



AGRI	BSIC	CONS	FINC	INFR	MINE	MISC	PPTY	TRDE	MFTG
<b>1,171.73</b>	<b>724.95</b>	<b>1,884.34</b>	<b>1,093.79</b>	<b>838.08</b>	<b>1,370.43</b>	<b>866.54</b>	<b>347.88</b>	<b>636.54</b>	<b>1,205.73</b>
-22.07 -1.85%	10.93 1.53%	4.64 0.25%	-6.18 -0.56%	14.83 1.80%	12.40 0.91%	-7.83 -0.90%	3.85 1.12%	12.64 2.03%	5.66 0.47%

STOCK INDEX	CLOSE	Chg	%Chg
JCI	5,059.22	21	0.41%
LQ-45	780.32	5	0.62%
IDX30	427.20	2	0.58%
DJIA	27,652.98	(249)	-0.89%
Nasdaq	10,793.28	(117)	-1.07%
S&P 500	3,319.33	(38)	-1.12%
Nikkei	23,360.30	41	0.18%
Hang Seng	24,455.41	115	0.47%

#### TRADING STATISTICS

Trading Volume (m shares)	12,018
Trading Value (b IDR)	9,759
Trading Frequency (in times)	572,196
Fgn Net Trade Value (b IDR)	(999)
YTD Fgn Net Trade Value (b IDR)	(39,670)

CMDTY & CCY	CLOSE	%Chg
WTI	40.94	-0.22%
Brent	43.04	-0.60%
Gold	195,032.00	9909.03%
Coal (USD/MT)	59.10	1.46%
Copper (US\$/lb.)	3.10	0.80%
Nickel (US\$/MT)	14,850.50	4.78%
CPO (MYR/MT)	2,743.00	1.89%
USDIDR	14,768.00	-0.74%

#### MACROECONOMIC INDICATORS

	Last	Prv
BI 7-Day RR	4.25%	4.50%
Inflation Rate (August 20)	1.54%	1.32%
GDP (2Q20)	-5.32%	2.97%
10-yr Govt Bond	6.85%	6.86%

## FOCUS

### PENJUALAN WHOLESALAS OTOMOTIF PADA AGUSTUS 2020 NAIK 47.5% (M/M)

The Association of Indonesian Automotive Industries (GAIKINDO) noted that the realization of wholesale car sales in August 2020 reached 37,291 units, up 47.5% (M/M) compared to 37,291 units in July 2020, but still falling -58.8% (Y/Y) compared to August 2019, amounting to 90,568 units. Cumulatively, sales during the 8M20 were 323,510 units, down -51.1% (Y/Y), and have reached 53.9% of the target of 600 thousand units for FY20.

Meanwhile, by brand in August 2020, Toyota still dominates the market share with a share of 23.3%, followed by Nissan with 18.3%, Daihatsu 17.8%, Suzuki 9.4%, Mitsubishi Motors 8.6%, Honda 8.2%, and other brands 14.4% (28 brands). Meanwhile, the export market share was led by Daihatsu with 32.7%, Suzuki 31.7%, Toyota 16.9%, Mitsubishi Motors 13.1%, Honda 3.1%, and other brands 2.5% (4 brands). According to GAIKINDO, car sales are projected to be only 600 thousand units, or 42% lower than the realization in 2019. Meanwhile, the Indonesian Motorcycle Industry Association (AIS) estimates that motorbike sales this year will range from 3.6 to 3.9 million units, a correction of 40% - 45% (Y/Y).

PT Astra International Tbk (ASII) noted that in August 2020 ASII car sales grew 65.4% (M/M), wherein July 2020 it was 10,140 units. The growth rate of Astra Group sales is also projected in line with GAIKINDO's current forecast, namely that there will be a decrease of around 40% -45% by the end of the year. The Astra Group's consolidated car sales during 8M20 reached 166,418 units or decreased by 51.7% when compared to 8M19 of 344,581 units.

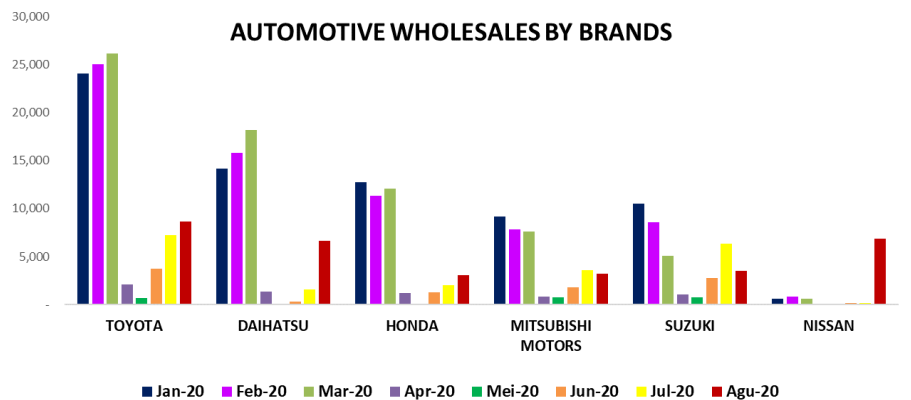
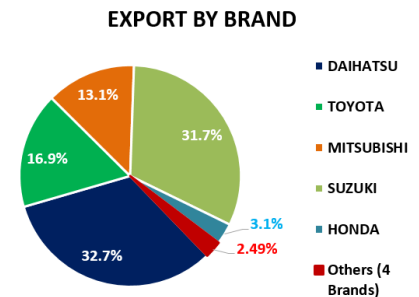
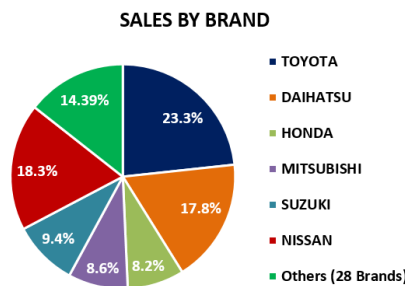
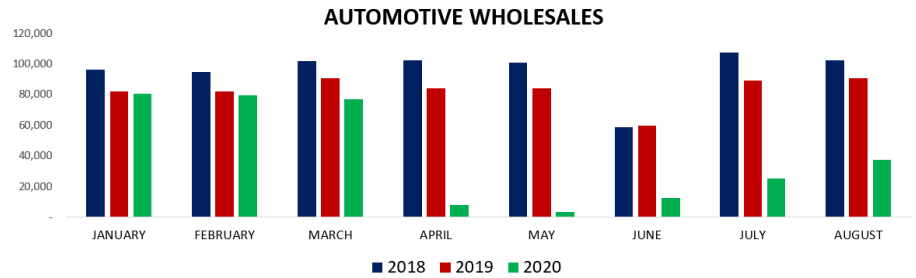
Wholesale car sales growth in August continued the trend since June 2020, which also grew positively. As is known, car sales reached a saturation point in May which only reached 3,551 units, or fell -95.8% (Y/Y). However, even though sales have started to show a positive trend, especially after the PSBB easing, sales until the end of the year are believed to still decline. This was exacerbated by the cancellation of the 2020 GAIKINDO Indonesia International Auto Show (GIAS) automotive exhibition, finally being cancelled due to limited preparation time. This event was previously planned to take place on 22 October - 1 November 2020 at BSD City. GAIKINDO will again hold GIAS the Series in 2021.

However, in the 3rd week of September 2020, there is a positive sentiment to encourage the growth of the automotive sector during the COVID-19 pandemic, Minister of Industry Agus Gumiwang Kartasmita proposes relaxing the tax on new car purchases by proposing relaxation of sales tax (VAT) and luxury sales tax (PPnBM) to the Minister of Finance, and proposing to the Minister of Home Affairs to relax the name transfer fee (BBN) and motor vehicle tax and progressive tax. Quoting from CNBC, GAIKINDO chairman Yohannes Nangoi revealed that this incentive would have a broad impact on the automotive industry. The fall in prices will make people's purchasing power improve again. GAIKINDO has proposed to the Minister of Finance to relax the 0% new car tax until December 2020, and it is hoped that this relaxation can be given until the next 1Q2021.



In addition, previously the Government through BI launched a stimulus in the form of lowering the minimum KKB down payment limit to 0% for several types of vehicles. The policy will be effective starting October 1, 2020, although the real impact will probably be felt next year.

**Fig 1: INDONESIA AUTOMOTIVE WHOLESALERS**



Sources: GAIKINDO, MPIS Research



## MARKET RECAP

On Friday trading (9/18), JCI rose by +20.8 points (+0.4%) to 5,059.2. Total transaction volume reached 12 billion shares with a transaction value of Rp9.8 trillion. Foreign investors posted a net sell of Rp999 billion, compounding the year-to-date foreign net sell to Rp39.7 trillion.

The advancing sectors were led by agriculture (+2.0%), infrastructure (+1.8%) and basic industry (+1.5%). On the other hand, the retreating sectors were agriculture (+1.9%), miscellaneous industry (+0.9%), and finance (+0.6%). Stocks supporting the JCI were TLKM (+2.5%), CPIN (+5.4%), and EMTK (+9.6%). By contrast, stocks weighing down the JCI were BBCA (-2.2%), ASII (-1.6%), and BRPT (-3.9%).

## U.S. NEWS

U.S. stocks closed lower notching a third straight weekly loss as sharp losses in the tech sector continued. Moreover, investors worried more about uncertainty on a fresh round of fiscal stimulus from Washington, heightened tensions between the U.S. and China, and worries about the sluggish pace of economic recovery after at Thursday (17/08) Jerome Powell warned the economic outlook remains "highly uncertain" signaling that the Fed may interest rates unchanged at a range of 0% and 0.25% until 2023. Moreover, U.S. jobless claims rose by 860 thousand in the week ended Sept. 12th, compared to 893 thousand in the previous period and above market expectations of 850 thousand. Those

data showed that first-time jobless claims had steadied but remained high for the third consecutive week with claims below 1 million.

The DJIA fell 0.89%, to 27,652.98, the S&P 500 lost 1.13%, to 3,319.12 and the Nasdaq Composite dropped 1.08%, to 10,792.28.

U.S. Treasury yields rose as stronger-than-expected reading of consumer sentiment helped ease some concerns around the U.S. economic recovery. The University of Michigan's consumer sentiment for the US jumped to 78.9 in September from 74.1 in August, beating market expectations of 75.0-75.9. It is the highest reading since March. The benchmark 10-year notes were down 5/32 to yield 0.697%. The 30-year bonds fell 19/32, yielding 1.451%. The 2-year notes were down 1/32 to yield 0.141%

Crude oil prices fell after strengthening for two straight days. Citing Thomson Reuters, crude oil prices pressured after a Libyan commander said a blockade on the country's oil exports would be lifted for a month. The blockade slashed Libyan production to just over 100,000 barrels per day now from around 1.2 million bpd previously. WTI crude slipped by -0.07% to US\$40.94/barrel, while Brent crude dropped by -0.60% to US\$43.04/barrel.

## NEWS FROM THE MARKET

### INDUSTRY UPDATE

#### COAL PRICE REACHED 3-MONTH HIGH

Newcastle coal price rose on Thursday by +0.9% to US\$56.5/ton, reaching its 3-month high since June. Despite lower demand from India due to lockdown, Japan crude steel is estimated to rebound as domestic automotive demand starts to recover. As additional information, increasing steel output is positively correlated with coal imports.

### COMPANY UPDATE

#### HMSP'S SALES VOLUME IS ESTIMATED TO DECLINE BY DOUBLE DIGITS

PT Hanjaya Mandala Sampoerna Tbk (HMSP) estimates that sales volume could decline by double digits. For the cigarette industry, excise tax will increase by +24%, on average, and retail price by +46%, which could impact sales volume. As of 1H20, industry sales volume declined by -15%; while at the same time, HMSP market share decreased by -3.1% to 29.3% and sales volume by -18.2%.



### **KAEF REPORTEDLY PLANS TO BUILD A PARACETAMOL PLANT**

PT Bio Farma (Persero) said that PT Kimia Farma Tbk (KAEF) plans to build a paracetamol plant to support medicines raw material domestically. This plan is initiated by The Ministry of State-Owned Enterprise to lower pharmaceuticals SOEs' dependency on imports.

### **GOOD PLANS TO ACQUIRE 55% STAKE AT KEJU**

PT Garudafood Putra Putri Jaya, Tbk. (GOOD) plans to acquire 55% stake at PT Mulia Boga Raya, Tbk. (KEJU) from its individual shareholders. The transaction price has yet to announce, but taking KEJU's closing price on Friday (9/18) at Rp1,350/share, GOOD will need to pay at least Rp1.1 trillion. Actually, GOOD has owned 13.33% share at KEJU through PT Tudung Putra Putri Jaya, which also one of GOOD's shareholders with 21.19% ownership, so by taking the acquisition into account, GOOD will be the controlling shareholder at the producer of Prochiz-branded cheese. The goal of the controlling is to strengthen GOOD's position in the FMCG business.

### **CMNP TO RAISE Rp3.16 TRILLION THROUGH RIGHTS ISSUE AND WARRANT**

PT Citra Marga Nusaphala Persada, Tbk. (CMNP) plans to raise funds up to Rp3.16 trillion by conducting rights issue of Rp1.39 trillion and issuing warrant I of Rp1.77 trillion. The execution price of the warrant is set at Rp980/warrant. The funds will be used for financing CMNP's ongoing projects.

### **SSIA TO LAUNCH SUBANG INDUSTRIAL ESTATE IN 4Q20**

PT Surya Semesta Internusa, Tbk. (SSIA) is ready to launch Subang Industrial Estate (KIS) in 4Q20. In the first phase, SSIA will offer 250 hectares of the 1,250 hectares acquired land to foreign companies from Japan, China, and Korea. KIS is considered highly potential due to its close location to the newly-developed Patimban Port. In addition, SSIA is currently cooperating with PT Jasa Marga (Persero), Tbk. (JSMR) in developing a 37.7-long toll road access between the two locations.

### **META TO OPERATE ELEVATED TOLL IN MAKASSAR IN OCTOBER 2020**

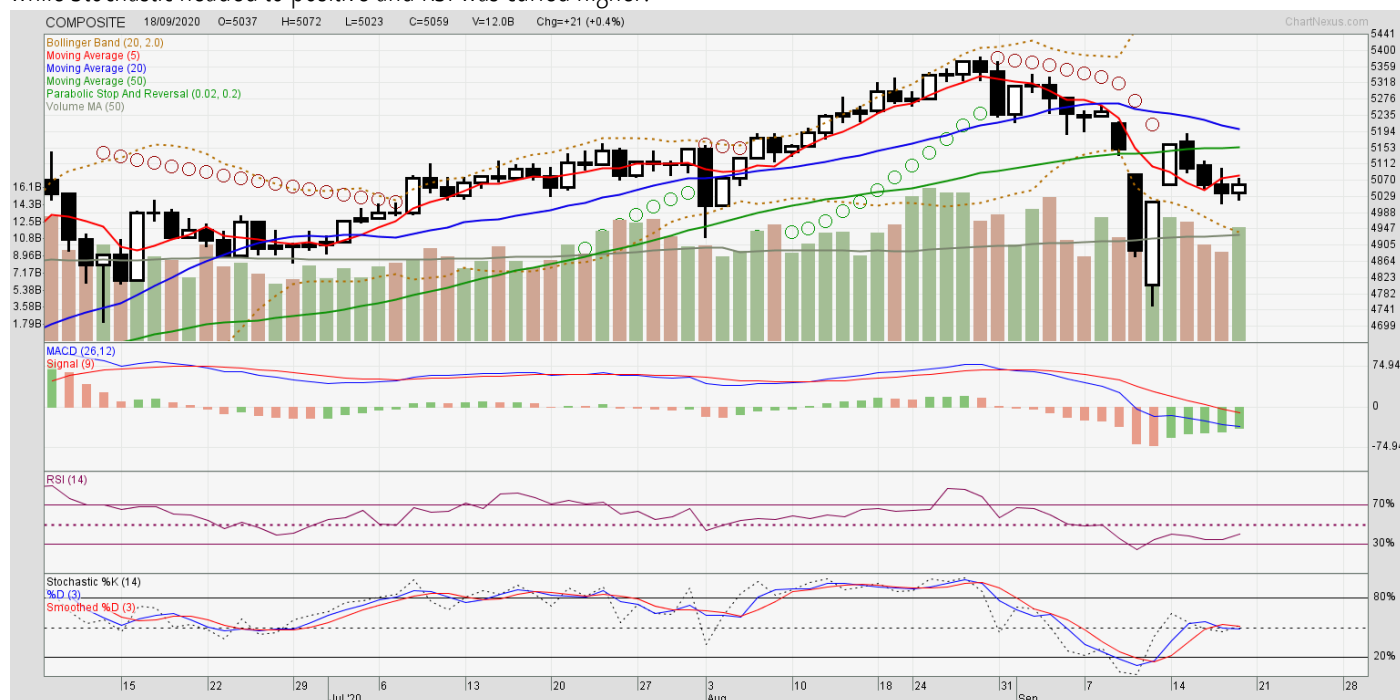
PT Nusantara Infrastructure, Tbk. (META) is ready to operate the A. P. Pettarani Elevated Toll Road or Ujung Pandang section 3 in Makassar. As of 17 September, progress of development had reached 99% and is entering final phase and therefore is ready to operate by October. The toll is estimated to be passed by 60 thousand vehicles per day and is expected to relieve traffic jams in the City.



## TECHNICAL OUTLOOK

### JCI IS POSITIVE, WITH EXPECTED RANGE OF 5,020 to 5,120

JCI closed slightly higher to 5,059 and forming Spining Top Candlestick with the Support lay at 4,754 while the Resistance hanging at 5,190/380. EMA 5&20 still in death cross pattern while PSAR green still appeared. MACD leaning to positive but still in the negative territory while Stochastic headed to positive and RSI was curled higher.



## SUMMARY OF STOCK PICKS

TICKER	SUPPORT	RESISTANCE	ENTRY POINT	TARGET PRICE	CUTOFF PRICE	RISK-TO-REWARD RATIO	LAST PRICE	TEMPORARY GAINS /		STATUS
								PTS	%	
ADHI	500	1,015	600	995	490	0.28	530	(70)	-11.67%	HOLD
ADRO	1,030	1,350	1,080	1,280	1,010	0.35	1,145	65	6.02%	HOLD
BBTN	900	1,930	700	1,800	650	0.05	1,315	615	87.86%	BUY
FAST	880	950	885	950	840	0.69	940	55	6.21%	HOLD
HMSP	1,455	1,650	1,500	1,650	1,400	0.67	1,515	15	1.00%	BUY
PTBA	1,930	2,500	2,130	2,280	1,850	1.87	2,000	(130)	-6.10%	BUY
PWON	332	434	374	420	350	0.52	384	10	2.67%	BUY
WEGE	107	290	110	240	100	0.08	171	61	55.45%	BUY



## Data &amp; Agenda

## ECONOMIC CALENDAR

Economic Indicator	Period	Date	Time (WIB)	Prv.	Forecast	Actual
Trade Balance	Agu-20	15-Sep	16.00	US\$3.24 B	US\$2.27 B	US\$2.33 B
Retail Sales (Y/Y)	Jul-20	9-Sep	8.00	-17.10%	-11.50%	-12.30%
Inflation (Y/Y)	Agu-20	1-Sep	12.00	1.54%	1.85%	1.32%
CCI (Y/Y)	Agu-20	8-Sep	16.00	86.2	90.0	86.9
FX Reserves	Agu-20	7-Sep	17.00	US\$135.1 B	US\$136 B	US\$137 B
GDP	2Q20	21-Sep	16.00	2.97%	-2.50%	-5.32%

Source: MPIS Research

## MARKET STATISTICS

## TOP GAINERS

TICKER	Close	Chg	% Chg
DPUM	66	15	29.41%
JMAS	172	39	29.32%
AKSI	452	90	24.86%
TFCO	412	82	24.85%
JSKY	296	52	21.31%

## TOP TRADING VALUE

TICKER	Close	Chg	% Chg
BBCA	28,150	(625)	-2.17%
TOWR	1,040	10	0.97%
BBRI	3,220	20	0.63%
TLKM	2,890	70	2.48%
MIKA	2,330	(20)	-0.85%

## MOST ACTIVE

TICKER	Close	Chg	% Chg
BBCA	28,150	(625)	-2.17%
BBRI	3,220	20	0.63%
JSKY	296	52	21.31%
ASRI	131	14	11.97%
BEST	181	(13)	-6.70%

## TOP LOSERS

TICKER	Close	Chg	% Chg
ENZO	107	(8)	-6.96%
PCAR	298	(22)	-6.88%
SSTM	436	(32)	-6.84%
ATIC	545	(40)	-6.84%
SIPD	1,110	(80)	-6.72%

## MOST TRADED

TICKER	Close	Chg	% Chg
TOWR	1,040	10	0.97%
ASRI	131	14	11.97%
ENWY	65	(4)	-5.80%
BRMS	65	6	10.17%
ZINC	137	1	0.74%

## TRADING STATISTICS

Trading Volume (in mn shares)	12,018
Trading Value (in bn rupiah)	9,759
Trading Frequency (in times)	572,196
Foreign Net Trading Value (bn IDR)	(999)
YTD Fign Net Trading Value (bn IDR)	(39,670)

Source: IDX

## Disclaimer

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