

KEY INDICATOR

09/06/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.50	4.75	(25.00)	(150.00)
10 Yr (bps)	7.25	7.27	(1.50)	(48.20)
USD/IDR	13,890.00	13,885.00	0.04%	-2.53%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,035.06	-0.70%	-20.07%	15.95
MSCI	5,676.81	-1.45%	-22.11%	16.50
HSEI	25,057.22	1.13%	-11.11%	11.66
FTSE	6,335.72	-2.11%	-16.00%	19.45
DJIA	27,272.30	-1.09%	-4.44%	24.92
NASDAQ	9,953.75	0.29%	10.93%	36.64

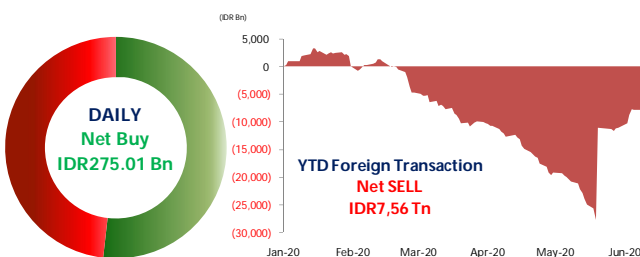
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	38.94	1.96%	-26.89%	-36.23%
COAL	USD/TON	53.70	-2.10%	-26.94%	-20.68%
CPO	MYR/MT	2,388.00	0.00%	19.76%	-21.76%
GOLD	USD/TOZ	1,715.33	0.99%	29.17%	13.05%
TIN	USD/MT	16,922.00	1.54%	-12.05%	-1.47%
NICKEL	USD/MT	12,913.00	-1.16%	10.88%	-7.93%

CORPORATE ACTION

TICKER	EVENT	NOTES
GOOD	Cum Dividend Date	IDR17/share
LUCK	Cash Dividend	IDR5/share
MLPT	Cum Dividend Date	IDR133/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA decreased by -1.09% on Tuesday (09/06) followed by the flat movements of S&P 500 (-0.78%) and Nasdaq (+0.29%). These were due to the waning sentiments from lockdown easing where aviation, hotels, finance, industry and energy sectors tumbled. Meanwhile, World Bank predicts that the world will be entering recession in FY20E with global economic dropped by 5.2% YoY, worst since World War II. The market will look forward to several data releases today, such as: 1) China Inflation Rate per May-2020; 2) US Core Inflation Rate per May-2020; 3) Japan Machinery Orders per May-2020.

Domestic Updates

The Indonesian Chamber of Commerce and Industry (Kadin) stated that there have been around 6.4 million workers who have been laid off by Covid-19. According to the Chairman, the number that was laid off was around 90% and the number of dismissed was around 10%. Seeing this situation, the economic conditions in the second quarter of 2020 will be more severe, where there will be an increase in poverty and economic growth that can enter the minus level. The Chairman believes that ease of business and investment will be very important after the Covid-19 pandemic ends.

Company News

- TINS IJ** spent IDR13.03 billion on exploration activities in Bangka and Belitung. The company conducted water exploration activities in Belitung, which included geological drilling, prospecting, and detailed drilling. The exploration used two drilling vessels at a depth of 2,216 metres. Moreover, land exploration took place in Bangka and Belitung, which included mapping, geomagnetic exploration, core-logging, and tin drilling at a depth of 331 metres. (IDNFinancials) **MNCS Comment: The exploration was done to find a new excavation location. To date tin price has slightly decline. TINS is traded at 0.86x PBV, lower than peers.**
- BBCA IJ** plans to acquire PT Rabobank International Indonesia and merge it with its subsidiary. BBCA estimates that the acquisition may cost IDR500 billion. However, the final figure will be decided based on Rabobank's equity value at the time of the acquisition, plus a fixed premium of USD20.5 million. Management said that the company would purchase 3.72 million shares, equivalent to 99.99% of Rabobank's shares. The remaining 0.01% will be purchased by PT BCA Finance. Management claimed that the acquisition will be done using the company's internal capital. (IDNFinancials) **MNCS comment: The higher acquisition price which increased by 25.94%, is still manageable. Based on our calculation, Rabobank will be acquired at 1.25x PBV while the average acquisition value on BUKU 1 & 2 was around 3x PBV. BBCA is traded at 4.17x PBV, higher than peers.**
- INDY IJ** booked an increase on coal production volume by 10% YoY in 4M20. Volume reached 12.1 million tons from January to April. Meanwhile, in the midst of the Covid-19 pandemic, INDY will focus on improving employee health and safety, as well as maintaining production efficiency and controlling operational costs. (Market Bisnis) **MNCS Comment: We see that the increase on production volume was quite decent because most of plants and business operations were forced to stop due to the pandemic. INDY is traded at 0.33x PBV, lower than peers.**

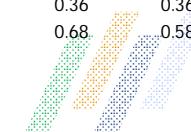
IHSG Updates

JCI slipped by -0.70% to 5,035.06 on Tuesday (09/06) despite a net foreign buy reaching IDR275.01 billion. This decrease was due to profit taking done by investors followed by the negative sentiment caused by World Bank's estimation on Indonesia's GDP. World Bank forecast that Indonesia's economic will be stagnant or 0% growth in FY20E. Meanwhile, the Rupiah exchange rate against the USD was flat at IDR13,890. We estimate JCI will move in the range of 4,950-5,100 while waiting for Consumer Confidence as of May-2020. **Today's recommendation: UNVR, TLKM, BRPT, MDKA.**

Stock	Close Price	Recommendation	Tactical Moves
UNVR	8,300	Buy on Weakness	As long as UNVR is not corrected below 7,750, UNVR will tend to strengthen to form wave (v) of wave [c].
TLKM	3,140	Buy on Weakness	As long as TLKM doesn't break the next support at 3,080, we expect TLKM movement to be in wave [ii] of wave C.
BRPT	1,225	Sell on Strength	Currently, BRPT is in wave [c], which means BRPT is still vulnerable to correction again.
MDKA	1,265	Sell on Strength	MDKA is forming wave 3 of wave (C), which means MDKA is still vulnerable to continue its correction.

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
<b>Automotive</b>											
ASII IJ	Astra International Tbk PT	202,418	3.61	HOLD	4,900	1.49	3.45	9.19	8.89	1.01	0.95
<b>Banking</b>											
BBCA IJ	Bank Central Asia Tbk PT	715,612	12.62	HOLD	28,400	7.00	9.09	23.40	21.45	3.69	3.27
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	90,632	1.60	SELL	4,300	(2.68)	5.97	6.05	5.71	0.78	0.72
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	395,940	6.98	HOLD	3,200	(7.81)	1.06	12.38	12.25	1.87	1.72
BMRI IJ	Bank Mandiri Persero Tbk PT	246,167	4.34	HOLD	5,100	(4.62)	9.13	9.39	8.61	1.11	1.02
BNGA IJ	Bank CIMB Niaga Tbk PT	19,226	0.34	BUY	850	2.43	9.99	5.11	4.64	0.45	0.44
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	12,390	0.22	SELL	1,000	(24.98)	497.17	77.98	13.06	0.73	0.69
BRIS IJ	Bank Brisyariah Tbk PT	3,051	0.05	SELL	230	(32.21)	9.83	60.79	55.35	0.59	0.59
<b>Telco</b>											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	311,055	5.54	BUY	3,600	4.61	13.65	14.38	12.66	2.70	2.49
EXCL IJ	XL Axiata Tbk PT	28,371	0.51	HOLD	2,700	21.73	5.39	32.49	30.83	1.42	1.35
TOWR IJ	Sarana Menara Nusantara Tbk PT	51,780	0.92	HOLD	950	13.11	8.81	20.06	18.44	4.89	4.32
<b>Toll Road &amp; Utilities</b>											
JSMR IJ	Jasa Marga Persero Tbk PT	29,540	0.53	SELL	3,450	6.41	13.25	13.64	12.04	1.19	1.07
PGAS IJ	Perusahaan Gas Negara Tbk PT	26,544	0.47	HOLD	1,200	83.33	27.27	12.21	9.60	0.42	0.41
<b>Consumer</b>											
UNVR IJ	Unilever Indonesia Tbk PT	316,645	5.64	HOLD	8,400	1.60	6.48	42.15	39.59	36.87	34.64
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	103,791	1.85	BUY	10,300	6.31	9.52	19.34	17.66	3.80	3.43
INDF IJ	Indofood Sukses Makmur Tbk PT	55,317	0.99	BUY	8,500	3.50	11.05	10.89	9.81	1.37	1.25
HOKI IJ	Buyung Poetra Sembada PT	1,563	0.03	BUY	990	20.45	3.77	12.36	11.91	2.13	1.89
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	19,650	0.35	HOLD	1,400	9.01	13.34	22.13	19.53	5.97	5.60
TBLA IJ	Tunas Baru Lampung Tbk PT	3,125	0.06	BUY	790	21.14	14.60	3.59	3.13	0.52	0.46
<b>Pharmacy</b>											
KLBF IJ	Kalbe Farma Tbk PT	66,094	1.18	HOLD	1,280	4.28	7.25	25.28	23.57	3.74	3.44
<b>Retail</b>											
ACES IJ	Ace Hardware Indonesia Tbk PT	25,468	0.45	HOLD	1,400	(6.76)	6.90	26.27	24.57	4.67	4.27
ERAA IJ	Erajaya Swasembada Tbk PT	4,163	0.07	HOLD	1,280	13.54	66.00	12.49	7.53	0.75	0.67
MAPI IJ	Mitra Adiperkasa Tbk PT	13,280	0.24	SELL	580	4.92	5.28	13.95	13.25	1.77	1.54
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,400	0.08	SELL	500	(32.91)	25.56	9.55	7.60	0.98	0.93
PZZA IJ	Sarimelati Kencana PT	2,569	0.05	HOLD	840	4.23	20.53	12.36	10.25	1.63	1.40
<b>Construction</b>											
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	12,334	0.22	SELL	1,225	17.35	20.10	4.60	3.83	0.65	0.57
WSBP IJ	Waskita Beton Precast Tbk PT	4,719	0.08	BUY	262	(29.90)	18.70	7.77	6.54	0.53	0.51
WSKT IJ	Waskita Karya Persero Tbk PT	10,588	0.19	BUY	880	8.47	137.68	10.41	4.38	0.36	0.36
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,905	0.03	BUY	300	4.17	20.85	4.05	3.35	0.68	0.58



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
<b>Property</b>												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,590	0.28	BUY	1,110	(7.75)	12.60	5.97	5.30	0.43	0.40	
PWON IJ	Pakuwon Jati Tbk PT	21,864	0.39	BUY	520	(9.02)	(3.70)	9.13	9.49	1.25	1.12	
SMRA IJ	Summarecon Agung Tbk PT	9,305	0.17	HOLD	610	18.80	15.30	15.21	13.19	1.17	1.09	
CTRA IJ	Ciputra Development Tbk PT	13,363	0.24	BUY	880	8.58	(11.20)	10.70	12.05	0.81	0.77	
DMAS IJ	Puradelta Lestari Tbk PT	8,483	0.15	BUY	228	(30.89)	31.52	9.19	6.99	1.41	1.57	
<b>Agriculture</b>												
AALI IJ	Astra Agro Lestari Tbk PT	17,130	0.31	HOLD	9,125	240.96	15.24	23.80	20.65	0.91	0.91	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,936	0.11	BUY	1,000	27.51	22.68	18.44	15.03	1.05	0.91	
<b>Coal Mining</b>												
ADRO IJ	Adaro Energy Tbk PT	37,743	0.67	HOLD	1,100	(18.31)	0.59	7.01	6.97	0.56	0.54	
PTBA IJ	Bukit Asam Tbk PT	27,534	0.49	HOLD	2,310	(3.33)	(6.24)	6.66	7.11	1.47	1.44	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,548	0.17	BUY	10,630	(39.96)	(18.30)	7.20	8.81	0.53	0.46	
<b>Metal Mining</b>												
ANTM IJ	Aneka Tambang Tbk	14,659	0.26	BUY	920	26.09	42.23	12.25	8.61	0.67	0.62	
INCO IJ	Vale Indonesia Tbk PT	29,014	0.52	SELL	2,300	(20.63)	(33.21)	25.60	38.34	0.89	0.87	
MDKA IJ	Merdeka Copper Gold Tbk PT	27,700	0.49	HOLD	1,280	(19.26)	10.41	19.72	17.86	2.58	2.04	
<b>Poultry</b>												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	95,518	1.70	SELL	4,150	9.82	15.94	24.93	21.50	3.97	3.52	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	14,306	0.25	SELL	1,060	2.99	15.17	7.84	6.81	1.17	1.05	
<b>Cigarette</b>												
GGRM IJ	Gudang Garam Tbk PT	93,078	1.66	BUY	55,450	(16.02)	8.63	10.19	9.38	1.74	1.59	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	209,954	3.74	BUY	2,500	(6.78)	3.44	16.41	15.86	5.88	5.89	
<b>Cement</b>												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	46,476	0.83	BUY	13,900	19.34	12.44	21.22	18.87	1.98	1.94	
SMGR IJ	Semen Indonesia Persero Tbk PT	56,053	1.00	HOLD	9,000	30.77	(33.40)	17.93	26.92	1.66	1.61	
<b>Basic Industry and Chemical</b>												
ARNA IJ	Arwana Citramulia Tbk PT	2,848	0.05	BUY	450	18.73	7.01	11.11	10.38	1.83	1.44	
<b>Heavy Equipment</b>												
UNTR IJ	United Tractors Tbk PT	66,303	1.18	BUY	19,930	(18.84)	13.03	7.22	6.39	0.98	0.85	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	13.01	1.68
JAKCONS INDEX	18.10	3.86
JAKINFRA INDEX	22.01	2.09
JAKBIND INDEX	45.01	1.93
JAKTRAD INDEX	12.28	1.25
JAKPROP INDEX	17.35	0.89
JAKMINE INDEX	13.42	1.03
JAKMIND INDEX	9.97	1.15
JAKAGRI INDEX	-	0.86

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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