

KEY INDICATOR

16/06/2021	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	3.50	3.50	0.00%	(100)
10 Yr (bps)	6.42	6.40	0.02	(74)
USD/IDR	14,238	14,225	0.09%	1.05%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,078,568	-0.17%	1.66%	18.28
MSCI	6,157,34	-1.34%	-6.66%	16.86
HSEI	28,436,84	-0.70%	4.43%	13.22
FTSE	7,184,95	0.17%	11.21%	14.15
DJIA	34,033,67	-0.77%	11.20%	20.00
NASDAQ	14,039,68	-0.24%	8.93%	32.54

COMMODITIES

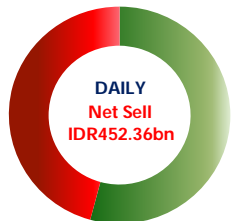
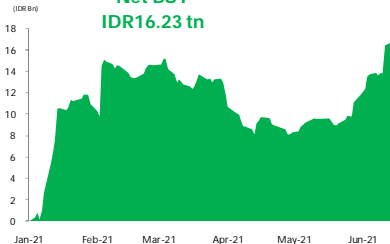
COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	72.15	0.04%	87.99%	48.70%
COAL	USD/TON	125.25	0.20%	134.77%	55.59%
CPO	MYR/MT	3,404.00	-4.92%	44.48%	-5.44%
GOLD	USD/TOZ	1,811.47	-2.56%	4.92%	-4.58%
TIN	USD/MT	31,215.00	-0.79%	84.49%	53.58%
NICKEL	USD/MT	17,649.00	-0.51%	35.51%	6.24%

CORPORATE ACTION

TICKER	EVENT	NOTES
BRAM	Cum Dividend Date	IDR400/share
ACES	Cum Dividend Date	IDR32.15/share
IMPC	Cum Dividend Date	IDR6/share

NET FOREIGN TRADING VALUE

YTD Foreign Transaction
Net BUY
IDR16.23 tn



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA fell by (-0.77%) on Wednesday (16/06) followed by S&P 500 (-0.54%) and Nasdaq (-0.24%). Wall Street fell as project rate hikes for 2023, the central bank could begin rising interest rates a year earlier than expected. The market will look forward to several data releases today, such as: 1) US FOMC Economic Projections; 2) US The Fed Interest Rate decision; 3) Euro Area Core Inflation Rate YoY Final.

Domestic Updates

- BI will announce its monetary policy today. Consensus agreed that national central bank will keep interest rate unchanged at 3.5%. MNCS comment: BI has cut its benchmark rate 150 bps since Covid-19 pandemic strike. Even though the threat of rising U.S. inflation above central bank target thus triggering the potential of tapering, We believe that BI will continue to maintain the benchmark interest rate to maintain the rupiah exchange rate.
- Financial Service Authority (OJK) claimed restructured loan trend has decreased. As of April 2021, bank's restructured credit was IDR775.32 trillion, below IDR900 trillion in the previous month. However non-performing loan (NPL) increased 5 bps to 3.22% in April from 3.17% in March. MNCS Comment: Although NPL figure seems remain manageable, we remain cautious on high LaR which already stood at 25% that could potentially turn to NPL. Various sector such as (Trade, construction, transportation, service and manufacture) still dominated nominal NPL (72% from total sectors NPL). We expect banks loan loss provision to hike that could potentially sap out its profitability. However from the industry landscape, Indonesian banks remain resilient on the back of solid CAR at 23%-24% and ample liquidity with LDR at 81% - 83%.
- Furthermore, there was an addition of 2,376 new Covid-19 cases in Jakarta yesterday.

Company News

1. BBTN IJ recorded Third Party Funds (DPK) of IDR289.46 trillion in 4M21 or up +41.07% YoY (vs. IDR205.18 trillion in 4M20). BBTN's DPK growth far exceeded the growth of the banking industry's DPK. Based on Bank Indonesia records, as of April 2021, banking industry deposits increased 11.5% YoY to IDR6.558 trillion (Emiten News). MNCS Comment: This achievement is in line with the management target to increase cheap funds, where the DPK is targeted to grow 7% -9% YoY on FY21E. Savings from the cost of fund are one source of BBTN profit drivers. BBTN is trading at 6.59x/0.86x PE/PBV.
2. LPCK IJ posted revenue of IDR239.17 billion in 1Q21, down -58.35% YoY (vs IDR574.37 billion in 1Q20). However, COGS LPCK also decreased from IDR304.90 billion in 1Q20 to IDR146.02 billion in 1Q21. LPCK posted a net profit of IDR87.30 billion in 1Q21 which decreased by 89% YoY (vs. IDR793.58 billion in 1Q20) (Bisnis Indonesia). MNCS Comment: The non-absorption of some landbank and LPCK's properties has resulted in a decrease in the top/bottom-line LPCK. The company must be able to take advantage of property momentum in FY21 to improve its performance. LPCK is currently trading at 8.98x/0.49x PE/PBV levels.
3. MERK IJ has budgeted capital expenditure worth IDR57 billion which will be used to improve factory performance. The source of funding capex comes from internal cash. Capital expenditure will be used to maintain utilization and efficiency and development of diabetes and cardio products (Bisnis Indonesia). MNCS Comment: We see this capex allocation to be one of the company's strategies to encourage 3% YoY income growth and efficiency at production prices on FY21E. Currently MERK is trading at 7.18x/2.30x PE/PBV levels.

IHSG Updates

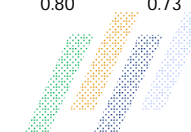
JCI fell by (-0.17%) to 6,078.57 on Wednesday (16/06) followed by net foreign sell reaching IDR452.36 billion. JCI was weakened along with various sector, led by finance (-1.44%), health (-1.37%), and infrastructure (-0.25%). On the other hand, the technology sector managed to strengthen by +15.22%, followed by energy +0.94%, and property +0.19%. The high rate of daily Covid-19 cases, and the discourse on the implementation of Social Restrictions are still negative sentiments for market movements. Meanwhile, the Rupiah exchange rate was weakening at IDR14,238. We estimate the JCI will move in the range of 6,030-6,120 while waiting for interest rate decision. Today's recommendation: EXCL, PNLF, WSBP, AALI.

Stock	Close Price	Recommendation	Tactical Moves
EXCL	2,660	Buy on Weakness	EXCL is forming the beginning of wave 3 of wave (C).
PNLF	198	Buy on Weakness	PNLF is forming wave 2.
WSBP	174	Buy on Weakness	WSBP is at the end of wave 2.
AALI	8,400	Sell on Strength	AALI is in the part of wave [v] of wave A of wave (B).



MNCS UNIVERSE

Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)		
						FY21E	FY22F	FY21E	FY22F	FY21E	FY22F	
Automotive												
ASII IJ	Astra International Tbk PT	208,490	2.92	BUY	7,480	2.14	11.71	12.64	11.31	1.00	0.95	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	787,111	10.92	BUY	38,000	21.42	14.19	23.90	20.93	3.98	3.69	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	100,237	1.39	BUY	7,800	162.73	88.51	11.62	6.16	0.84	0.76	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	494,532	6.86	BUY	5,100	59.41	24.31	16.55	13.31	2.25	2.00	
BMRI IJ	Bank Mandiri Persero Tbk PT	292,833	4.06	BUY	8,400	-92.29	-14.84	221.73	260.37	1.49	1.41	
BNGA IJ	Bank CIMB Niaga Tbk PT	23,372	0.32	BUY	1,200	69.41	15.86	6.80	5.87	0.51	0.48	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,467	0.23	BUY	2,200	22.52	45.95	8.41	5.76	0.79	0.71	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	337,802	4.73	BUY	4,000	9.16	12.14	14.87	13.26	2.71	2.55	
EXCL IJ	XL Axiata Tbk PT	28,528	0.40	BUY	3,200	98.23	74.04	38.34	22.03	1.43	1.34	
TOWR IJ	Sarana Menara Nusantara Tbk PT	62,238	0.87	BUY	1,400	8.77	11.00	19.68	17.73	5.55	4.69	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	27,580	0.39	BUY	5,100	113.37	65.72	25.80	15.57	1.33	1.24	
PGAS IJ	Perusahaan Gas Negara Tbk PT	27,514	0.39	BUY	2,040	134.55	50.00	20.98	13.99	0.80	0.77	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	198,380	2.78	BUY	7,300	3.02	7.76	26.85	24.91	37.55	33.51	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	95,336	1.34	BUY	11,600	6.55	10.55	13.58	12.28	2.93	2.67	
INDF IJ	Indofood Sukses Makmur Tbk PT	55,097	0.77	BUY	9,000	3.12	11.75	8.28	7.41	1.20	1.11	
HOKI IJ	Buyung Poetra Sembada PT	2,013	0.03	BUY	275	197.14	31.48	17.50	13.31	2.29	1.88	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,800	0.32	BUY	900	12.21	12.74	21.58	19.15	6.73	6.37	
TBLA IJ	Tunas Baru Lampung Tbk PT	4,487	0.06	HOLD	870	4.00	10.21	6.30	5.71	0.74	0.69	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	66,797	0.94	BUY	1,800	1.19	9.10	24.15	22.13	3.55	3.26	
Healthcare												
SILO IJ	Siloam International Hospitals Tbk PT	13,575	0.19	HOLD	9,000	179.01	19.07	41.84	35.14	2.25	2.15	
HEAL IJ	Medikaloka Hermina Tbk PT	13,341	0.19	HOLD	4,700	0.64	7.30	27.90	26.00	4.62	4.05	
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	35,188	0.49	BUY	3,450	21.20	-2.04	34.54	35.26	6.35	5.71	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	23,667	0.33	BUY	1,800	23.05	19.57	26.17	21.88	4.11	3.68	
ERAA IJ	Erajaya Swasembada Tbk PT	10,926	0.15	HOLD	750	39.82	19.44	12.76	10.68	1.79	1.58	
MAPI IJ	Mitra Adiperkasa Tbk PT	12,533	0.18	BUY	1,100	206.79	55.55	21.42	13.77	2.21	1.93	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,790	0.07	BUY	900	243.64	68.28	22.81	13.56	1.22	1.15	
PZZA IJ	Sarimelati Kencana PT	2,085	0.03	BUY	840	242.29	45.64	15.60	10.71	1.64	1.44	
Construction												
ADHI IJ	Adhi Karya Persero Tbk PT	3,365	0.05	BUY	1,400	-69.27	63.27	15.66	9.59	0.65	0.63	
PTPP IJ	PP Persero Tbk PT	6,417	0.09	BUY	1,600	184.33	58.52	17.33	10.94	0.67	0.58	
WIKA IJ	Wijaya Karya Persero Tbk PT	10,988	0.15	BUY	1,550	167.69	42.48	22.10	15.51	0.87	0.81	
WSBP IJ	Waskita Beton Precast Tbk PT	4,587	0.06	BUY	230	99.90	1238.71	-858.28	75.37	4.51	4.30	
WSKT IJ	Waskita Karya Persero Tbk PT	13,642	0.19	BUY	1,200	-88.48	-40.79	-16.05	-27.12	1.97	2.22	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,876	0.03	BUY	250	40.16	43.67	8.73	6.08	0.80	0.73	



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						FY21E	FY22F	FY21E	FY22F	FY21E	FY22F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	21,489	0.30	BUY	1,450	501.95	28.12	11.94	9.32	0.67	0.64
PWON IJ	Pakuwon Jati Tbk PT	22,250	0.31	BUY	660	56.19	18.15	15.32	12.97	1.40	1.27
SMRA IJ	Summarecon Agung Tbk PT	14,194	0.20	BUY	1,100	134.85	21.22	30.66	25.29	1.87	1.74
CTRA IJ	Ciputra Development Tbk PT	18,560	0.26	BUY	1,300	14.53	6.36	12.30	11.56	1.20	1.12
DMAS IJ	Puradelta Lestari Tbk PT	10,314	0.14	BUY	240	-29.98	-10.18	10.93	12.17	1.68	1.61
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	16,167	0.23	BUY	14,350	33.27	7.23	14.56	13.58	0.82	0.79
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	7,573	0.11	BUY	1,920	51.11	14.43	7.20	6.29	0.76	0.71
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	44,620	0.63	HOLD	1,450	127.67	5.26	9.38	8.91	0.81	0.79
PTBA IJ	Bukit Asam Tbk PT	26,037	0.36	BUY	3,000	26.84	-1.88	8.37	8.53	1.37	1.26
ITMG IJ	Indo Tambangraya Megah Tbk PT	17,175	0.24	HOLD	14,400	234.88	-4.96	7.97	8.39	1.29	1.28
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	55,751	0.78	HOLD	2,550	74.36	26.41	27.82	22.01	2.61	2.37
INCO IJ	Vale Indonesia Tbk PT	46,005	0.64	BUY	7,150	66.52	37.50	23.53	17.11	1.50	1.38
MDKA IJ	Merdeka Copper Gold Tbk PT	66,653	0.93	HOLD	2,720	44.12	400.00	215.14	43.03	6.88	7.12
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	105,357	1.48	HOLD	6,650	-0.66	17.62	27.64	23.50	4.15	3.63
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	23,043	0.32	BUY	2,200	107.26	8.97	12.00	11.01	1.84	1.65
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	68,594	0.96	HOLD	37,000	-14.12	8.81	10.44	9.60	1.07	1.00
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	137,255	1.92	BUY	1,300	-4.75	7.91	16.74	15.51	4.50	4.33
Cement											
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	41,322	0.58	BUY	14,500	-4.34	14.24	23.91	20.93	1.86	1.82
SMGR IJ	Semen Indonesia Persero Tbk PT	60,502	0.85	BUY	12,200	-2.84	25.63	22.29	17.74	1.67	1.56
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	5,690	0.08	BUY	1,000	23.87	9.68	14.11	12.86	3.89	3.53
Heavy Equipment and Trade											
UNTR IJ	United Tractors Tbk PT	84,488	1.18	BUY	33,700	18.06	2.36	11.92	11.65	1.26	1.21
AKRA IJ	AKR Corporindo Tbk PT	12,927	0.18	BUY	4,200	13.34	0.77	12.17	12.07	1.16	1.39
IPCM IJ	Jasa Armada Indonesia Tbk PT	1,490	0.02	BUY	380	20.34	3.77	15.43	14.87	1.23	1.16

SECTOR RATIO

SECTOR	PE	PBV
IDXBASIC INDEX	17.59	0.61
IDXCYC INDEX	-	1.65
IDXENER INDEX	101.14	0.59
IDXFIN INDEX	27.57	2.11
IDXHLTH INDEX	31.57	3.37
IDXINDUS INDEX	-	1.62
IDXINFRA INDEX	39.63	2.55
IDXNCYC INDEX	22.48	2.69
IDXPROP INDEX	-	0.95
IDXTECH INDEX	-	20.12
IDXTRANS INDEX	-	3.54

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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