

#### KEY INDICATOR

05/07/2021	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	3.50	3.50	0.00	-75.00
10 Yr (bps)	6.58	6.59	-0.01	-65.00
USD/IDR	14,477.00	14533.00	-0.39%	0.69%

#### INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,005.61	-0.29%	0.44%	17.92
MSCI	5,874.89	-0.98%	-10.95%	16.51
HSEI	28,143.50	-0.59%	3.35%	13.41
FTSE	7,164.91	0.58%	10.90%	13.67
DJIA	34,786.35	Closed	13.66%	19.52
NASDAQ	14,639.33	Closed	13.59%	32.55

#### COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	75.16	-0.09%	84.90%	54.91%
COAL	USD/TON	143.40	2.98%	172.62%	78.14%
CPO	MYR/MT	3,880.00	2.40%	64.27%	7.78%
GOLD	USD/TOZ	1,791.77	0.25%	0.92%	-5.61%
TIN	USD/MT	31,665.00	0.46%	88.15%	55.79%
NICKEL	USD/MT	18,412.00	0.38%	42.21%	10.83%

#### CORPORATE ACTION

TICKER	EVENT	NOTES
AMAG	Cum Dividend Date	IDR50/share
IMAS	Cum Dividend Date	IDR25share
BMHS	IPO	IDR340/share

#### NET FOREIGN TRADING VALUE

YTD Foreign Transaction  
Net BUY  
IDR15.96 tn



Sources: Bloomberg LP, MNCS

#### Global Market Highlight

**US indices closed on Monday (05/07)** in celebration of US Independence Day. While, global crude oil prices rose as the OPEC+ meeting has not yet reached an agreement to increase production by 2 million barrels per day. From the US Department of Labor released PCE core inflation in May grew +3.4% YoY, the growth is the highest since 1992. The market will look forward to several data releases today, such as: 1) US ISM Non-Manufacturing PMI; 2) Germany ZEW Economic Sentiment Index; 3) EuroZone ZEW Economic Sentiment Index

#### Domestic Updates

- **Indonesia reported a state budget deficit of 1.72% GDP or IDR283.2 trillion in the 1H21. The state income reached IDR886.9 trillion (50.9% target) and total government spending was IDR1,170.1 trillion (42.5% target). MNCS comment:** We expect state spending continues to be intensified in response to Covid-19 cases spike recently. Under the Economic Recovery Program (PEN), the government allocates nearly IDR40 trillion to cushion the economic impact of stricter social restriction by disbursing healthcare support and social assistance. Rising Covid-19 cases will also derail fiscal outlook and challenge consolidation agenda. FY21 budget deficit is expected to be more than 5%.
- **Furthermore, there was an addition of 10,903 new Covid-19 cases in Jakarta yesterday.**

#### Company News

1. **ACES IJ** prepared an online distribution strategy in the midst of implementing emergency PPKM through several platforms such as ruparupa.com, Ace online, tokopedia and shopee. ACES is still targeting the opening of 8 new stores in FY21E (Kontan). **MNCS Comment:** We see that the online distribution strategy is the right strategy amidst the temporary closure of outlets during an emergency PPKM. However, SSSG still has the potential to be under pressure in 3Q21. Capex was only budgeted at IDR100 billion in FY21E or lower than last year's IDR250 billion in the midst of low community mobility. Currently ACES is trading at 37.66x/4.54x PE/PBV levels.
2. **IPCC IJ** posted revenue of IDR119.92 billion in 1Q21, down -3.24% YoY (vs IDR123.93 billion in 1Q20). However, COGS increased from IDR68.79 billion in 1Q20 to IDR77.03 billion in 1Q21. IPCC posted a net profit of IDR17.89 billion in 1Q21 which was down -12.30% YoY (vs IDR20.40 billion in 1Q20) (Bisnis Indonesia). **MNCS Comment:** The non-optimal sales of imports and exports of vehicles and heavy equipment have led to the IPCC's low income. In addition, IPCC is still trying to reduce costs to get efficiency in FY21. Currently IPCC is trading at 0.99x PBV levels.
3. **GJTL IJ** posted revenue of IDR3.92 trillion in 1Q21, up +3.16% YoY (vs IDR3.79 trillion in 1Q20). COGS also increased from IDR3.02 trillion in 1Q20 to IDR3.16 trillion in 1Q21. GJTL posted a net profit of IDR114.19 billion in 1Q21 which increased (vs net loss of IDR 539.57 billion in 1Q20) (Kontan). **MNCS Comment:** Other than the increase revenue, GJTL also reduced their general and admin fee as well as finance cost. But what really support the bottom line is a significant reduction on forex loss. Currently GJTL is trading at 5.91x/0.38x PE/PBV levels.

#### IHSG Updates

**JCI fell by -0.29% to 6,005.61 on Monday (05/07)** followed by net foreign sell reaching IDR326.30 billion. JCI closing was lower along with various sectors, as the non-cyclical sector weakened by -2.16%, followed by energy (-0.98%). On the other hand, the health sector strengthened by +2.05% followed by transport (+1.35%). The market tends to be less reactive with the implementation of PPKM, it has anticipated with price in some time in advance, the tightening that occurs in Emergency PPKM is still fairly normal because it is not fully locked down. Meanwhile the Rupiah exchange rate was weakening at IDR14,532. We estimate the JCI will move in the range of 5,950-6,070 while waiting for foreign exchange reserves data MoM release. **Today's recommendation: SSMS, MAPI, INAF, PNLF.**

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Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%) FY21E FY22F	PER (x) FY21E FY22F	PBV (x) FY21E FY22F
<b>Automotive</b>								
ASII IJ	Astra International Tbk PT	199,989	2.83	BUY	7,480	2.14 11.71	12.12 10.85	0.96 0.91
<b>Banking</b>								
BBCA IJ	Bank Central Asia Tbk PT	753,211	10.54	BUY	38,000	21.42 14.19	22.87 20.03	3.81 3.53
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	88,022	1.23	BUY	7,800	162.73 88.51	10.20 5.41	0.74 0.66
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	480,967	6.73	BUY	4,800	49.34 29.52	17.18 13.27	2.28 2.13
BMRI IJ	Bank Mandiri Persero Tbk PT	273,000	3.82	BUY	8,400	-92.29 -14.84	206.71 242.74	1.39 1.31
BNGA IJ	Bank CIMB Niaga Tbk PT	22,744	0.32	BUY	1,200	69.41 15.86	6.62 5.71	0.49 0.46
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,349	0.20	BUY	2,200	22.52 45.95	7.32 5.02	0.69 0.62
<b>Telco</b>								
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	301,149	4.25	BUY	4,000	9.16 12.14	13.26 11.83	2.42 2.28
EXCL IJ	XL Axiata Tbk PT	27,348	0.39	BUY	3,200	98.23 74.04	36.75 21.12	1.37 1.28
TOWR IJ	Sarana Menara Nusantara Tbk PT	65,809	0.93	HOLD	1,400	8.77 11.00	20.81 18.74	5.86 4.96
<b>Toll Road &amp; Utilities</b>								
JSMR IJ	Jasa Marga Persero Tbk PT	24,677	0.35	BUY	5,100	113.37 65.72	23.08 13.93	1.19 1.11
PGAS IJ	Perusahaan Gas Negara Tbk PT	24,848	0.35	BUY	2,040	134.55 50.00	18.63 12.42	0.71 0.69
<b>Consumer</b>								
UNVR IJ	Unilever Indonesia Tbk PT	188,843	2.67	BUY	7,300	3.02 7.76	25.56 23.72	35.74 31.90
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	95,919	1.36	BUY	11,600	6.55 10.55	13.66 12.36	2.95 2.69
INDF IJ	Indofood Sukses Makmur Tbk PT	56,634	0.80	BUY	9,000	3.12 11.75	8.51 7.62	1.24 1.14
HOKI IJ	Buyung Poetra Sembada PT	1,848	0.03	BUY	275	197.14 31.48	16.07 12.22	2.10 1.73
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,500	0.32	BUY	900	12.21 12.74	21.30 18.89	6.64 6.28
TBLA IJ	Tunas Baru Lampung Tbk PT	4,381	0.06	HOLD	870	4.00 10.21	6.15 5.58	0.72 0.67
<b>Pharmacy</b>								
KLBF IJ	Kalbe Farma Tbk PT	65,156	0.92	BUY	1,800	1.19 9.06	23.56 21.60	3.47 3.19
<b>Healthcare</b>								
SILO IJ	Siloam International Hospitals Tbk PT	13,697	0.19	HOLD	9,000	179.01 19.07	42.22 35.46	2.28 2.19
HEAL IJ	Medikaloka Hermina Tbk PT	17,645	0.25	SELL	4,700	36.33 -6.15	27.24 29.02	5.66 4.59
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	39,462	0.56	BUY	3,450	21.02 -3.23	38.79 40.09	6.99 6.44
<b>Retail</b>								
ACES IJ	Ace Hardware Indonesia Tbk PT	24,353	0.34	BUY	1,800	16.41 20.49	28.46 23.62	4.29 3.85
ERAA IJ	Erajaya Swasembada Tbk PT	10,208	0.14	BUY	750	41.83 16.79	11.75 10.06	1.90 1.46
MAPI IJ	Mitra Adiperkasa Tbk PT	10,790	0.15	BUY	1,100	204.91 49.56	18.77 12.55	1.90 1.69
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,861	0.07	BUY	900	253.16 56.39	21.71 13.88	1.23 1.17
PZZA IJ	Sarimelati Kencana PT	2,100	0.03	BUY	840	231.44 60.81	17.01 10.58	1.84 1.42
<b>Construction</b>								
ADHI IJ	Adhi Karya Persero Tbk PT	2,599	0.04	BUY	1,400	-69.27 63.27	12.09 7.41	0.50 0.48
PTPP IJ	PP Persero Tbk PT	5,518	0.08	BUY	1,600	184.33 58.52	14.91 9.40	0.58 0.50
WIKA IJ	Wijaya Karya Persero Tbk PT	8,746	0.12	BUY	1,550	167.69 42.48	17.59 12.34	0.69 0.65
WSBP IJ	Waskita Beton Precast Tbk PT	3,849	0.05	BUY	230	99.90 1238.71	-720.17 63.24	3.78 3.60
WSKT IJ	Waskita Karya Persero Tbk PT	11,470	0.16	BUY	1,200	-88.48 -40.79	-13.50 -22.80	1.65 1.87
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,733	0.02	BUY	250	40.16 43.67	8.07 5.61	0.74 0.67



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<b>Property</b>								
BSDE IJ	Bumi Serpong Damai Tbk PT	20,536	0.29	BUY	1,450	501.95 28.12	11.41 8.91	0.64 0.61
PWON IJ	Pakuwon Jati Tbk PT	21,094	0.30	BUY	660	56.19 18.15	14.52 12.29	1.32 1.21
SMRA IJ	Summarecon Agung Tbk PT	13,583	0.19	BUY	1,100	134.85 21.22	29.07 23.98	1.78 1.65
CTRA IJ	Ciputra Development Tbk PT	17,261	0.24	BUY	1,300	14.53 6.36	11.44 10.75	1.12 1.04
DMAS IJ	Puradelta Lestari Tbk PT	9,254	0.13	BUY	240	-29.98 -10.18	9.81 10.92	1.51 1.44
<b>Agriculture</b>								
AALI IJ	Astra Agro Lestari Tbk PT	14,916	0.21	BUY	14,350	33.27 7.23	13.44 12.53	0.76 0.73
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	7,403	0.10	BUY	1,920	51.11 14.43	7.04 6.15	0.74 0.70
<b>Coal Mining</b>								
ADRO IJ	Adaro Energy Tbk PT	39,503	0.56	BUY	1,450	123.04 4.33	8.33 7.99	0.68 0.69
PTBA IJ	Bukit Asam Tbk PT	23,733	0.34	BUY	3,000	68.89 5.69	5.73 5.42	1.37 1.35
ITMG IJ	Indo Tambangraya Megah Tbk PT	15,819	0.22	HOLD	14,400	117.03 4.20	11.14 10.69	1.23 1.21
<b>Metal Mining</b>								
ANTM IJ	Aneka Tambang Tbk	53,829	0.76	BUY	3,100	136.86 36.96	19.77 14.44	2.39 2.04
INCO IJ	Vale Indonesia Tbk PT	47,098	0.67	BUY	7,150	66.52 37.50	23.69 17.23	1.51 1.39
MDKA IJ	Merdeka Copper Gold Tbk PT	66,653	0.94	BUY	3,300	140.49 36.56	49.17 36.00	7.42 6.20
<b>Poultry</b>								
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	104,947	1.48	HOLD	6,650	13.22 9.18	24.16 22.13	3.99 3.56
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	20,111	0.28	BUY	2,200	118.77 8.10	9.92 9.18	1.58 1.42
<b>Cigarette</b>								
GGRM IJ	Gudang Garam Tbk PT	84,564	1.19	SELL	37,000	-13.26 7.73	12.75 11.83	1.33 1.24
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	136,092	1.92	BUY	1,300	-4.82 7.68	16.61 15.43	4.47 4.30
<b>Cement</b>								
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	37,457	0.53	BUY	14,500	-4.37 14.03	21.68 19.02	1.69 1.66
SMGR IJ	Semen Indonesia Persero Tbk PT	54,570	0.77	BUY	12,200	-2.68 25.63	20.07 15.98	1.51 1.40
<b>Basic Industry and Chemical</b>								
ARNA IJ	Arwana Citramulia Tbk PT	5,579	0.08	BUY	1,000	23.87 9.68	13.83 12.61	3.81 3.47
<b>Heavy Equipment and Trade</b>								
UNTR IJ	United Tractors Tbk PT	75,442	1.07	BUY	33,700	18.06 2.36	10.65 10.40	1.12 1.08
AKRA IJ	AKR Corporindo Tbk PT	12,245	0.17	BUY	4,200	13.34 1.13	11.52 11.39	1.10 1.20
IPCM IJ	Jasa Armada Indonesia Tbk PT	1,681	0.02	BUY	380	20.34 3.77	17.40 16.76	1.39 1.31

SECTOR RATIO

SECTOR	PE	PBV
IDXBASIC INDEX	-	2.00
IDXCYC INDEX	-	1.70
IDXENER INDEX	75.51	1.28
IDXFIN INDEX	27.20	2.09
IDXHLTH INDEX	33.66	3.69
IDXINDUS INDEX	0.00	1.18
IDXINFRA INDEX	37.36	2.36
IDXNCYC INDEX	20.06	2.62
IDXPROP INDEX	-	0.95
IDXTECH INDEX	-	11.41
IDXTRANS INDEX	-	1.41

Sources: Bloomberg LP, MNCS

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

## MNC Research Investment Ratings Guidance

**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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