

KEY INDICATOR

18/10/2021	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	3.50	3.50	0.00	-50.00
10 Yr (bps)	6.09	6.17	-0.08	-66.20
USD/IDR	14,110	14,075	0.25%	-4.19%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,658.77	0.38%	10.94%	17.92
MSCI	6,920.38	-0.15%	4.90%	16.51
HSEI	25,409.75	0.67%	-6.98%	13.41
FTSE	7,203.83	-0.42%	11.97%	13.67
DJIA	35,258.61	-0.10%	15.32%	19.52
NASDAQ	15,021.80	0.84%	15.59%	32.55

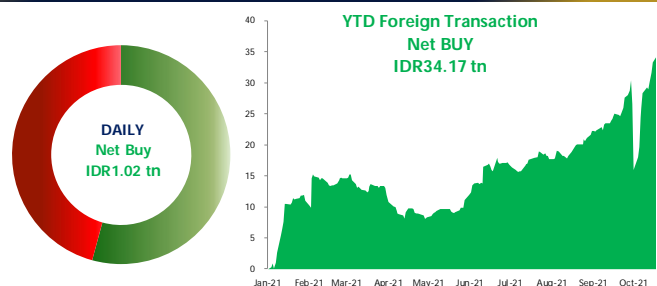
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	82.44	0.19%	102.15%	69.58%
COAL	USD/TON	239.35	-0.65%	330.88%	198.14%
CPO	MYR/MT	4,948.00	1.77%	70.01%	37.81%
GOLD	USD/TOZ	1,765.70	-0.15%	-8.19%	-6.89%
TIN	USD/MT	37,942.00	1.76%	102.67%	83.03%
NICKEL	USD/MT	19,870.00	0.29%	29.81%	20.51%

CORPORATE ACTION

TICKER	EVENT	NOTES
UNSP	RUPS	-
FIMP	RUPS	-
TGKA	RUPS	-

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA fell slightly by -0.10% on Monday (18/10), while S&P 500 increased +0.34% followed by Nasdaq (+0.84%). Wall Street closed mixed due to investors appearing optimistic about the third-quarter earnings season while the market eyes on the inflation risks. The US Industrial Production fell more than expected by -1.3% in September-21 from the previous at -0.1% level weighed down by supply chain issues. On the other hand, China GDP Growth Rate YoY stood at 4.9% in 3Q21 from the previous at 7.9% last year as industrial activity grew less than expected by 3.1% YoY. Today the market will be looking forward to several data releases such as: 1) US Building Permits MoM (SEP); 2) US Fed Daly Speech; 3) China FDI (YTD) YoY.

Domestic Updates

• **Bank Indonesia (BI) will announce September-21 policy rates today. BI is expected to keep interest rates unchanged with BI-7 Day Reverse Repo at 3.50%; Lending Facility at 4.25% and Deposit Facility at 2.75%. MNCS Comment:** We agree with the consensus estimate. In order to keep the economy afloat amid a more hawkish tone from the global central bank, maintaining policy rate steady would be the central bank's choice. We believe with the current level of policy rate could anchor inflation expectation and keep rupiah stable in line with its fundamental value.

• **Furthermore, there was an addition of 107 new Covid-19 cases in Jakarta yesterday.**

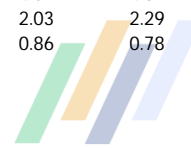
Company News

1. **SIDO IJ** recorded a positive performance in 3Q21. Revenue increased by +23% YoY to IDR2.78 trillion in 9M21 (vs IDR2.26 trillion in 9M20). Net Profit reached IDR865.5 billion in 9M21 or an increase of +35% YoY (vs IDR640.81 billion in 9M20). (Market Bisnis). **MNCS Comment:** We believe that the improvement in SIDO's performance is driven by public awareness of the necessity to keep maintaining health and is projected to continue to grow along with increasing consumer demand in the future. The company projected net profit will soar by more than 25% for FY21E SIDO is currently trading at level 20.67x/7.78x PER/PBV.
2. **ARNA IJ** posted net sales of IDR1.88 trillion in 9M21 an increase of +16.77% YoY (vs IDR1.61 trillion in 9M20). The growth in sales prompted ARNA's net profit to rise to IDR347.44 billion in 9M21 or +57.01% (vs IDR221.5 billion in 9M20) (iqplus). **MNCS Comment:** We assess that a significant increase in profit was obtained by cost efficiency and increased sales due to the PPnBM property incentive, thereby increasing sales of ceramics. ARNA is trading at the level of 12.71x/4.33x PER/PBV.
3. **PPRE IJ** obtained a contract that exceeded 130% of the target of IDR4.7 trillion in 9M21. New contract achievement grew +147% YoY from new contract price up to 9M20 of IDR1.9 trillion. The contract value includes the mining service business line by 49.5%, civil work by 43.6% and the rest from other business lines by 6.9% (Trenasia). **MNCS Comment:** We see the new contract effort, confirming the company's efforts and success in providing mining services and improving PPRE's positioning as a mining service contractor. Currently, PPRE is trading at level 32.18x/1.05x PER/PBV.

IHSG Updates

JCI strengthened by +0.38% to 6,658.77 on Monday (18/10) followed by net foreign buy reaching IDR1.02 trillion. JCI closed higher in almost all sectors, led by the transportation sector (+1.80%), followed by the industrial sector (+1.45%). On the other hand, the non-cyclical consumer sector weakened by -0.14%, followed by the energy sector (-0.12%). The strengthening of the JCI was driven by market optimism regarding the progress in handling Covid-19 cases in Indonesia, which continued to improve, where Covid-19 cases were recorded below 1,000 in the last 2 days. Another sentiment came from India which reduced CPO import duties from 24.75% to 8.25%, import duties for processed products were also lowered to 19.25% from 35.75%. On the other hand, the Rupiah weakened at IDR14,110 level in the spot market while waiting for the Interest Rate Decision. **Today's recommendations: PTBA, TKIM, INDF, IMJS.**

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	253,022	3.32	BUY	7,480	2.14	11.71	15.34	13.73	1.21	1.15
Banking											
BBCA IJ	Bank Central Asia Tbk PT	943,054	12.14	BUY	36,000	507.08	14.19	5.73	5.02	0.95	0.88
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	125,878	1.60	BUY	7,800	162.73	88.51	14.59	7.74	1.06	0.95
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	653,516	8.00	BUY	4,800	53.08	29.52	19.03	14.69	2.52	2.36
BMRI IJ	Bank Mandiri Persero Tbk PT	333,667	4.25	BUY	8,400	-92.29	-14.84	252.65	296.68	1.70	1.61
BNGA IJ	Bank CIMB Niaga Tbk PT	27,268	0.31	BUY	1,200	69.41	15.86	7.93	6.85	0.59	0.55
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	18,109	0.23	BUY	2,200	22.52	45.95	9.24	6.33	0.87	0.78
Telco											
TLKM IJ	Telkom Indonesia Persero Tbk PT	377,427	5.00	HOLD	4,000	9.16	12.14	16.62	14.82	3.03	2.85
EXCL IJ	XL Axiata Tbk PT	33,783	0.42	HOLD	3,200	98.23	74.04	45.40	26.09	1.69	1.59
TOWR IJ	Sarana Menara Nusantara Tbk PT	61,473	0.81	BUY	1,400	8.77	11.00	19.44	17.51	5.48	4.63
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	32,152	0.40	BUY	5,100	113.37	65.72	30.07	18.15	1.55	1.44
PGAS IJ	Perusahaan Gas Negara Tbk PT	36,968	0.48	BUY	2,040	134.55	50.00	28.51	19.01	1.08	1.05
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	199,334	2.33	SELL	4,450	3.02	7.76	26.98	25.03	37.73	33.68
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	108,164	1.29	BUY	11,600	6.55	10.55	15.41	13.94	3.33	3.03
INDF IJ	Indofood Sukses Makmur Tbk PT	59,487	0.79	BUY	8,650	3.12	11.75	8.94	8.00	1.30	1.20
HOKI IJ	Buyung Poetra Sembada PT	1,926	0.02	BUY	275	197.14	31.48	16.74	12.73	2.19	1.80
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	23,427	0.28	BUY	900	13.06	12.74	22.01	19.52	6.86	6.49
TBLA IJ	Tunas Baru Lampung Tbk PT	4,781	0.06	HOLD	870	4.00	10.21	6.71	6.09	0.79	0.73
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	67,735	0.88	BUY	1,800	2.04	9.20	24.29	22.24	3.61	3.31
Healthcare											
SILO IJ	Siloam International Hospitals Tbk PT	14,307	0.17	HOLD	8,650	307.29	-3.45	30.21	31.29	2.32	2.23
HEAL IJ	Medikaloka Hermina Tbk PT	16,975	0.22	BUY	4,700	80.14	-18.54	19.83	24.34	5.06	4.32
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	32,339	0.41	BUY	3,450	25.25	-4.92	30.72	32.31	5.73	5.24
PRDA IJ	Prodia Widyahusada Tbk PT	5,977	0.07	BUY	10,000	17.87	18.16	18.87	15.97	2.85	2.28
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	24,096	0.31	BUY	1,800	-9.25	33.52	36.12	27.06	4.33	3.92
ERAA IJ	Erajaya Swasembada Tbk PT	9,570	0.13	BUY	750	55.74	14.91	10.03	8.73	1.55	1.37
MAPI IJ	Mitra Adiperkasa Tbk PT	14,608	0.19	BUY	1,100	177.53	86.01	34.40	18.49	2.65	2.38
RALS IJ	Ramayana Lestari Sentosa Tbk PT	5,677	0.07	BUY	900	205.21	106.78	36.91	17.85	1.44	1.38
PZZA IJ	Sarimelati Kencana PT	2,236	0.03	BUY	840	225.93	96.84	18.91	9.60	1.96	1.82
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	4,220	0.06	BUY	1,400	-69.27	63.27	19.63	12.02	0.81	0.79
PTPP IJ	PP Persero Tbk PT	8,246	0.11	BUY	1,600	184.33	58.52	22.27	14.05	0.86	0.75
WIKA IJ	Wijaya Karya Persero Tbk PT	12,917	0.16	HOLD	1,550	167.69	42.48	25.97	18.23	1.02	0.96
WSBP IJ	Waskita Beton Precast Tbk PT	4,666	0.06	BUY	230	99.90	1238.71	-873.08	76.67	4.59	4.37
WSKT IJ	Waskita Karya Persero Tbk PT	14,049	0.18	BUY	1,200	-88.48	-40.79	-16.53	-27.93	2.03	2.29
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	2,010	0.02	BUY	250	40.16	43.67	9.36	6.51	0.86	0.78



MNCS UNIVERSE

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Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	24,241	0.31	BUY	1,450	501.95	28.12	13.47	10.51	0.76	0.72
PWON IJ	Pakuwon Jati Tbk PT	25,525	0.32	BUY	660	56.19	18.15	17.57	14.87	1.60	1.46
SMRA IJ	Summarecon Agung Tbk PT	15,634	0.21	BUY	1,100	134.85	21.22	33.48	27.62	2.04	1.90
CTRA IJ	Ciputra Development Tbk PT	20,973	0.28	BUY	1,300	14.53	6.36	13.90	13.07	1.36	1.26
DMAS IJ	Puradelta Lestari Tbk PT	10,314	0.12	BUY	240	-29.98	-10.18	10.93	12.17	1.68	1.61
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	20,065	0.24	BUY	14,350	33.27	7.23	18.07	16.85	1.02	0.98
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	9,961	0.13	BUY	1,920	51.11	14.43	9.47	8.28	1.00	0.94
DSNG IJ	Dharma Satya Busantara Tbk PT	6,519	0.08	BUY	960	26.94	8.38	10.77	9.94	0.95	0.88
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	59,494	0.78	HOLD	1,830	281.09	-15.40	7.55	8.93	1.05	1.06
PTBA IJ	Bukit Asam Tbk PT	32,603	0.41	HOLD	3,000	120.77	-32.04	6.02	8.86	1.88	1.85
ITMG IJ	Indo Tambangraya Megah Tbk PT	29,378	0.37	SELL	20,500	372.85	-27.50	9.77	13.47	2.31	2.27
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	59,356	0.75	BUY	3,100	136.86	36.96	21.80	15.92	2.63	2.25
INCO IJ	Vale Indonesia Tbk PT	50,675	0.61	BUY	7,150	66.52	37.50	26.22	19.07	1.67	1.53
MDKA IJ	Merdeka Copper Gold Tbk PT	74,441	0.99	HOLD	3,300	140.49	36.56	56.48	41.36	8.52	7.12
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	104,127	1.34	HOLD	6,650	21.18	7.08	22.39	20.91	3.95	3.51
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	21,811	0.28	BUY	2,200	138.42	1.85	9.88	9.70	1.67	1.51
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	66,189	0.78	BUY	45,000	-22.26	8.83	11.13	10.23	1.11	1.05
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	132,603	1.50	BUY	1,300	-9.82	10.10	17.08	15.52	4.35	4.21
Cement											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	41,782	0.56	BUY	14,500	-11.69	13.64	26.19	23.05	1.92	1.90
SMGR IJ	Semen Indonesia Persero Tbk PT	52,049	0.69	BUY	12,200	-12.48	26.57	21.29	16.82	1.45	1.37
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	5,469	0.07	BUY	1,000	23.87	9.68	13.56	12.36	3.74	3.40
Heavy Equipment and Trade											
UNTR IJ	United Tractors Tbk PT	95,118	1.23	BUY	33,700	18.06	2.36	13.42	13.11	1.42	1.36
AKRA IJ	AKR Corporindo Tbk PT	17,183	0.22	HOLD	4,200	13.34	10.70	16.17	14.61	1.55	1.78
IPCM IJ	Jasa Armada Indonesia Tbk PT	1,839	0.02	HOLD	380	20.34	3.77	19.04	18.34	1.52	1.44

SECTOR RATIO

SECTOR	PE	PBV
IDXBASIC INDEX	14.66	2.01
IDXCYC INDEX	-	2.79
IDXENER INDEX	41.69	1.96
IDXFIN INDEX	18.64	0.97
IDXHLTH INDEX	27.15	3.56
IDXINDUS INDEX	-	1.27
IDXINFRA INDEX	-	1.26
IDXNCYC INDEX	18.87	2.71
IDXPROP INDEX	-	1.00
IDXTECH INDEX	-	8.90
IDXTRANS INDEX	-	-

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

Sources: Bloomberg LP, MNCS



MNC Research Investment Ratings Guidance

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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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