

KEY INDICATOR

09/09/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.88	6.87	1.30	(38.70)
USD/IDR	14,799.00	14,765.00	0.23%	5.44%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,149.38	-1.81%	-18.26%	18.96
MSCI	5,853.84	-2.55%	-19.68%	19.02
HSEI	24,468.93	-0.63%	-13.20%	12.83
FTSE	6,012.84	1.39%	-20.28%	19.86
DJIA	27,940.47	1.60%	-2.10%	24.38
NASDAQ	11,141.56	2.71%	24.17%	37.77

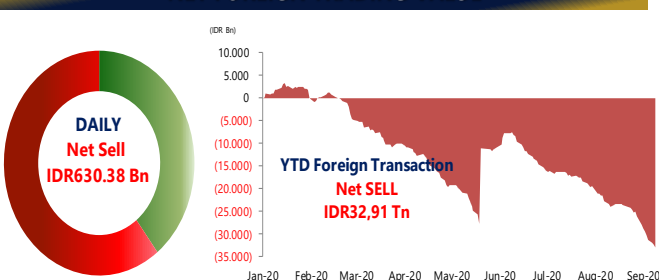
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	38.05	3.51%	-34.23%	-37.68%
COAL	USD/TON	48.80	0.10%	-25.55%	-27.92%
CPO	MYR/MT	2,814.00	-1.99%	26.64%	-7.80%
GOLD	USD/TOZ	1,946.84	0.77%	29.86%	28.31%
TIN	USD/MT	18,015.00	-0.17%	4.13%	4.89%
NICKEL	USD/MT	14,921.00	0.22%	-17.34%	6.39%

CORPORATE ACTION

TICKER	EVENT	NOTES
ROCK	IPO	IDR1.340/share
HOMI	IPO	IDR380/share
JAYA	RUPS	

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA rose by +1.60% on Wednesday (09/09) followed by S&P500 (+2.01%) and Nasdaq (+2.71%). After 3 days of consecutive corrections, global markets rebounded finally although still limited. The market is quite anxious about AstraZeneca's vaccine trials due to volunteers getting sick after testing. Even though this vaccine is the main candidate who is thought to be the most ready. On the other hand, investors are also still waiting for data on the results of the US job opening survey. Based on consensus, the employment rate increased to 6 million (previously 5.9 million). This is expected to be a positive catalyst for global indices. Moreover, the market will look forward to several data releases today, such as: 1) US Initial Jobless Claims; 2) US Purchasing Price Index; 3) US Wholesale Inventories.

Domestic Updates

BI release Retail Sales which still tumbled by -12.30% YoY in July, although it seems to recover from a -17.1% YoY decline last month. Retail sales have continued to improve even though they are still in a contraction phase. Sales improvement is predicted for nearly all commodity groups surveyed, with sales in the Food, Beverage and Tobacco category experiencing the lowest contraction, with growth at -1.9% YoY. This is in line with the increase in people's purchasing power and the implementation of New Habit Adaptation (AKB). In terms of prices, inflationary pressure is predicted to increase, reflected in the General Price Expectation Index (IEH) for the next 3 and 6 months of 133.7 and 157.7, respectively, higher than the previous period. Respondents estimated that the price increase was influenced by disruption in the distribution of goods and services in line with the arrival of the rainy season.

Company News

- BEEF IJ** posted revenue of IDR684.62 billion in 1H20 which jumped by 18%. The increase came from the sale of biological asset amounting to IDR326.44 billion, while sales of offal meat and local beef products decreased by 25.65% YoY, imported offal meat and beef products decreased by 0.37% YoY, advanced products decreased by 24.28% YoY and the rest was contributed by other sales. Subsequently, cost of revenue jumped by 51.91% YoY causing BEEF to record a net loss of IDR78.44 billion in 1H20, inversely proportional to a net profit of IDR32.02 billion in 1H19 (Kontan). **MNCS Comment: BEEF's increase in revenue seem to not came from the operational, as the meat sales overall recording a decrease. This is followed by inefficiency which caused the bottom line to slump. BEEF is currently traded at 1.11x PBV.**
- LINK IJ** managed to grow their net subscribers by 62.430 customer in the 2Q20. Moreover, the additional subscribers in July reached 21.807 making the total subscribers stood at 784.199 in 7M20. Churn rate dropped to 2.4% in the 2Q20, while ARPU is stable at IDR375.000. LINK's top line grew by 6.2%YoY in 2Q20, standing at IDR971 billion. According to management, the company's achievements in 2Q20 exceeded expectations and recorded new high, supported by customer growth and the company's asset utilization. (Market Bisnis). **MNCS Comment: LINK gained advantage by the work-school activities from home, making internet usage at home increase. Furthermore, with the solid incline on subscribers and good performance surely will lift LINK's outlook in FY20E. LINK is currently traded at 6.71x/1.42x PE/PBV.**
- JSMR IJ** has listed four series of Jasa Marga Phase I Sustainable Bonds II Year 2020 which received an AA- rating from PT Pemeringkat Efek Indonesia (Pefindo). Previously, JSMR Management stated that it was oversubscribed after announcing the plan to issue bonds. Management revealed that the incoming demand for Jasa Marga's Phase I Sustainable Bonds II in 2020 reached IDR2.7 trillion. This amount exceeds the value offered by the company of up to IDR2 trillion (Market Bisnis). **MNCS Comment: We consider that JSMR's oversubscribe bond is something to be grateful for in the midst of a pandemic. This is because JSMR will get the funding it wants to achieve, so that the company's target will move according to plan. JSMR is currently traded at 120.69x/1.35x PE/PBV.***

IHSG Updates

JCI slipped by -1.81% to 5,149.38 on Wednesday (09/09) followed by net foreign sell reaching IDR630.38 billion. JCI drop along with the Regional Asia indices due to the fall on China's Consumer Price Index which stood at 2.4 in August 2020 from 2.7 in the same period last year. Subsequently, Indonesia's retail sales is still decreasing despite the thinning decline, these sentiments has brought the market down. Meanwhile, the Rupiah exchange rate was weakening at IDR14,799. We estimate JCI will move in the range of 5,119-5,230 while waiting for Balance of Trade data release. **Today's recommendation: WSBP, ADRO, BBRI, SMRA.**

Stock	Close Price	Recommendation	Tactical Moves
WSBP	159	Buy on Weakness	WSBP movement is now at the end of wave [v] of wave C of wave (B).
ADRO	1,200	Buy on Weakness	We estimate that ADRO position is in wave [b] of wave (Y).
BBRI	3,410	Buy on Weakness	Currently the position of BBRI is expected to be at the end of wave [iv] of wave C.
SMRA	615	Sell on Strength	At the moment the position of SMRA is at the end of wave [i] of 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	198,369	3.46	BUY	5,500	(24.25)	25.37	12.07	9.63	0.99	0.93
Banking											
BBCA IJ	Bank Central Asia Tbk PT	769,853	13.28	HOLD	28,400	7.00	9.09	25.18	23.08	3.97	3.52
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	93,709	1.62	BUY	5,700	(28.97)	24.57	8.58	6.88	0.84	0.77
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	420,609	7.25	HOLD	3,200	(7.81)	1.06	13.15	13.01	1.98	1.83
BMRI IJ	Bank Mandiri Persero Tbk PT	269,500	4.65	SELL	5,100	(4.62)	9.13	10.28	9.42	1.22	1.12
BNGA IJ	Bank CIMB Niaga Tbk PT	19,854	0.34	HOLD	850	2.43	9.99	5.28	4.80	0.47	0.46
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,932	0.26	SELL	1,000	(24.98)	497.17	93.98	15.74	0.88	0.84
BRIS IJ	Bank Brisyariah Tbk PT	8,842	0.15	SELL	230	(32.21)	9.83	176.17	160.40	1.72	1.71
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	277,374	4.83	BUY	3,600	(8.00)	8.33	14.58	13.46	2.59	2.45
EXCL IJ	XL Axiata Tbk PT	23,446	0.41	BUY	2,700	21.73	5.39	26.85	25.48	1.17	1.12
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,800	0.92	HOLD	950	13.11	8.81	20.46	18.80	4.99	4.40
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	25,403	0.44	HOLD	3,450	6.41	13.25	11.73	10.36	1.02	0.92
PGAS IJ	Perusahaan Gas Negara Tbk PT	27,150	0.47	HOLD	1,200	83.33	27.27	12.49	9.82	0.43	0.42
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	314,738	5.48	HOLD	8,400	1.60	6.48	41.90	39.35	36.65	34.44
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	119,826	2.09	HOLD	10,300	6.31	9.52	22.33	20.39	4.39	3.96
INDF IJ	Indofood Sukses Makmur Tbk PT	66,512	1.16	BUY	8,500	3.50	11.05	13.09	11.79	1.64	1.51
HOKI IJ	Buyung Poetra Sembada PT	1,754	0.03	HOLD	700	(26.89)	37.61	22.85	16.60	2.37	2.01
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,200	0.39	HOLD	1,400	9.01	13.34	25.00	22.06	6.74	6.33
TBLA IJ	Tunas Baru Lampung Tbk PT	4,140	0.07	SELL	630	(43.57)	5.01	10.21	9.72	0.77	0.74
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	72,891	1.27	SELL	1,280	4.28	7.25	27.88	26.00	4.13	3.80
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	27,097	0.47	SELL	1,400	(6.76)	6.90	27.95	26.14	4.97	4.54
ERAA IJ	Erajaya Swasembada Tbk PT	5,295	0.09	SELL	1,280	13.54	66.00	15.89	9.57	0.95	0.86
MAPI IJ	Mitra Adiperkasa Tbk PT	10,790	0.19	SELL	580	4.92	5.28	11.33	10.77	1.43	1.25
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,364	0.08	SELL	500	(32.91)	25.56	9.47	7.54	0.97	0.92
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	2,083	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	10,719	0.19	HOLD	1,290	(69.76)	7.05	15.51	14.49	0.57	0.49
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	8,348	0.15	HOLD	650	(67.97)	18.14	27.78	23.52	0.29	0.28
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,704	0.03	BUY	300	4.17	20.85	3.62	3.00	0.61	0.52

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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	15,138	0.26	BUY	1,110	(7.75)	12.60	5.27	4.68	0.38	0.35
PWON IJ	Pakuwon Jati Tbk PT	18,397	0.32	BUY	520	(9.02)	(3.70)	7.69	7.98	1.05	0.94
SMRA IJ	Summarecon Agung Tbk PT	8,872	0.15	HOLD	610	(69.64)	44.19	56.73	39.35	0.92	0.90
CTRA IJ	Ciputra Development Tbk PT	13,178	0.23	BUY	880	8.58	(11.20)	10.55	11.88	0.80	0.76
DMAS IJ	Puradelta Lestari Tbk PT	10,796	0.19	HOLD	228	(30.89)	31.52	11.70	8.90	1.79	2.00
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	20,257	0.35	SELL	9,125	240.96	15.24	28.14	24.42	1.05	1.01
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,550	0.11	HOLD	1,000	27.51	22.68	20.35	16.59	1.16	1.00
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	38,383	0.67	HOLD	1,310	(18.31)	0.59	7.13	7.09	0.57	0.55
PTBA IJ	Bukit Asam Tbk PT	23,502	0.41	BUY	2,390	(16.98)	4.55	6.62	6.34	1.26	1.24
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,463	0.16	BUY	10,630	(58.33)	(20.00)	10.28	12.85	0.37	0.32
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	19,104	0.33	BUY	920	26.09	42.23	15.97	11.23	0.87	0.80
INCO IJ	Vale Indonesia Tbk PT	37,460	0.65	HOLD	3,590	13.79	2.00	46.26	45.35	1.16	1.12
MDKA IJ	Merdeka Copper Gold Tbk PT	36,131	0.63	HOLD	1,595	(21.21)	25.00	25.31	20.25	3.37	2.66
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	98,388	1.71	SELL	4,150	9.82	15.94	25.68	22.15	4.08	3.63
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,427	0.23	HOLD	1,150	(60.18)	121.37	19.04	8.60	1.13	1.00
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	87,642	1.53	BUY	55,450	(16.02)	8.63	9.59	8.83	1.64	1.50
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	189,017	3.29	HOLD	1,650	(22.03)	3.26	17.66	17.11	5.63	5.66
Cement											
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	42,886	0.75	BUY	13,900	19.34	12.44	19.58	17.41	1.82	1.79
SMGR IJ	Semen Indonesia Persero Tbk PT	59,908	1.04	SELL	9,000	30.77	(33.40)	19.17	28.77	1.77	1.72
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	3,245	0.06	HOLD	450	18.73	7.01	12.66	11.83	2.09	1.64
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	84,488	1.47	SELL	19,930	(18.84)	13.03	9.20	8.14	1.25	1.09

SECTOR RATIO		
SECTOR	PE	PBV
JAKFIN INDEX	17.29	1.87
JAKCONS INDEX	18.95	4.04
JAKINFRA INDEX	31.62	2.09
JAKBIND INDEX	42.16	1.83
JAKTRAD INDEX	17.40	1.33
JAKPROP INDEX	1.06	0.85
JAKMINE INDEX	14.71	1.11
JAKMIND INDEX	10.63	1.14
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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