

KEY INDICATOR

27/08/2021	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	3.50	3.50	0.00	-50.00
10 Yr (bps)	6.17	6.15	0.02	-64.10
USD/IDR	14,418	14,418	0.00%	-1.65%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,041.37	-0.28%	1.04%	17.92
MSCI	5,975.75	-0.51%	-9.42%	16.51
HSEI	25,407.89	-0.03%	-6.70%	13.41
FTSE	7,148.01	0.32%	10.64%	13.67
DJIA	35,455.80	0.69%	15.84%	19.52
NASDAQ	15,129.50	1.23%	17.39%	32.55

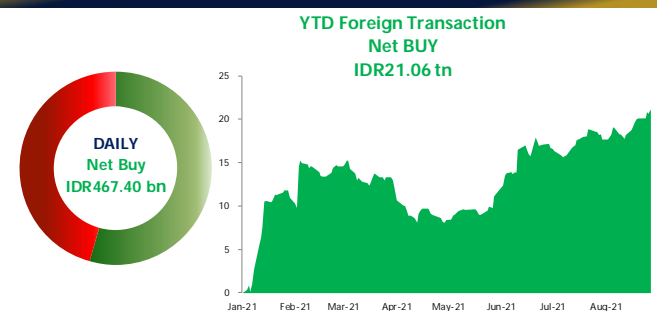
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	68.74	1.96%	58.42%	41.67%
COAL	USD/TON	170.95	-0.03%	243.96%	112.36%
CPO	MYR/MT	4,333.00	-1.34%	63.82%	20.36%
GOLD	USD/TOZ	1,817.57	1.40%	-7.00%	-4.26%
TIN	USD/MT	33,600.00	0.75%	91.45%	65.31%
NICKEL	USD/MT	19,011.00	1.27%	25.41%	14.43%

CORPORATE ACTION

TICKER	EVENT	NOTES
BALI	Cum Dividend Date	IDR30/share
PMMP	RUPS	-
INDR	Public Expose	-

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA rose by +0.69% on Friday (27/08) followed by S&P 500 (+0.88%), and Nasdaq (+1.23%) The Wall Street closing was higher after Powell's annual speech at the Jackson Hole central bank symposium. He said that The FED would not be in a rush to raise the interest rates due to the temporary pressures of current inflation. Subsequently, the Delta variant of Covid-19 remains a risk. However, he signaled that the Federal Reserve could start reducing massive bond purchases this year. Today the market will be looking forward to several data releases such as: 1) US Pending Home Sales YoY; 2) Germany Inflation Rate YoY Prel; 3) Eurozone Consumer Confidence Final.

Domestic Updates

- After issuing POJK No. 12 & 13 2021 which regulate the establishment of digital banks as well as product and service license, OJK will issue another regulation on Digital Majority Model. Through this additional policy, OJK expects customers to assess how far banks can go digital and which banks are serving the customer better. MNCS Comment: Plan to issue Digital Majority Model regulation is another key step taken by OJK to ensure that the bank's digital innovations are still met with the customer centric value and prudent management. We maintain our Overweight rating on banking sectors due to: 1) clear regulation particularly on digital banks and 2) loosening social restriction in the Greater Jakarta Area. Risks to our call: 1) slower than expected economic recovery; 2) rising NPL due to slower economic growth and 3) slower-than-expected execution on digital initiatives.
- Furthermore, there was an addition of 474 new Covid-19 cases in Jakarta yesterday.

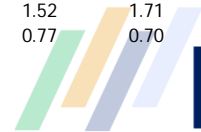
Company News

1. **INDF IJ** will distribute FY20 cash dividends of IDR278/share or reaching IDR2.44 trillion from FY20 net profit of IDR6.45 trillion (Kontan). MNCS Comment: INDF's payout ratio is 37.83% of the total FY20 net profit, while the total dividend yield offered is 4.33% or greater than the FY19 yield of 4.29%. Currently INDF is trading at 8.23x/1.23x PE/PBV.
2. **LPPF IJ** recorded IDR3.57 trillion revenue in 1H21 rose by +58.44% YoY (vs IDR2.25 trillion in 1H20). COGS increased from IDR902.97 billion in 1H20 to IDR1.30 trillion in 1H21. LPPF recorded IDR532.48 billion net profit in 1H21 or a significant increase of +248.79% YoY (vs net loss of IDR357.88 billion in 1H20) (Bisnis Indonesia). MNCS Comment: The transformation into a minimal asset model with reduced warehouses and low-performing assets made better performance better. We believe that LPPF will remain the largest omnichannel company supported by a digital initiative strategy and the concept of shop-in-shop partnerships. LPPF is currently trading at 6.34x/4.87x PE/PBV.
3. **KRAS IJ** recorded USD1.06 billion revenue in 1H21 grew by +90.89% YoY (vs USD552.83 million in 1H20). COGS increased from USD465.89 million in 1H20 to USD926.30 million in 1H21. KRAS recorded USD32.47 million net profit in 1H21 or an increase of +719.96% YoY (vs USD4.51 million in 1H20) (Emitennews). MNCS Comment: We see that the improvement of infrastructure activity has affected KRAS positively. We hope the trends will continue supported by Biden's large infrastructure budget. Currently KRAS is trading at the level of 10.37x/1.20x PE/PBV.

IHSG Updates

JCI slipped by -0.28% to 6,041.57 on Friday (27/08) while net foreign buy reaching IDR467.40 billion. JCI closed lower in almost all sectors, led by the infrastructure sector (-0.96%) followed by the energy sector (-0.76%). On the other hand, the tech sector spiked by +2.58%, followed by the health sector (+0.41%). JCI weakened due to profit taking and the market's tendency to wait and see on the results of the Jackson Hole Symposium regarding the certainty of the tapering off from the US Federal Reserve. On the other hand, the Rupiah closed stagnant at IDR14,418/USD in the spot market. We estimate the JCI will move in the range of 5,980-6,090. Today's recommendation: KAEF, TLKM, MEDC, HOKI.

MNCS UNIVERSE											
Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)	
						FY21E	FY22F	FY21E	FY22F	FY21E	FY22F
Automotive											
ASII IJ	Astra International Tbk PT	204,442	2.83	BUY	7,480	2.14	11.71	12.39	11.09	0.98	0.93
Banking											
BBCA IJ	Bank Central Asia Tbk PT	802,521	11.01	BUY	36,000	21.42	14.19	24.37	21.34	4.06	3.76
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	98,838	1.36	BUY	7,800	162.73	88.51	11.46	6.08	0.83	0.75
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	473,567	6.50	BUY	4,800	49.34	29.52	16.92	13.06	2.24	2.10
BMRI IJ	Bank Mandiri Persero Tbk PT	270,667	3.71	BUY	8,400	-92.29	-14.84	204.95	240.66	1.38	1.30
BNGA IJ	Bank CIMB Niaga Tbk PT	24,755	0.34	BUY	1,200	69.41	15.86	7.20	6.22	0.54	0.50
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	14,826	0.20	BUY	2,200	22.52	45.95	7.57	5.19	0.71	0.64
Telco											
TLKM IJ	Telkom Indonesia Persero Tbk PT	328,887	4.56	BUY	4,000	9.16	12.14	14.48	12.91	2.64	2.49
EXCL IJ	XL Axiata Tbk PT	28,420	0.39	BUY	3,200	98.23	74.04	38.19	21.95	1.42	1.33
TOWR IJ	Sarana Menara Nusantara Tbk PT	66,319	0.92	HOLD	1,400	8.77	11.00	20.97	18.89	5.91	5.00
Toll Road & Utilities											
JSMR IJ	Jasa Marga Persero Tbk PT	27,362	0.38	BUY	5,100	113.37	65.72	25.59	15.44	1.32	1.23
PGAS IJ	Perusahaan Gas Negara Tbk PT	24,484	0.34	BUY	2,040	134.55	50.00	18.43	12.29	0.70	0.68
Consumer											
UNVR IJ	Unilever Indonesia Tbk PT	153,745	2.13	BUY	7,300	3.02	7.76	20.81	19.31	29.10	25.97
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	96,794	1.34	BUY	11,600	6.55	10.55	13.79	12.47	2.98	2.71
INDF IJ	Indofood Sukses Makmur Tbk PT	56,414	0.78	BUY	8,650	3.12	11.75	8.48	7.59	1.23	1.14
HOKI IJ	Buyung Poetra Sembada PT	1,819	0.03	BUY	275	197.14	31.48	15.82	12.03	2.07	1.70
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	24,000	0.33	BUY	900	12.21	12.74	22.72	20.15	7.08	6.70
TBLA IJ	Tunas Baru Lampung Tbk PT	4,140	0.06	BUY	870	4.00	10.21	5.81	5.27	0.68	0.63
Pharmacy											
KLBF IJ	Kalbe Farma Tbk PT	63,985	0.89	BUY	1,800	1.86	9.21	22.98	21.04	3.42	3.15
Healthcare											
SILO IJ	Siloam International Hospitals Tbk PT	13,291	0.18	HOLD	8,650	297.27	-5.74	28.77	30.52	2.16	2.07
HEAL IJ	Medikaloka Hermina Tbk PT	17,272	0.24	BUY	4,700	61.19	-12.06	22.55	25.64	4.75	4.07
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	32,624	0.45	BUY	3,450	25.99	-4.18	30.81	32.15	5.81	5.25
PRDA IJ	Prodia Widyahusada Tbk PT	6,563	0.09	BUY	10,000	17.87	18.16	20.72	17.53	3.13	2.50
Retail											
ACES IJ	Ace Hardware Indonesia Tbk PT	23,667	0.33	BUY	1,800	4.79	26.12	30.73	24.36	4.29	3.76
ERAA IJ	Erajaya Swasembada Tbk PT	8,852	0.12	BUY	750	53.70	16.25	9.40	8.09	1.62	1.25
MAPI IJ	Mitra Adiperkasa Tbk PT	11,454	0.16	BUY	1,100	185.33	68.14	24.50	14.57	2.04	1.83
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,400	0.06	BUY	900	205.00	113.75	28.66	13.41	1.12	1.06
PZZA IJ	Sarimelati Kencana PT	2,010	0.03	BUY	840	228.68	75.89	16.63	9.45	1.76	1.64
Construction											
ADHI IJ	Adhi Karya Persero Tbk PT	2,546	0.04	BUY	1,400	-69.27	63.27	11.85	7.26	0.49	0.47
PTPP IJ	PP Persero Tbk PT	5,394	0.07	BUY	1,600	184.33	58.52	14.57	9.19	0.56	0.49
WIKA IJ	Wijaya Karya Persero Tbk PT	8,208	0.11	BUY	1,550	167.69	42.48	16.50	11.58	0.65	0.61
WSBP IJ	Waskita Beton Precast Tbk PT	3,480	0.05	BUY	230	99.90	1238.71	-651.11	57.18	3.42	3.26
WSKT IJ	Waskita Karya Persero Tbk PT	10,520	0.15	BUY	1,200	-88.48	-40.79	-12.38	-20.91	1.52	1.71
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,809	0.03	BUY	250	40.16	43.67	8.42	5.86	0.77	0.70



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						FY21E	FY22F	FY21E	FY22F	FY21E	FY22F	
Property												
BSDE IJ	Bumi Serpong Damai Tbk PT	19,266	0.27	BUY	1,450	501.95	28.12	10.71	8.36	0.60	0.57	
PWON IJ	Pakuwon Jati Tbk PT	20,998	0.29	BUY	660	56.19	18.15	14.46	12.24	1.32	1.20	
SMRA IJ	Summarecon Agung Tbk PT	12,592	0.17	BUY	1,100	134.85	21.22	26.96	22.24	1.65	1.53	
CTRA IJ	Ciputra Development Tbk PT	15,498	0.21	BUY	1,300	14.53	6.36	10.27	9.65	1.00	0.93	
DMAS IJ	Puradelta Lestari Tbk PT	8,820	0.12	BUY	240	-29.98	-10.18	9.35	10.41	1.44	1.37	
Agriculture												
AALI IJ	Astra Agro Lestari Tbk PT	16,071	0.22	BUY	14,350	33.27	7.23	14.48	13.50	0.82	0.78	
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	7,403	0.10	BUY	1,920	51.11	14.43	7.04	6.15	0.74	0.70	
DSNG IJ	Dharma Satya Nusantara Tbk PT	5,459	0.08	BUY	960	26.94	8.38	9.02	8.32	0.80	0.73	
Coal Mining												
ADRO IJ	Adaro Energy Tbk PT	39,823	0.55	BUY	1,830	281.09	-15.40	4.94	5.84	0.68	0.69	
PTBA IJ	Bukit Asam Tbk PT	23,963	0.33	BUY	3,000	120.77	-32.04	4.42	6.51	1.38	1.36	
ITMG IJ	Indo Tambangraya Megah Tbk PT	17,231	0.24	BUY	20,500	372.85	-27.50	5.59	7.71	1.33	1.30	
Metal Mining												
ANTM IJ	Aneka Tambang Tbk	54,310	0.75	BUY	3,100	136.86	36.96	19.95	14.57	2.41	2.06	
INCO IJ	Vale Indonesia Tbk PT	49,284	0.68	BUY	7,150	66.52	37.50	24.89	18.10	1.58	1.46	
MDKA IJ	Merdeka Copper Gold Tbk PT	61,614	0.85	BUY	3,300	140.49	36.56	45.64	33.42	6.89	5.75	
Poultry												
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	106,997	1.48	HOLD	6,650	15.07	8.79	24.23	22.28	4.14	3.68	
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	20,404	0.28	BUY	2,200	140.46	1.20	9.16	9.05	1.58	1.41	
Cigarette												
GGRM IJ	Gudang Garam Tbk PT	61,523	0.85	BUY	45,000	-22.01	8.41	10.31	9.51	1.01	0.95	
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	110,502	1.53	BUY	1,300	-7.94	7.43	13.95	12.98	3.62	3.49	
Cement												
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	40,862	0.57	BUY	14,500	-9.24	14.46	24.92	21.78	1.87	1.84	
SMGR IJ	Semen Indonesia Persero Tbk PT	52,494	0.73	BUY	12,200	-8.76	27.59	20.59	16.14	1.46	1.36	
Basic Industry and Chemical												
ARNA IJ	Arwana Citramulia Tbk PT	5,947	0.08	BUY	1,000	23.87	9.68	14.74	13.44	4.07	3.69	
Heavy Equipment and Trade												
UNTR IJ	United Tractors Tbk PT	72,644	1.01	BUY	33,700	18.06	2.36	10.25	10.02	1.08	1.04	
AKRA IJ	AKR Corporindo Tbk PT	15,296	0.21	BUY	4,200	13.34	9.51	14.39	13.14	1.38	1.60	
IPCM IJ	Jasa Armada Indonesia Tbk PT	2,061	0.03	HOLD	380	20.34	3.77	21.33	20.56	1.70	1.61	

SECTOR RATIO

SECTOR	PE	PBV
IDXBASIC INDEX	-	1.98
IDXCYC INDEX	-	1.29
IDXENER INDEX	31.78	1.30
IDXFIN INDEX	25.91	2.09
IDXHLTH INDEX	27.11	3.43
IDXINDUS INDEX	-	1.18
IDXINFRA INDEX	52.52	1.49
IDXNCYC INDEX	17.65	2.44
IDXPROP INDEX	-	0.97
IDXTECH INDEX	-	11.33
IDXTRANS INDEX	-	-

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

Sources: Bloomberg LP, MNCS



MNC Research Investment Ratings Guidance

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