

KEY INDICATOR

31/08/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.87	6.90	(2.80)	(46.00)
USD/IDR	14,563.00	14,632.00	-0.47%	2.62%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,238.49	-2.02%	-16.84%	18.93
MSCI	5,975.88	-3.22%	-18.01%	19.26
HSEI	25,177.05	-0.96%	-10.69%	11.95
FTSE	5,963.57	-0.61%	-20.93%	19.52
DJIA	28,430.05	-0.78%	-0.38%	25.51
NASDAQ	11,775.46	0.68%	31.24%	40.36

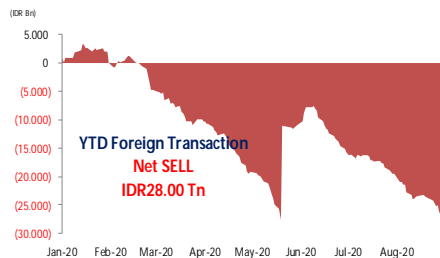
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	42.61	-0.84%	-22.67%	-30.22%
COAL	USD/TON	51.95	4.42%	-20.99%	-23.26%
CPO	MYR/MT	2,738.00	2.09%	22.56%	-10.29%
GOLD	USD/TOZ	1,967.80	0.15%	29.43%	29.69%
TIN	USD/MT	17,850.00	0.22%	9.17%	3.93%
NICKEL	USD/MT	15,367.00	1.16%	-14.15%	9.57%

CORPORATE ACTION

TICKER	EVENT	NOTES
BPFI	RUPS	
BJBR	RUPS	
INCI	Cum Dividend Date	IDR20/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA slipped by -0.78% on Monday (31/08) followed by the various movements from S&P 500 (-0.22%) and Nasdaq (+0.68%). The decision by the central bank to hold low interest rates does not seem able to generate optimism for investors, as indicated by the prevalence of profit taking. In addition, market players are still waiting for the release of economic data and speeches from the Fed. Moreover, the market will look forward to several data releases today, such as: 1) US PMI Markit Manufacturing; 2) China Caixin Manufacturing PMI; 3) Eurozone Core Inflation Rate.

Domestic Updates

Economic liquidity or money supply in the broad sense (M2) increased in July 2020, recording at IDR6,567 trillion, an increase of 10.5% YoY, higher than the previous month's growth of 8.2% YoY. A component that causes the increase in M2 is the growth in M1, growing at 13.1% YoY in July 2020, higher than the June 2020 growth of 8.2% YoY, thanks to the increase in demand deposits in Rupiah and a stronger Indonesian currency. Another factor that increased M2 is the increase in net foreign assets, increasing by 17.6% YoY in July 2020, higher than the 12.1% YoY increase in June 2020.

Company News

- WSKT IJ** posted revenue of IDR8.04 trillion in 1H20, down by -45.68% YoY. Unfortunately, net profit also dropped to a net loss of IDR1.09 trillion. The company said that the construction service segment is still the most significant source of revenue, reaching IDR7.36 trillion. However, due to PSBB, several construction projects were put to a stop temporarily. Now that restriction has been eased, projects almost returned to the level of 100% in June. Also, the company will reduce capital expenditure by -45% from the initial IDR19 trillion target to ensure that the company can still have liquidity (Market Bisnis). **MNCS Comment: We consider that the strategy to reduce capital expenditures is one way to maintain the company's cash flow, this is because Covid-19 has an impact on the payments that WSKT will receive. WSKT is currently traded at 0.59x PBV.**
- BMRI IJ** reported that it had completed its share buyback action at IDR150.89 billion, even though it announced that it will buy back a total of IDR2 trillion. The company purchased a total of 25.40 million shares. Management said that there was no impact on any operational activities, law, financial conditions, or business continuity (Emitennews). **MNCS Comment: We note that buyback strategy will help to maintain its liquidity as BMRI already grew by 60% from the lowest level this year. BMRI is currently traded at 13.49x/1.55x PE/PBV.**
- DLTA IJ** will distribute dividends at a total of IDR312.26 billion, or IDR390 per share from the FY19 net profit. The dividend will be divided into two parts. First, a regular cash dividend of IDR30 per share, which is a total of IDR24.02 billion. Second, a special cash dividend of IDR360 per share or IDR288.24 billion in total. In total, the dividend yield is 8.57%. The recording date will be 7 September 2020, and the dividend will be paid on 25 September, 2020 (Kontan). **MNCS Comment: DLTA has always been distributing dividends in the last eleven years although the yield last year is higher at 10% or equals to IDR478/share. However net profit decline by -5.88% YoY in FY19 making the yield fell slightly. DLTA is currently traded at 54.83x/3.06x PE/PBV.**

IHSG Updates

JCI dropped by -2.02% to 5,238.49 on Monday (31/08) followed by net foreign sell reaching IDR1.92 trillion. Stocks continued to drop led by miscellaneous industry and finance sector due to the increasing Covid-19 cases followed by a statement from the Ministry that Indonesia will enter the brink of an economic recession next month, while stressing that the economic crisis is not happening. Subsequently, Bank Indonesia sees that global financial market uncertainty is still high in 3Q20 whereas investors should be cautious. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,562. We estimate JCI will move in the range of 5,220-5,280 while waiting for PMI Markit Manufacturing and inflation rate data release. **Today's recommendation: HMSP, TOWR, MEDC, BJBR.**

Stock	Close Price	Recommendation	Tactical Moves
HMSP	1,650	Buy on Weakness	HMSP is already at the end of the triangle pattern, which means the correction of HMSP tends to be limited to form wave E of wave (B).
TOWR	1,035	Buy on Breakout	As long as it doesn't drop below 1.015, we estimate the TOWR movement has the potential to strengthen to form wave [c] of wave B.
MEDC	550	Buy on Weakness	Currently MEDC is in the wave [iii] part of wave C.
BJBR	1,055	Sell on Strength	The movement of BJBR yesterday is part of wave [a] of wave A, so that BJBR has the opportunity to strengthen in the short term to form 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	206,466	3.54	HOLD	5,500	(24.25)	25.37	12.56	10.02	1.03	0.97
Banking											
BBCA IJ	Bank Central Asia Tbk PT	773,551	13.11	HOLD	28,400	7.00	9.09	25.30	23.19	3.99	3.53
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	95,108	1.61	BUY	5,700	(28.97)	24.57	8.70	6.99	0.85	0.78
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	432,944	7.34	HOLD	3,200	(7.81)	1.06	13.53	13.39	2.04	1.88
BMRI IJ	Bank Mandiri Persero Tbk PT	277,667	4.71	SELL	5,100	(4.62)	9.13	10.59	9.71	1.26	1.15
BNGA IJ	Bank CIMB Niaga Tbk PT	20,482	0.35	HOLD	850	2.43	9.99	5.44	4.95	0.48	0.47
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,679	0.28	SELL	1,000	(24.98)	497.17	104.97	17.58	0.98	0.93
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	283,318	4.85	BUY	3,600	(8.00)	8.33	14.90	13.75	2.64	2.50
EXCL IJ	XL Axiata Tbk PT	26,123	0.45	BUY	2,700	21.73	5.39	29.92	28.39	1.30	1.25
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,800	0.90	HOLD	950	13.11	8.81	20.46	18.80	4.99	4.40
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	28,378	0.49	SELL	3,450	6.41	13.25	13.10	11.57	1.14	1.03
PGAS IJ	Perusahaan Gas Negara Tbk PT	30,423	0.52	HOLD	1,200	83.33	27.27	14.00	11.00	0.49	0.47
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	313,784	5.37	HOLD	8,400	1.60	6.48	41.77	39.23	36.54	34.33
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	119,243	2.04	HOLD	10,300	6.31	9.52	22.22	20.29	4.37	3.94
INDF IJ	Indofood Sukses Makmur Tbk PT	66,951	1.15	BUY	8,500	3.50	11.05	13.18	11.87	1.65	1.52
HOKI IJ	Buyung Poetra Sembada PT	1,635	0.03	HOLD	700	(26.89)	37.61	21.29	15.47	2.21	1.87
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	20,775	0.36	HOLD	1,400	9.01	13.34	23.40	20.64	6.31	5.92
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	74,063	1.27	SELL	1,280	4.28	7.25	28.33	26.41	4.19	3.86
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	26,497	0.45	HOLD	1,400	(6.76)	6.90	27.33	25.56	4.86	4.44
ERAA IJ	Erajaya Swasembada Tbk PT	5,487	0.09	SELL	1,280	13.54	66.00	16.47	9.92	0.99	0.89
MAPI IJ	Mitra Adiperkasa Tbk PT	11,288	0.19	SELL	580	4.92	5.28	11.86	11.26	1.50	1.31
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,648	0.08	SELL	500	(32.91)	25.56	10.09	8.03	1.04	0.98
PZZA IJ	Sarimelati Kencana PT	1,889	0.03	BUY	840	4.23	20.53	9.09	7.54	1.20	1.03
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,119	0.04	BUY	755	(74.40)	99.60	11.83	5.93	0.31	0.30
PTPP IJ	PP Persero Tbk PT	6,014	0.10	HOLD	1,040	40.73	28.86	4.59	3.57	0.33	0.30
WIKA IJ	Wijaya Karya Persero Tbk PT	11,123	0.19	HOLD	1,225	17.35	20.10	4.15	3.45	0.59	0.51
WSBP IJ	Waskita Beton Precast Tbk PT	4,429	0.08	BUY	262	(29.90)	18.70	7.29	6.14	0.50	0.48
WSKT IJ	Waskita Karya Persero Tbk PT	8,823	0.15	BUY	880	8.47	137.68	8.67	3.65	0.30	0.30
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,819	0.03	BUY	300	4.17	20.85	3.87	3.20	0.65	0.56



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	16,408	0.28	BUY	1,110	(7.75)	12.60	5.71	5.08	0.41	0.38	
PWON IJ	Pakuwon Jati Tbk PT	19,649	0.34	BUY	520	(9.02)	(3.70)	8.21	8.52	1.13	1.01	
SMRA IJ	Summarecon Agung Tbk PT	9,305	0.16	HOLD	610	(69.64)	44.19	59.50	41.27	0.97	0.95	
CTRA IJ	Ciputra Development Tbk PT	14,291	0.24	BUY	880	8.58	(11.20)	11.44	12.88	0.87	0.82	
DMAS IJ	Puradelta Lestari Tbk PT	10,893	0.19	HOLD	228	(30.89)	31.52	11.81	8.98	1.81	2.02	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	19,584	0.34	SELL	9,125	240.96	15.24	27.21	23.61	1.02	0.98	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,686	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	34,705	0.59	BUY	1,310	(18.31)	0.59	6.45	6.41	0.52	0.49	
PTBA IJ	Bukit Asam Tbk PT	23,502	0.40	BUY	2,390	(16.98)	4.55	6.62	6.34	1.26	1.24	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,350	0.16	BUY	10,630	(58.33)	(20.00)	10.15	12.69	0.36	0.31	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	19,705	0.34	BUY	920	26.09	42.23	16.47	11.58	0.89	0.83	
INCO IJ	Vale Indonesia Tbk PT	37,659	0.64	HOLD	3,590	13.79	2.00	46.50	45.59	1.16	1.13	
MDKA IJ	Merdeka Copper Gold Tbk PT	38,102	0.65	HOLD	1,595	(21.21)	25.00	26.69	21.35	3.56	2.81	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	103,307	1.77	SELL	4,150	9.82	15.94	26.96	23.25	4.29	3.81	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	14,306	0.24	HOLD	1,150	(60.18)	121.37	20.29	9.17	1.20	1.07	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	91,394	1.56	BUY	55,450	(16.02)	8.63	10.00	9.21	1.71	1.57	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	191,925	3.29	HOLD	1,650	(22.03)	3.26	17.93	17.37	5.72	5.75	
Cement												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	43,715	0.75	BUY	13,900	19.34	12.44	19.96	17.75	1.86	1.82	
SMGR IJ	Semen Indonesia Persero Tbk PT	62,578	1.07	SELL	9,000	30.77	(33.40)	20.02	30.06	1.85	1.80	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,289	0.06	HOLD	450	18.73	7.01	12.83	11.99	2.11	1.66	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	85,793	1.47	SELL	19,930	(18.84)	13.03	9.34	8.27	1.27	1.10	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	17.73	1.93
JAKCONS INDEX	19.11	4.08
JAKINFRA INDEX	30.80	2.11
JAKBIND INDEX	43.90	1.91
JAKTRAD INDEX	17.39	1.33
JAKPROP INDEX	1.03	0.83
JAKMINE INDEX	13.78	1.13
JAKMIND INDEX	11.03	1.19
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





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