

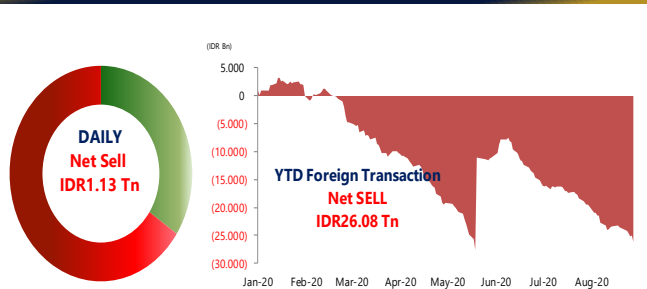
KEY INDICATOR				
28/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.90	6.81	8.90	(44.80)
USD/IDR	14,632.00	14,660.00	-0.19%	2.59%

INDICES				
MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,346.66	-0.46%	-15.13%	19.38
MSCI	6,174.67	-0.74%	-15.28%	19.89
HSEI	25,422.06	0.56%	-9.82%	12.02
FTSE	5,963.57	-0.61%	-20.93%	19.50
DJIA	28,653.87	0.57%	0.40%	25.71
NASDAQ	11,695.63	0.60%	30.35%	39.93

COMMODITIES					
COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	42.97	-0.16%	-22.97%	-29.63%
COAL	USD/TON	49.75	-0.10%	-24.16%	-26.51%
CPO	MYR/MT	2,738.00	2.09%	21.53%	-10.29%
GOLD	USD/TOZ	1,964.83	1.83%	27.67%	29.50%
TIN	USD/MT	17,850.00	0.22%	13.33%	3.93%
NICKEL	USD/MT	15,367.00	1.16%	-4.46%	9.57%

CORPORATE ACTION		
TICKER	EVENT	NOTES
PNGO	IPO	IDR250/share
MKPI	Cum Dividen Date	IDR158/share
INOV	Cum Dividen Date	IDR7,5/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA grew by +0.57 on Friday (28/08) followed by the strengthening on S&P 500 (+0.57%) and Nasdaq (+0.60). Stock prices rise was boosted by the Fed's strategy to adopt an average inflation target, restoring employment in the US and developing the Covid-19 vaccine on the way. The Fed will not rush to raise the benchmark interest rate. If the unemployment rate falls, the central bank will try to ensure that the benefits of looser monetary policy are as inclusive as possible. Moreover, the market will look forward to several data releases today, such as: 1) US Fed Clarida and Bostic Speech; 2) China NBS Manufacturing PMI; 3) Japan retail sales.

Domestic Updates

Bank Indonesia and the Government are encouraging MSMEs to penetrate the global market through four main focuses: 1) the synergy of economic diplomacy between the BI Foreign Affairs Representative Office, the Government, and all ambassadors to encourage MSMEs to Go Global; 2) ensuring the availability and suitability of MSME products by maintaining continuity and product quality; 3) encouraging the ease in regulation, among others in forming business units and obtaining financing; 4) digital marketing including support for a payment system through QRIS (QR Code Indonesian Standard).

Company News

- ADRO IJ** reported revenue of USD1.36 billion in 1H20 which is a 23% YoY decline. This was due to an 18% decrease in the average selling price and a decline in sales volume. Furthermore, coal production reached 27.29 million tons (-4% YoY) in 1H20. So the company also revised its production guidelines to 52-54 million tons for FY20E. Meanwhile, net profit amounted to USD155.09 million (-47.75% YoY) in 1H20 (Market Bisnis). **MNCS Comment: We believe with the economic recovery and the upcoming winter will boost coal demand in the 2H20. Moreover, ADRO will propose its contract extension that will expire soon. ADRO is currently traded at 8.28x/0.69x PE/PBV.**
- GGRM IJ** will not be distributing dividends in FY20E, while management stated that the fund will be used for working capital. For the last five years, GGRM always distributed dividends while the amount remain in the last four years. Meanwhile net profit increased by 39.6% YoY in FY19 (Kontan). **MNCS Comment: GGRM share fell significantly (-5.11%) following the policy that management has decided not to distribute any dividends from the profit for FY19. Historically, GGRM is one of those issuers who provide a high dividend yield. We believe that management wants to increase working capital and protect the cash flow as the operating performance will potentially decline this year and Kediri airport will kick off the construction on FY22F. GGRM is currently traded at 12.40x/1.73x PE/PBV.**
- BYAN IJ** will be distributing dividends of USD66.67 million from FY19's retained earnings. The management has agreed on not distributing dividends from the FY19 net profit, while unreserved retained earnings amounted to USD458.98 million. So the dividend payout ratio equals to 14.52%. Dividend per share stood at USD0.02 or equals to IDR292/share with yield at 2.34%. Cum date will be at September 3, 2020 (Kontan). **MNCS Comment: BYAN has always distributed dividends in the last four years although it usually came from the net profit. Despite the -57.10% YoY drop in BYAN's FY19 net profit, they remain solid in distributing dividends. BYAN is currently traded at 21.04x/4.87x PE/PBV.**

IHSG Updates

JCI dropped by -0.46% to 5,346.66 on Friday (28/08) followed by net foreign sell reaching IDR1.13 trillion. JCI dropped amid various movements from the Regional Asia indices while US Indices rise. Consumer and infrastructure sectors lead the decrease on JCI. Moreover, the Government will use all instruments to continue to maintain a positive economic recovery and to avoid recession. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,632. We estimate JCI will move in the range of 5,260-5,380 while waiting for Money Supply data release. **Today's recommendation: WIKA, ASII, LSIP, ANTM.**

Stock	Close Price	Recommendation	Tactical Moves
WIKA	1,295	Buy on Weakness	We estimate that the increase in WIKA is part of wave 2 of wave (C), after the confirmation of the formation of wave 2, then WIKA will have the potential to reverse strengthen again.
ASII	5,325	Spec Buy	As long as it is not corrected below 5,250, the ASII movement is currently in the part of wave (c) of wave [v] of wave C.
LSIP	980	Buy on Weakness	Currently LSIP is in the beginning of wave (c) of wave [v] of wave C.
ANTM	820	Sell on Strength	As long as ANTM has not been able to strengthen and break its resistance at 865, the ANTM movement yesterday is expected to be part of wave [b] of wave A.

MNCS UNIVERSE											
Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)	
						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Automotive											
ASII IJ	Astra International Tbk PT	215,575	3.62	HOLD	5,500	(24.25)	25.37	13.12	10.46	1.08	1.01
Banking											
BBCA IJ	Bank Central Asia Tbk PT	800,671	13.30	SELL	28,400	7.00	9.09	26.19	24.00	4.13	3.66
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	97,905	1.63	HOLD	5,700	(28.97)	24.57	8.96	7.19	0.88	0.81
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	455,146	7.56	SELL	3,200	(7.81)	1.06	14.23	14.08	2.15	1.98
BMRI IJ	Bank Mandiri Persero Tbk PT	290,500	4.82	SELL	5,100	(4.62)	9.13	11.08	10.16	1.32	1.21
BNGA IJ	Bank CIMB Niaga Tbk PT	21,362	0.35	HOLD	850	2.43	9.99	5.68	5.16	0.50	0.49
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,838	0.28	SELL	1,000	(24.98)	497.17	105.97	17.75	0.99	0.94
BRIS IJ	Bank Brisyariah Tbk PT	9,376	0.16	SELL	230	(32.21)	9.83	186.82	170.10	1.83	1.81
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	293,224	4.92	BUY	3,600	(8.00)	8.33	15.42	14.23	2.74	2.59
EXCL IJ	XL Axiata Tbk PT	27,300	0.46	HOLD	2,700	21.73	5.39	31.27	29.67	1.36	1.30
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,035	0.87	HOLD	950	13.11	8.81	20.16	18.53	4.92	4.34
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	28,886	0.48	SELL	3,450	6.41	13.25	13.34	11.78	1.17	1.05
PGAS IJ	Perusahaan Gas Negara Tbk PT	32,120	0.54	HOLD	1,200	83.33	27.27	14.78	11.61	0.51	0.50
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	314,738	5.28	HOLD	8,400	1.60	6.48	41.90	39.35	36.65	34.44
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	120,409	2.02	HOLD	10,300	6.31	9.52	22.43	20.48	4.41	3.98
INDF IJ	Indofood Sukses Makmur Tbk PT	66,951	1.12	BUY	8,500	3.50	11.05	13.18	11.87	1.65	1.52
HOKI IJ	Buyung Poetra Sembada PT	1,647	0.03	HOLD	700	(26.89)	37.61	21.45	15.59	2.23	1.89
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	21,300	0.36	HOLD	1,400	9.01	13.34	23.99	21.17	6.47	6.07
TBLA IJ	Tunas Baru Lampung Tbk PT	4,247	0.07	SELL	630	(43.57)	5.01	10.47	9.97	0.79	0.75
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	75,469	1.27	SELL	1,280	4.28	7.25	28.87	26.92	4.27	3.93
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	27,526	0.46	SELL	1,400	(6.76)	6.90	28.39	26.56	5.05	4.61
ERAA IJ	Erajaya Swasembada Tbk PT	5,614	0.09	SELL	1,280	13.54	66.00	16.85	10.15	1.01	0.91
MAPI IJ	Mitra Adiperkasa Tbk PT	11,371	0.19	SELL	580	4.92	5.28	11.94	11.34	1.51	1.32
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,541	0.08	SELL	500	(32.91)	25.56	9.86	7.85	1.01	0.96
PZZA IJ	Sarimelati Kencana PT	1,979	0.03	BUY	840	4.23	20.53	9.52	7.90	1.25	1.08
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,172	0.04	BUY	755	(74.40)	99.60	12.13	6.08	0.32	0.31
PTPP IJ	PP Persero Tbk PT	6,200	0.10	HOLD	1,040	40.73	28.86	4.74	3.68	0.34	0.31
WIKA IJ	Wijaya Karya Persero Tbk PT	11,616	0.19	HOLD	1,225	17.35	20.10	4.33	3.61	0.62	0.53
WSBP IJ	Waskita Beton Precast Tbk PT	4,508	0.08	BUY	262	(29.90)	18.70	7.42	6.25	0.50	0.49
WSKT IJ	Waskita Karya Persero Tbk PT	9,027	0.15	BUY	880	8.47	137.68	8.87	3.73	0.31	0.31
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,876	0.03	BUY	300	4.17	20.85	3.99	3.30	0.67	0.58



MNCS UNIVERSE											
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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F
Property											
BSDE IJ	Bumi Serpong Damai Tbk PT	16,831	0.28	BUY	1,110	(7.75)	12.60	5.86	5.21	0.42	0.39
PWON IJ	Pakuwon Jati Tbk PT	20,227	0.34	BUY	520	(9.02)	(3.70)	8.45	8.78	1.16	1.04
SMRA IJ	Summarecon Agung Tbk PT	9,522	0.16	HOLD	610	(69.64)	44.19	60.89	42.23	0.99	0.97
CTRA IJ	Ciputra Development Tbk PT	14,570	0.24	BUY	880	8.58	(11.20)	11.66	13.13	0.89	0.84
DMAS IJ	Puradelta Lestari Tbk PT	11,471	0.19	HOLD	228	(30.89)	31.52	12.43	9.45	1.91	2.13
Agriculture											
AALI IJ	Astra Agro Lestari Tbk PT	19,487	0.33	HOLD	9,125	240.96	15.24	27.07	23.49	1.01	0.97
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,686	0.11	HOLD	1,000	27.51	22.68	20.77	16.93	1.19	1.03
Coal Mining											
ADRO IJ	Adaro Energy Tbk PT	36,624	0.61	BUY	1,310	(18.31)	0.59	6.80	6.76	0.54	0.52
PTBA IJ	Bukit Asam Tbk PT	24,539	0.41	BUY	2,390	(16.98)	4.55	6.92	6.61	1.31	1.29
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,717	0.16	BUY	10,630	(58.33)	(20.00)	10.55	13.19	0.38	0.33
Metal Mining											
ANTM IJ	Aneka Tambang Tbk	19,705	0.33	BUY	920	26.09	42.23	16.47	11.58	0.89	0.83
INCO IJ	Vale Indonesia Tbk PT	37,559	0.63	HOLD	3,590	13.79	2.00	46.38	45.47	1.16	1.13
MDKA IJ	Merdeka Copper Gold Tbk PT	37,992	0.64	HOLD	1,595	(21.21)	25.00	26.61	21.29	3.55	2.80
Poultry											
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	102,078	1.71	SELL	4,150	9.82	15.94	26.64	22.98	4.24	3.77
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,192	0.22	HOLD	1,150	(60.18)	121.37	18.71	8.45	1.11	0.99
Cigarette											
GGRM IJ	Gudang Garam Tbk PT	94,761	1.59	BUY	55,450	(16.02)	8.63	10.37	9.55	1.77	1.62
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	193,088	3.24	HOLD	1,650	(22.03)	3.26	18.04	17.47	5.76	5.78
Cement											
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	45,095	0.76	BUY	13,900	19.34	12.44	20.59	18.31	1.92	1.88
SMGR IJ	Semen Indonesia Persero Tbk PT	63,171	1.06	SELL	9,000	30.77	(33.40)	20.21	30.34	1.87	1.82
Basic Industry and Chemical											
ARNA IJ	Arwana Citramulia Tbk PT	3,304	0.06	HOLD	450	18.73	7.01	12.89	12.04	2.12	1.67
Heavy Equipment											
UNTR IJ	United Tractors Tbk PT	87,378	1.47	SELL	19,930	(18.84)	13.03	9.52	8.42	1.30	1.12

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	18.27	1.99
JAKCONS INDEX	19.32	4.12
JAKINFRA INDEX	31.01	2.15
JAKBIND INDEX	44.42	1.94
JAKTRAD INDEX	17.48	1.35
JAKPROP INDEX	1.05	0.84
JAKMINE INDEX	13.94	1.14
JAKMIND INDEX	11.38	1.23
JAKAGRI INDEX	-	0.93

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



Thendra Crisnanda – Head of Institution Research
thendra.crisnanda@mncgroup.com
Investment Strategy
Ext. 52162



Victoria Venny – Research Analyst
victoria.nawang@mncgroup.com
Telco, Toll Road, Logistic, Consumer, Poultry
Ext. 52236



T. Herditya Wicaksana – Technical Analyst
herditya.wicaksana@mncgroup.com
Technical Specialist – Elliott Wave
Ext. 52150



Muhamad Rudy Setiawan – Research Analyst
muhamad.setiawan@mncgroup.com
Construction, Property, Oil and Gas
Ext. 52317



Catherina Vincentia – Research Associate
catherina.vincentia@mncgroup.com
Generalist
Ext. 52306

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