

KEY INDICATOR

25/09/2020	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.00	4.25	(25.00)	(200.00)
10 Yr (bps)	6.91	6.92	(0.70)	(40.00)
USD/IDR	14,873.00	14,890.00	-0.11%	5.42%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	4,945.79	2.13%	-21.49%	18.04
MSCI	5,491.89	2.83%	-24.65%	17.95
HSEI	23,235.42	-0.32%	-17.57%	12.30
FTSE	5,842.67	0.34%	-22.54%	19.26
DJIA	27,173.96	1.34%	-4.78%	23.65
NASDAQ	10,913.56	2.26%	21.63%	36.69

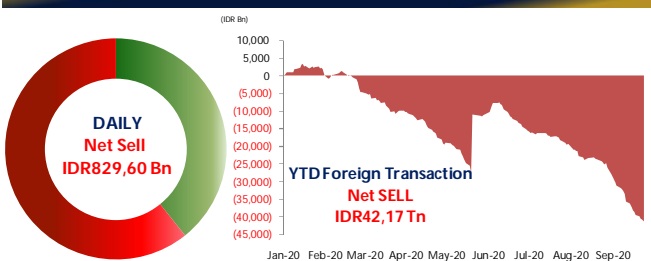
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	40.25	-0.15%	-29.74%	-34.08%
COAL	USD/TON	52.80	0.00%	-19.02%	-22.01%
CPO	MYR/MT	2,822.00	2.36%	31.81%	-7.54%
GOLD	USD/TOZ	1,861.58	-0.35%	21.52%	22.69%
TIN	USD/MT	17,185.00	-0.56%	4.15%	0.06%
NICKEL	USD/MT	14,264.00	0.01%	-16.97%	1.70%

CORPORATE ACTION

TICKER	EVENT	NOTES
HEXA	Cum Dividend Date	USD0.03/share

NET FOREIGN TRADING VALUE



Sources: Bloomberg LP, MNCS

Global Market Highlight

DJIA increased by +1.34% on Friday (25/09) followed by S&P 500 (+1.60%) and Nasdaq (+2.26%). Stocks climbed on Friday, driven by the technology sector which has led markets lower over the past month. Subsequently, investors continued to focus on rising Covid-19 cases, including surges in the UK and France. On top of that, Congress' likely inability to pass additional stimulus measures before the November election has put pressure on equities and economic outlooks. Goldman Sachs lowered its 4Q20E GDP estimates because of the lack of additional stimulus measures, and JPMorgan followed suit. Moreover, the market will look forward to several data releases today, such as: 1) Dallas Fed Manufacturing Index; 2) Japan Leading Economic Index; 3) Eurozone President Lagarde Speech.

Domestic Updates

Indonesia's International Investment Position (IIP) recorded a net liability of USD280.8 billion in 2Q20 (25.7% of GDP), an increase compared to the net liabilities at 1Q20 which was recorded at USD256.6 billion (22.8% of GDP). Bank Indonesia views the development of Indonesia's IIP in the second quarter of 2020 to be maintained. This is reflected in the structure of Indonesia's IIGF obligations which are dominated by long-term instruments. However, Bank Indonesia will remain vigilant on the risk of IIP's net liability to the economy. Going forward, Bank Indonesia believes that the performance of Indonesia's IIP will be maintained in line with efforts to recover Indonesia's economy from the impact of the COVID-19 pandemic, which is supported by the synergy of the policy mix between Bank Indonesia and the Government, and other relevant authorities.

Company News

1. **DSNG IJ** obtained a loan amounting to IDR202 billion from PT Bank Mandiri Tbk. This loan is for refinancing of oil palm plantation development. These funds are obtained through five company-owned partnership cooperatives. The company's total oil palm plantation area reaches 2,600 hectares located around the company's plantation area in Muara Wahau, East Kalimantan. The loan is a manifestation of the National Economic Recovery (PEN) program launched by the government to support the economy of the micro, small and medium enterprises (MSMEs) in the midst of the Covid-19 pandemic and has a 5-year tenor with an interest rate of around 9.5% per year (Market Bisnis). **MNCS Comment: Despite DSNG's DER stood at 1.65x, which we considered quite high, they are still entrusted with loan as the company is still expanding. This is also probably due to the staggering increase of 165.16% YoY on 1H20 net profit. DSNG is currently traded at 13.76x/1.33x PE/PBV.**
2. **BIRD IJ** is expanding the business into the logistics sector by launching the BirdKirim service. This program is designed to meet the needs of people who have to do activities at home but hindered by limited mobility. BIRD has collaborated with several hotels such as the Dharmawangsa hotel and Aston Hotel as well as several shopping centers such as Central Park, Neo Soho and Plaza Indonesia (Investor Daily). **MNCS Comment: We see that this is one of an effective strategy to diversify business, as taxi service demand tumbled down during the PSBB season, affecting BIRD's performance in the 2Q20 which recorded a net loss. BIRD is currently traded at 0.42x PBV.**
3. **TOTL IJ** has reached around 99% of the minimum target for new contracts this year which is set at IDR500 billion to IDR3 trillion. As of mid-September 2020, TOTL has secured a new contract of IDR497 billion. The new contracts held by TOTL this year are in the form of hotel, office, educational building, factory building as well as shopping centers. Currently, TOTL has an order book value from carry-over in the previous year amounts to IDR4.96 trillion (Kontan). **MNCS Comment: TOTL is also benefitted from the turnkey project while the pandemic has been a hard blow for the construction companies. TOTL's performance was affected in the 2Q20 which recorded a net loss. TOTL is currently traded at 9.01x/0.80x PE/PBV.**

IHSG Updates

JCI rose by +2.13% to 4,945.79 on Friday (25/09) though still followed by net foreign sell reaching IDR829.60 billion. JCI rebounded significantly, in line with the Regional Asia indices due to a catalyst from vaccine development. China announced that Sinovac has been approved as a Covid-19 vaccine. The news has boosted some pharma stocks such as KAEF, PYFA, PEHA, INAF and KLB. Meanwhile, the Rupiah exchange rate was strengthening at IDR14,873. We estimate JCI will move in the range of 4,900 - 5,000 while waiting for Money Supply data release. **Today's recommendation: BBCA, ASII, JSMR, DMAS.**

Stock	Close Price	Recommendation	Tactical Moves
BBCA	28,050	Buy on Weakness	As long as it is not corrected below 26,950, the BBCA position is currently at the beginning of wave 5.
ASII	4,860	Buy on Weakness	At the moment ASII position is in the beginning of wave [c] of wave B.
JSMR	3,430	Buy on Weakness	Currently, we estimate that JSMR is at the beginning of wave 3 of wave (C).
DMAS	214	Sell on Strength	Currently, we estimate that DMAS is part 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	
<b>Automotive</b>												
ASII IJ	Astra International Tbk PT	196,750	3.57	BUY	5,500	(24.25)	25.37	11.97	9.55	0.98	0.92	
<b>Banking</b>												
BBCA IJ	Bank Central Asia Tbk PT	691,573	12.42	HOLD	28,400	7.00	9.09	22.62	20.73	3.56	3.16	
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	85,784	1.54	BUY	5,700	(28.97)	24.57	7.85	6.30	0.77	0.71	
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	389,773	7.00	HOLD	3,200	(7.81)	1.06	12.19	12.06	1.84	1.70	
BMRI IJ	Bank Mandiri Persero Tbk PT	249,667	4.48	HOLD	5,100	(4.62)	9.13	9.52	8.73	1.13	1.04	
BNGA IJ	Bank CIMB Niaga Tbk PT	18,095	0.32	BUY	850	2.43	9.99	4.81	4.37	0.43	0.42	
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	13,079	0.23	SELL	1,000	(24.98)	497.17	82.31	13.78	0.77	0.73	
BRIS IJ	Bank Brisyariah Tbk PT	7,481	0.13	SELL	230	(32.21)	9.83	149.07	135.72	1.46	1.45	
<b>Telco</b>												
TLKM IJ	Telekomunikasi Indonesia Persero Tbk PT	266,477	4.83	BUY	3,600	(8.00)	8.33	14.01	12.93	2.49	2.35	
EXCL IJ	XL Axiata Tbk PT	21,037	0.38	BUY	2,700	21.73	5.39	24.09	22.86	1.05	1.00	
TOWR IJ	Sarana Menara Nusantara Tbk PT	52,035	0.94	HOLD	950	13.11	8.81	20.16	18.53	4.92	4.34	
<b>Toll Road &amp; Utilities</b>												
JSMR IJ	Jasa Marga Persero Tbk PT	24,894	0.45	HOLD	3,450	6.41	13.25	11.49	10.15	1.00	0.91	
PGAS IJ	Perusahaan Gas Negara Tbk PT	24,120	0.44	BUY	1,200	83.33	27.27	11.10	8.72	0.39	0.37	
<b>Consumer</b>												
UNVR IJ	Unilever Indonesia Tbk PT	302,339	5.48	HOLD	8,400	1.60	6.48	40.25	37.80	35.21	33.08	
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	117,202	2.13	HOLD	10,300	6.31	9.52	21.84	19.94	4.29	3.87	
INDF IJ	Indofood Sukses Makmur Tbk PT	62,561	1.13	BUY	8,500	3.50	11.05	12.32	11.09	1.55	1.42	
HOKI IJ	Buyung Poetra Sembada PT	1,778	0.03	HOLD	700	(26.89)	37.61	23.16	16.83	2.40	2.04	
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,650	0.41	BUY	1,400	118.02	13.34	12.76	11.25	3.44	3.23	
TBLA IJ	Tunas Baru Lampung Tbk PT	3,953	0.07	SELL	630	(43.57)	5.01	9.75	9.28	0.74	0.70	
<b>Pharmacy</b>												
KLBF IJ	Kalbe Farma Tbk PT	74,063	1.34	SELL	1,280	4.28	7.25	28.33	26.41	4.19	3.86	
<b>Retail</b>												
ACES IJ	Ace Hardware Indonesia Tbk PT	26,926	0.49	SELL	1,400	(6.76)	6.90	27.77	25.98	4.94	4.51	
ERAA IJ	Erajaya Swasembada Tbk PT	4,833	0.09	SELL	1,280	13.54	66.00	14.50	8.74	0.87	0.78	
MAPI IJ	Mitra Adiperkasa Tbk PT	9,628	0.17	HOLD	580	4.92	5.28	10.11	9.61	1.28	1.12	
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,009	0.07	SELL	500	(32.91)	25.56	8.70	6.93	0.90	0.85	
PZZA IJ	Sarimelati Kencana PT	1,783	0.03	BUY	840	4.23	20.53	8.58	7.12	1.13	0.97	
<b>Construction</b>												
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	5,208	0.09	HOLD	870	(58.56)	30.26	13.51	10.37	0.28	0.26	
WIKA IJ	Wijaya Karya Persero Tbk PT	10,001	0.18	BUY	1,290	(69.76)	7.05	14.47	13.52	0.53	0.46	
WSBP IJ	Waskita Beton Precast Tbk PT	3,743	0.07	BUY	262	(29.90)	18.70	6.16	5.19	0.42	0.41	
WSKT IJ	Waskita Karya Persero Tbk PT	6,855	0.12	BUY	650	(67.97)	18.14	22.81	19.31	0.23	0.23	
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,532	0.03	BUY	300	4.17	20.85	3.25	2.69	0.55	0.47	



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						FY20E	FY21F	FY20E	FY21F	FY20E	FY21F	
<b>Property</b>												
BSDE IJ	Bumi Serpong Damai Tbk PT	15,984	0.29	BUY	1,110	(7.75)	12.60	5.57	4.94	0.40	0.37	
PWON IJ	Pakuwon Jati Tbk PT	16,663	0.30	BUY	520	(9.02)	(3.70)	6.96	7.23	0.96	0.85	
SMRA IJ	Summarecon Agung Tbk PT	7,718	0.14	BUY	610	(69.64)	44.19	49.35	34.23	0.80	0.79	
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	10,314	0.19	HOLD	228	(30.89)	31.52	11.18	8.50	1.71	1.91	
<b>Agriculture</b>												
AALI IJ	Astra Agro Lestari Tbk PT	19,199	0.35	HOLD	9,125	240.96	15.24	26.67	23.14	1.00	0.96	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,311	0.11	HOLD	1,000	27.51	22.68	19.61	15.98	1.12	0.97	
<b>Coal Mining</b>												
ADRO IJ	Adaro Energy Tbk PT	36,464	0.66	BUY	1,310	(18.31)	0.59	6.77	6.73	0.54	0.52	
PTBA IJ	Bukit Asam Tbk PT	22,926	0.42	BUY	2,390	(16.98)	4.55	6.46	6.18	1.22	1.21	
ITMG IJ	Indo Tambangraya Megah Tbk PT	9,237	0.17	BUY	10,630	(58.33)	(20.00)	10.03	12.54	0.36	0.31	
<b>Metal Mining</b>												
ANTM IJ	Aneka Tambang Tbk	17,542	0.32	BUY	920	26.09	42.23	14.66	10.31	0.80	0.74	
INCO IJ	Vale Indonesia Tbk PT	35,970	0.65	HOLD	3,590	13.79	2.00	44.42	43.55	1.11	1.08	
MDKA IJ	Merdeka Copper Gold Tbk PT	34,051	0.62	HOLD	1,595	(21.21)	25.00	23.85	19.08	3.18	2.51	
<b>Poultry</b>												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	99,618	1.81	SELL	4,150	9.82	15.94	26.00	22.42	4.14	3.68	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	13,075	0.24	HOLD	1,150	(60.18)	121.37	18.54	8.38	1.10	0.98	
<b>Cigarette</b>												
GGRM IJ	Gudang Garam Tbk PT	78,310	1.42	BUY	55,450	(16.02)	8.63	8.57	7.89	1.46	1.34	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	169,243	3.07	BUY	1,650	(22.03)	3.26	15.82	15.32	5.04	5.07	
<b>Cement</b>												
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	40,125	0.73	BUY	13,900	19.34	12.44	18.32	16.29	1.71	1.67	
SMGR IJ	Semen Indonesia Persero Tbk PT	52,197	0.95	HOLD	9,000	30.77	(33.40)	16.70	25.07	1.55	1.50	
<b>Basic Industry and Chemical</b>												
ARNA IJ	Arwana Citramulia Tbk PT	3,289	0.06	HOLD	450	18.73	7.01	12.83	11.99	2.11	1.66	
<b>Heavy Equipment</b>												
UNTR IJ	United Tractors Tbk PT	86,539	1.57	SELL	19,930	(18.84)	13.03	9.42	8.34	1.28	1.11	

SECTOR RATIO

SECTOR	PE	PBV
JAKFIN INDEX	15.96	1.73
JAKCONS INDEX	17.98	3.83
JAKINFRA INDEX	31.36	2.02
JAKBIND INDEX	41.10	1.78
JAKTRAD INDEX	11.42	1.30
JAKPROP INDEX	1.18	0.95
JAKMINE INDEX	13.99	1.08
JAKMIND INDEX	10.50	1.12
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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