

KEY INDICATOR

30/09/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.96	6.95	1.00	(32.60)
USD/IDR	14,880.00	14,895.00	-0.10%	4.83%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,870.04	-0.19%	-22.69%	17.69
MSCI	5,311.20	-0.64%	-27.13%	17.37
HSEI	23,459.05	0.79%	-16.78%	12.42
FTSE	5,866.10	-0.53%	-22.23%	19.36
DJIA	27,781.70	1.20%	-2.65%	24.16
NASDAQ	11,167.51	0.74%	24.46%	37.48

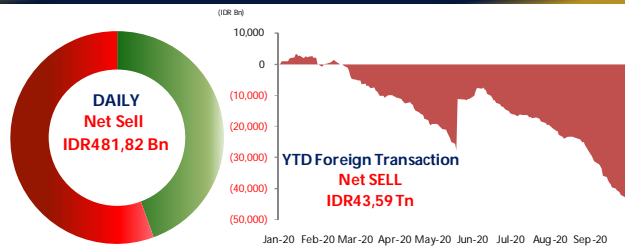
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.22	2.37%	-25.61%	-34.13%
COAL	USD/TON	58.60	-0.09%	-16.35%	-13.44%
CPO	MYR/MT	2,714.00	-2.27%	27.12%	-11.07%
GOLD	USD/TOZ	1,885.82	-0.65%	28.07%	24.29%
TIN	USD/MT	17,494.00	0.20%	9.85%	1.86%
NICKEL	USD/MT	14,517.00	0.42%	-14.86%	3.51%

CORPORATE ACTION

TICKER	EVENT	NOTES

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA rose by +1.20% on Wednesday (30/09) followed by S&P 500 (+0.83%) and Nasdaq (+0.74%). The gain was driven by the release of monthly employment data where there were additional jobs for 749,000 people in September. This was better than the previous month and above the expectations of economists in a Dow Jones survey which estimated only 600,000 people. Meanwhile, a fiscal stimulus will soon be signed at the congress and the good news of the pharmaceutical company Regeneron, has brought a little fresh air to the market. The company announced that its drug, REGN-COV2, could reduce the virality level of Covid-19 and improve the condition. Moreover, the market will look forward to several data releases today, such as: 1) US PCE Price Index; 2) US Markit Manufacturing PMI; 3) Eurozone Unemployment Rate.

Domestic Updates

•BI and the People's Bank of China reached mutual agreement on the use of local currencies for trade and direct investment settlement, which includes: 1) promotion of the direct exchange rate quotation; 2) interbank trading between the Chinese Yuan and the Indonesian Rupiah. This collaboration marks a key milestone in strengthening bilateral financial cooperation between China and Indonesia. The authorities believe that it will positively contribute to encourage the use of local currencies for settlement of trade and direct investment between the two countries.

•BI has release money supply in a broad sense (M2) was recorded at IDR6,726.1 trillion in August, an increase of 13.3% YoY higher than the growth in the previous month of 10.5% YoY. This increase was due to M1 growth of 19.3% YoY, higher than the growth in July 2020 of 13.1% YoY, driven by an increase in Rupiah demand deposits. In addition, quasi money growth increased, from 9.7% YoY in the previous month to 11.5% YoY in August 2020. However, securities other than stocks contracted by 18.7% YoY in August 2020 after growing by 4.9% YoY in the previous month.

Company News

- PTBA IJ recorded a decline in revenue by 15.09% YoY to IDR9.01 trillion in 1H20, recorded a decline in income of 15.09% YoY from IDR10.6 trillion in 1H19 to only IDR9.01 trillion in 1H20. As a result, net profit dropped by 35.85% YoY to IDR1.28 trillion in the 1H20. From the operational side, PTBA has produced 11.9 million tons of coal and transported 11.7 million tons of coal. Meanwhile, this year PTBA has cut its production volume by the end of this year to 25.1 million tons from 30.3 million tons previously (Market Bisnis). **MNCS Comment: We see that PTBA's performance tumbled due to several cause, such as: 1) The drop on referred coal price due to the thinning demand during the pandemic; 2) The decrease on production due to a limitation on activities. PTBA is currently traded at 8.80x/1.44x PE/PBV.**
- ASII IJ will distribute interim dividends amounting to IDR1.09 trillion. Dividend per share stood at IDR27 with a yield of 0.60%. Cum date will be at 06 October 2020 while Payment date will be at 27 October 2020 (Kontan). **MNCS Comment: ASII's interim dividend dropped almost half compared to the last dividend interim which reached IDR57 per share in October 2019. Though ASII's net income rose by 43.20% YoY in the 2Q20. ASII might want to reserve cash during the uncertain season while the final dividend will be decided next year. ASII is currently traded at 7.93x/1.18x PE/PBV.**
- AISA IJ posted a revenue of IDR596.96 billion in the 1H20 which slipped by 3.27% YoY. AISA's profit was hampered by the large operating expenses which amounted to IDR180.94 billion. Thus, AISA record a net loss of IDR33.93 billion though it shrank by 44.5% YoY compared to IDR61.17 billion in 1H19 (Kontan). **MNCS Comment: After being released of suspension AISA returns to roam the market though we see that the company has not yet implement efficiency strategy as their expense increase while their top line decrease. But at least the net loss recorded were smaller.**

IHSG Updates

JCI dropped by -0.19% to 4,870.04 on Wednesday (30/09) followed by net foreign sell reaching IDR481.83 billion. Index movement was flat due to lack of sentiment in the domestic market while the Regional Asia Indices were closed indifferently. The drop was led by miscellaneous, infrastructure and finance sector while basic industries, agriculture and trade sector increase. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,880 following the news on local currencies usage on trade transaction between Indonesia and China. We estimate JCI will move in the range of 4,820 – 4,950 while waiting for Inflation rate and PMI Markit Manufacturing data release. **Today's recommendation: GGRM, PTBA, LSIP, ANTM.**

Stock	Close Price	Recommendation	Tactical Moves
GGRM	40,050	Buy on Weakness	Currently, we estimate that the position of GGRM is at the end of wave [v] of wave C of wave (B).
PTBA	1,970	Buy on Weakness	As long as PTBA is not corrected below 1,810, currently PTBA is in wave 2 of wave (C).
LSIP	950	Buy on Weakness	As long as the LSIP does not break the support at 840, the current LSIP movement is at the end of wave [b] of wave 5.
ANTM	705	Sell on Strength	Currently ANTM is forming wave (v) of wave [c] 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	180,557	3.33	BUY	5,500	(24.25)	25.37	10.99	8.76	0.90	0.85	
Banking												
BBCA IJ	Bank Central Asia Tbk PT	668,151	12.18	HOLD	28,400	7.00	9.09	21.85	20.03	3.44	3.05	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	82,800	1.51	BUY	5,700	(28.97)	24.57	7.58	6.08	0.74	0.68	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	374,971	6.84	HOLD	3,200	(7.81)	1.06	11.72	11.60	1.77	1.63	
BMRI IJ	Bank Mandiri Persero Tbk PT	231,467	4.22	HOLD	5,100	(4.62)	9.13	8.83	8.09	1.05	0.96	
BNGA IJ	Bank CIMB Niaga Tbk PT	18,095	0.33	BUY	850	2.43	9.99	4.81	4.37	0.43	0.42	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	12,708	0.23	SELL	1,000	(24.98)	497.17	79.98	13.39	0.75	0.71	
BRIS IJ	Bank Brisyariah Tbk PT	7,287	0.13	SELL	230	(32.21)	9.83	145.19	132.20	1.42	1.41	
Telco												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	253,599	4.67	BUY	3,600	(8.00)	8.33	13.33	12.31	2.37	2.24	
EXCL IJ	XL Axiata Tbk PT	21,733	0.40	BUY	2,700	21.73	5.39	24.89	23.62	1.09	1.04	
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,800	0.97	HOLD	950	13.11	8.81	20.46	18.80	4.99	4.40	
Toll Road & Utilities												
JSMR IJ	Jasa Marga Persero Tbk PT	26,201	0.48	HOLD	3,450	6.41	13.25	12.10	10.68	1.06	0.95	
PGAS IJ	Perusahaan Gas Negara Tbk PT	22,423	0.41	BUY	1,200	83.33	27.27	10.32	8.11	0.36	0.35	
Consumer												
UNVR IJ	Unilever Indonesia Tbk PT	309,015	5.69	HOLD	8,400	1.60	6.48	41.14	38.63	35.98	33.81	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	117,494	2.16	HOLD	10,300	6.31	9.52	21.89	19.99	4.30	3.88	
INDF IJ	Indofood Sukses Makmur Tbk PT	62,780	1.16	BUY	8,500	3.50	11.05	12.36	11.13	1.55	1.42	
HOKI IJ	Buyung Poetra Sembada PT	1,802	0.03	HOLD	700	(26.89)	37.61	23.47	17.05	2.44	2.07	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,350	0.41	BUY	1,400	118.02	13.34	12.59	11.10	3.39	3.18	
TBLA IJ	Tunas Baru Lampung Tbk PT	3,926	0.07	SELL	630	(43.57)	5.01	9.68	9.22	0.73	0.70	
Pharmacy												
KLBF IJ	Kalbe Farma Tbk PT	72,656	1.34	SELL	1,280	4.28	7.25	27.79	25.91	4.11	3.79	
Retail												
ACES IJ	Ace Hardware Indonesia Tbk PT	27,354	0.50	SELL	1,400	(6.76)	6.90	28.21	26.39	5.01	4.58	
ERAA IJ	Erajaya Swasembada Tbk PT	4,929	0.09	SELL	1,280	13.54	66.00	14.79	8.91	0.88	0.80	
MAPI IJ	Mitra Adiperkasa Tbk PT	9,462	0.17	HOLD	580	4.92	5.28	9.94	9.44	1.26	1.10	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,761	0.07	HOLD	500	(32.91)	25.56	8.16	6.50	0.84	0.79	
PZZA IJ	Sarimelati Kencana PT	1,738	0.03	BUY	840	4.23	20.53	8.36	6.94	1.10	0.95	
Construction												
ADHI IJ	Adhi Karya Persero Tbk PT	1,780	0.03	BUY	660	(74.40)	99.60	9.94	4.98	0.26	0.25	
PTPP IJ	PP Persero Tbk PT	5,115	0.09	HOLD	870	(58.56)	30.26	13.27	10.19	0.28	0.26	
WIKA IJ	Wijaya Karya Persero Tbk PT	9,822	0.18	BUY	1,290	(69.76)	7.05	14.21	13.28	0.52	0.45	
WSBP IJ	Waskita Beton Precast Tbk PT	3,611	0.07	BUY	262	(29.90)	18.70	5.94	5.01	0.40	0.39	
WSKT IJ	Waskita Karya Persero Tbk PT	6,760	0.12	BUY	650	(67.97)	18.14	22.50	19.04	0.23	0.23	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,503	0.03	BUY	300	4.17	20.85	3.19	2.64	0.54	0.46	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,667	0.29	BUY	1,110	(7.75)	12.60	5.46	4.85	0.39	0.36	
PWON IJ	Pakuwon Jati Tbk PT	17,048	0.31	BUY	520	(9.02)	(3.70)	7.12	7.40	0.98	0.87	
SMRA IJ	Summarecon Agung Tbk PT	8,007	0.15	HOLD	610	(69.64)	44.19	51.20	35.51	0.83	0.82	
CTRA IJ	Ciputra Development Tbk PT	11,971	0.22	BUY	880	8.58	(11.20)	9.58	10.79	0.73	0.69	
DMAS IJ	Puradelta Lestari Tbk PT	9,640	0.18	BUY	228	(30.89)	31.52	10.45	7.94	1.60	1.79	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	19,584	0.36	SELL	9,125	240.96	15.24	27.21	23.61	1.02	0.98	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,175	0.11	BUY	1,000	27.51	22.68	19.18	15.64	1.09	0.95	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	36,304	0.67	BUY	1,310	(18.31)	0.59	6.74	6.70	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	22,696	0.42	BUY	2,390	(16.98)	4.55	6.40	6.12	1.21	1.19	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,209	0.17	BUY	10,630	(58.33)	(20.00)	10.00	12.50	0.36	0.31	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	16,942	0.31	BUY	920	26.09	42.23	14.16	9.96	0.77	0.71	
INCO IJ	Vale Indonesia Tbk PT	35,373	0.65	HOLD	3,590	13.79	2.00	43.68	42.82	1.09	1.06	
MDKA IJ	Merdeka Copper Gold Tbk PT	35,365	0.65	HOLD	1,595	(21.21)	25.00	24.77	19.82	3.30	2.61	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	93,059	1.71	SELL	4,150	9.82	15.94	24.29	20.95	3.86	3.43	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	12,958	0.24	HOLD	1,150	(60.18)	121.37	18.38	8.30	1.09	0.97	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	77,060	1.42	BUY	55,450	(16.02)	8.63	8.43	7.76	1.44	1.32	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	162,845	3.00	BUY	1,650	(22.03)	3.26	15.22	14.74	4.85	4.88	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	38,285	0.71	BUY	13,900	19.34	12.44	17.48	15.55	1.63	1.59	
SMGR IJ	Semen Indonesia Persero Tbk PT	54,422	1.00	HOLD	9,000	30.77	(33.40)	17.41	26.14	1.61	1.57	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,274	0.06	HOLD	450	18.73	7.01	12.77	11.94	2.10	1.65	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	85,047	1.57	SELL	19,930	(18.84)	13.03	9.26	8.19	1.26	1.09	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	15.47	1.68
JAKCONS INDEX	17.91	3.82
JAKINFRA INDEX	30.63	1.98
JAKBIND INDEX	49.92	1.79
JAKTRAD INDEX	11.64	1.32
JAKPROP INDEX	1.18	0.95
JAKMINE INDEX	13.81	1.08
JAKMIND INDEX	9.87	1.06
JAKAGRI INDEX	-	0.89

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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