

KEY INDICATOR

02/06/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.15	7.35	(19.90)	(81.50)
USD/IDR	14,415.00	14,610.00	-1.33%	0.99%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,847.51	1.98%	-23.05%	14.82
MSCI	5,461.79	3.09%	-25.06%	15.41
HSEI	23,995.94	4.51%	-14.88%	11.35
FTSE	6,220.14	2.36%	-17.53%	18.75
DJIA	25,742.65	1.42%	-9.80%	23.54
NASDAQ	9,608.38	1.25%	7.09%	35.26

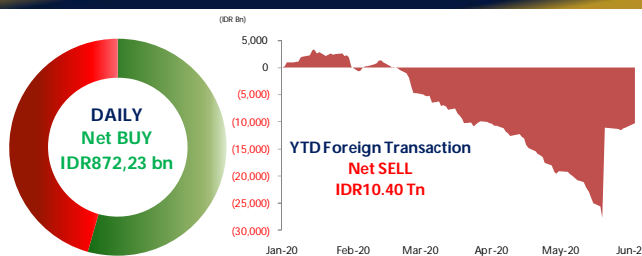
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	36.81	3.72%	-31.20%	-39.72%
COAL	USD/TON	55.55	6.83%	-33.39%	-17.95%
CPO	MYR/MT	2,341.00	2.14%	13.15%	-23.30%
GOLD	USD/TOZ	1,727.70	-0.15%	32.33%	13.87%
TIN	USD/MT	16,009.00	3.92%	-14.46%	-6.79%
NICKEL	USD/MT	12,853.00	4.29%	6.96%	-8.36%

CORPORATE ACTION

TICKER	EVENT	NOTES
EXCL	Recording Date	IDR20/share
KLBF	Recording Date	IDR20/share
ADRO	Cum Dividend	IDR114.25/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +1.42% on Tuesday (02/06) followed by the increase of S&P 500 (+0.82%) and Nasdaq (+1.25%). These increases were caused by investor's optimism towards the new normal, although tension is rising in the US as most of the citizens conduct a large demonstration regarding racism following the death of George Floyd last week. Some of these demonstrations turned into a riot and the President has to dispatch military personnel and law enforcement officers to secure the event. The market will look forward to several data releases today, such as: 1) China Caixin Composite PMI per May-2020; 2) US ISM Manufacturing PMI per May-2020; 3) UK Markit PMI per May-2020.

Domestic Updates

- BPS reported that monthly inflation in May 2020 was only 0.07% MoM, 2.19% YoY, and 0.90% YTD which coincided with the arrival of the Eid al-Fitr celebration. This is much lower than the inflation in June last year, the month during which Eid al-Fitr also took place, which reached 0.55% MoM. **We see that this is because the Covid-19 outbreak creates a disruption on domestic consumption, which abruptly halted most businesses and increased layoffs in April-May 2020 so that consumption declined.**
- PMI Index rose slightly from all time lows at 27.5 in April to 28.6 in May. This mark the second lowest ever recorded since the survey began April 2011. Indonesia's manufacturing economy experienced a sharp decline in operating caused by the ongoing preventive measures to limit the spread of the covid-19 disease. **Along with the flat inflation, the stagnation on consumption is also reflected in the PMI index which is still low although better than last month as the market expects recovery on the following lockdown easing.**

Company News

- GOOD will distribute IDR206.63 billion of dividend with 47.41% payout ratio. Dividend per share is at IDR28/share making the dividend yield equals to 2.18%. Dividend will be distributed on June 25, 2020. **MNCS comment: Although the dividend yield is relatively low, GOOD still managed to book a growing performance as of last year. GOOD is traded at 22.75x/3.64x PE/PBV (Market Bisnis)**
- SILO posted revenue of IDR7.02 trillion in FY19, increased by 17.79% YoY. The increase in revenue was supported by growth in the number of hospital patients by 17% YoY and hospital occupancy rates reached 64% in FY19. Revenue from the inpatient segment reached IDR4.09 trillion (+16.19% YoY), equivalent to 58.35% of total revenue. While the outpatient segment recorded revenues of IDR2.93 trillion (+20.08% YoY) or equal to 41.74% of total revenue. However, cost of revenue which rose 19.31% YoY followed by operating expenses and other expenses which also went up. Thus SILO posted an operating loss of up to IDR100.27 billion. **MNCS comment: We believe that SILO will perform well during the Covid-19 pandemic as demands in healthcare increase. SILO is traded at 1.40x PBV. (Kontan)**
- HRUM revenue stood at USD61.19 million in 1Q20, decreased by 15.08% YoY. The majority of HRUM's revenue came from export coal sales of USD57.52 million. HRUM also earned rental income of USD3.67 million. Net profit also dropped by 87.12% YoY to USD0.82 million in 1Q20. **MNCS comment: The slowdown on performance was already seen since last year as coal price spiraled down, while 1Q20 performance was affected by the Covid-19 pandemic. HRUM is traded at 0.71x PBV, relatively lower than peers. (Kontan)**

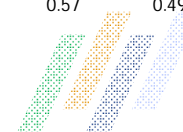
IHSG Updates

JCI surged by +1.98% to 4,847.51 on Tuesday (02/06) supported by a net foreign buy reaching IDR872.23 billion. The increase was due to a consecutive inflow from the foreign investor in three days in a row, despite unsatisfying data releases such as another low inflation followed by a slump on the PMI manufacturing index which were anticipated due to the slowing down global and domestic economy. Meanwhile, the Rupiah exchange rate against the USD was appreciated at IDR14,415. We estimate JCI will move in the range of 4,597-4,975 while waiting for Foreign Exchange reserve as of May-2020. **Today's recommendation: JPFA, RALS, BSDE, BBRI.**

Stock	Close Price	Recommendation	Tactical Moves
JPFA	980	Buy	Currently, JPFA is at the beginning of wave [iii] of wave C.
RALS	610	Buy on Weakness	As long as RALS is not corrected below 560, we are estimating RALS position at the beginning of wave [iii] of wave C.
BSDE	670	Buy on Weakness	As long as BSDE is not corrected below 585, BSDE is at the beginning of wave (iii).
BBRI	3,180	Sell on Strength	As long as BBRI can not break the resistance at 3,350 and 3,520, the BBRI is now at the end of wave [a], so the BBRI's strengthening has been quietly limited.

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	191,487	3.54	HOLD	4,900	1.49	3.45	8.70	8.41	0.96	0.90
Banking											
BBCA IJ	Bank Central Asia Tbk PT	660,754	12.10	HOLD	28,400	7.00	9.09	21.61	19.81	3.40	3.02
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	74,035	1.36	HOLD	4,300	(2.68)	5.97	4.94	4.67	0.64	0.59
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	392,240	7.19	HOLD	3,200	(7.81)	1.06	12.26	12.13	1.85	1.71
BMRI IJ	Bank Mandiri Persero Tbk PT	215,600	3.95	BUY	5,100	(4.62)	9.13	8.23	7.54	0.98	0.90
BNGA IJ	Bank CIMB Niaga Tbk PT	16,964	0.31	BUY	850	2.43	9.99	4.51	4.10	0.40	0.39
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	9,796	0.18	HOLD	1,000	(24.98)	497.17	61.65	10.32	0.58	0.55
BRIS IJ	Bank Brisyariah Tbk PT	3,109	0.06	SELL	230	(32.21)	9.83	61.95	56.40	0.61	0.60
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	321,952	5.96	BUY	3,600	4.61	13.65	14.89	13.10	2.80	2.58
EXCL IJ	XL Axiata Tbk PT	27,514	0.51	HOLD	2,700	21.73	5.39	31.51	29.90	1.37	1.31
TOWR IJ	Sarana Menara Nusantara Tbk PT	49,484	0.92	SELL	800	13.11	8.81	19.18	17.62	4.67	4.13
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	27,725	0.51	HOLD	3,450	6.41	13.25	12.80	11.30	1.12	1.01
PGAS IJ	Perusahaan Gas Negara Tbk PT	21,454	0.40	BUY	1,200	83.33	27.27	9.87	7.76	0.34	0.33
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	309,015	5.72	HOLD	8,400	1.60	6.48	41.14	38.63	35.98	33.81
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	98,835	1.83	BUY	10,300	6.31	9.52	18.41	16.81	3.62	3.27
INDF IJ	Indofood Sukses Makmur Tbk PT	52,902	0.98	BUY	8,500	3.50	11.05	10.41	9.38	1.31	1.20
HOKI IJ	Buyung Poetra Sembada PT	1,647	0.03	BUY	990	20.45	3.77	13.02	12.55	2.24	1.99
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,600	0.34	BUY	1,400	9.01	13.34	20.95	18.48	5.65	5.30
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	64,922	1.20	HOLD	1,280	4.28	7.25	24.83	23.15	3.68	3.38
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	25,296	0.47	HOLD	1,400	(6.76)	6.90	26.09	24.41	4.64	4.24
ERAA IJ	Erajaya Swasembada Tbk PT	4,019	0.07	HOLD	1,280	13.54	66.00	12.06	7.27	0.72	0.65
MAPI IJ	Mitra Adiperkasa Tbk PT	12,035	0.22	SELL	580	4.92	5.28	12.64	12.01	1.60	1.40
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,329	0.08	SELL	500	(32.91)	25.56	9.39	7.48	0.97	0.91
PZZA IJ	Sarimelati Kencana PT	2,191	0.04	BUY	840	4.23	20.53	10.54	8.74	1.39	1.20
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	1,834	0.03	BUY	755	(74.40)	99.60	10.24	5.13	0.27	0.26
PTPP IJ	PP Persero Tbk PT	4,588	0.08	BUY	1,040	40.73	28.86	3.51	2.72	0.25	0.23
WIKA IJ	Wijaya Karya Persero Tbk PT	10,271	0.19	HOLD	1,225	17.35	20.10	3.83	3.19	0.54	0.47
WSBP IJ	Waskita Beton Precast Tbk PT	4,139	0.08	BUY	262	(29.90)	18.70	6.81	5.74	0.46	0.45
WSKT IJ	Waskita Karya Persero Tbk PT	8,552	0.16	BUY	880	8.47	137.68	8.40	3.54	0.29	0.29
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,599	0.03	BUY	300	4.17	20.85	3.40	2.81	0.57	0.49



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	12,895	0.24	BUY	1,110	(7.75)	12.60	4.94	4.39	0.35	0.33	
PWON IJ	Pakuwon Jati Tbk PT	18,493	0.34	BUY	520	(9.02)	(3.70)	7.73	8.02	1.06	0.95	
SMRA IJ	Summarecon Agung Tbk PT	6,896	0.13	BUY	610	18.80	15.30	11.27	9.78	0.87	0.81	
CTRA IJ	Ciputra Development Tbk PT	11,229	0.21	BUY	880	8.58	(11.20)	8.99	10.12	0.68	0.65	
DMAS IJ	Puradelta Lestari Tbk PT	6,989	0.13	BUY	228	(30.89)	31.52	7.57	5.76	1.16	1.30	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	14,146	0.26	HOLD	6,620	(1.86)	(5.89)	68.28	72.55	0.76	0.75	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,015	0.09	BUY	1,000	27.51	22.68	15.58	12.70	0.89	0.77	
TBLA IJ	Tunas Baru Lampung Tbk PT	2,751	0.05	BUY	790	21.14	14.60	3.16	2.76	0.46	0.41	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,624	0.68	HOLD	1,100	(18.31)	0.59	6.80	6.76	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	23,963	0.44	BUY	2,310	(3.33)	(6.24)	5.80	6.19	1.28	1.26	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,576	0.18	BUY	10,630	(39.96)	(18.30)	7.22	8.83	0.53	0.46	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	13,337	0.25	BUY	920	26.09	42.23	11.15	7.84	0.61	0.56	
INCO IJ	Vale Indonesia Tbk PT	29,113	0.54	SELL	2,300	(20.63)	(33.21)	25.69	38.47	0.89	0.87	
MDKA IJ	Merdeka Copper Gold Tbk PT	29,562	0.55	HOLD	1,280	(19.26)	10.41	21.05	19.06	2.76	2.18	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	95,108	1.76	SELL	4,150	9.82	15.94	24.82	21.41	3.95	3.51	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	11,492	0.21	HOLD	1,060	2.99	15.17	6.30	5.47	0.94	0.85	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	91,394	1.69	BUY	55,450	(16.02)	8.63	10.00	9.21	1.71	1.57	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	214,607	3.97	BUY	2,500	(6.78)	3.44	16.77	16.21	6.01	6.02	
Cement												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	49,697	0.92	HOLD	13,900	19.34	12.44	22.69	20.18	2.11	2.07	
SMGR IJ	Semen Indonesia Persero Tbk PT	57,684	1.07	HOLD	9,000	30.77	(33.40)	18.45	27.71	1.71	1.66	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	2,893	0.05	BUY	450	18.73	7.01	11.28	10.54	1.86	1.46	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	61,081	1.13	BUY	19,930	(18.84)	13.03	6.65	5.89	0.91	0.79	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	12.09	1.53
JAKCONS INDEX	18.05	3.83
JAKINFRA INDEX	21.02	2.04
JAKBIND INDEX	43.79	1.98
JAKTRAD INDEX	11.76	1.23
JAKPROP INDEX	16.25	0.78
JAKMINE INDEX	10.90	1.02
JAKMIND INDEX	9.54	1.07
JAKAGRI INDEX	-	0.77

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





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