

KEY INDICATOR

08/06/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.27	7.14	12.90	(46.70)
USD/IDR	13,885.00	13,878.00	0.05%	-2.56%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,070.56	2.48%	-19.51%	16.06
MSCI	5,760.32	3.19%	-20.97%	16.48
HSEI	24,776.77	0.03%	-12.11%	11.51
FTSE	6,472.59	-0.18%	-14.18%	19.78
DJIA	27,572.44	1.70%	-3.38%	25.25
NASDAQ	9,924.75	1.13%	10.61%	36.49

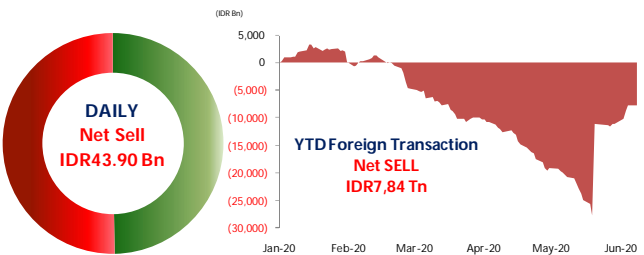
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	38.19	-3.44%	-29.26%	-37.45%
COAL	USD/TON	54.85	-1.35%	-24.66%	-18.98%
CPO	MYR/MT	2,348.00	0.00%	15.78%	-23.07%
GOLD	USD/TOZ	1,698.53	0.80%	26.67%	11.95%
TIN	USD/MT	16,665.00	0.69%	-13.32%	-2.97%
NICKEL	USD/MT	13,064.00	0.56%	12.46%	-6.85%

CORPORATE ACTION

TICKER	EVENT	NOTES
ITMG	Recording Date	IDR570/share
FIRE	RUPS	
SCCO	RUPS	

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +1.70% on Monday (08/06) followed by the increase of S&P 500 (+1.20%) and Nasdaq (+1.13%). These increases were due to optimism on the lockdown easing while New York City, which was once the center of the Covid-19 spread was officially reopened last Monday. Reservations at various restaurants have build up, hotel occupancy levels have increased, and the streets are starting to get crowded with vehicles. The market will look forward to several data releases today, such as: 1) Eurozone GDP Growth per May-2020; 2) US Wholesale Inventories per May-2020; 3) France Balance of Trade per May-2020.

Domestic Updates

BI released the foreign exchange reserve which amounted to USD130.5 billion as of May 2020. The number increased 2.03% MoM from USD127.9 billion in April 2020. The foreign exchange reserves are equivalent to 8.3 months of imports. The increase in foreign exchange reserves in May 2020 was mainly affected by the withdrawal of Government foreign debt and the placement of foreign exchange banking at Bank Indonesia. While, Bank Indonesia stated that foreign exchange reserves are able to support the resilience of the external sector and maintain macroeconomic and financial system stability.

Company News

- PGAS IJ** has signed a gas pricing commitment with 188 industrial customers, following a Minister of Energy and Mineral Resources (ESDM) Decree to reduce the price of industrial gas. Management said that currently his party is completing the technical agreement and Letter of Agreement (LoA) with the upstream gas producers. After the technical agreement and the LoA are completed, PGAS can start to reduce gas prices for industrial customers in six business sectors (glass, ceramics, steel, oleochemical, petrochemical, and rubber glove manufacturing). (IDNFinancials) **MNCS Comment: This price agreement will have a short-term impact in strengthening PGAS price. Though we must first observe on how the industry survives the pandemic situation. PGAS is traded at 38.65x/0.75x PE/PBV.**
- WIKA IJ** will distribute IDR457 billion of dividends with 20% payout ratio on FY20. Dividend per share stood at IDR50.95/share which makes dividend yield at 3.66%. While WIKA also changed the board directors at the RUPS on June 8, 2020. (Market Bisnis) **MNCS comment: The 20% Dividend Payout Ratio is still good news considering the uncertainty impact caused by Covid-19 pandemic in the construction sector. WIKA is traded at 5.46x/0.76x PE/PBV, lower than peers.**
- LPCK IJ** posted revenue of IDR1.66 trillion in FY19 which dropped by 21.69% YoY compared to IDR2.12 trillion in FY18. Revenue from Sales of Residential Houses and Apartments contributed IDR825.13 billion, followed by Industrial Land Sales at IDR366.89 billion, City Management at IDR338.63 billion, Sales of Commercial Land and shops at IDR134.50 billion, and rental income at IDR29.63 billion. Due to the climb in cost of revenue by 16.10% YoY, net profit decreased by 84.15% YoY to IDR310.91 billion in FY19. (Kontan) **MNCS Comment: The 2019 election was one of the causes for investors to hold property purchases during the year. LPCK is traded at 2.54x/0.21x PE/PBV, lower than peers.**

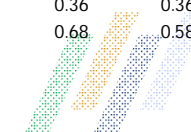
IHSG Updates

JCI increased by +2.48% to 5,070.56 on Monday (08/06) despite a net foreign sell reaching IDR43.9 billion. The index movement was in line with the increases on the Regional Asia and Global Indices which was still due to the optimism towards the new normal and the lockdown transition in several cities, despite the new record on 993 additional Covid-19 cases reaching 30,514 positive cases. Furthermore, the release of foreign exchange reserves also supported the index movement. Meanwhile, the Rupiah exchange rate against the USD was flat at IDR13,885. We estimate JCI will move in the range of 4,970-5,112 while waiting for Retail Sales as of Apr-2020. **Today's recommendation: LSIP, INCO, WTON, BBNI.**

Stock	Close Price	Recommendation	Tactical Moves
LSIP	840	Buy on Weakness	Currently, LSIP is in wave (c) of wave [iii], which means LSIP has the opportunity to continue strengthening.
INCO	3,000	Buy on Weakness	As long as INCO is not corrected below 2.740, yesterday's INCO correction (8/6) is part of wave [v] of wave C.
WTON	294	Sell on Strength	WTON is at the end of wave [iii] of wave C, which means WTON is vulnerable to be corrected to form wave [iv].
BBNI	4,830	Sell on Strength	BBNI's position is at the end of wave C of wave (A), where BBNI is vulnerable to correction to form wave (B).

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	203,430	3.60	HOLD	4,900	1.49	3.45	9.24	8.93	1.02	0.95	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	727,323	12.74	HOLD	28,400	7.00	9.09	23.79	21.81	3.75	3.32	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	90,073	1.58	SELL	4,300	(2.68)	5.97	6.02	5.68	0.78	0.71	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	407,041	7.13	HOLD	3,200	(7.81)	1.06	12.73	12.59	1.92	1.77	
BMRI IJ	Bank Mandiri Persero Tbk PT	245,000	4.29	HOLD	5,100	(4.62)	9.13	9.35	8.56	1.11	1.02	
BNGA IJ	Bank CIMB Niaga Tbk PT	20,105	0.35	HOLD	850	2.43	9.99	5.34	4.86	0.47	0.46	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	12,443	0.22	SELL	1,000	(24.98)	497.17	78.31	13.11	0.73	0.70	
BRIS IJ	Bank Brisyariah Tbk PT	3,187	0.06	SELL	230	(32.21)	9.83	63.50	57.82	0.62	0.62	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	319,971	5.66	BUY	3,600	4.61	13.65	14.79	13.02	2.78	2.56	
EXCL IJ	XL Axiata Tbk PT	28,906	0.51	HOLD	2,700	21.73	5.39	33.11	31.41	1.44	1.38	
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,800	0.93	HOLD	950	13.11	8.81	20.46	18.80	4.99	4.40	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	29,975	0.53	SELL	3,450	6.41	13.25	13.84	12.22	1.21	1.09	
PGAS IJ	Perusahaan Gas Negara Tbk PT	26,908	0.48	HOLD	1,200	83.33	27.27	12.38	9.73	0.43	0.42	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	312,830	5.53	HOLD	8,400	1.60	6.48	41.64	39.11	36.43	34.23	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	102,333	1.81	BUY	10,300	6.31	9.52	19.07	17.41	3.75	3.38	
INDF IJ	Indofood Sukses Makmur Tbk PT	54,439	0.96	BUY	8,500	3.50	11.05	10.72	9.65	1.35	1.23	
HOKI IJ	Buyung Poetra Sembada PT	1,670	0.03	BUY	990	20.45	3.77	13.21	12.73	2.27	2.02	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	18,825	0.33	BUY	1,400	9.01	13.34	21.20	18.71	5.72	5.36	
TBLA IJ	Tunas Baru Lampung Tbk PT	3,045	0.05	BUY	790	21.14	14.60	3.50	3.05	0.50	0.45	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	66,797	1.18	SELL	1,280	4.28	7.25	25.55	23.82	3.78	3.48	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	25,982	0.46	HOLD	1,400	(6.76)	6.90	26.80	25.07	4.76	4.35	
ERAA IJ	Erajaya Swasembada Tbk PT	4,338	0.08	HOLD	1,280	13.54	66.00	13.02	7.84	0.78	0.70	
MAPI IJ	Mitra Adiperkasa Tbk PT	13,612	0.24	SELL	580	4.92	5.28	14.30	13.58	1.81	1.58	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,683	0.08	SELL	500	(32.91)	25.56	10.16	8.09	1.05	0.99	
PZZA IJ	Sarimelati Kencana PT	2,750	0.05	HOLD	840	4.23	20.53	13.23	10.98	1.74	1.50	
Construction												
ADHI IJ	Adhi Karya Persero Tbk PT	2,350	0.04	BUY	755	(74.40)	99.60	13.13	6.58	0.35	0.33	
PTPP IJ	PP Persero Tbk PT	5,797	0.10	BUY	1,040	40.73	28.86	4.43	3.44	0.31	0.29	
WIKI IJ	Wijaya Karya Persero Tbk PT	12,468	0.22	SELL	1,225	17.35	20.10	4.65	3.87	0.66	0.57	
WSBP IJ	Waskita Beton Precast Tbk PT	4,930	0.09	BUY	262	(29.90)	18.70	8.11	6.84	0.55	0.54	
WSKT IJ	Waskita Karya Persero Tbk PT	10,656	0.19	BUY	880	8.47	137.68	10.47	4.41	0.36	0.36	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,895	0.03	BUY	300	4.17	20.85	4.03	3.33	0.68	0.58	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	16,552	0.29	BUY	1,110	(7.75)	12.60	6.34	5.63	0.45	0.42	
PWON IJ	Pakuwon Jati Tbk PT	23,117	0.41	HOLD	520	(9.02)	(3.70)	9.66	10.03	1.33	1.18	
SMRA IJ	Summarecon Agung Tbk PT	9,954	0.18	SELL	610	18.80	15.30	16.27	14.11	1.25	1.16	
CTRA IJ	Ciputra Development Tbk PT	14,291	0.25	BUY	880	8.58	(11.20)	11.44	12.88	0.87	0.82	
DMAS IJ	Puradelta Lestari Tbk PT	9,109	0.16	BUY	228	(30.89)	31.52	9.87	7.51	1.51	1.69	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	16,119	0.29	SELL	6,620	(1.86)	(5.89)	77.80	82.67	0.86	0.85	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,595	0.10	BUY	1,000	27.51	22.68	17.38	14.17	0.99	0.86	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	37,104	0.66	HOLD	1,100	(18.31)	0.59	6.89	6.85	0.55	0.53	
PTBA IJ	Bukit Asam Tbk PT	26,498	0.47	HOLD	2,310	(3.33)	(6.24)	6.41	6.84	1.41	1.39	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,717	0.17	BUY	10,630	(39.96)	(18.30)	7.32	8.96	0.54	0.46	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	15,139	0.27	BUY	920	26.09	42.23	12.65	8.90	0.69	0.64	
INCO IJ	Vale Indonesia Tbk PT	29,809	0.53	SELL	2,300	(20.63)	(33.21)	26.31	39.39	0.91	0.89	
MDKA IJ	Merdeka Copper Gold Tbk PT	28,029	0.50	HOLD	1,280	(19.26)	10.41	19.95	18.07	2.62	2.07	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	95,108	1.68	SELL	4,150	9.82	15.94	24.82	21.41	3.95	3.51	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	14,893	0.26	SELL	1,060	2.99	15.17	8.17	7.09	1.22	1.10	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	93,511	1.65	BUY	55,450	(16.02)	8.63	10.23	9.42	1.75	1.60	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	212,280	3.76	BUY	2,500	(6.78)	3.44	16.59	16.04	5.94	5.96	
Cement												
INTP IJ	Indocement Tunggai Prakarsa Tbk PT	48,960	0.87	HOLD	13,900	19.34	12.44	22.35	19.88	2.08	2.04	
SMGR IJ	Semen Indonesia Persero Tbk PT	60,205	1.06	SELL	9,000	30.77	(33.40)	19.26	28.92	1.78	1.73	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	2,848	0.05	BUY	450	18.73	7.01	11.11	10.38	1.83	1.44	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	65,464	1.16	BUY	19,930	(18.84)	13.03	7.13	6.31	0.97	0.84	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.12	1.70
JAKCONS INDEX	17.99	3.84
JAKINFRA INDEX	22.35	2.12
JAKBIND INDEX	45.82	1.97
JAKTRAD INDEX	12.32	1.26
JAKPROP INDEX	17.69	0.91
JAKMINE INDEX	13.46	1.03
JAKMIND INDEX	10.06	1.15
JAKAGRI INDEX	-	0.83

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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