

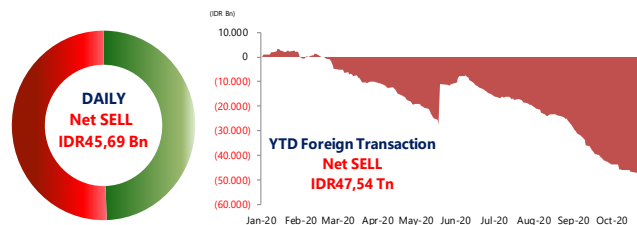
KEY INDICATOR				
23/10/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(0.25)	(200.00)
10 Yr (bps)	6.61	6.61	(0.00)	(46.70)
USD/IDR	14,660	14,660	0.00%	4.48%

INDICES				
MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,112.19	0.40%	-18.85%	19.98
MSCI	5,660.24	-0.10%	-22.34%	18.75
HSEI	24,918.78	0.54%	-11.60%	13.08
FTSE	5,860.28	1.29%	-22.30%	19.09
DJIA	28,335.57	-0.10%	-0.71%	23.67
NASDAQ	11,548.28	0.37%	28.71%	38.57

COMMODITIES					
COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	39.85	-1.94%	-28.80%	-34.74%
COAL	USD/TON	58.00	0.00%	-13.43%	-14.33%
CPO	MYR/MT	2,942.00	-0.03%	26.70%	-3.60%
GOLD	USD/TOZ	1,902.05	-0.11%	27.47%	25.36%
TIN	USD/MT	18,405.00	-1.50%	11.21%	7.16%
NICKEL	USD/MT	15,712.00	-0.66%	-5.29%	12.03%

CORPORATE ACTION		
TICKER	EVENT	NOTES
INDY	RUPS	

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA slipped by -0.10% on Friday (23/10) followed by the rise of S&P 500 (+0.34%) and Nasdaq (+0.37%). Main indexes struggled for direction as investors fretted over an impasse in Washington on the new Covid-19 aid bill totaling USD1.9 trillion which has entered a new phase, while turning cautious ahead of the presidential election. The Dow and the Nasdaq were weighed down by a 10.8% slump in Intel Corp after it reported a drop in margins as consumers bought cheaper laptops. Moreover, the market will look forward to several data releases today, such as: 1) US Chicago Fed National Activity Index; 2) Japan Leading Economic Index; 3) Germany Ifo Business Climate.

Domestic Updates

The Investment Coordinating Board (BKPM) announced the investment realization was recorded at IDR209 trillion in 3Q20, which is a positive growth of 1.6% YoY. Furthermore, Foreign Direct Investment (PMA) in the July-September 2020 period stood at IDR106.1 trillion, increased by 1.1% YoY. Meanwhile, the Domestic Investment (PMDN) reached IDR102.9 trillion, rose by 2.1% YoY.

Company News

- ANTM IJ** is considering to increase ownership on PT Weda Bay from the current 10% to 40%. The value of acquisition is estimated to reached USD300 million. Currently, Eramet Group from France and Tsinghan from China own 90% of ownership. PT Weda Bay is an ore processing company with pyrometallurgic method with capacity of 30,000 tons. The nickel reserve owned by PT Weda Bay reached 9.3 million ton which considered as the largest in the world (Investor Daily). **MNCS Comment: We see that this will be a potential gain for ANTM in the future with the largest nickel reserve as an asset. This is also in line with the Indonesian Battery Holding that has been discussed lately with ANTM as one of the main nickel supplier. ANTM is currently traded at 153.70x/1.44x PE/PBV.**
- ROTI IJ** posted a revenue of IDR2.4 trillion (-0.89% YoY) in 3Q20. Modern trade contributes 69.5% while general trade by 29.2%. On the other hand, ROTI record a loss from foreign exchange from a gain previously followed by other expenses that was not existing before amounting to IDR45.86 billion. Thus, net income dropped by -39.93% YoY in 3Q20 to IDR127.19 billion (Investor Daily). **MNCS Comment: ROTI seems to recover in the 3Q20 compared to the 2Q20 though the bottom line is still contracted deeply. ROTI have shift their strategy to market their products online which now contributes a large portion towards revenue. ROTI is currently traded at 45.05x/2.83x PE/PBV.**
- SIDO IJ** plan on distributing dividends amounting to IDR372.10 billion or equals to 12.5 per share. Dividend yield stood at 1.58% while the dividend was taken from the 1H20 net profit of IDR413.79 billion (+10.61% YoY). Cum date will be at 02-03 November 2020 while payment date falls at 18 November 2020 (Investor Daily). **MNCS Comment: The current dividend amount is the smallest within 5 years although SIDO maintained their stellar performance until now. Nevertheless SIDO managed to distribute dividends periodically. SIDO is currently traded at 27.24x/7.17x PE/PBV.**

IHSG Updates

JCI rose by +0.40% to 5,112.19 on Friday (23/10) followed by net foreign sell reaching IDR45.69 billion. Stock prices rise after a few days being sideways, this is supported by a positive sentiment from the increasing foreign flow recorded in September followed by the news of refusal from Minister of Industry upon the plan on tobacco tax increase of 23% next year which has uplift the tobacco stocks. Meanwhile, the Rupiah exchange rate was weakening at IDR14,660. We estimate JCI will move in the range of 5,067 – 5,135 while waiting for money supply data release. **Today's recommendation: AKRA, MEDC, GGRM, BSDE.**

Stock	Close Price	Recommendation	Tactical Moves
AKRA	2,630	Buy on Weakness	At the moment AKRA is at the end of wave [b] of wave B.
MEDC	386	Buy on Weakness	As long as it is not corrected below 362, at the moment MEDC is in the beginning of wave (v) of wave [a] of wave B.
GGRM	40,925	Spec Buy	The movement of GGRM yesterday we estimate will be the start of wave 3 of wave (C).
BSDE	895	Sell on Strength	BSDE is currently at the end 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	218,611	3.84	HOLD	5,500	(24.25)	25.37	13.30	10.61	1.09	1.02
Banking											
BBCA IJ	Bank Central Asia Tbk PT	711,297	12.36	HOLD	28,400	7.00	9.09	23.26	21.32	3.67	3.25
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	90,446	1.57	BUY	5,700	(28.97)	24.57	8.28	6.64	0.81	0.74
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	405,808	7.05	HOLD	3,200	(7.81)	1.06	12.69	12.55	1.91	1.77
BMRI IJ	Bank Mandiri Persero Tbk PT	259,000	4.50	HOLD	5,100	(4.62)	9.13	9.88	9.05	1.17	1.08
BNGA IJ	Bank CIMB Niaga Tbk PT	18,974	0.33	BUY	850	2.43	9.99	5.04	4.58	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	15,144	0.26	SELL	1,000	(24.98)	497.17	95.31	15.96	0.89	0.85
BRIS IJ	Bank Brisyariah Tbk PT	11,756	0.20	SELL	230	(32.21)	9.83	234.25	213.28	2.29	2.27
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	260,534	4.57	BUY	3,600	(8.00)	8.33	13.70	12.64	2.43	2.30
EXCL IJ	XL Axiata Tbk PT	22,161	0.39	BUY	2,700	21.73	5.39	25.38	24.08	1.11	1.06
TOWR IJ	Sarana Menara Nusantara Tbk PT	51,015	0.90	BUY	1,150	13.11	8.81	19.77	18.17	4.82	4.25
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	26,636	0.47	HOLD	3,450	6.41	13.25	12.30	10.86	1.07	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	302,339	5.30	HOLD	8,400	1.60	6.48	40.25	37.80	35.21	33.08
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	113,412	1.99	HOLD	10,300	6.31	9.52	21.13	19.29	4.15	3.75
INDF IJ	Indofood Sukses Makmur Tbk PT	62,122	1.09	BUY	8,500	3.50	11.05	12.23	11.01	1.54	1.41
HOKI IJ	Buyung Poetra Sembada PT	2,100	0.04	SELL	700	(26.89)	37.61	27.35	19.88	2.84	2.41
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	23,700	0.42	BUY	1,400	118.02	13.34	13.35	11.78	3.60	3.38
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	74,297	1.30	SELL	1,280	4.28	7.25	28.42	26.50	4.21	3.87
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	5,551	0.10	SELL	1,280	13.54	66.00	16.66	10.03	1.00	0.90
MAPI IJ	Mitra Adiperkasa Tbk PT	10,541	0.18	HOLD	580	4.92	5.28	11.07	10.52	1.40	1.22
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,974	0.07	SELL	500	(32.91)	25.56	8.62	6.87	0.89	0.84
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	10,674	0.19	HOLD	1,290	(69.76)	7.05	15.45	14.43	0.57	0.49
WSBP IJ	Waskita Beton Precast Tbk PT	4,086	0.07	BUY	262	(29.90)	18.70	6.73	5.67	0.46	0.45
WSKT IJ	Waskita Karya Persero Tbk PT	10,180	0.18	SELL	650	(67.97)	18.14	33.88	28.68	0.35	0.34
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,694	0.03	BUY	300	4.17	20.85	3.60	2.98	0.60	0.52



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
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	18,948	0.33	BUY	1,110	(7.75)	12.60	6.60	5.86	0.47	0.44
PWON IJ	Pakuwon Jati Tbk PT	20,034	0.35	BUY	520	(9.02)	(3.70)	8.37	8.69	1.15	1.03
SMRA IJ	Summarecon Agung Tbk PT	9,450	0.17	HOLD	610	(69.64)	44.19	60.42	41.91	0.98	0.96
CTRA IJ	Ciputra Development Tbk PT	15,405	0.27	HOLD	880	8.58	(11.20)	12.33	13.89	0.94	0.89
DMAS IJ	Puradelta Lestari Tbk PT	10,893	0.19	HOLD	228	(30.89)	31.52	11.81	8.98	1.81	2.02
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	20,161	0.35	BUY	11,800	240.96	15.24	28.01	24.30	1.05	1.00
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,379	0.11	BUY	1,100	27.51	22.68	19.82	16.15	0.73	0.71
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	22,580	0.40	BUY	2,390	(16.98)	4.55	6.36	6.09	1.21	1.19
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,124	0.16	BUY	10,630	(58.33)	(20.00)	9.91	12.38	0.36	0.31
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	26,073	0.46	SELL	920	26.09	42.23	21.79	15.32	1.18	1.10
INCO IJ	Vale Indonesia Tbk PT	41,832	0.73	SELL	3,590	13.79	2.00	51.66	50.64	1.29	1.25
MDKA IJ	Merdeka Copper Gold Tbk PT	40,730	0.71	SELL	1,595	(21.21)	25.00	28.53	22.82	3.80	3.00
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	98,388	1.73	SELL	4,150	9.82	15.94	25.68	22.15	4.08	3.63
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,841	0.23	HOLD	1,150	(60.18)	121.37	18.21	8.23	1.08	0.96
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	78,743	1.38	BUY	55,450	(16.02)	8.63	8.62	7.93	1.47	1.35
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	167,498	2.94	BUY	1,650	(22.03)	3.26	15.65	15.16	4.99	5.02
Cement											
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	45,647	0.80	BUY	13,900	19.34	12.44	20.84	18.54	1.94	1.90
SMGR IJ	Semen Indonesia Persero Tbk PT	55,905	0.98	HOLD	9,000	30.77	(33.40)	17.88	26.85	1.66	1.61
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	81,783	1.43	HOLD	19,930	(18.84)	13.03	8.91	7.88	1.21	1.05

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	16.81	1.86
JAKCONS INDEX	18.25	3.87
JAKINFRA INDEX	31.86	2.05
JAKBIND INDEX	51.94	1.93
JAKTRAD INDEX	13.26	1.33
JAKPROP INDEX	1.12	0.90
JAKMINE INDEX	28.02	1.20
JAKMIND INDEX	11.61	1.23
JAKAGRI INDEX	-	0.92

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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