

KEY INDICATOR

21/07/2022	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	3.50	3.50	-	-
10 Yr (bps)	7.49	7.47	0.35%	118.40
USD/IDR	15,033	14,988	0.30%	3.37%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,864.13	-0.15%	4.29%	16.10
MSCI	6,947.79	0.03%	3.75%	14.50
HSEI	20,574.63	-1.51%	-12.07%	10.71
FTSE	7,270.51	0.09%	-1.54%	9.80
DJIA	32,036.90	0.51%	-11.84%	17.00
NASDAQ	12,059.61	1.36%	-22.92%	25.40

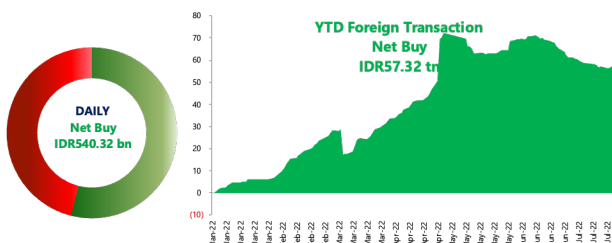
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	96.35	-5.78%	37.06%	28.11%
COAL	USD/TON	403.40	-1.27%	169.38%	137.85%
CPO	MYR/MT	3,720.00	-5.46%	-10.34%	-20.80%
GOLD	USD/TOZ	1,718.81	1.31%	-4.70%	-6.03%
TIN	USD/MT	24,841.00	0.61%	-25.68%	-36.08%
NICKEL	USD/MT	21,478.00	1.41%	15.60%	3.47%

CORPORATE ACTION

TICKER	EVENT	NOTES
BSML	Cum Dividend	IDR1.08/share
INDF	RUPS	-
ICBP	RUPS	-

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA strengthened by +0.51% on Thursday (21/07), followed by the S&P 500 (+0.99%) and the Nasdaq (+1.36%). Wall Street rose amid the release of initial jobless claims data as of July 16-22 which rose to 251,000 (vs 244,000 previously) and marked an 8th straight month of gains. The optimism regarding the release of the issuer's positive financial reports in 2Q22 and the decline in the yield on the US T-note 10Y to the level of 2.92% were the driving forces for Wall Street. Today, the market will be looking toward several data releases such as: 1) US S&P Global Composite PMI Flash; 2) UK S&P Global/CIPS Manufacturing PMI Flash; 3) Germany S&P Global Manufacturing PMI Flash.

Domestic Updates

- **BI expects the headline inflation to overshoot from the ITF target at 4.5% YoY in FY22E. However, core inflation is projected to remain in the range of 2-4% YoY. MNCS Comment:** The rising inflationary pressure in Indonesia was largely driven by a supply shock. We consider that core inflation pressure will increase in line with the pass-on higher input cost from producers. Therefore, we expect BI to raise the benchmark interest rate as soon as in Aug/Sep 2022 to anchor inflation.
- **Furthermore, the national Covid-19 daily rate had increased by 5,410 active cases (21/07).**

Company News

1. **RALS IJ** planned to conduct a buyback with an allocation of IDR200 billion. The maximum absorption of shares reaches 360 million shares or 5% of the paid-up capital, while the buyback action still has to wait for the decision of the EGMS on 29-Aug (CNBC Indonesia). **MNCS Comment:** In 1Q22, the company's cash and cash equivalents reached IDR1.17 trillion. We look at this buyback action where the share price is -12.21% YTD. We also consider this effort to be carried out in line with the company's optimism that performance recovery in FY22E will be supported by the post-pandemic which increases people's mobility along with the recovery of welfare for people's consumption. Currently, RALS is traded at 33.99x/1.13x PER/PBV.
2. **TAPG IJ** targeted the construction of Palm Kernel Oil (PKO) to be completed by the end of FY22E, while the palm oil mill would be completed on May 22. The capacity of the PKO factory reached 300 tons/day (Market Bisnis). **MNCS Comment:** It is hoped that the end of the factory will improve the company's performance in the future. Currently, TAPG is traded at 3.69x/1.54x PER/PBV.
3. **INTP IJ** reported a decrease in sales volume to -3% YoY in 1H22 with 7.4 million tons. The decline was due to the weakening market share in Central Java as development progressed where cement growth was recorded at -8% (Kontan). **MNCS Comment:** In 1H21, total sales volume reached 8.19 million tons. We believe this weakening of market share was in line with adjusting product prices to increase energy costs, especially coal prices which are still high. Currently, INTP is traded at 47.39x/1.68x PER/PBV.

IHSG Updates

JCI weakened by -0.15% to 6,864.13 on Thursday (21/07), followed by net foreign buy which reached IDR540.32 billion. The majority of sectors weakened and weighed on the index, led by the health sector (-1.19%) followed by the raw materials sector (-0.56%). On the other hand, the strengthening sectors were led by the non-cyclical sector (+0.73%) followed by the financial sector (+0.26%). The weakening of the index occurred amid the release of the BI7DRR benchmark interest rate which was maintained at 3.5%. We see a number of market participants were worried about the potential for inflation to rise in Jul-22 as well as outflows as BI7DRR is maintained. On the other hand, the Rupiah exchange rate closed lower at IDR15,033/USD. We estimate that the JCI will move in the price range of 6,757-6,900 pending the release of M2 Money Supply YoY JUN data. **Today's recommendation: CPIN, INKP, LPPF, TINS.**

MNCS UNIVERSE

Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)	
						FY22E	FY23F	FY22E	FY23F	FY22E	FY23F
Automotive											
ASII IJ	Astra International Tbk PT	249,986	4.19	BUY	7,425	7.01	3.47	12.91	12.48	1.36	1.27
AUTO IJ	Astra Otoparts Tbk PT	5,519	0.04	BUY	1,700	48.73	7.88	6.07	5.63	0.44	0.42
Banking											
BBCA IJ	Bank Central Asia Tbk PT	912,235	9.05	HOLD	7,900	16.08	12.86	25.65	22.73	4.04	3.66
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	144,061	2.11	BUY	9,000	37.50	48.83	11.61	7.80	1.08	0.97
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	653,219	9.15	BUY	5,500	38.31	17.20	15.53	13.25	2.10	1.94
BMRI IJ	Bank Mandiri Persero Tbk PT	368,667	5.42	HOLD	8,400	26.29	16.78	11.45	9.80	1.67	1.55
BNGA IJ	Bank CIMB Niaga Tbk PT	25,132	0.06	BUY	1,200	23.36	18.71	5.92	4.98	0.52	0.47
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	15,567	0.23	BUY	2,200	23.65	21.18	6.00	4.96	0.65	0.58
Telco											
TLKM IJ	Telkom Indonesia Persero Tbk PT	422,005	7.51	BUY	4,900	2.09	6.65	17.13	16.06	3.69	3.51
EXCL IJ	XL Axiata Tbk PT	26,383	0.37	BUY	3,500	31.40	19.14	16.29	13.67	1.20	1.10
TOWR IJ	Sarana Menara Nusantara Tbk PT	58,412	1.02	HOLD	1,100	19.69	14.63	14.18	12.37	3.93	3.31
TBIG IJ	Tower Bersama Infrastructure Tbk PT	70,690	0.73	BUY	3,550	16.84	4.27	43.79	41.99	6.42	6.05
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	25,548	0.28	BUY	5,100	14.45	14.53	15.10	13.18	1.13	1.03
PGAS IJ	Perusahaan Gas Negara Tbk PT	38,302	0.61	BUY	2,040	(15.38)	4.96	9.55	9.10	0.93	0.85
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	190,750	1.02	HOLD	4,600	6.73	8.51	31.04	28.60	0.04	38.54
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	110,788	0.82	HOLD	9,800	11.55	36.46	15.55	11.39	2.96	2.65
INDF IJ	Indofood Sukses Makmur Tbk PT	63,000	1.16	HOLD	7,850	18.98	8.50	6.93	6.39	1.20	1.06
Healthcare											
SILO IJ	Siloam International Hospitals Tbk PT	13,006	0.07	BUY	1,190	2.38	8.73	59.62	54.83	1.99	1.86
HEAL IJ	Medikaloka Hermina Tbk PT	22,902	0.38	HOLD	1,400	(25.01)	26.42	34.43	27.24	6.09	5.23
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	39,320	0.52	HOLD	2,700	(44.16)	26.41	61.90	48.97	10.96	9.40
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	12,520	0.19	BUY	920	3.23	22.18	21.35	17.48	2.13	1.89
ERAA IJ	Erajaya Swasembada Tbk PT	7,975	0.13	BUY	1,030	4.55	6.33	9.53	8.96	1.09	0.94
MAPI IJ	Mitra Adiperkasa Tbk PT	15,189	0.27	BUY	1,150	24.03	492.01	88.24	14.91	2.41	2.15
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,080	0.03	BUY	1,030	62.53	432.91	51.05	9.58	0.97	0.93
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,688	0.05	HOLD	750	9.66	32.79	118.81	89.47	0.41	0.44
PTPP IJ	PP Persero Tbk PT	5,580	0.10	BUY	1,100	5.75	22.36	41.58	33.98	0.50	0.46
WIKA IJ	Wijaya Karya Persero Tbk PT	8,342	0.11	BUY	1,150	14.26	33.52	38.97	29.19	0.55	0.53
WSKT IJ	Waskita Karya Persero Tbk PT	14,836	0.14	BUY	880	N/A	N/A	N/A	N/A	0.77	0.90
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,637	0.02	BUY	250	11.71	13.67	8.29	7.29	0.66	0.62



MNCS UNIVERSE											
Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)	
						FY22E	FY23F	FY22E	FY23F	FY22E	FY23F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	19,160	0.26	BUY	1,500	87.97	15.28	11.53	10.01	0.52	0.49
PWON IJ	Pakuwon Jati Tbk PT	21,864	0.25	BUY	660	22.27	17.86	14.25	12.09	1.27	1.17
SMRA IJ	Summarecon Agung Tbk PT	9,740	0.19	BUY	1,100	54.85	51.06	20.04	13.27	1.11	1.03
CTRA IJ	Ciputra Development Tbk PT	16,426	0.28	BUY	1,350	(4.38)	11.45	12.25	10.99	0.93	0.87
DMAS IJ	Puradelta Lestari Tbk PT	7,760	0.05	BUY	240	(7.63)	3.02	7.78	7.55	1.38	1.36
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	18,044	0.14	BUY	14,350	(9.39)	0.96	8.58	8.50	0.67	0.62
LSIP IJ	Perusahaan Perkebunan London Sumatera Indonesia Tbk PT	8,392	0.13	BUY	1,620	18.48	10.15	6.86	6.23	0.78	0.72
DSNG IJ	Dharma Satya Nusantara Tbk PT	5,353	0.07	BUY	720	9.82	14.87	8.76	7.62	0.73	0.67
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	96,598	1.57	SELL	2,460	2.48	3.40	11.64	11.25	1.51	1.38
PTBA IJ	Bukit Asam Tbk PT	46,313	0.58	SELL	3,300	(2.24)	12.11	7.68	6.85	2.06	1.87
ITMG IJ	Indo Tambangraya Megah Tbk PT	38,587	0.50	HOLD	36,300	(8.53)	0.82	7.13	7.07	2.68	2.58
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	40,252	0.52	BUY	3,100	36.71	9.58	13.83	12.62	1.56	1.33
INCO IJ	Vale Indonesia Tbk PT	51,669	0.39	BUY	7,800	22.39	19.52	19.66	16.45	1.55	1.47
MDKA IJ	Merdeka Copper Gold Tbk PT	91,139	1.62	HOLD	3,900	66.10	21.01	70.88	58.57	8.29	7.26
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	98,388	1.47	BUY	6,650	18.17	18.90	22.16	18.64	3.55	3.14
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	18,176	0.29	BUY	2,200	43.05	75.11	11.82	6.75	1.27	1.14
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	56,761	0.35	BUY	45,000	15.89	9.72	8.41	7.66	0.91	0.85
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	112,829	0.31	BUY	1,300	6.22	9.07	13.87	12.71	3.81	3.76
Cement											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	34,604	0.49	BUY	14,000	18.68	19.76	17.86	14.92	1.56	1.54
SMGR IJ	Semen Indonesia Persero Tbk PT	38,703	0.71	BUY	12,500	32.21	26.49	12.79	10.11	1.02	0.96
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	7,121	0.11	BUY	1,250	9.68	2.82	15.29	14.87	4.38	4.05
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	111,904	1.68	BUY	33,700	0.28	17.76	11.98	10.17	1.50	1.37
AKRA IJ	AKR Corporindo Tbk PT	22,081	0.31	BUY	4,200	23.37	0.84	3.32	3.29	0.41	0.38

SECTOR RATIO		
SECTOR	PE	PBV
IDXBASIC INDEX	10.52	1.88
IDXCYC INDEX	47.14	1.54
IDXENER INDEX	6.67	2.12
IDXFIN INDEX	20.72	1.98
IDXHLTH INDEX	25.95	4.09
IDXINDUS INDEX	8.17	0.86
IDXINFRA INDEX	27.90	1.64
IDXNCYC INDEX	14.38	2.10
IDXPROP INDEX	36.71	0.66
IDXTECH INDEX	41.54	2.53
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

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

PT MNC SEKURITAS

MNC Financial Center Lt. 14 – 16


Jl. Kebon Sirih No. 21 - 27, Jakarta Pusat 10340

Telp : (021) 2980 3111

Fax : (021) 3983 6899

Disclaimer : MNCS Morning Navigator has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, directors and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.

 www.mncsekuritas.id

 1-500-899

 research@mncsekuritas.id

 @mncsekuritas

 MNC Sekuritas

 MNC Sekuritas

