

KEY INDICATOR

20/10/2022	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.75	4.25	0.50	125.00
10 Yr (bps)	7.51	7.47	0.54%	141.80
USD/IDR	15,573	15,498	0.48%	10.37%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,980.65	1.75%	6.07%	15.15
MSCI	7,499.17	2.24%	11.99%	14.09
HSEI	16,280.22	-1.40%	-30.42%	9.17
FTSE	6,943.91	0.27%	-5.97%	8.67
DJIA	30,333.59	-0.30%	-16.52%	16.24
NASDAQ	10,614.84	-0.61%	-32.15%	24.02

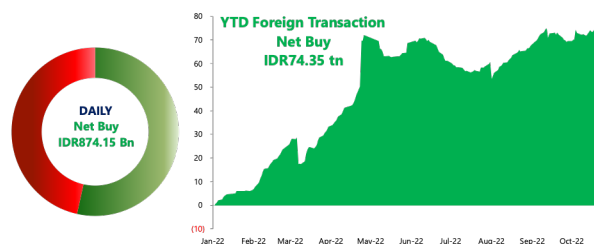
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	85.98	0.50%	4.29%	14.32%
COAL	USD/TON	391.95	0.24%	63.76%	131.10%
CPO	MYR/MT	4,096.00	-0.53%	-17.15%	-12.80%
GOLD	USD/TOZ	1,628.02	-0.09%	-7.75%	-11.00%
TIN	USD/MT	19,348.00	0.05%	-48.83%	-50.21%
NICKEL	USD/MT	22,196.00	1.14%	11.00%	6.93%

CORPORATE ACTION

TICKER	EVENT	NOTES
EAST	Cum Dividend	IDR1.64/share
OASA	RUPS	-
PTIS	RUPS	-

NET FOREIGN TRADING VALUE



Global Market Highlights

DJIA weakened by -0.30% on Thursday (20/10), followed by the S&P500 (-0.80%) and the Nasdaq (-0.61%). Wall Street continued its correction, as the yield on the US T-note 10Y rose to 4.22%. In addition, investors were also watching the release of existing home sales Sep-22 data which fell to 4.71 million (vs 4.78 million in Aug-22) as well as CB Leading Index Sep-22 data which contracted -0.4% MoM, or above consensus expectations of -0.3% MoM. Today, the market will be looking toward several data releases such as: 1) US Fed Williams Speech; 2) UK Public Sector Net Borrowing Sep; 3) UK Retail Sales YoY Sep.

Domestic Update

• **BI increased its BI7DRRR by +50 bps to 4.75%, followed by Lending Facility to 5.50% and Deposit Facility to 4.00%. MNCS Comment:** The increase in interest rates acts as a front loading, pre-emptive, and forward-looking measure to anchor inflation back to the target (3±1%) and strengthen exchange rate stability.
• **Furthermore, the national Covid-19 daily rate had increased by 2,307 active cases (20/10).**

Company News

1. **BBCA IJ** posted a consolidated net profit in 9M22 of IDR28.95 trillion, or grew by +24.81% YoY (vs IDR23.20 trillion in 9M21) (Investor ID). **MNCS Comment:** We see that the increase in net profit was supported by: 1) an increase in net interest income (bank only) by +9.3% YoY; 2) decrease in provision by -48.8% YoY; 3) Consolidated credit growth by +12.6% YoY. Meanwhile, NPL fell to 2.2% (vs 2.4% in 9M21). Currently, BBCA is traded at 5.16x PBV.
2. **PTPP IJ** reported the achievement of new contract values of IDR16.5 trillion up to 9M22. The company's portfolio consisted of: 1) 30% government; 2) 65% BUMN; 3) 5% private (Investor ID). **MNCS Comment:** Thus, the new contract value grew by +19.14% YoY (vs IDRp13.85 trillion in 9M21). Meanwhile, with the target value of new contracts in FY22E reaching IDR30.01 trillion, the realization up to 9M22 was recorded at 53.22%. Currently, PTPP is traded at the level of 30.48x/0.48x PER/PBV.
3. **TINS IJ** is currently building the Top Submerge Lance (TSL) Ausmelt Furnace smelter in Bangka Belitung. The smelter can process low grade tin ore starting from 40%. Meanwhile, the production capacity reaches 40,000 tons of crude tin per year or 35,000 metric tons of ingots per year (IQ Plus). **MNCS Comment:** The investment value for the construction of a smelter reaches IDR1.2 trillion. Meanwhile, progress until Aug-22 reached 97.33%. The company's tin resources and reserves in FY21 were recorded at 919.09 thousand tons/300 thousand tons, respectively. It is hoped that the completion of the smelter construction will encourage the company's future performance. Currently, TINS is traded at the level of 4.80x/1.47x PER/PBV.

IHSG Updates

JCI rose by +1.75% to 6,980.65 on Thursday (20/10), followed by net foreign buy which reached IDR874.15 billion. All sectors strengthened and pushed up the index, led by the energy sector (+2.84%) and followed by the non-cyclical sector (+2.50%). The index rose amid weakening Wall Street and Asian markets. We see that investors responded positively to BI's announcement regarding the benchmark interest rate (BI7DRRR) which increased 50 bps to 4.75%. This increase is expected to suppress the inflation rate amid rising prices of basic commodities, maintain stability in the value of the rupiah, and restrain the outflow of foreign investors. In addition, the Sep-22 loan growth announcement of 11% YoY (vs 10.6% YoY in Aug-22) also indicates a strong economic recovery amidst the increase in the benchmark interest rate. On the other hand, the Rupiah exchange rate closed lower at Rp15,498/USD. We estimate that the JCI will move in the price range of 6,900-7,000 pending the release of M2 Money Supply YoY Sep and Foreign Direct Investment YoY Q3 data. **Today's recommendation: BBRI, DOID, LPPF, TLKM.**

MNCS UNIVERSE

Code	Company Name	Mkt Cap (IDR bn)	Index Weight (%)	Rating	Price Target (IDR)	EPS Growth (%)		PER (x)		PBV (x)	
						FY22E	FY23F	FY22E	FY23F	FY22E	FY23F
Automotive											
ASII IJ	Astra International Tbk PT	260,107	4.27	BUY	7,425	45.79	(1.74)	8.83	8.99	1.35	1.24
AUTO IJ	Astra Otoparts Tbk PT	5,735	0.04	BUY	1,700	25.63	15.84	7.46	6.44	0.50	0.48
Banking											
ARTO IJ	Bank Jago Tbk PT	74,824	0.75	BUY	15,700	(10.15)	380.15	968.09	201.62	8.95	8.62
BBCA IJ	Bank Central Asia Tbk PT	1,047,838	9.34	HOLD	7,900	18.00	13.96	28.25	24.79	4.68	4.24
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	167,838	2.42	HOLD	9,000	53.56	20.61	10.02	8.30	1.24	1.11
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	665,344	8.97	BUY	5,500	31.18	15.70	14.06	12.15	2.11	1.96
BMRI IJ	Bank Mandiri Persero Tbk PT	462,000	6.65	HOLD	9,300	35.16	13.11	12.19	10.77	2.06	1.90
BNGA IJ	Bank CIMB Niaga Tbk PT	26,765	0.06	BUY	1,200	10.74	11.78	5.85	5.23	0.57	0.53
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,256	0.23	BUY	2,200	17.34	10.98	5.84	5.26	0.70	0.62
Telco											
TLKM IJ	Telkom Indonesia Persero Tbk PT	430,921	7.50	BUY	4,900	7.01	7.75	16.26	15.09	3.27	3.06
EXCL IJ	XL Axiata Tbk PT	27,455	0.38	BUY	3,500	6.67	21.80	19.83	16.28	1.30	1.31
TOWR IJ	Sarana Menara Nusantara Tbk PT	56,371	0.86	HOLD	1,100	2.85	8.44	15.57	14.36	3.96	3.43
TBIG IJ	Tower Bersama Infrastructure Tbk PT	58,908	0.56	BUY	3,550	4.36	11.99	34.79	31.07	5.42	4.95
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	24,604	0.27	BUY	5,100	5.48	18.88	14.44	12.15	1.02	0.94
PGAS IJ	Perusahaan Gas Negara Tbk PT	44,483	0.70	HOLD	2,000	15.38	-	7.86	7.86	1.00	0.96
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	206,010	1.08	SELL	4,600	10.19	4.11	32.45	31.17	42.40	37.33
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	110,788	0.81	HOLD	9,800	(4.26)	25.40	18.11	14.44	2.97	2.62
INDF IJ	Indofood Sukses Makmur Tbk PT	55,756	1.01	BUY	7,850	(1.68)	15.15	7.42	6.45	1.06	0.95
SIDO IJ	Industri Jamu dan farmasi Sido Muncul Tbk PT	19,650	0.16	BUY	780	(13.34)	8.68	17.88	16.45	5.67	5.40
Healthcare											
SILO IJ	Siloam International Hospitals Tbk PT	13,201	0.07	BUY	1,190	(32.84)	20.94	28.98	23.96	2.00	1.89
HEAL IJ	Medikaloka Hermina Tbk PT	22,409	0.36	HOLD	1,400	(49.66)	14.90	43.68	38.01	5.87	5.12
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	39,605	0.50	HOLD	2,700	(10.58)	11.04	36.15	32.55	6.84	6.08
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	8,575	0.12	BUY	920	(15.33)	17.61	14.34	12.19	1.48	1.36
ERAA IJ	Erajaya Swasembada Tbk PT	6,922	0.11	BUY	1,030	5.59	19.73	6.42	5.36	0.99	0.88
MAPI IJ	Mitra Adiperkasa Tbk PT	20,750	0.37	HOLD	1,150	209.50	6.38	14.96	14.06	2.79	2.43
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,974	0.03	BUY	660	87.75	23.76	11.42	9.23	0.94	0.91
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,190	0.04	BUY	750	#VALUE!	#VALUE!	#VALUE!	#VALUE!	0.38	0.35
PTPP IJ	PP Persero Tbk PT	5,301	0.09	BUY	1,100	38.17	63.47	14.39	8.80	0.47	0.45
WIKA IJ	Wijaya Karya Persero Tbk PT	8,118	0.10	BUY	1,150	127.73	68.20	30.29	18.01	0.54	0.52
WSKT IJ	Waskita Karya Persero Tbk PT	13,194	0.12	BUY	880	20.20	(55.38)	(9.15)	(20.50)	0.69	0.80
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,579	0.02	BUY	250	(7.65)	13.67	8.00	7.04	0.63	0.60



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						FY22E	FY23F	FY22E	FY23F	FY22E	FY23F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	19,266	0.25	BUY	1,500	(0.58)	29.16	14.19	10.99	0.55	0.52
PWON IJ	Pakuwon Jati Tbk PT	21,479	0.26	BUY	660	14.10	9.68	13.61	12.41	1.21	1.11
SMRA IJ	Summarecon Agung Tbk PT	9,988	0.20	BUY	1,100	52.53	33.38	19.05	14.28	1.02	0.96
CTRA IJ	Ciputra Development Tbk PT	17,911	0.30	BUY	1,350	(1.75)	4.76	10.45	9.97	0.96	0.89
DMAS IJ	Puradelta Lestari Tbk PT	8,145	0.05	BUY	240	46.73	6.90	7.77	7.27	1.40	1.33
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	16,841	0.12	BUY	10,350	8.66	(5.30)	7.86	8.30	0.77	0.73
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	7,710	0.11	BUY	1,620	7.59	(6.36)	7.24	7.74	0.72	0.67
DSNG IJ	Dharma Satya Nusantara Tbk PT	5,724	0.07	BUY	720	21.57	(2.61)	6.47	6.65	0.75	0.70
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	127,944	1.89	SELL	2,460	149.40	(34.25)	3.52	5.35	1.44	1.37
PTBA IJ	Bukit Asam Tbk PT	44,124	0.54	SELL	3,300	51.66	(17.96)	3.60	4.39	1.43	1.32
ITMG IJ	Indo Tambangraya Megah Tbk PT	49,095	0.62	SELL	36,300	109.30	(32.00)	3.10	4.56	1.86	1.88
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	43,736	0.55	BUY	3,100	72.51	18.30	13.62	11.51	1.90	1.73
INCO IJ	Vale Indonesia Tbk PT	68,312	0.50	BUY	7,800	61.68	(11.11)	16.35	18.39	1.88	1.77
MDKA IJ	Merdeka Copper Gold Tbk PT	92,345	1.57	HOLD	3,900	284.38	33.33	40.99	30.74	4.55	6.47
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	88,549	1.29	BUY	6,650	18.51	17.82	20.62	17.50	3.19	2.84
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	17,355	0.27	BUY	2,050	(2.17)	20.27	8.69	7.23	1.26	1.13
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	47,477	0.28	BUY	45,000	(37.48)	18.89	13.55	11.40	0.81	0.80
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	112,829	0.31	BUY	1,300	(5.65)	9.87	16.85	15.34	3.92	3.89
Cement											
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	33,867	0.52	BUY	14,000	(28.82)	52.39	26.55	17.42	1.65	1.57
SMGR IJ	Semen Indonesia Persero Tbk PT	46,266	0.81	BUY	12,500	20.34	30.98	19.01	14.51	1.23	1.15
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	6,240	0.09	BUY	1,250	29.16	14.13	10.16	8.90	3.23	2.85
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	118,712	1.69	HOLD	33,700	86.84	(12.85)	6.18	7.09	1.43	1.30
AKRA IJ	AKR Corporindo Tbk PT	29,107	0.39	HOLD	1,550	59.96	7.36	16.10	14.99	2.81	2.57

SECTOR RATIO		
SECTOR	PE	PBV
IDXBASIC INDEX	17.37	1.77
IDXCYC INDEX	31.99	1.48
IDXENER INDEX	6.32	2.23
IDXFIN INDEX	21.27	1.97
IDXHLTH INDEX	30.67	4.28
IDXINDUS INDEX	8.36	0.89
IDXINFRA INDEX	28.15	1.44
IDXNCYC INDEX	14.70	2.14
IDXPROP INDEX	32.08	0.70
IDXTECH INDEX	42.05	1.96
IDXTRANS INDEX	3.39	-

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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