

KEY INDICATOR

| 10/09/2020 | LAST PRICE | PREV | CHG | YoY |
|----------------|------------|-----------|---------|----------|
| 7-Day RR (bps) | 4.00 | 4.25 | (25.00) | (200.00) |
| 10 Yr (bps) | 6.98 | 6.88 | 9.50 | (28.40) |
| USD/IDR | 14,855.00 | 14,799.00 | 0.38% | 5.73% |

INDICES

| MARKET INDEX | LAST PRICE | CHANGE | YTD | PE (x) |
|--------------|------------|--------|---------|--------|
| IHSG | 4,891.46 | -5.01% | -22.35% | 17.94 |
| MSCI | 5,496.17 | -6.11% | -24.59% | 17.89 |
| HSEI | 24,313.54 | -0.64% | -13.75% | 12.77 |
| FTSE | 6,003.32 | -0.16% | -20.41% | 19.74 |
| DJIA | 27,534.58 | -1.45% | -3.52% | 24.02 |
| NASDAQ | 10,919.59 | -1.99% | 21.70% | 37.03 |

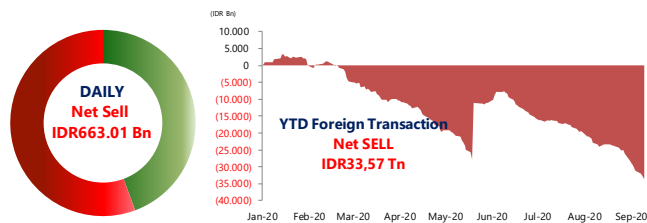
COMMODITIES

| COMM. | UNIT | LAST PRICE | CHANGE | YoY | YTD |
|--------|---------|------------|--------|---------|---------|
| WTI | USD/BRL | 37.30 | -1.97% | -35.02% | -38.91% |
| COAL | USD/TON | 49.75 | 1.95% | -24.39% | -26.51% |
| CPO | MYR/MT | 2,814.00 | 0.00% | 26.64% | -7.80% |
| GOLD | USD/TOZ | 1,946.09 | -0.04% | 30.98% | 28.26% |
| TIN | USD/MT | 18,000.00 | -0.08% | 3.33% | 4.80% |
| NICKEL | USD/MT | 14,832.00 | -0.60% | -17.81% | 5.75% |

CORPORATE ACTION

| TICKER | EVENT | NOTES |
|--------|----------------------|-------|
| SIDO | Stock Split Cum Date | 1:2 |

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA drop -1.45% on Thursday (10/09) followed by S&P500 (-1.76%) and Nasdaq (-1.99%). Market slipped again after a rally due to the US Republican Party's stimulus package, which failed to win enough votes in the Senate. This stimulus is quite important given that the global death toll from Covid-19 rose to more than 905,000 on Thursday and the US death toll rose above 191,000. On the other hand, the US Department of Labor said the number of unemployment benefits was at 884,000 for the week ended August 29 which is lower than estimated. Moreover, the market will look forward to several data releases today, such as: 1) US Core Inflation Rate; 2) China New Yuan Loans; 3) China Money Supply.

Domestic Updates

The Indonesia Stock Exchange explained that the 3% corporate income tax rate reduction will be provided by the government as regulated in Article 5 paragraph 2 of Law No.2 of 2020 and Article 3 of PP 30 of 2020. The corporate income tax rate referred to in the regulation is 22% which applies to for the 2020 and 2021 tax years and 20% for the 2022 tax year, however, there are several requirements that must be met by the issuer. One of them is the minimum number of shares paid up to the stock exchange at least 40% must be fulfilled within 183 calendar days within 1 tax year. Until now, there are 163 companies that have met the requirements and will get tax incentives.

Company News

- SMRA IJ** recorded marketing sales of IDR1.7 trillion as of August 2020. The largest contribution came from landed house with a price range of IDR1 to 2 billion per unit. To pursue the target in the remainder of 2020, SMRA will release several new projects, both residential and namely Summarecon Bogor. Currently, the company will focus on unit sales in the range of IDR1.4 billion to IDR1.9 billion, which is easier for the market to absorb (Market Bisnis). **MNCS Comment: In spite of the achievement, marketing sales is still far from the planned target, we think that SMRA can quite survive by selling property with prices above IDR1 billion. This is because consumers have not actually seen what properties to buy during a pandemic. SMRA is currently traded at 575x/1.16x PE/PBV.**
- ASII IJ** handed over the fifth stage of assistance related to Covid-19 in the form of 50 ventilators worth IDR20.8 billion to various regions in 18 provinces in Indonesia. This fifth stage of assistance is a continuation of a series of first to fourth phase aid delivery from Astra with a total value of IDR131 billion in the period March to May 2020. The total assistance reached IDR151.8 billion while from June to July 2020, 10 ventilators were distributed by Astra through the Astra Group Coordinator in the regions of North Sumatra, West Sumatra, South Kalimantan, South Sulawesi and Papua (Kontan). **MNCS Comment: As a conglomerate, ASII didn't miss their CSR whereas they have been doing it for over 10 years. In regard of Covid-19 which has impacted their performance did not seem to hold ASII to give back. With the economic recovery and the better purchasing power, we believe it will support ASII performance forward. ASII is currently traded at 8.11x/1.42x PE/PBV.**
- ROTI IJ** stated that it has divested shares in its subsidiary, called Sarimonde Foods Corporation (SMFC), a company established under the laws of the state in the Philippines. The divestment of the company's share ownership in the subsidiary company is equivalent to a nominal value of IDR78.68 billion. The management said that the divestment aims to concentrate more on developing the company's business in the country and the funds obtained from the sale of shares in SMFC will be used to support the company's business activities. (Market Bisnis). **We believe this divestment will enable ROTI to focus more on developing domestic business potential. Referring to ROTI's financial statements as of 1H20, SMFC contribute 3.08% to total revenue. ROTI is currently traded at 39.33x/2.60x PE/PBV.**

IHSG Updates

JCI fell by -5.01% to 4,891.46 followed by a trading halt on Thursday (10/09) while net foreign sell reaching IDR663 billion. JCI tumbled down after the announcement of the re-implementation of full large-scale social distancing or PSBB, causing investors to panic sell bringing the market to a trading halt after 6 months. All sectors were slashed with Finance sector leading the decline. Meanwhile, the Rupiah exchange rate was weakening at IDR14,855. We estimate JCI will move in the range of 4,712-5,000 while waiting for Balance of Trade data release. **Today's recommendation: ASII, BRPT, EXCL, SIDO.**

| Stock | Close Price | Recommendation | Tactical Moves |
|-------|-------------|------------------|--|
| ASII | 4,560 | Buy on Weakness | ASII still has the potential to continue its correction but tends to be limited to forming wave [c] of wave A. |
| BRPT | 745 | Buy on Weakness | Currently BRPT is at the end of wave [v] of wave C of wave (B). |
| EXCL | 2,040 | Buy on Weakness | Now the EXCL movement is at the end of wave [iii] of wave C of wave (B). |
| SIDO | 1,385 | Sell on Strength | Currently, we estimate that SIDO is in its corrective phase. |

| 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 | 184,605 | 3.39 | BUY | 5,500 | (24.25) | 25.37 | 11.23 | 8.96 | 0.92 | 0.86 |
| Banking | | | | | | | | | | | |
| BBCA IJ | Bank Central Asia Tbk PT | 716,228 | 13.00 | HOLD | 28,400 | 7.00 | 9.09 | 23.43 | 21.47 | 3.69 | 3.27 |
| BBNI IJ | Bank Negara Indonesia Persero Tbk PT | 87,276 | 1.58 | BUY | 5,700 | (28.97) | 24.57 | 7.99 | 6.41 | 0.78 | 0.72 |
| BBRI IJ | Bank Rakyat Indonesia Persero Tbk PT | 392,240 | 7.12 | HOLD | 3,200 | (7.81) | 1.06 | 12.26 | 12.13 | 1.85 | 1.71 |
| BMRI IJ | Bank Mandiri Persero Tbk PT | 250,833 | 4.55 | HOLD | 5,100 | (4.62) | 9.13 | 9.57 | 8.77 | 1.14 | 1.04 |
| BNGA IJ | Bank CIMB Niaga Tbk PT | 18,472 | 0.34 | BUY | 850 | 2.43 | 9.99 | 4.91 | 4.46 | 0.43 | 0.42 |
| BBTN IJ | Bank Tabungan Negara Persero Tbk PT | 13,926 | 0.25 | SELL | 1,000 | (24.98) | 497.17 | 87.65 | 14.68 | 0.82 | 0.78 |
| BRIS IJ | Bank Brisyariah Tbk PT | 8,259 | 0.15 | SELL | 230 | (32.21) | 9.83 | 164.55 | 149.83 | 1.61 | 1.60 |
| Telco | | | | | | | | | | | |
| TLKM IJ | Telekomunikasi Indonesia Persero Tbk PT | 267,468 | 4.90 | BUY | 3,600 | (8.00) | 8.33 | 14.06 | 12.98 | 2.50 | 2.36 |
| EXCL IJ | XL Axiata Tbk PT | 21,840 | 0.40 | BUY | 2,700 | 21.73 | 5.39 | 25.01 | 23.73 | 1.09 | 1.04 |
| TOWR IJ | Sarana Menara Nusantara Tbk PT | 49,994 | 0.92 | HOLD | 950 | 13.11 | 8.81 | 19.37 | 17.81 | 4.72 | 4.17 |
| Toll Road & Utilities | | | | | | | | | | | |
| JSMR IJ | Jasa Marga Persero Tbk PT | 23,661 | 0.43 | HOLD | 3,450 | 6.41 | 13.25 | 10.92 | 9.65 | 0.95 | 0.86 |
| PGAS IJ | Perusahaan Gas Negara Tbk PT | 25,332 | 0.46 | BUY | 1,200 | 83.33 | 27.27 | 11.66 | 9.16 | 0.41 | 0.39 |
| Consumer | | | | | | | | | | | |
| UNVR IJ | Unilever Indonesia Tbk PT | 304,246 | 5.58 | HOLD | 8,400 | 1.60 | 6.48 | 40.50 | 38.04 | 35.43 | 33.29 |
| ICBP IJ | Indofood CBP Sukses Makmur Tbk PT | 116,328 | 2.13 | HOLD | 10,300 | 6.31 | 9.52 | 21.67 | 19.79 | 4.26 | 3.84 |
| INDF IJ | Indofood Sukses Makmur Tbk PT | 63,658 | 1.17 | BUY | 8,500 | 3.50 | 11.05 | 12.53 | 11.28 | 1.57 | 1.44 |
| HOKI IJ | Buyung Poetra Sembada PT | 1,647 | 0.03 | HOLD | 700 | (26.89) | 37.61 | 21.45 | 15.59 | 2.23 | 1.89 |
| SIDO IJ | Industri Jamu Dan Farmasi Sido Muncul Tbk PT | 20,775 | 0.38 | HOLD | 1,400 | 9.01 | 13.34 | 23.40 | 20.64 | 6.31 | 5.92 |
| TBLA IJ | Tunas Baru Lampung Tbk PT | 3,873 | 0.07 | SELL | 630 | (43.57) | 5.01 | 9.55 | 9.09 | 0.72 | 0.69 |
| Pharmacy | | | | | | | | | | | |
| KLBF IJ | Kalbe Farma Tbk PT | 69,375 | 1.27 | SELL | 1,280 | 4.28 | 7.25 | 26.54 | 24.74 | 3.93 | 3.61 |
| Retail | | | | | | | | | | | |
| ACES IJ | Ace Hardware Indonesia Tbk PT | 25,211 | 0.46 | HOLD | 1,400 | (6.76) | 6.90 | 26.00 | 24.32 | 4.62 | 4.22 |
| ERAA IJ | Erajaya Swasembada Tbk PT | 4,929 | 0.09 | SELL | 1,280 | 13.54 | 66.00 | 14.79 | 8.91 | 0.88 | 0.80 |
| MAPI IJ | Mitra Adiperkasa Tbk PT | 10,043 | 0.18 | HOLD | 580 | 4.92 | 5.28 | 10.55 | 10.02 | 1.34 | 1.17 |
| RALS IJ | Ramayana Lestari Sentosa Tbk PT | 4,080 | 0.07 | SELL | 500 | (32.91) | 25.56 | 8.85 | 7.05 | 0.91 | 0.86 |
| PZZA IJ | Sarimelati Kencana PT | 1,753 | 0.03 | BUY | 840 | 4.23 | 20.53 | 8.43 | 7.00 | 1.11 | 0.96 |
| Construction | | | | | | | | | | | |
| ADHI IJ | Adhi Karya Persero Tbk PT | 1,941 | 0.04 | BUY | 660 | (74.40) | 99.60 | 10.84 | 5.43 | 0.29 | 0.27 |
| PTPP IJ | PP Persero Tbk PT | 5,270 | 0.10 | HOLD | 870 | (58.56) | 30.26 | 13.68 | 10.50 | 0.29 | 0.27 |
| WIKA IJ | Wijaya Karya Persero Tbk PT | 10,001 | 0.18 | BUY | 1,290 | (69.76) | 7.05 | 14.47 | 13.52 | 0.53 | 0.46 |
| WSBP IJ | Waskita Beton Precast Tbk PT | 3,901 | 0.07 | BUY | 262 | (29.90) | 18.70 | 6.42 | 5.41 | 0.44 | 0.43 |
| WSKT IJ | Waskita Karya Persero Tbk PT | 7,805 | 0.14 | BUY | 650 | (67.97) | 18.14 | 25.98 | 21.99 | 0.27 | 0.26 |
| WEGE IJ | Wijaya Karya Bangunan Gedung Tbk PT | 1,589 | 0.03 | BUY | 300 | 4.17 | 20.85 | 3.38 | 2.79 | 0.57 | 0.49 |



| 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 | 14,079 | 0.26 | BUY | 1,110 | (7.75) | 12.60 | 4.90 | 4.35 | 0.35 | 0.33 |
| PWON IJ | Pakuwon Jati Tbk PT | 17,145 | 0.31 | BUY | 520 | (9.02) | (3.70) | 7.16 | 7.44 | 0.98 | 0.88 |
| SMRA IJ | Summarecon Agung Tbk PT | 8,295 | 0.15 | HOLD | 610 | (69.64) | 44.19 | 53.04 | 36.79 | 0.86 | 0.85 |
| CTRA IJ | Ciputra Development Tbk PT | 12,343 | 0.23 | BUY | 880 | 8.58 | (11.20) | 9.88 | 11.12 | 0.75 | 0.71 |
| DMAS IJ | Puradelta Lestari Tbk PT | 10,122 | 0.19 | HOLD | 228 | (30.89) | 31.52 | 10.97 | 8.34 | 1.68 | 1.88 |
| Agriculture | | | | | | | | | | | |
| AALI IJ | Astra Agro Lestari Tbk PT | 18,910 | 0.35 | HOLD | 9,125 | 240.96 | 15.24 | 26.27 | 22.80 | 0.98 | 0.94 |
| LSIP IJ | Perusahaan Perkebunan London Sumatra Indonesia Tbk PT | 6,106 | 0.11 | BUY | 1,000 | 27.51 | 22.68 | 18.97 | 15.46 | 1.08 | 0.94 |
| Coal Mining | | | | | | | | | | | |
| ADRO IJ | Adaro Energy Tbk PT | 35,824 | 0.66 | BUY | 1,310 | (18.31) | 0.59 | 6.65 | 6.62 | 0.53 | 0.51 |
| PTBA IJ | Bukit Asam Tbk PT | 21,889 | 0.40 | BUY | 2,390 | (16.98) | 4.55 | 6.17 | 5.90 | 1.17 | 1.15 |
| ITMG IJ | Indo Tambangraya Megah Tbk PT | 8,813 | 0.16 | BUY | 10,630 | (58.33) | (20.00) | 9.57 | 11.96 | 0.34 | 0.30 |
| Metal Mining | | | | | | | | | | | |
| ANTM IJ | Aneka Tambang Tbk | 17,783 | 0.33 | BUY | 920 | 26.09 | 42.23 | 14.86 | 10.45 | 0.81 | 0.75 |
| INCO IJ | Vale Indonesia Tbk PT | 36,268 | 0.67 | HOLD | 3,590 | 13.79 | 2.00 | 44.79 | 43.91 | 1.12 | 1.09 |
| MDKA IJ | Merdeka Copper Gold Tbk PT | 34,379 | 0.63 | HOLD | 1,595 | (21.21) | 25.00 | 24.08 | 19.26 | 3.21 | 2.53 |
| Poultry | | | | | | | | | | | |
| CPIN IJ | Charoen Pokphand Indonesia Tbk PT | 91,829 | 1.68 | SELL | 4,150 | 9.82 | 15.94 | 23.97 | 20.67 | 3.81 | 3.39 |
| JPFA IJ | Japfa Comfeed Indonesia Tbk PT | 12,489 | 0.23 | HOLD | 1,150 | (60.18) | 121.37 | 17.71 | 8.00 | 1.05 | 0.93 |
| Cigarette | | | | | | | | | | | |
| GGRM IJ | Gudang Garam Tbk PT | 81,774 | 1.50 | BUY | 55,450 | (16.02) | 8.63 | 8.95 | 8.24 | 1.53 | 1.40 |
| HMSP IJ | Hanjaya Mandala Sampoerna Tbk PT | 176,803 | 3.24 | HOLD | 1,650 | (22.03) | 3.26 | 16.52 | 16.00 | 5.27 | 5.29 |
| Cement | | | | | | | | | | | |
| INTP IJ | Indocement Tunggul Prakarsa Tbk PT | 39,941 | 0.73 | BUY | 13,900 | 19.34 | 12.44 | 18.24 | 16.22 | 1.70 | 1.66 |
| SMGR IJ | Semen Indonesia Persero Tbk PT | 55,756 | 1.02 | HOLD | 9,000 | 30.77 | (33.40) | 17.84 | 26.78 | 1.65 | 1.60 |
| Basic Industry and Chemical | | | | | | | | | | | |
| ARNA IJ | Arwana Citramulia Tbk PT | 3,216 | 0.06 | HOLD | 450 | 18.73 | 7.01 | 12.54 | 11.72 | 2.07 | 1.62 |
| Heavy Equipment | | | | | | | | | | | |
| UNTR IJ | United Tractors Tbk PT | 79,825 | 1.46 | HOLD | 19,930 | (18.84) | 13.03 | 8.69 | 7.69 | 1.18 | 1.03 |

SECTOR RATIO

| SECTOR | PE | PBV |
|----------------|-------|------|
| JAKFIN INDEX | 16.26 | 1.76 |
| JAKCONS INDEX | 18.08 | 3.86 |
| JAKINFRA INDEX | 30.24 | 2.00 |
| JAKBIND INDEX | 39.78 | 1.73 |
| JAKTRAD INDEX | 16.80 | 1.28 |
| JAKPROP INDEX | 1.03 | 0.83 |
| JAKMINE INDEX | 14.08 | 1.06 |
| JAKMIND INDEX | 10.00 | 1.07 |
| JAKAGRI INDEX | - | 0.88 |

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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