

KEY INDICATOR

23/10/2023	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	6.00	5.75	0.25	125.00
10 Yr (bps)	7.22	7.10	1.70%	(41.20)
USD/IDR	15,935	15,875	0.38%	1.55%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	6,741.96	-1.57%	-1.59%	13.80
MSCI	7,069.82	-1.47%	-4.37%	13.76
HSEI	17,172.13	0.00%	-13.19%	8.70
FTSE	7,374.83	-0.37%	-1.03%	10.35
DJIA	32,936.41	-0.58%	-0.64%	19.07
NASDAQ	13,018.33	0.27%	24.38%	33.90

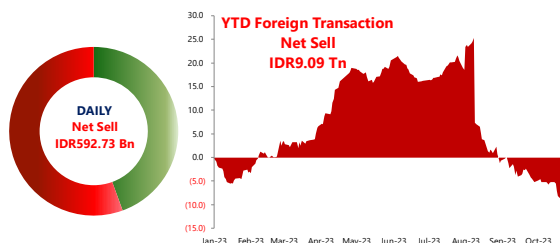
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	85.49	-3.67%	0.52%	6.52%
COAL	USD/TON	138.35	0.25%	-64.53%	-65.77%
CPO	MYR/MT	3,753.00	-0.48%	-8.49%	-10.09%
GOLD	USD/TOZ	1,972.85	-0.43%	19.01%	8.16%
TIN	USD/MT	24,890.00	-0.38%	34.66%	0.33%
NICKEL	USD/MT	18,177.00	-2.21%	-17.19%	-39.51%

CORPORATE ACTION

TICKER	EVENT	NOTES
LUCY	EGMS	-

NET FOREIGN TRADING VALUE



Global Market Highlights

The DJIA weakened by -0.58% on Monday (23/10), followed by S&P500 (-0.17%), while Nasdaq (+0.27%). Wall Street closed mixed, influenced by the pullback in UST 10Y yield from 5.02% to 4.84%. Additionally, investors were monitoring the release of the Chicago Fed National Activity Index for Sep-2023, which rebounded to a positive level of 0.02 (vs -0.22 previously). Today, the market will be looking toward several data releases such as: 1) South Korea PPI MoM Sep-23; 2) Germany Gfk Consumer Confidence Nov-23; 3) US S&P PMI Manufacturing Flash Oct-23.

Domestic Update

Bank Indonesia (BI) reported that new loan disbursements in 3Q23 showed signs of an increase, with the Weighted Net Balance (WNB) of new loans at 95.4% (vs 94.0% in 2Q23). MNCS Comment: We are optimistic that credit growth can reach 9%-11% YoY in FY23E, partly supported by the ample banking liquidity. Furthermore, we view the solid domestic economy and BI's macroprudential policies as factors that will boost domestic credit growth.

Company News

- ARNA IJ** recorded a -23.1% YoY decrease in net profit to IDR352.7 billion in 9M23 (vs IDR458.4 billion in 9M22) (Market Bisnis). MNCS Comment: The decline in net profit aligns with an -8.1% YoY drop in revenue to IDR1.8 trillion (vs IDR 2.0 trillion in 9M22). We attribute this to weak demand across the entire building materials industry, particularly at the end of last year. Contraction also occurred in the margins, with GPM/OPM at 37.6%/19.1% (vs 41.0%/22.9% in 9M22). Currently, ARNA is traded at a level of 10.54x/2.82x PER/PBV.
- SIDO IJ** will distribute interim dividends for the FY23E book year totaling IDR378 billion, or equivalent to IDR12.6 per share (Emiten News). MNCS Comment: we estimate a dividend yield of 2.2%. With net profit for 1H23 at IDR448.1 billion, the payout ratio reaches 84.4%. Currently, SIDO is traded at a level of 19.08x/5.24x PER/PBV.
- HMSP IJ** recorded sales volume of 63.1 billion sticks in 9M23 (Market Bisnis). MNCS Comment: HMSP's sales volume in 9M23 decreased by -3.8% YoY (vs 65.6 billion sticks in 9M22). However, this decline is more moderate compared to the industry's -5.0% YoY drop to 219.1 billion sticks in 9M23 (vs 230.6 billion sticks in 9M22). As a result, HMSP's cumulative market share in 9M23 increased to 28.8% (vs 28.4% in 9M22). Currently, HMSP is traded at a level of 13.26x/3.90x PER/PBV.

IHSG Updates

The JCI weakened by -1.57% to 6,741.96 on Monday (23/10), followed by a net foreign sell of IDR592.73 billion. Most sectors experienced declines and weighed on the index, led by the infrastructure sector (-3.27%), followed by the energy sector (-2.63%). On the other hand, the technology sector showed gains (+0.49%). The index declined in line with other Asian markets. Negative sentiment stemmed from UST 10Y yield rising to its highest level since 2007, reaching 5.02%. Additionally, speculation that the BoJ would move away from negative interest rates also weighed on the index. The Rupiah closed lower at IDR15,935/USD. We estimate the IHSG will move within the price range of 6,724-6,800. Today's Recommendations: BMRI, ERAA, MEDC, TBIG.



MNCS UNIVERSE

Code	Company Name	Mkt Cap (IDR bn)	Index Weight (%)	Rating	Price Target (Rp)	EPS Growth (%)		PER (x)		PBV (x)		ANR (Rp)	Last Price (Rp)
						FY23E	FY24F	FY23E	FY24F	FY23E	FY24F		
Automotive													
ASII IJ	Astra International Tbk PT	226,708	3.77	BUY	7,600	16.77	0.40	6.71	6.68	0.86	0.79	7,527	5,600
AUTO IJ	Astra Otoparts Tbk PT	12,339	0.09	BUY	3,500	13.26	10.91	8.21	7.41	0.88	0.83	3,601	2,560
Banking													
ARTO IJ	Bank Jago Tbk PT	23,486	0.24	BUY	5,000	600.00	207.14	242.14	78.84	2.73	2.41	3,301	1,695
BBCA IJ	Bank Central Asia Tbk PT	1,090,984	9.06	HOLD	9,500	14.85	10.03	23.35	21.22	4.40	4.06	10,217	8,850
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	186,114	2.70	BUY	10,200	12.73	11.11	4.51	4.06	0.62	0.57	5,733	4,990
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	757,795	8.71	BUY	6,200	38.35	11.30	10.66	9.58	1.96	1.90	6,179	5,000
BMRI IJ	Bank Mandiri Persero Tbk PT	529,667	7.71	BUY	6,850	19.29	14.78	9.87	8.60	1.89	1.74	6,637	5,675
BRIS IJ	Bank Syariah Indonesia Tbk PT	68,733	0.25	BUY	2,100	29.35	13.45	12.52	11.04	1.78	1.56	2,073	1,490
BBTN IJ	Bank Tabungan Negara Persero Tbk PT	16,701	0.24	BUY	1,750	11.06	12.45	4.94	4.39	0.61	0.57	1,644	1,190
Telecommunication													
TLKM IJ	Telkom Indonesia Persero Tbk PT	357,615	6.30	BUY	4,200	15.42	13.65	14.93	13.14	2.61	2.47	4,635	3,610
EXCL IJ	XL Axiata Tbk PT	28,620	0.35	BUY	2,700	14.72	14.78	22.38	19.50	1.08	1.04	2,909	2,180
MTEL IJ	Dayamitra Telekomunikasi PT	53,883	0.31	BUY	850	15.89	12.10	26.01	23.20	1.55	1.46	912	645
TOWR IJ	Sarana Menara Nusantara Tbk PT	44,383	0.69	BUY	1,050	(39.58)	6.91	21.34	19.96	2.40	2.27	1,316	870
TBIG IJ	Tower Bersama Infrastructure Tbk PT	44,634	0.23	BUY	2,250	(9.80)	7.36	30.21	28.14	3.66	3.43	2,222	1,970
Technology													
GOTO IJ	GoTo Gojek Tokopedia Tbk PT	75,689	1.95	BUY	135	83.33	(60.61)	(1.91)	(4.85)	1.20	1.30	120	63
Toll Road & Utilities													
JSMR IJ	Jasa Marga Persero Tbk PT	30,556	0.34	HOLD	4,500	(20.47)	46.98	14.13	9.61	1.12	1.02	4,995	4,210
PGAS IJ	Perusahaan Gas Negara Tbk PT	32,362	0.51	BUY	1,600	(5.84)	19.15	7.02	5.89	0.58	0.55	1,689	1,335
MEDC IJ	Medco Energi Internasional Tbk PT	37,704	0.35	HOLD	1,450	983.36	14.24	4.31	6.28	1.09	0.93	2,042	1,500
Consumer													
UNVR IJ	Unilever Indonesia Tbk PT	146,496	0.78	HOLD	4,000	(0.21)	5.35	27.37	25.98	35.23	37.25	4,169	3,840
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	122,450	0.90	BUY	12,200	79.13	16.04	14.90	12.84	3.04	2.75	13,682	10,500
INDF IJ	Indofood Sukses Makmur Tbk PT	57,951	1.06	BUY	8,050	45.00	9.13	6.29	5.76	0.97	0.88	8,874	6,600
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	17,100	0.14	BUY	970	7.88	11.59	14.36	12.87	4.81	4.64	668	570
Healthcare													
SILO IJ	Siloam International Hospitals Tbk PT	29,914	0.17	HOLD	2,250	17.06	12.16	36.56	32.60	4.02	3.75	2,395	2,300
HEAL IJ	Medikaloka Hermina Tbk PT	21,703	0.47	HOLD	1,450	246.90	7.12	20.25	18.90	4.98	4.06	1,701	1,450
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	40,175	0.51	HOLD	2,680	18.84	5.47	32.74	31.04	5.79	5.04	3,059	2,820
Retail													
ACES IJ	Ace Hardware Indonesia Tbk PT	14,149	0.21	HOLD	850	5.33	6.91	20.24	18.93	2.27	2.15	808	825
ERAA IJ	Erajaya Swasembada Tbk PT	6,476	0.11	BUY	690	4.72	38.95	6.11	4.39	0.85	0.75	606	406
MAPI IJ	Mitra Adiperkasa Tbk PT	31,872	0.57	SELL	1,600	(7.08)	7.37	16.26	15.14	3.10	2.76	2,382	1,920
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,583	0.03	HOLD	525	(10.89)	7.01	11.43	10.68	0.96	1.47	579	505
Construction													
ADHI IJ	Adhi Karya Persero Tbk PT	3,750	0.05	BUY	1,090	282.57	16.27	6.60	5.67	0.42	0.39	701	446
PTPP IJ	PP Persero Tbk PT	4,185	0.08	BUY	880	101.14	0.34	7.63	7.60	0.27	0.26	900	675
WIKA IJ	Wijaya Karya Persero Tbk PT	3,444	0.04	BUY	600	(521.69)	55.36	13.71	8.83	0.19	0.19	462	384
WSKT IJ	Waskita Karya Persero Tbk PT	5,819	0.05	BUY	350	(137.15)	42.26	(1.29)	(2.24)	0.16	0.17	220	202
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	909	0.01	BUY	160	9.20	31.10	3.62	2.76	0.33	0.30	-	95

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						FY23E	FY24F	FY23E	FY24F	FY23E	FY24F		
Property													
BSDE IJ	Bumi Serpong Damai Tbk PT	20,536	0.25	BUY	1,400	(0.09)	15.07	8.45	7.34	0.57	0.53	1,385	970
PWON IJ	Pakuwon Jati Tbk PT	19,168	0.22	BUY	520	20.06	9.80	10.38	9.45	0.99	0.92	590	398
SMRA IJ	Summarecon Agung Tbk PT	8,337	0.16	BUY	650	(0.79)	26.29	13.44	10.64	0.82	0.79	841	505
CTRA IJ	Ciputra Development Tbk PT	18,350	0.31	BUY	1,300	(0.85)	11.80	9.93	8.88	0.90	0.82	1,402	990
DMAS IJ	Puradelta Lestari Tbk PT	8,290	0.05	BUY	200	1.46	10.85	6.71	6.05	1.44	1.34	212	172
Agriculture													
AALI IJ	Astra Agro Lestari Tbk PT	13,569	0.10	BUY	10,350	2.56	3.63	9.11	8.79	0.56	0.51	7,943	7,050
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	6,175	0.09	BUY	1,620	10.12	10.11	6.52	5.92	0.53	0.49	1,146	905
DSNG IJ	Dharma Satya Nusantara Tbk PT	6,095	0.07	BUY	710	2.81	4.99	4.91	4.68	0.67	0.60	798	575
Coal Mining													
ADRO IJ	Adaro Energy Tbk PT	85,083	1.46	BUY	3,100	(41.57)	(28.80)	3.89	5.47	0.89	0.87	3,198	2,660
PTBA IJ	Bukit Asam Tbk PT	30,645	0.38	HOLD	2,900	(23.80)	(26.95)	4.04	5.54	0.03	1.42	2,757	2,660
ITMG IJ	Indo Tambangraya Megah Tbk PT	30,932	0.40	HOLD	26,100	(43.68)	(55.10)	3.51	7.81	1.51	1.72	29,354	27,375
Metal Mining													
ANTM IJ	Aneka Tambang Tbk	42,054	0.54	BUY	2,400	2.87	6.71	10.70	10.03	1.62	1.47	2,368	1,750
INCO IJ	Vale Indonesia Tbk PT	55,395	0.42	BUY	7,650	8.28	9.78	17.02	15.50	1.44	1.31	7,224	5,575
MDKA IJ	Merdeka Copper Gold Tbk PT	57,384	1.00	BUY	5,560	80.39	50.23	24.41	16.25	1.76	(0.02)	3,544	2,380
Poultry													
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	81,170	1.20	BUY	6,150	5.99	38.25	26.15	18.91	2.86	2.64	6,120	4,950
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	14,013	0.22	HOLD	1,200	(4.13)	35.14	10.29	7.62	0.96	0.89	1,407	1,195
Cigarette													
GGRM IJ	Gudang Garam Tbk PT	47,381	0.30	BUY	32,500	127.02	8.81	7.51	6.90	0.79	0.74	30,686	24,625
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	99,452	0.27	BUY	1,250	27.21	8.67	12.36	11.37	3.67	3.73	1,071	855
Cement													
INTP IJ	Indocement Tunggal Prakarsa Tbk PT	35,524	0.55	BUY	12,700	(7.35)	21.35	20.81	17.15	1.83	1.64	12,728	9,650
SMGR IJ	Semen Indonesia Persero Tbk PT	42,530	0.76	BUY	8,450	4.28	15.87	15.16	13.08	0.91	0.87	8,400	6,275
Basic Industry and Chemical													
ARNA IJ	Arwana Citramulia Tbk PT	4,955	0.07	BUY	1,250	4.59	22.17	8.22	6.73	2.36	2.01	1,008	675
Heavy Equipment													
UNTR IJ	United Tractors Tbk PT	93,253	1.30	BUY	28,900	(32.94)	(16.47)	8.28	9.91	1.13	1.07	31,738	25,000
AKRA IJ	AKR Corporindo Tbk PT	29,107	0.39	HOLD	1,500	11.03	4.14	10.72	10.30	2.02	1.88	1,816	1,450

SECTOR RATIO

SECTOR	PE (x)	PBV (x)
IDXBASIC INDEX	22.15	1.83
IDXCYC INDEX	22.63	1.35
IDXENER INDEX	5.83	1.57
IDXFIN INDEX	18.64	1.67
IDXHLTH INDEX	35.52	3.82
IDXINDUS INDEX	5.92	0.78
IDXINFRA INDEX	84.14	1.92
IDXNCYC INDEX	16.47	2.10
IDXPROP INDEX	13.10	0.69
IDXTECH INDEX	-	1.41
IDXTRANS INDEX	156.99	16.16

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

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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