

KEY INDICATOR

01/07/2024	LAST PRICE	PREV	CHG	YoY
7-Day RR (bps)	6.25	6.25	-	50.00
10 Yr (bps)	7.08	7.07	0.03%	81.40
USD/IDR	16,322	16,375	-0.32%	8.86%

INDICES

MARKET INDEX	LAST PRICE	CHANGE	YTD	PE (x)
IHSG	7,139.63	1.08%	4.22%	12.84
MSCI	7,012.20	0.64%	-5.15%	13.52
HSEI	17,718.61	CLOSED	3.94%	8.71
FTSE	8,166.76	0.03%	5.61%	11.75
DJIA	39,169.52	0.13%	3.93%	19.39
NASDAQ	17,879.30	0.83%	19.11%	34.90

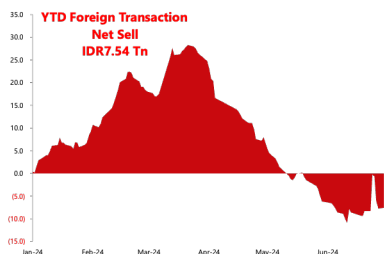
COMMODITIES

COMM.	UNIT	LAST PRICE	CHANGE	YoY	YTD
WTI	USD/BRL	83.38	2.26%	18.04%	16.37%
COAL	USD/TON	132.10	-1.01%	3.16%	-9.77%
CPO	MYR/MT	3,979.00	1.61%	5.01%	6.93%
GOLD	USD/TOZ	2,331.90	0.22%	21.49%	13.04%
TIN	USD/MT	32,900.00	0.49%	22.82%	29.45%
NICKEL	USD/MT	17,357.00	0.38%	-15.40%	4.54%

CORPORATE ACTION

TICKER	EVENT	NOTES
AGII	Cash Dividend	IDR10.8/Share
RDTX	Cash Dividend	IDR360/Share
SAMF	Cash Dividend	IDR41/Share

NET FOREIGN TRADING VALUE



Global Market Highlights

The DJIA finished higher by +0.13% on Monday (01/07), followed by the S&P 500 (+0.27%) and the Nasdaq (+0.83%). Wall Street strengthened as the market is waiting for the speech from Fed Chair Powell scheduled today. Additionally, the maintained manufacturing PMI of the S&P Global at 51.6bps (vs 51.3/51.7 bps in May-2024/Consensus) also acted as positive incentive towards the index. Today the market will be looking forward to several data releases such as: 1) Korea Inflation Rate Jun-2024; 2) EA Core Inflation Rate Flash Jun-2024; 3) US Fed Chair Powell Speech.

Domestic Update

BPS reported a deflation (-0.08% MoM) of the CPI inflation in Jun-2024. On the YoY basis, the inflation rate softened to 2.51% from 2.84% in May-2024. Additionally, the core inflation was recorded lower at 0.10% MoM (vs 0.17% in May-2024) or 1.90% YoY (vs 1.93% YoY in May-2024). MNCS Comment: The lower core inflation was mainly influenced by the inflation of gold jewelry and ground coffee commodities. Meanwhile, based on the expenditure group, the food, beverages, and tobacco acted as the biggest contributor towards the deflation (0.49% MoM) with a contribution of 0.14% MoM. We anticipate the slower but manageable inflation to continue in 2H24 considering the increasing food supplies during harvest season, which is also balanced by the government's policies to increase rice imports and market operations.

Company News

- INOVO IJ** expands a new business segment, resin manufacturing, to increase revenue up to IDR114 billion per year (Emiten News). MNCS Comment: This new business segment potentially contributes ~19% of total revenue. The company is eyeing resin sales of 30% of the maximum production amount or around 3.6 kg per year. Furthermore, the company also allocated capex of IDR20 billion for this new segment expansion. INOVO is currently trading at 0.70x PBV.
- ISSP IJ** will distribute dividends for the FY23 amounting to IDR 105.98 billion (Kontan). MNCS Comment: We estimate this dividend distribution will offer a potential dividend yield of ~5.2%. The DPS/DPR is higher than the previous year, amounting to IDR15 per share and DPR at 21.3% (vs. IDR 6 per share and DPR at 13.9% in FY22) ini line with a rise in net profit in FY23 of +62.9% YoY driven by an increase in revenue (+3.2% YoY) and a decrease in COGS (-2% YoY). As a result, GPM/NPM increased to 16.6%/7.7% in FY23 (vs. 12.1%/4.9% in FY22). ISSP is currently trading at 5.24x/0.43x PER/PBV.
- INCO IJ** experienced a significant decline in net profit of -96.3% YoY in 1Q24 (Kontan). MNCS Comment: The decrease in net profit was mainly driven by a decrease in sales to VCL of -36.7% and sales to SMM of -36.6%. As a result, GPM/NPM fell to 8.7%/2.6% respectively (vs. 35.2%/46.5% in 1Q23). Meanwhile, from the operational production perspective, the company is aiming to maintain its nickel production volume in FY24 at 70,800 tonnes (vs. 70,728 tonnes in FY23). INCO is currently trading at 1.03x PBV.

IHSG Updates

The JCI strengthened by +1.08% to 7,139.63 on Monday (01/07), followed by a net foreign buy of IDR185.44 billion. Most sectors experienced gains and supporting the index, led by the transportation sector (+4.14%) and followed by the basic materials sector (+3.15%). On the other hand, sectors that experienced declines were led by the healthcare sector (-0.45%) and followed by the property and real estate sector (-0.21%). The index's rise was in line with most other Asian markets, whereas investors responded positively to the domestic inflation rate in Jun-2024, which slowed to +2.51% YoY, lower than the consensus estimate of +2.70% YoY. Alongside the inflation rate remaining manageable, it is expected to strengthen the Rupiah's fundamentals going forward. The Rupiah closed higher at IDR16,322/USD. We estimate that the JCI will move in the price range of 7,100-7,150. Today's recommendations: BMRI, INCO, MDKA, MEDC.

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)
						FY24E	FY25F	FY24E	FY25F	FY24E	FY25F		
Agriculture													
AALI IJ	Astra Agro Lestari Tbk PT	10,393	0.07	BUY	6,500	16.21	(7.29)	8.41	9.08	0.50	0.47	7,252	5,400
DSNG IJ	Dharma Satya Nusantara Tbk PT	6,943	0.08	HOLD	690	12.78	(1.69)	6.42	6.53	0.71	0.65	815	655
LSIP IJ	Perusahaan Perkebunan London Sumatra Indonesia Tbk PT	5,527	0.08	HOLD	860	4.54	4.74	9.18	8.77	0.53	0.50	1,010	810
Automotive													
ASII IJ	Astra International Tbk PT	187,034	2.95	BUY	7,000	0.40	6.39	5.51	5.18	0.65	0.61	5,805	4,620
AUTO IJ	Astra Otoparts Tbk PT	9,182	0.06	BUY	3,500	10.92	6.80	5.51	5.16	0.61	0.58	2,912	1,905
Banking													
BBCA IJ	Bank Central Asia Tbk PT	1,217,341	9.05	HOLD	10,600	12.53	12.32	23.40	20.83	4.36	3.87	11,015	9,875
BBNI IJ	Bank Negara Indonesia Persero Tbk PT	175,670	2.42	BUY	5,900	11.21	8.94	7.66	7.03	1.07	0.99	6,043	4,710
BBRI IJ	Bank Rakyat Indonesia Persero Tbk PT	701,718	7.04	BUY	6,300	11.73	16.22	8.84	7.60	1.76	1.66	5,940	4,630
BMRI IJ	Bank Mandiri Persero Tbk PT	583,333	8.07	BUY	7,100	14.78	18.64	9.47	7.98	1.92	1.75	7,433	6,250
BRIS IJ	Bank Syariah Indonesia Tbk PT	120,397	0.41	BUY	3,000	13.45	17.78	19.33	16.42	2.74	2.45	2,905	2,610
Basic Industry and Chemical													
ARNA IJ	Arwana Citramulia Tbk PT	4,405	0.06	BUY	900	9.11	20.19	9.09	7.56	2.10	1.85	875	600
Cement													
INTP IJ	Indocement Tunggul Prakarsa Tbk PT	27,057	0.40	BUY	10,400	5.33	6.35	12.82	12.05	1.25	1.29	8,262	7,350
SMGR IJ	Semen Indonesia Persero Tbk PT	26,466	0.45	HOLD	4,000	6.24	8.96	9.46	8.68	0.55	0.51	5,400	3,920
Cigarette													
GGRM IJ	Gudang Garam Tbk PT	33,672	0.20	BUY	31,000	5.41	3.03	5.32	5.16	0.53	0.51	18,940	17,500
HMSP IJ	Hanjaya Mandala Sampoerna Tbk PT	81,423	0.21	BUY	1,250	9.16	9.59	9.26	8.45	2.83	2.85	1,009	700
Coal Mining													
ADRO IJ	Adaro Energy Indonesia Tbk PT	89,561	1.26	HOLD	2,700	(33.87)	(16.55)	6.42	7.69	0.93	0.91	3,101	2,800
ITMG IJ	Indo Tambangraya Megah Tbk PT	27,429	0.33	HOLD	24,900	(39.79)	(9.07)	0.00	0.00	0.00	0.00	26,469	24,275
PTBA IJ	Bukit Asam Tbk PT	28,802	0.34	HOLD	2,500	(9.45)	(9.86)	6.56	7.28	0.99	0.96	2,618	2,500
Construction													
PTPP IJ	PP Persero Tbk PT	1,872	0.03	BUY	550	0.33	22.82	3.40	2.77	0.12	0.11	700	302
WEGE IJ	Wijaya Karya Bangunan Gedung Tbk PT	584	0.01	BUY	100	106.21	(17.98)	2.35	2.86	0.21	0.19	-	61
Consumer													
ICBP IJ	Indofood CBP Sukses Makmur Tbk PT	120,118	0.84	BUY	12,900	5.18	6.26	12.30	11.57	1.71	1.56	13,142	10,300
INDF IJ	Indofood Sukses Makmur Tbk PT	53,561	0.93	HOLD	6,650	3.98	8.86	5.57	5.11	0.82	0.74	7,662	6,100
SIDO IJ	Industri Jamu Dan Farmasi Sido Muncul Tbk PT	22,650	0.18	HOLD	820	1.81	11.40	25.55	22.93	6.65	6.30	792	755
UNVR IJ	Unilever Indonesia Tbk PT	112,924	0.57	HOLD	2,700	0.90	14.61	21.65	18.89	31.69	29.69	2,820	2,960
Healthcare													
HEAL IJ	Medikaloka Hermina Tbk PT	20,744	0.46	BUY	1,630	29.36	8.60	35.24	32.45	4.69	4.25	1,690	1,350
MIKA IJ	Mitra Keluarga Karyasehat Tbk PT	42,454	0.51	HOLD	3,200	5.46	4.29	32.81	31.46	5.33	4.82	3,204	2,980
SILUIJ	Siloam International Hospitals Tbk PT	36,287	0.20	SELL	1,500	6.02	12.90	42.73	37.84	4.52	4.19	2,922	2,790
Heavy Equipment													
UNTR IJ	United Tractors Tbk PT	82,529	1.09	BUY	25,450	(16.53)	(10.63)	5.26	5.89	1.08	1.01	27,728	22,125
Jewelry													
HRTA IJ	Hartadinata Abadi Tbk PT	1,621	0.02	BUY	560	27.90	13.00	0.82	0.72	0.70	0.60	-	352
Metal Mining													
ANTM IJ	Aneka Tambang Tbk	31,360	0.38	BUY	2,080	0.40	3.14	9.21	8.93	0.99	0.87	1,706	1,305
INCO IJ	Vale Indonesia Tbk PT	42,518	0.32	HOLD	3,850	(0.16)	10.77	12.19	11.01	0.96	0.89	4,954	4,200
MDKA IJ	Merdeka Copper Gold Tbk PT	60,204	0.96	BUY	3,030	51,563.64	46.88	43.29	29.47	3.14	2.55	3,027	2,460

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						FY24E	FY25F	FY24E	FY25F	FY24E	FY25F		
Oil & Gas													
AKRA IJ	AKR Corporindo Tbk PT	32,118	0.40	BUY	2,000	983.36	14.24	11.52	11.00	2.08	1.94	2,011	1,600
MEDC IJ	Medco Energi Internasional Tbk PT	33,683	0.29	BUY	1,950	983.36	14.24	5.78	6.49	0.91	0.79	1,960	1,340
PGAS IJ	Perusahaan Gas Negara Tbk PT	37,453	0.56	HOLD	1,550	10.84	9.41	9.83	8.98	0.63	0.59	1,603	1,545
Poultry													
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	83,630	1.00	HOLD	5,600	7.70	4.82	25.76	24.57	2.78	2.62	5,731	5,100
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	17,179	0.26	BUY	1,880	29.79	15.83	9.24	7.98	1.08	0.99	1,599	1,465
Property													
BSDE IJ	Bumi Serpong Damai Tbk PT	20,113	0.23	BUY	1,400	15.07	14.66	7.19	6.27	0.52	0.48	1,316	950
CTRA IJ	Ciputra Development Tbk PT	20,945	0.33	BUY	1,300	18.53	44.50	8.36	5.79	0.93	0.82	1,463	1,130
PWON IJ	Pakuwon Jati Tbk PT	18,108	0.20	BUY	585	13.35	14.12	8.95	7.84	0.87	0.78	556	376
SMRA IJ	Summarecon Agung Tbk PT	8,254	0.15	BUY	945	22.95	48.81	8.64	5.81	0.76	0.68	778	500
Retail													
ACES IJ	Ace Hardware Indonesia Tbk PT	14,663	0.20	HOLD	850	6.91	14.11	19.62	17.19	2.23	2.10	1,013	855
ERAA IJ	Erajaya Swasembada Tbk PT	6,029	0.09	BUY	505	31.45	8.70	5.70	5.24	0.74	0.67	522	378
MAPI IJ	Mitra Adiperkasa Tbk PT	23,821	0.41	BUY	2,060	20.55	1.35	10.10	9.97	2.03	1.85	2,089	1,435
RALS IJ	Ramayana Lestari Sentosa Tbk PT	3,065	0.02	HOLD	455	(2.08)	(6.60)	9.99	10.69	0.79	0.77	549	432
Technology													
GOTO IJ	GoTo Gojek Tokopedia Tbk PT	60,070	1.54	BUY	102	(40.39)	(40.50)	(6.64)	(11.16)	1.20	1.30	90	50
Telco													
EXCL IJ	XL Axiata Tbk PT	28,620	0.33	BUY	2,850	16.71	33.45	16.41	12.30	1.03	0.97	3,047	2,180
MTEL IJ	Dayamitra Telekomunikasi PT	53,892	0.29	BUY	880	13.37	4.96	26.69	25.42	1.51	1.43	800	645
TBIG IJ	PT Tower Bersama Infrastructure Tbk	42,369	0.15	BUY	2,580	3.30	(1.06)	25.39	25.66	3.25	3.07	1,997	1,870
TLKM IJ	Telkom Indonesia Persero Tbk PT	306,102	5.12	BUY	4,010	6.71	4.19	11.13	10.68	2.12	1.90	4,148	3,090
TOWR IJ	Sarana Menara Nusantara Tbk PT	37,241	0.55	BUY	1,200	7.58	4.08	10.64	10.23	2.09	1.90	1,166	730
Toll Road & Utilities													
JSMR IJ	Jasa Marga Persero Tbk PT	35,926	0.38	HOLD	5,300	17.04	7.67	9.58	8.90	1.15	1.03	6,338	4,950
KEEN IJ	Kencana Energi Lestari Tbk PT	2,530	0.02	BUY	1,080	12.38	7.88	11.10	10.29	0.83	0.79	-	690
P GEO IJ	Pertamina Geothermal Energy PT	50,624	0.18	BUY	1,830	(13.20)	16.01	24.66	21.26	2.20	2.03	1,494	1,220

SECTOR RATIO

SECTOR	PE (x)	PBV (x)
IDXBASIC INDEX	30.72	1.53
IDXCYC INDEX	15.10	0.99
IDXENER INDEX	8.76	1.52
IDXFIN INDEX	17.56	1.60
IDXHLTH INDEX	35.21	3.60
IDXINDUS INDEX	6.94	0.72
IDXINFRA INDEX	19.80	1.49
IDXNCYC INDEX	16.51	1.79
IDXPROP INDEX	24.77	0.62
IDXTECH INDEX	-	1.64
IDXTRANS INDEX	6.20	3.50

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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SELL : Share price may fall by more than 10% over the next 12 months

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