

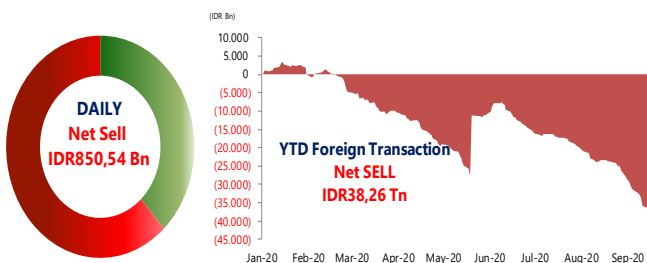
KEY INDICATOR				
16/09/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.93	6.92	1.60	(34.10)
USD/IDR	14,843.00	14,845.00	-0.01%	5.72%

INDICES				
MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,058.48	-0.83%	-19.70%	18.55
MSCI	5,659.08	-1.18%	-22.35%	18.48
HSEI	24,725.63	-0.03%	-12.29%	12.99
FTSE	6,078.48	-0.44%	-19.41%	20.31
DJIA	28,032.38	0.13%	-1.77%	24.47
NASDAQ	11,050.47	-1.25%	23.16%	37.43

COMMODITIES					
COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.16	4.91%	-36.15%	-34.23%
COAL	USD/TON	51.50	0.98%	-22.15%	-23.93%
CPO	MYR/MT	2,940.00	0.00%	34.25%	-3.67%
GOLD	USD/TOZ	1,959.26	0.26%	30.75%	29.13%
TIN	USD/MT	18,275.00	0.36%	6.56%	6.40%
NICKEL	USD/MT	15,226.00	0.18%	-12.34%	8.56%

CORPORATE ACTION		
TICKER	EVENT	NOTES
KOPI	RUPS	

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA was flat (+0.13%) on Wednesday (16/09) on the other hand S&P500 and Nasdaq dropped by -0.46%/-1.25%. The Fed announced to hold its benchmark interest rate near zero percent and will hold on for a long time until US reached full employment and inflation rate at 2%. The projected unemployment rate was also lowered to 7.6% from 9.3% which was already above the 8.4% unemployment rate for August yesterday. Moreover, the market will look forward to several data releases today, such as: 1) Fed Interest Rate Decision; 2) Japan Interest Rate Decision; 3) Eurozone Core Inflation Rate.

Domestic Updates

Ministry of Finance stated that health budget reaches 6.2% of the state budget which equals to IDR2,747.5 trillion. Furthermore, the government has allocated IDR 130.7 trillion of health budget for central government spending in FY21. In addition, the budget allocation for health is also contained in the eight focus areas of National Health System reform (SKN), namely the development of information technology in health services, strengthening health financing, pharmacy independence, improving disease control and immunization, strengthening health centers, improving hospitals and health services, improving the quality and distribution of health personnel, and strengthening health security.

Company News

- WSKT IJ managed to obtain a construction contract amounting to IDR1.08 trillion consist of three infrastructure project. So the total contract has reached IDR9.6 trillion as of September 2020. WSKT is assigned as a contractor for Way Sekampung Dam Phase IV, Jragung Dam Phase I, and Sewerage Jambi B2. Progress for Way Sekampung Phase 2 has reach 92.92% in August and is set to be completed this year. Furthermore, WKST is also working on nine other dams all over Indonesia (Investor.id) **MNCS Comment: We evaluate that this project will give a little breather for WKST's performance in FY20E, while we estimate that there still will be a significant decline. WSKT is currently traded at 0.53x PBV.**
- ASII IJ car sales reached 16,773 units in August 2020, which grew 65.41% MoM. The biggest contribution came from the Toyota followed by Daihatsu and Isuzu. Overall domestic car sales reached 37,277 units, so that Astra's market share reached 45%. Thus, the cumulative sales for the January-August 2020 period amounted to 166,418 units which dropped by 51.7% YoY compared to the same period last year of 344,581 units (Kontan) **MNCS Comment: We note the recovery of car sales is still slow especially with the reimplementation of PSBB. While the realization of Gaikindo car sales only reached around 50% of their car sales target in FY20E amounting to 600.000 units. Furthermore, ASII will be benefited from the new car tax easing that is proposed but has not yet been approved by the government. ASII is currently traded at 8.51x/1.27x PE/PBV.**
- GIAA IJ recorded a decrease in traffic for both passengers and cargo transported by 72% YoY and 50% YoY respectively. In addition, GIAA also experienced a decline in domestic production by 55% YoY and international production by 88% YoY while the segment contributed 51% to 75% of the airline's total revenue. Thus, management estimates that there will be a decline in revenue of 51-75% YoY by the end of this year with a decrease in net profit of more than 75% YoY (Kontan). **MNCS Comment: We note that transportation especially the aviation sector is one of the most impacted by the Covid-19 pandemic. It seems that the estimated decline on top and bottom line is in line with the decrease on traffic as PSBB is reinstated.**

IHSG Updates

JCI dropped by -0.83% to 5058.48 on Wednesday (16/09) followed by net foreign sell reaching IDR852.52 billion. The decrease continues as investors are waiting for the interest rate decision that will be announced, consensus estimated that there will be no rate cut this time as the government evaluates the economic progress on the current rate. Furthermore, banking sector has not fully adjusted their rates yet as they are catching up with previous rate cuts as well as loan restructure. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,843. We estimate JCI will move in the range of 5,000-5,220 while waiting for 7 Days Repo Rate Decision. **Today's recommendation: BRPT, PGAS, AKRA, UNTR**

Stock	Close Price	Recommendation	Tactical Moves
BRPT	785	Buy on Weakness	As long as BRPT has not been able to strengthen above 835, it will still have the potential to be corrected first to form wave [ii] of wave (C).
PGAS	1,085	Buy on Weakness	PGAS is prone to be corrected first to confirm the formation of wave [b].
AKRA	2,780	Buy on Weakness	As long as AKRA has not been able to penetrate 2,860, then AKRA is vulnerable to correction to form wave [b] of wave B.
UNTR	24,025	Sell on Strength	We estimate that UNTR will be vulnerable to a correction to form wave [ii].

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	193,511	3.43	BUY	5,500	(24.25)	25.37	11.77	9.39	0.97	0.91
Banking											
BBCA IJ	Bank Central Asia Tbk PT	708,832	12.44	HOLD	28,400	7.00	9.09	23.18	21.25	3.65	3.24
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	90,819	1.59	BUY	5,700	(28.97)	24.57	8.31	6.67	0.81	0.75
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	402,107	7.06	HOLD	3,200	(7.81)	1.06	12.57	12.44	1.90	1.75
BMRI IJ	Bank Mandiri Persero Tbk PT	263,667	4.63	HOLD	5,100	(4.62)	9.13	10.06	9.22	1.19	1.09
BNGA IJ	Bank CIMB Niaga Tbk PT	20,105	0.35	HOLD	850	2.43	9.99	5.34	4.86	0.47	0.46
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,191	0.25	SELL	1,000	(24.98)	497.17	89.31	14.96	0.84	0.79
BRIS IJ	Bank Brisyariah Tbk PT	8,502	0.15	SELL	230	(32.21)	9.83	169.39	154.23	1.66	1.64
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	276,384	4.90	BUY	3,600	(8.00)	8.33	14.53	13.41	2.58	2.44
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	52,545	0.93	HOLD	950	13.11	8.81	20.36	18.71	4.96	4.38
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	24,386	0.43	HOLD	3,450	6.41	13.25	11.26	9.94	0.98	0.89
PGAS IJ	Perusahaan Gas Negara Tbk PT	26,302	0.47	BUY	1,200	83.33	27.27	12.10	9.51	0.42	0.41
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	305,200	5.41	HOLD	8,400	1.60	6.48	40.63	38.16	35.54	33.39
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	121,867	2.16	HOLD	10,300	6.31	9.52	22.71	20.73	4.46	4.03
INDF IJ	Indofood Sukses Makmur Tbk PT	66,731	1.18	BUY	8,500	3.50	11.05	13.14	11.83	1.65	1.51
HOKI IJ	Buyung Poetra Sembada PT	1,837	0.03	HOLD	700	(26.89)	37.61	23.94	17.39	2.48	2.11
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,950	0.41	BUY	1,400	118.02	13.34	12.92	11.40	3.48	3.27
TBLA IJ	Tunas Baru Lampung Tbk PT	4,194	0.07	SELL	630	(43.57)	5.01	10.34	9.85	0.78	0.74
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	72,188	1.28	SELL	1,280	4.28	7.25	27.61	25.75	4.09	3.76
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	26,068	0.46	HOLD	1,400	(6.76)	6.90	26.89	25.15	4.78	4.37
ERAA IJ	Erajaya Swasembada Tbk PT	5,327	0.09	SELL	1,280	13.54	66.00	15.99	9.63	0.96	0.86
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	4,080	0.07	SELL	500	(32.91)	25.56	8.85	7.05	0.91	0.86
PZZA IJ	Sarimelati Kencana PT	1,798	0.03	BUY	840	4.23	20.53	8.65	7.18	1.14	0.98
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	1,976	0.04	BUY	660	(74.40)	99.60	11.04	5.53	0.29	0.28
PTPP IJ	PP Persero Tbk PT	5,239	0.09	HOLD	870	(58.56)	30.26	13.59	10.44	0.28	0.26
WIKA IJ	Wijaya Karya Persero Tbk PT	10,315	0.18	BUY	1,290	(69.76)	7.05	14.93	13.95	0.55	0.48
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	7,873	0.14	BUY	650	(67.97)	18.14	26.20	22.18	0.27	0.27
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,646	0.03	BUY	300	4.17	20.85	3.50	2.90	0.59	0.51



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	15,561	0.28	BUY	1,110	(7.75)	12.60	5.42	4.81	0.39	0.36
PWON IJ	Pakuwon Jati Tbk PT	18,012	0.32	BUY	520	(9.02)	(3.70)	7.53	7.81	1.03	0.92
SMRA IJ	Summarecon Agung Tbk PT	8,007	0.14	HOLD	610	(69.64)	44.19	51.20	35.51	0.83	0.82
CTRA IJ	Ciputra Development Tbk PT	12,250	0.22	BUY	880	8.58	(11.20)	9.80	11.04	0.74	0.70
DMAS IJ	Puradelta Lestari Tbk PT	10,989	0.19	HOLD	228	(30.89)	31.52	11.91	9.06	1.83	2.04
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	20,787	0.37	SELL	9,125	240.96	15.24	28.88	25.06	1.08	1.04
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,686	0.12	HOLD	1,000	27.51	22.68	20.77	16.93	1.19	1.03
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	36,624	0.65	BUY	1,310	(18.31)	0.59	6.80	6.76	0.54	0.52
PTBA IJ	Bukit Asam Tbk PT	23,502	0.42	BUY	2,390	(16.98)	4.55	6.62	6.34	1.26	1.24
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,491	0.17	BUY	10,630	(58.33)	(20.00)	10.31	12.88	0.37	0.32
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	19,104	0.34	BUY	920	26.09	42.23	15.97	11.23	0.87	0.80
INCO IJ	Vale Indonesia Tbk PT	39,050	0.69	HOLD	3,590	13.79	2.00	48.22	47.28	1.21	1.17
MDKA IJ	Merdeka Copper Gold Tbk PT	33,503	0.59	HOLD	1,595	(21.21)	25.00	23.47	18.77	3.13	2.47
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	98,388	1.74	SELL	4,150	9.82	15.94	25.68	22.15	4.08	3.63
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,075	0.23	HOLD	1,150	(60.18)	121.37	18.54	8.38	1.10	0.98
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	84,756	1.50	BUY	55,450	(16.02)	8.63	9.28	8.54	1.58	1.45
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	179,130	3.18	HOLD	1,650	(22.03)	3.26	16.74	16.21	5.34	5.36
Cement											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	41,874	0.74	BUY	13,900	19.34	12.44	19.12	17.00	1.78	1.74
SMGR IJ	Semen Indonesia Persero Tbk PT	55,756	0.99	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	89,616	1.59	SELL	19,930	(18.84)	13.03	9.76	8.63	1.33	1.15

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	16.54	1.79
JAKCONS INDEX	18.51	3.95
JAKINFRA INDEX	31.53	2.08
JAKBIND INDEX	41.95	1.83
JAKTRAD INDEX	17.28	1.31
JAKPROP INDEX	1.16	0.93
JAKMINE INDEX	14.49	1.10
JAKMIND INDEX	10.41	1.11
JAKAGRI INDEX	-	0.93

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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