.65

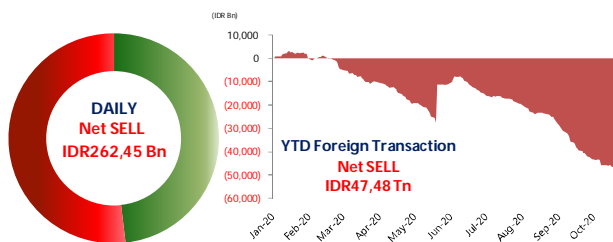
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.64	1.52%	-24.96%	-33.44%
COAL	USD/TON	58.00	0.43%	-14.01%	-14.33%
CPO	MYR/MT	2,943.00	1.90%	27.02%	-3.57%
GOLD	USD/TOZ	1,904.11	-1.05%	27.99%	25.50%
TIN	USD/MT	18,685.00	-0.32%	10.89%	8.79%
NICKEL	USD/MT	15,817.00	-0.43%	-4.14%	12.78%

CORPORATE ACTION

TICKER	EVENT	NOTES
NZIA	RUPS	
DIGI	RUPS	
CLEO	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA increased by +0.54% on Thursday (22/10) followed by S&P 500 (+0.52%) and Nasdaq (+0.19%). Global stocks finally regained their strength after the release of several companies financial statements that recorded brilliant performance in 3Q20, this is a form of investor appreciation for the improved performance in the midst of the increasing Covid-19 case. Meanwhile, NatWest Markets Global predicts the US fiscal stimulus package will not yet be available ahead of next month's elections, given the uncertainty that there will be high volatility in the market. Moreover, the market will look forward to several data releases today, such as: 1) US Presidential Debate; 2) US PMI Markt Manufacturing; 3) Japan Inflation Rate.

Domestic Updates

The government has set IDR51.2 trillion for the National Health Insurance (JKN) program in the 2021 APBN. The JKN program allocation is around 30.1% of the health budget which is IDR169.7 trillion in 2021. There will be JKN contribution assistance for non-wage earner (PBPU) and non worker (BP) participants within class III amounting to IDR2.4 trillion, so the subsidy is sustainable. While the contribution assistance for PBI reached IDR48.8 trillion.

Company News

- BJTM IJ** posted a net profit of IDR1.1 tn (-3.59% YoY) in 9M20, due to the -7.79% YoY drop in Non-interest income despite a rise of 4.37% YoY in interest income. While NIM stood at 5.70%. Non-Performing Loan (NPL) remains at 4.49% level in 9M20 with the net NPL at 1.85%. Subsequently, BJTM has restructured IDR1.69 tn of loan as of 9M20 equals to 4.20% of the total loan, we see that the loan restructure has eased down since July 2020. (Analyst Meeting). **MNCS Comment: BJTM managed to sustained their performance during the tough time by focusing on strengthening the technology breakthrough. BJTM has been heightening their bank digitalization, reflected on the increasing transaction volume on both mobile internet banking. BJTM is currently traded at 5.70x/0.96x PE/PBV.**
- LINK IJ** recorded 6.76% YoY increase in revenue to IDR2.95 trillion in 3Q20. The revenue consist of subscription fees for internet and network broadband services amounted to IDR1.60 trillion, subscription fees for cable television services of IDR1.20 trillion, and other income of IDR144 billion. However, cost of revenue increased by 14.48% YoY along with selling expenses which grew by 33.33% YoY. So, LINK posted a decrease in profit of 9.59% YoY to IDR698 billion in 3Q20 (Market Bisnis). **MNCS Comment: The increase on top line is essentially from the subscribers growth in 3Q20. Though, LINK seems to not have implement efficiency causing the bottom line to suffer. Furthermore, LINK is currently in the process of being acquired by foreign companies which will resulted in fresh fund for the company. LINK is currently traded at 6.45x/1.32x PE/PBV.**
- UNVR IJ** recorded a slight increase of 0.31% YoY in revenue to IDR32.46 trillion in 3Q20. Domestic sales rose by 0.77% YoY while export sales decreased by -8.92% YoY. The increase in marketing and sales expenses and general and administrative expenses by 8.03% YoY/13.16% YoY has caused net profit to slipped a little to IDR5.44 trillion (-1.27%) in 3Q20 (Kontan). **MNCS Comment: Seems flat but this has proven that UNVR managed to maintained their performance in spite of the uncertainty. The export decrease must have been caused by a tight import regulation by several countries. Furthermore, UNVR has planned to replace their executives which we hope will bring a new direction to the company. UNVR is currently traded at 41.30x/46.17x PE/PBV.**

IHSG Updates

JCI fell flat by -0.09% to 5,091.82 on Thursday (22/10) followed by net foreign sell reaching IDR262.45 billion. JCI remains sideways along with the slip on the regional Asia indices. Investors seems to be waiting for a sentiment to move the market as there are barely any. Meanwhile, the Rupiah exchange rate was weakening at IDR14,660. We estimate JCI will move in the range of 5,067 – 5,135. **Today's recommendation: JSMR, ACES, EXCL, WSKT.**

Stock	Close Price	Recommendation	Tactical Moves
JSMR	3,640	Buy on Weakness	Currently JSMR is forming wave [iv], where JSMR is still vulnerable to be corrected first.
ACES	1,580	Buy on Weakness	ACES has the potential to strengthen to form part of wave (iii) of wave [iii] of wave 3.
EXCL	2,110	Spec Buy	EXCL is at the start of wave [iii] of wave 3 of wave (C).
WSKT	765	Sell on Strength	WSKT position is already at the end of wave [v] of wave 3 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
Automotive											
ASII IJ	Astra International Tbk PT	202,418	3.54	HOLD	5,500	(24.25)	25.37	12.32	9.82	1.01	0.95
Banking											
BBCA IJ	Bank Central Asia Tbk PT	727,323	12.60	HOLD	28,400	7.00	9.09	23.79	21.81	3.75	3.32
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	91,192	1.58	BUY	5,700	(28.97)	24.57	8.34	6.70	0.82	0.75
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	404,574	7.01	HOLD	3,200	(7.81)	1.06	12.65	12.52	1.91	1.76
BMRI IJ	Bank Mandiri Persero Tbk PT	266,000	4.61	SELL	5,100	(4.62)	9.13	10.15	9.30	1.20	1.10
BNGA IJ	Bank CIMB Niaga Tbk PT	19,226	0.33	BUY	850	2.43	9.99	5.11	4.64	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,873	0.24	SELL	1,000	(24.98)	497.17	87.31	14.62	0.82	0.78
BRIS IJ	Bank Brisyariah Tbk PT	13,603	0.24	SELL	230	(32.21)	9.83	271.03	246.77	2.65	2.63
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	268,459	4.70	BUY	3,600	(8.00)	8.33	14.11	13.03	2.50	2.37
EXCL IJ	XL Axiata Tbk PT	22,804	0.40	BUY	2,700	21.73	5.39	26.12	24.78	1.14	1.09
TOWR IJ	Sarana Menara Nusantara Tbk PT	51,270	0.90	BUY	1,150	13.11	8.81	19.87	18.26	4.84	4.28
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	26,782	0.47	HOLD	3,450	6.41	13.25	12.37	10.92	1.08	0.97
PGAS IJ	Perusahaan Gas Negara Tbk PT	25,817	0.45	BUY	1,200	83.33	27.27	11.88	9.33	0.41	0.40
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	301,385	5.27	HOLD	8,400	1.60	6.48	40.12	37.68	35.10	32.97
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	114,578	2.00	HOLD	10,300	6.31	9.52	21.35	19.49	4.20	3.79
INDF IJ	Indofood Sukses Makmur Tbk PT	62,780	1.10	BUY	8,500	3.50	11.05	12.36	11.13	1.55	1.42
HOKI IJ	Buyung Poetra Sembada PT	2,052	0.04	SELL	700	(26.89)	37.61	26.73	19.43	2.77	2.35
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	23,550	0.41	BUY	1,400	118.02	13.34	13.26	11.70	3.58	3.36
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	73,594	1.29	SELL	1,280	4.28	7.25	28.15	26.25	4.17	3.83
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	27,183	0.48	SELL	1,400	(6.76)	6.90	28.04	26.23	4.98	4.55
ERAA IJ	Erajaya Swasembada Tbk PT	5,359	0.09	SELL	1,280	13.54	66.00	16.08	9.69	0.96	0.87
MAPI IJ	Mitra Adiperkasa Tbk PT	10,624	0.19	HOLD	580	4.92	5.28	11.16	10.60	1.41	1.23
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	1,919	0.03	BUY	840	4.23	20.53	9.23	7.66	1.21	1.05
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,119	0.04	BUY	660	(74.40)	99.60	11.83	5.93	0.31	0.30
PTPP IJ	PP Persero Tbk PT	5,735	0.10	HOLD	870	(58.56)	30.26	14.88	11.42	0.31	0.29
WIKA IJ	Wijaya Karya Persero Tbk PT	11,212	0.20	HOLD	1,290	(69.76)	7.05	16.23	15.16	0.59	0.52
WSBP IJ	Waskita Beton Precast Tbk PT	4,376	0.08	BUY	262	(29.90)	18.70	7.20	6.07	0.49	0.48
WSKT IJ	Waskita Karya Persero Tbk PT	9,909	0.17	SELL	650	(67.97)	18.14	32.98	27.92	0.34	0.34
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,761	0.03	BUY	300	4.17	20.85	3.74	3.10	0.63	0.54



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	17,890	0.31	BUY	1,110	(7.75)	12.60	6.23	5.53	0.45	0.42	
PWON IJ	Pakuwon Jati Tbk PT	19,553	0.34	BUY	520	(9.02)	(3.70)	8.17	8.48	1.12	1.00	
SMRA IJ	Summarecon Agung Tbk PT	9,594	0.17	HOLD	610	(69.64)	44.19	61.35	42.55	1.00	0.98	
CTRA IJ	Ciputra Development Tbk PT	14,941	0.26	HOLD	880	8.58	(11.20)	11.96	13.47	0.91	0.86	
DMAS IJ	Puradelta Lestari Tbk PT	11,471	0.20	HOLD	228	(30.89)	31.52	12.43	9.45	1.91	2.13	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	20,931	0.37	HOLD	11,800	240.96	15.24	29.08	25.23	1.09	1.04	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,345	0.11	BUY	1,100	27.51	22.68	19.71	16.07	0.73	0.71	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	39,023	0.68	HOLD	1,310	(18.31)	0.59	7.25	7.21	0.58	0.56	
PTBA IJ	Bukit Asam Tbk PT	23,617	0.41	BUY	2,390	(16.98)	4.55	6.66	6.37	1.26	1.24	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,548	0.17	BUY	10,630	(58.33)	(20.00)	10.37	12.96	0.37	0.32	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	25,352	0.44	SELL	920	26.09	42.23	21.19	14.90	1.15	1.07	
INCO IJ	Vale Indonesia Tbk PT	40,938	0.72	SELL	3,590	13.79	2.00	50.55	49.56	1.26	1.23	
MDKA IJ	Merdeka Copper Gold Tbk PT	39,197	0.69	SELL	1,595	(21.21)	25.00	27.45	21.96	3.66	2.89	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	98,798	1.73	SELL	4,150	9.82	15.94	25.78	22.24	4.10	3.64	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,368	0.23	HOLD	1,150	(60.18)	121.37	18.96	8.56	1.12	1.00	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	82,880	1.45	BUY	55,450	(16.02)	8.63	9.07	8.35	1.55	1.42	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	174,477	3.05	HOLD	1,650	(22.03)	3.26	16.30	15.79	5.20	5.22	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	43,807	0.77	BUY	13,900	19.34	12.44	20.00	17.79	1.86	1.82	
SMGR IJ	Semen Indonesia Persero Tbk PT	54,422	0.95	HOLD	9,000	30.77	(33.40)	17.41	26.14	1.61	1.57	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,465	0.06	HOLD	450	18.73	7.01	13.52	12.63	2.23	1.75	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	82,249	1.44	HOLD	19,930	(18.84)	13.03	8.96	7.92	1.22	1.06	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	16.74	1.82
JAKCONS INDEX	17.83	3.79
JAKINFRA INDEX	32.26	2.07
JAKBIND INDEX	52.04	1.93
JAKTRAD INDEX	13.14	1.33
JAKPROP INDEX	1.08	0.87
JAKMINE INDEX	27.92	1.19
JAKMIND INDEX	11.23	1.20
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





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