

KEY INDICATOR

07/09/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.90	6.93	(3.20)	(36.90)
USD/IDR	14,740.00	14,750.00	-0.07%	5.02%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	5,230.20	-0.18%	-16.97%	18.99
MSCI	5,982.08	-0.24%	-17.92%	19.32
HSEI	24,589.65	-0.43%	-12.77%	12.85
FTSE	5,937.40	2.39%	-21.28%	19.68
DJIA	28,133.31	0.00%	-1.42%	24.51
NASDAQ	11,313.13	0.00%	26.09%	38.27

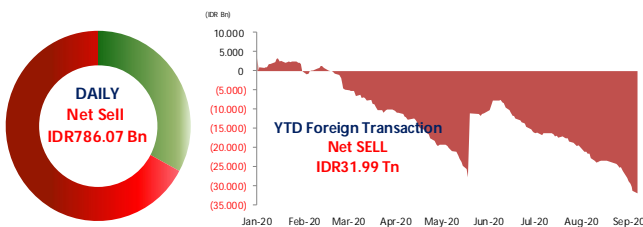
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	39.77	0.00%	-31.25%	-34.87%
COAL	USD/TON	48.50	-1.02%	-26.01%	-28.36%
CPO	MYR/MT	2,804.00	-1.09%	27.40%	-8.13%
GOLD	USD/TOZ	1,933.64	-0.02%	28.98%	27.44%
TIN	USD/MT	18,330.00	0.44%	5.95%	6.72%
NICKEL	USD/MT	15,186.00	-0.70%	-15.87%	8.28%

CORPORATE ACTION

TICKER	EVENT	NOTES
SOHO	IPO	IDR1.820/share
PURI	IPO	IDR170/share
MEDC	Cum Date Rights Issue	IDR250/share

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA was closed due to labor day on Monday (07/09). Meanwhile, Asian markets opened in the green zone following European market movements, amid sluggish US technology shares, as well as tensions between US and China. Investors will re-enter the US market after Monday's holiday considering circumstances where positive rallies suggest a slowdown. US tech shares, which have been the motor of the stock exchange movement, weakened last week. Moreover, the market will look forward to several data releases today, such as: 1) Japan GDP Growth; 2) Japan household Spending; 3) Eurozone GDP Growth Estimation.

Domestic Updates

Indonesia's foreign exchange reserves amounted to USD137 billion as of August 2020, which increased compared to the position as of July 2020 of USD135.1 billion. The increase in foreign exchange reserves in August 2020 was influenced, among others, by the withdrawal of government foreign loans, as well as tax revenues and oil and gas foreign exchange. The position of foreign exchange reserves is equivalent to financing 9.4 months of imports or 9.0 months of imports and servicing of government external debt and is above the international adequacy standard of around 3 months of imports. Bank Indonesia considers that the foreign exchange reserves can support external sector resilience and maintaining macroeconomic and financial system stability.

Company News

- ROTI IJ** continue to complete building factories in Banjarmasin and Pekanbaru, where the company has spent a budget of IDR182 billion to 1H20. The use of capex is equivalent to 45% of the total capex budget of IDR400 billion in FY20E. The factory is planned to start operating at the end of the year. Currently, ROTI has 13 domestic factories and 1 factory in the Philippines(Investor.id). **MNCS Comment: Remain expanding amid the pandemic despite their weakening performance from quarter to quarter. ROTI also still solid in distributing dividend as the amount reached IDR24.73/share this year compared to IDR9.78 last year. ROTI is currently traded at 40x/2.64x PE/PBV.**
- AISA IJ** will conduct a private placement by issuing 6 billion series B shares with an exercise price of IDR210/share. The number of shares issued is equivalent to 55.62 percent of the company's issued and fully paid-up capital whereas AISA will receive IDR1.26 trillion from private placement. According to the company, the additional capital will increase equity by 186% from -IDR1.32 trillion to IDR1.13 trillion. The proceeds from the private placement will be used to pay a number of debts, including bonds and Sukuk Ijarah TPS Food I, Sukuk Ijarah TPS Food II, and bank loans to Citibank, Standard Chartered, and JP Morgan(Market Bisnis). **MNCS Comment: After the return on the market, AISA is trying to get funding to ease up their debt. While we note that in the 1Q20 AISA managed to score a positive net profit of IDR3 billion from a loss of IDR11 billion in 1Q19. AISA is currently traded at 117xPE.3**
- GIAA IJ** received IDR8.5 trillion from the government budget allocation of IDR19.7 trillion to support government investment for 5 SOEs. Among the five BUMNs, Garuda Indonesia and Krakatau Steel are currently bearing a sizable financial burden. Garuda Indonesia's debt has almost reached IDR32 trillion. Meanwhile, Garuda Indonesia reported a 50% MoM growth in the number of passengers in August 2020. According to him, a significant increase in the number occurred during the long holiday period of August 2020. In addition, GIAA also opened several new routes(Market Bisnis). **MNCS Comment: The aid from the government will surely be a breath of fresh air as the aviation sector took a deep toll from the pandemic. This is reflected in GIAA's 2Q20 performance as revenue and net profit plunged.**

IHSG Updates

JCI slipped by -0.18% to 5,230.19 on Monday (07/09) followed by net foreign sell reaching IDR786.07 billion. JCI drop continues along with the weakening on Regional Asia indices despite optimism for Asian markets began to emerge after China released its export-import data in August, which shot up by 9.5% YoY. Furthermore, Singapore's economy is estimated to worsen in the 3Q20, weighing the Asian market further down. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,740. We estimate JCI will move in the range of 5,187-5,330 while waiting for Consumer Confidence data release. **Today's recommendation: WSKT, EXCL, TINS, BBTN.**

Stock	Close Price	Recommendation	Tactical Moves
WSKT	630	Buy on Weakness	As long as WSKT is not closed, it will be corrected through 585, so currently WSKT position is at the end of wave [b] of wave B.
EXCL	2,250	Spec Buy	Yesterday's EXCL movement was at the end of wave [iii] of wave C of wave (B).
TINS	815	Buy on Weakness	Currently the TINS movement is in the part of wave 5 of wave (C).
BBTN	1,545	Sell on Strength	As long as BBTN has not been able to strengthen above 1.620, BBTN's movement is currently in the initial wave [iv] of wave C.

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	3.49	HOLD	5,500	(24.25)	25.37	12.38	9.87	1.02	0.95
Banking											
BBCA IJ	Bank Central Asia Tbk PT	774,784	13.15	HOLD	28,400	7.00	9.09	25.34	23.23	3.99	3.54
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	97,905	1.66	HOLD	5,700	(28.97)	24.57	8.96	7.19	0.88	0.81
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	432,944	7.35	HOLD	3,200	(7.81)	1.06	13.53	13.39	2.04	1.88
BMRI IJ	Bank Mandiri Persero Tbk PT	273,000	4.63	SELL	5,100	(4.62)	9.13	10.41	9.54	1.24	1.13
BNGA IJ	Bank CIMB Niaga Tbk PT	20,231	0.34	HOLD	850	2.43	9.99	5.38	4.89	0.48	0.47
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,362	0.28	SELL	1,000	(24.98)	497.17	102.98	17.24	0.97	0.92
BRIS IJ	Bank Brisyariah Tbk PT	9,425	0.16	SELL	230	(32.21)	9.83	187.78	170.98	1.84	1.82
Telco											
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	287,280	4.93	BUY	3,600	(8.00)	8.33	15.10	13.94	2.68	2.53
EXCL IJ	XL Axiata Tbk PT	24,089	0.41	BUY	2,700	21.73	5.39	27.59	26.18	1.20	1.15
TOWR IJ	Sarana Menara Nusantara Tbk PT	53,565	0.92	HOLD	950	13.11	8.81	20.76	19.08	5.06	4.47
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	27,290	0.47	HOLD	3,450	6.41	13.25	12.60	11.13	1.10	0.99
PGAS IJ	Perusahaan Gas Negara Tbk PT	29,817	0.51	HOLD	1,200	83.33	27.27	13.72	10.78	0.48	0.46
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	319,506	5.48	HOLD	8,400	1.60	6.48	42.53	39.95	37.21	34.96
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	120,409	2.06	HOLD	10,300	6.31	9.52	22.43	20.48	4.41	3.98
INDF IJ	Indofood Sukses Makmur Tbk PT	68,487	1.17	HOLD	8,500	3.50	11.05	13.48	12.14	1.69	1.55
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	21,000	0.36	HOLD	1,400	9.01	13.34	23.65	20.87	6.38	5.98
TBLA IJ	Tunas Baru Lampung Tbk PT	4,381	0.08	SELL	630	(43.57)	5.01	10.80	10.29	0.82	0.78
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	75,000	1.29	SELL	1,280	4.28	7.25	28.69	26.75	4.25	3.91
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	26,926	0.46	SELL	1,400	(6.76)	6.90	27.77	25.98	4.94	4.51
ERAA IJ	Erajaya Swasembada Tbk PT	5,439	0.09	SELL	1,280	13.54	66.00	16.32	9.83	0.98	0.88
MAPI IJ	Mitra Adiperkasa Tbk PT	11,039	0.19	SELL	580	4.92	5.28	11.60	11.01	1.47	1.28
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,329	0.07	SELL	500	(32.91)	25.56	9.39	7.48	0.97	0.91
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	5,828	0.10	BUY	1,040	40.73	28.86	4.45	3.46	0.32	0.29
WIKA IJ	Wijaya Karya Persero Tbk PT	11,212	0.19	HOLD	1,225	17.35	20.10	4.18	3.48	0.59	0.52
WSBP IJ	Waskita Beton Precast Tbk PT	4,271	0.07	BUY	262	(29.90)	18.70	7.03	5.92	0.48	0.47
WSKT IJ	Waskita Karya Persero Tbk PT	8,552	0.15	BUY	880	8.47	137.68	8.40	3.54	0.29	0.29
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,800	0.03	BUY	300	4.17	20.85	3.82	3.16	0.64	0.55



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,773	0.27	BUY	1,110	(7.75)	12.60	5.49	4.88	0.39	0.37	
PWON IJ	Pakuwon Jati Tbk PT	19,360	0.33	BUY	520	(9.02)	(3.70)	8.09	8.40	1.11	0.99	
SMRA IJ	Summarecon Agung Tbk PT	9,089	0.16	HOLD	610	(69.64)	44.19	58.12	40.31	0.95	0.93	
CTRA IJ	Ciputra Development Tbk PT	13,456	0.23	BUY	880	8.58	(11.20)	10.77	12.13	0.82	0.77	
DMAS IJ	Puradelta Lestari Tbk PT	10,989	0.19	HOLD	228	(30.89)	31.52	11.91	9.06	1.83	2.04	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	21,893	0.38	SELL	9,125	240.96	15.24	30.41	26.39	1.14	1.09	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	7,028	0.12	HOLD	1,000	27.51	22.68	21.83	17.80	1.25	1.08	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	39,982	0.69	HOLD	1,310	(18.31)	0.59	7.43	7.38	0.59	0.57	
PTBA IJ	Bukit Asam Tbk PT	24,309	0.42	BUY	2,390	(16.98)	4.55	6.85	6.55	1.30	1.28	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,661	0.17	BUY	10,630	(58.33)	(20.00)	10.49	13.11	0.38	0.32	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	19,825	0.34	BUY	920	26.09	42.23	16.57	11.65	0.90	0.83	
INCO IJ	Vale Indonesia Tbk PT	38,851	0.67	HOLD	3,590	13.79	2.00	47.98	47.03	1.20	1.16	
MDKA IJ	Merdeka Copper Gold Tbk PT	37,226	0.64	HOLD	1,595	(21.21)	25.00	26.07	20.86	3.47	2.74	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	99,618	1.71	SELL	4,150	9.82	15.94	26.00	22.42	4.14	3.68	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,603	0.23	HOLD	1,150	(60.18)	121.37	19.29	8.71	1.14	1.02	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	90,625	1.55	BUY	55,450	(16.02)	8.63	9.92	9.13	1.69	1.55	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	190,762	3.27	HOLD	1,650	(22.03)	3.26	17.83	17.26	5.69	5.71	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	44,083	0.76	BUY	13,900	19.34	12.44	20.13	17.90	1.87	1.84	
SMGR IJ	Semen Indonesia Persero Tbk PT	62,726	1.08	SELL	9,000	30.77	(33.40)	20.07	30.13	1.86	1.80	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	3,245	0.06	HOLD	450	18.73	7.01	12.66	11.83	2.09	1.64	
Heavy Equipment												
UNTR IJ	United Tractors Tbk PT	86,353	1.48	SELL	19,930	(18.84)	13.03	9.40	8.32	1.28	1.11	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	17.56	1.90
JAKCONS INDEX	19.33	4.12
JAKINFRA INDEX	32.57	2.15
JAKBIND INDEX	42.99	1.87
JAKTRAD INDEX	17.59	1.34
JAKPROP INDEX	1.02	0.82
JAKMINE INDEX	14.83	1.14
JAKMIND INDEX	10.88	1.17
JAKAGRI INDEX	-	0.96

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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