

KEY INDICATOR

28/10/2022	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	4.75	4.25	0.50	125.00
10 Yr (bps)	7.53	7.58	-0.59%	149.90
USD/IDR	15,552	15,568	-0.10%	9.73%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	7,056.04	-0.50%	7.21%	15.02
MSCI	7,671.50	0.05%	14.56%	14.28
HSEI	14,863.06	-3.66%	-36.48%	8.34
FTSE	7,047.67	-0.37%	-4.56%	8.95
DJIA	32,861.80	2.59%	-9.57%	17.81
NASDAQ	11,102.45	2.87%	-29.04%	25.27

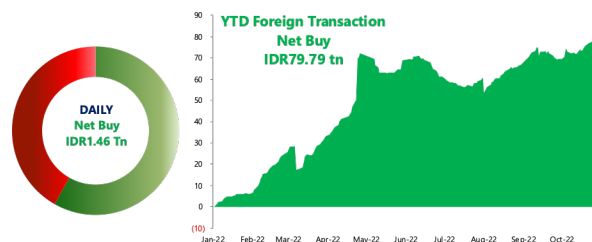
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	87.90	-1.32%	6.15%	16.87%
COAL	USD/TON	385.70	0.03%	72.42%	127.42%
CPO	MYR/MT	3,989.00	-3.81%	-19.07%	-15.07%
GOLD	USD/TOZ	1,644.86	-1.11%	-8.56%	-10.08%
TIN	USD/MT	18,101.00	-3.15%	-49.52%	-53.42%
NICKEL	USD/MT	22,134.00	-1.12%	13.08%	6.63%

CORPORATE ACTION

TICKER	EVENT	NOTES
BNBA	RUPS	-
AMAR	RUPS	-
ELTY	RUPS	-

NET FOREIGN TRADING VALUE



Global Market Highlight

DJIA strengthened by +2.59% on Friday (28/10), followed by the S&P500 (+2.46%) and the Nasdaq (+2.87%). Wall Street strengthened amid the release of Michigan Inflation Expectations Final Oct-22 data which rose to 5% (vs 4.7% in Sep-2022). Investors tend to respond positively to the release of Personal Income Sep-22 data which rose by +0.4% MoM or exceeded the consensus at +0.3% MoM. In addition, Michigan Consumer Sentiment Final in Oct-22 expanded to 59.9 points, an increase from Sep-22 and consensus at 58.6/59.8 points, respectively. Today, the market will be looking toward several data releases such as: 1) UK Nationwide Housing Prices YoY Oct; 2) Germany Retail Sales YoY Sep; 3) Japan Consumer Confidence Oct.

Domestic Update

- Based on transaction data from October 24 to 27, 2022, BI reported the non-residents in the domestic financial market to record a net purchase of IDR3.02 trillion, consisting of a net purchase of IDR210 billion in the SBN market and a net purchase of IDR2.81 trillion in the stock market. **MNCS Comment:** The inflow of foreign funds into the Indonesian financial market during the past week has also increased domestic asset prices. However, we expect the inflow to be temporary.
- Furthermore, the national Covid-19 daily rate had increased by 2,717 active cases (30/10).

Company News

1. **INCO IJ** posted revenue growth in 9M22 of +27.29% YoY to USD873.78 million (vs USD686.43 million in 9M21). Meanwhile, net profit grew by +36.97% YoY to USD168.39 million (vs USD122.94 million in 9M21) (IQ Plus). **MNCS Comment:** The increase in revenue was supported by the increase in the average realized nickel price of +41% YoY. The increase in average realized prices was also able to offset the increase in the cost of commodities such as diesel (+58.80% YoY) and coal (+162.04% YoY). The company's margins were expansive and supported the increase in net profit, where GPM and OPM in 9M22 were recorded at 29.65%/27.11%, respectively (vs 24.71%/23.52% in 9M21). Currently, INCO is traded at the level of 18.89x/1.83x PER/PBV.
2. **AALI IJ** posted an -8.31% YoY decline in revenue in 9M22 to IDR16.52 trillion (vs IDR18.01 trillion in 9M21). Meanwhile, net profit fell by -17.24% YoY to IDR1.22 trillion (vs IDR1.47 trillion in 9M21) (IQ Plus). **MNCS Comment:** The lower revenue was driven from the contraction of CPO production by -13.68% YoY and FFB by -5.84% YoY. Meanwhile, the decline in production was triggered by the continued decline in crop productivity caused by the long dry season in FY19. Net profit fell as operating expenses increased by +9.73% YoY and lowered operating profit by -39.03% YoY. AALI is currently traded at the level of 10.03x/0.77x PER/PBV.
3. **SIDO IJ** will distribute interim cash dividends of IDR450 billion, or equivalent to IDR13.5 per share for the FY22 financial year (IQ Plus). **MNCS Comment:** We estimate SIDO to offer a dividend yield of 1.82%. Currently, SIDO is traded at the level of 23.11x/6.30x PER/PBV.

IHSG Updates

JCI weakened -0.50% to 7,056.04 on Friday (28/10), followed by net foreign buy which reached IDR1.46 trillion. The majority of sectors experienced weakness and slowed the pace of the index, led by the technology sector (-2.15%) and followed by the non-cyclical sector (-1.29%). On the other hand, the sectors that experienced strengthening were the transportation & logistics sector (+1.03%) followed by the health sector (+0.12%). The weakening of Asian markets also weighed on the JCI performance, where investors were watching the stance of the Japanese Central Bank (BoJ) which held its benchmark interest rate at -0.1% amidst the increase in the Oct-22 inflation rate of 3.5% YoY, the highest in the last 40 years. On the other hand, the Rupiah exchange rate closed higher at IDR15,552/USD. We estimate that the JCI will move in the price range of 7,000-7,130. **Today's recommendation: BBRI, DMAS, INDF, TBIG.**

MNCS UNIVERSE

Code	Company Name	Mkt Cap (Rp bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)		ANR (Rp)	Last Price (Rp)
						FY22E	FY23F	FY22E	FY23F	FY22E	FY23F		
Automotive													
ASII IJ	Astra International Tbk PT	265,167	4.33	BUY	7,425	7.01	3.47	13.70	13.24	1.44	1.34	8,016	6,550
AUTO IJ	Astra Otoparts Tbk PT	5,808	0.04	BUY	1,700	48.73	7.88	6.39	5.92	0.47	0.44	1,640	1,205
Banking													
ARTO IJ	Bank Jago Tbk PT	66,787	0.67	BUY	15,700	116.67	230.77	370.77	112.09	7.90	7.28	9,712	4,820
BBCA IJ	Bank Central Asia Tbk PT	1,078,657	9.57	HOLD	7,900	14.12	8.59	30.07	27.69	4.99	4.70	8,902	8,750
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	173,899	2.49	HOLD	9,000	37.67	25.87	11.60	9.21	1.31	1.20	10,556	9,325
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	701,718	9.41	BUY	5,500	54.68	30.57	14.75	11.29	2.19	1.96	5,473	4,630
BMRI IJ	Bank Mandiri Persero Tbk PT	476,000	6.82	HOLD	9,300	39.27	9.44	12.19	11.14	1.98	1.83	10,977	10,200
BNGA IJ	Bank CIMB Niaga Tbk PT	28,650	0.07	HOLD	1,200	23.36	18.71	6.75	5.68	0.59	0.54	1,593	1,140
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,309	0.23	BUY	2,200	23.65	21.18	6.29	5.19	0.68	0.61	2,113	1,540
Telco													
TLKM IJ	Telkom Indonesia Persero Tbk PT	440,827	7.64	BUY	4,900	6.90	4.72	16.65	15.90	3.43	3.28	5,202	4,450
EXCL IJ	XL Axiata Tbk PT	26,275	0.36	BUY	3,500	4.17	4.00	19.60	18.85	1.22	1.15	3,769	2,450
TOWR IJ	Sarana Menara Nusantara Tbk PT	58,412	0.89	HOLD	1,100	1.01	21.49	16.87	13.89	4.23	3.67	1,546	1,145
TBIG IJ	Tower Bersama Infrastructure Tbk PT	56,416	0.53	BUY	3,550	14.76	12.81	30.30	26.86	5.00	4.53	3,270	2,490
Toll Road & Utilities													
JSMR IJ	Jasa Marga Persero Tbk PT	24,604	0.27	BUY	5,100	14.45	14.53	14.54	12.70	1.09	1.00	5,145	3,390
PGAS IJ	Perusahaan Gas Negara Tbk PT	46,301	0.72	HOLD	2,000	(15.38)	4.96	11.16	10.64	1.09	0.99	2,098	1,910
Consumer													
UNVR IJ	Unilever Indonesia Tbk PT	189,987	0.99	HOLD	4,600	6.73	8.51	30.92	28.49	40.51	38.85	4,800	4,980
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	114,287	0.83	HOLD	9,800	11.55	36.46	16.04	11.75	1.92	1.75	10,913	9,800
INDF IJ	Indofood Sukses Makmur Tbk PT	55,975	1.00	BUY	7,850	18.98	8.50	6.16	5.67	0.60	0.56	7,999	6,375
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,200	0.18	HOLD	780	(28.23)	24.57	24.53	19.69	6.11	5.91	848	740
Healthcare													
SILO IJ	Siloam International Hospitals Tbk PT	13,656	0.08	BUY	1,190	2.38	8.73	62.60	57.58	2.09	1.95	1,217	1,050
HEAL IJ	Medikaloka Hermina Tbk PT	22,409	0.36	HOLD	1,400	(25.01)	26.42	33.65	26.62	5.95	5.11	1,649	1,500
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	41,742	0.53	HOLD	2,700	(44.16)	26.41	65.72	51.99	11.63	9.98	3,069	2,930
Retail													
ACES IJ	Ace Hardware Indonesia Tbk PT	9,604	0.14	BUY	850	11.13	14.24	12.27	10.74	1.64	1.53	780	560
ERAA IJ	Erajaya Swasembada Tbk PT	6,763	0.11	BUY	800	3.53	30.99	6.45	4.93	0.97	0.83	612	424
MAPI IJ	Mitra Adiperkasa Tbk PT	20,501	0.36	HOLD	1,150	164.53	13.57	17.66	15.55	17.66	15.55	1,387	1,235
RALS IJ	Ramayana Lestari Sentosa Tbk PT	4,116	0.03	BUY	660	19.45	51.76	20.20	13.31	1.11	1.07	643	580
Construction													
ADHI IJ	Adhi Karya Persero Tbk PT	2,004	0.10	BUY	750	9.66	32.79	87.33	65.77	0.30	0.32	942	555
PTPP IJ	PP Persero Tbk PT	5,456	0.10	BUY	1,100	5.75	22.36	40.66	33.22	0.48	0.45	1,264	880
WIKA IJ	Wijaya Karya Persero Tbk PT	8,163	0.10	BUY	1,150	14.26	33.52	38.13	28.56	0.54	0.51	1,151	910
WSKT IJ	Waskita Karya Persero Tbk PT	13,482	0.12	BUY	880	(11.66)	52.87	(10.06)	(21.35)	0.70	0.82	732	468
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	1,618	0.02	BUY	250	11.71	13.67	8.19	7.21	0.65	0.61	-	169



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						FY22E	FY23F	FY22E	FY23F	FY22E	FY23F		
Property													
BSDE IJ	Bumi Serpong Damai Tbk PT	19,478	0.26	BUY	1,500	(2.95)	22.87	14.88	12.11	0.56	0.53	1,223	920
PWON IJ	Pakuwon Jati Tbk PT	21,287	0.25	BUY	660	22.27	17.86	13.87	11.77	1.20	1.10	613	442
SMRA IJ	Summarecon Agung Tbk PT	9,740	0.19	BUY	1,100	54.85	51.06	20.04	13.27	1.00	0.94	948	590
CTRA IJ	Ciputra Development Tbk PT	17,075	0.29	BUY	1,350	(4.38)	11.45	12.74	11.43	0.92	0.85	1,350	920
DMAS IJ	Puradelta Lestari Tbk PT	8,772	0.06	BUY	240	(7.63)	3.02	8.79	8.53	1.51	1.43	229	182
Agriculture													
AALI IJ	Astra Agro Lestari Tbk PT	16,264	0.12	BUY	10,350	(20.34)	(28.82)	10.36	14.55	0.74	0.70	10,163	8,450
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	7,437	0.11	BUY	1,620	18.48	10.15	6.08	5.52	0.70	0.65	1,491	1,090
DSNG IJ	Dharma Satya Nusantara Tbk PT	5,883	0.07	BUY	720	2.30	14.21	7.91	6.92	0.76	0.70	744	555
Coal Mining													
ADRO IJ	Adaro Energy Tbk PT	125,065	1.84	BUY	4,550	2.48	3.40	14.56	14.08	1.41	1.34	4,597	3,910
PTBA IJ	Bukit Asam Tbk PT	43,663	0.53	BUY	5,000	160.23	(28.17)	4.14	5.76	1.39	1.28	4,657	3,790
ITMG IJ	Indo Tambangraya Megah Tbk PT	50,310	0.63	BUY	51,500	81.40	(37.18)	3.67	5.84	1.90	1.93	43,462	44,525
Metal Mining													
ANTM IJ	Aneka Tambang Tbk	44,096	0.56	BUY	2,100	36.71	9.58	15.15	13.82	1.91	1.74	2,686	1,835
INCO IJ	Vale Indonesia Tbk PT	64,586	0.47	BUY	7,800	22.39	19.52	23.76	19.88	1.79	1.63	8,030	6,500
MDKA IJ	Merdeka Copper Gold Tbk PT	92,827	1.57	HOLD	3,900	66.10	21.01	69.78	57.66	4.58	6.51	5,615	3,850
Poultry													
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	92,649	1.35	HOLD	6,150	18.41	14.45	21.61	18.88	3.33	2.97	6,616	5,650
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	16,300	0.25	BUY	2,050	1.30	13.63	7.96	7.00	1.19	1.06	1,893	1,390
Cigarette													
GGRM IJ	Gudang Garam Tbk PT	46,900	0.28	HOLD	23,000	(45.76)	3.19	15.43	14.95	0.80	0.79	22,527	24,375
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	115,736	0.31	HOLD	950	(16.83)	(35.62)	16.22	25.19	4.02	3.99	929	995
Cement													
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	34,143	0.52	BUY	14,000	18.68	19.76	17.63	14.72	1.66	1.58	10,920	9,275
SMGR IJ	Semen Indonesia Persero Tbk PT	45,969	0.80	BUY	12,500	32.21	26.49	15.19	12.01	1.20	1.14	9,702	7,750
Basic Industry and Chemical													
ARNA IJ	Arwana Citramulia Tbk PT	6,717	0.10	BUY	1,350	31.71	6.61	10.83	10.16	3.54	3.01	1,475	915
Heavy Equipment													
UNTR IJ	United Tractors Tbk PT	120,297	1.70	HOLD	33,700	0.28	17.76	12.87	10.93	1.45	1.32	39,004	32,250
AKRA IJ	AKR Corporindo Tbk PT	29,006	0.39	HOLD	1,550	66.48	3.04	15.41	14.96	2.78	2.54	1,675	1,445

SECTOR RATIO

SECTOR	PE	PBV
IDXBASIC INDEX	17.66	1.74
IDXCYC INDEX	31.96	1.52
IDXENER INDEX	6.18	2.32
IDXFIN INDEX	0.18	1.97
IDXHLTH INDEX	32.18	4.37
IDXINDUS INDEX	8.32	0.92
IDXINFRA INDEX	30.87	1.47
IDXNCYC INDEX	14.50	2.12
IDXPROP INDEX	33.28	0.71
IDXTECH INDEX	42.65	1.94
IDXTRANS INDEX	3.43	-

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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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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