



AGRI	BSIC	CONS	FINC	INFR	MINE	MISC	PPTY	TRDE	MFTG										
1,147.04	701.68	1,836.49	1,057.79	814.28	1,335.73	840.98	340.21	627.05	1,172.00										
-9.92	-0.86%	-1.19	-0.17%	-9.72	-0.53%	-3.88	-0.37%	1.09	0.13%	-4.82	-0.36%	-8.16	-0.96%	-1.93	-0.56%	0.51	0.08%	-5.64	-0.48%

STOCK INDEX	CLOSE	Chg	%Chg
JCI	4,917.96	(16)	-0.33%
LQ-45	754.18	(2)	-0.29%
IDX30	412.17	(1)	-0.30%
DJIA	26,764.25	(524)	-1.92%
Nasdaq	10,632.99	(331)	-3.02%
S&P 500	3,236.93	(79)	-2.37%
Nikkei	23,346.49	(14)	-0.06%
Hang Seng	23,742.51	26	0.11%

TRADING STATISTICS

Trading Volume (m shares)	8,362
Trading Value (b IDR)	6,991
Trading Frequency (in times)	570,015
Fgn Net Trade Value (b IDR)	(234)
YTD Fgn Net Trade Value (b IDR)	(40,847)

CMDTY & CCY	CLOSE	%Chg
WTI	39.51	-0.10%
Brent	41.41	-0.77%
Gold	1,861.28	-2.29%
Coal (USD/MT)	60.50	0.41%
Copper (US\$/lb.)	2.95	-3.93%
Nickel (US\$/MT)	14,561.00	0.48%
CPO (MYR/MT)	2,617.00	-1.84%
USDIDR	14,835.00	0.36%

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	6.83%	6.83%

FOCUS

MINISTRY OF INDUSTRY FOCUS FOR THE IKFT SECTOR

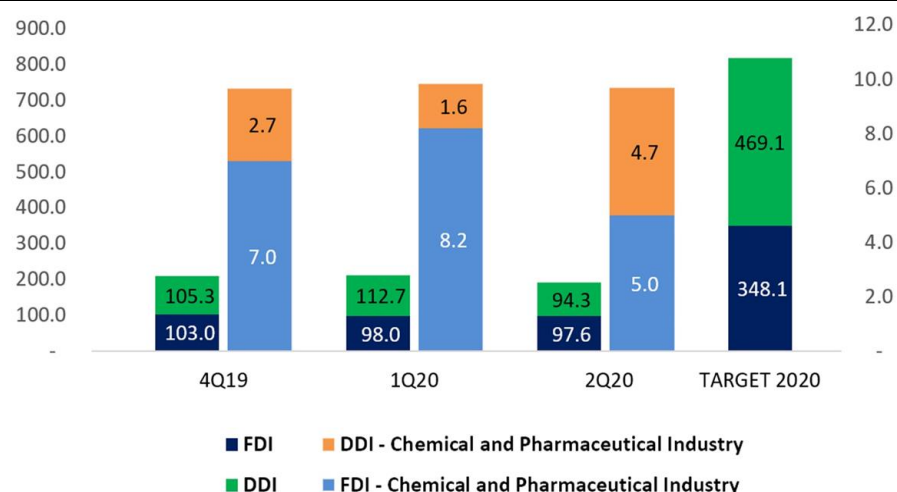
The Ministry of Industry in 2020 targets for the chemical, pharmaceutical and textile industry (IKFT) sector to grow 0.40% and is expected to grow by 5.3% in 2024. The Ministry of Industry is also targeting the IKFT sector export performance in 2020 to reach US\$34.14 B. with the realization of an investment of Rp84.65 T and could absorb a workforce of 7.37 M people.

In 2Q20 the IKFT sector grew by 4.5% driven by the growth from chemical, pharmaceutical and traditional medicine industries which grew by 8.65% or exceeding the economic growth which experienced a contraction of 5.32%. In terms of export performance in 2Q20, the IKFT sector contributed US\$4.59 B and realized investment amounted to Rp32.39 T consisting of Foreign Direct Investment (FDI) of Rp20.06 T and Domestic Direct Investment (DDI) of around Rp12.33 T.

At the same time, the Ministry of Industry obtained a budget ceiling for 2021 of Rp3.18 T. This amount was approved in a working meeting with Commission VI DPR RI on adjustments to the Ministry / Agency Budget Work Plan (RKA K/L) and the Government Work Plan (RKP) for the Fiscal Year 2021. This budget will focus on four programs, including education and vocational training Rp962 B, science and technology innovation research program Rp112.3 B, value-added program and industrial competitiveness of Rp663.3 B, and management support of Rp1.4 T.

For the IKFT sector, the Ministry of Industry encourages the implementation of Making Indonesia 4.0 in the upstream chemical industry sector for a policy recommendation, facilitating the development of the petrochemical industry in Bintuni Bay. As additional information, the Directorate of Chemical, Textile and Miscellaneous Industries (IKTA) of the Ministry of Industry changed its name in 2020 to the Directorate of Chemical, Pharmaceutical and Textile Industries (IKFT).

Fig 1: Indonesia Investment Realization



*Data from IKTA (before changed into IKFT)

Sources: BKPM, MPIS Research



MARKET RECAP

On Wednesday trading (9/23), JCI weakened for the third consecutive trading day and closed lower by -16 points (-0.3%) to 4,918, after index trying to strengthen in the first session. Total transaction volume reached 8.36 billion shares with a transaction value of Rp7 trillion. Foreign investors still posted a net sell of Rp234 billion, fulfilling the foreign net sell record to 19 consecutive trading days and compounding the year-to-date foreign net sell to Rp40.85 trillion.

Only two sectors which managed to slightly advance, i.e. infrastructure (+0.13%) and trade (+0.08%). On the other hand, retreating sectors were led by miscellaneous industry (-0.96%), agriculture (-0.86%), and property (-0.56%). Stocks supporting the JCI were BBCA (+1.0%), KLBF (+5.2%), and TLKM (+0.7%). By contrast, stocks weighing down the JCI were BBRI (-1.6%), BMRI (-1.9%), and HMSP (-2.4%).

U.S. NEWS

U.S. stocks plunge as investors were disappointed over the stalemate between congressional Democrats and the White House

over additional coronavirus stimulus aid. Furthermore, investors were worried about what would happen going into the fall and winter, amid the resurgence of coronavirus cases and political unease ahead of the Nov. 3 U.S. general election. The DJIA fell 1.92% to 26,764.25. The S&P 500 lost 2.37% to 3,236.93, and the Nasdaq Composite dropped 3.02% to 10,632.99.

U.S. Treasury yields rose, the benchmark 10-year notes were down 4/32 to yield 0.68% and the 30-year bonds fell 7/32 to yield 1.42%, while the 2-year notes were flat to yield 0.14%.

Crude oil prices fell as fear over slow economic recovery from the COVID-19 pandemic remained strong and amplified with renewed lockdown restrictions in Europe and surging coronavirus cases in the U.S., including in Texas, Wisconsin, Oklahoma, and Colorado. WTI crude fell by -0.73% to US\$39.51/barrel, while Brent crude fell by -0.74% to US\$41.41/barrel.

NEWS FROM THE MARKET

INDUSTRY UPDATE

SAUDI ARABIA ALLOWS UMRAH BY 4 OCTOBER

The Kingdom of Saudi Arabia will allow the administration of umrah pilgrimage by 4 October 2020 after having barred it for seven months. In the first phase, the permit will only be given to 6,000 Saudi Arabian citizens, while 20,000 international pilgrims will follow suit in the next phase on 1 November. Previously, the annual hajj in July 2020 was only allowed for 10,000 citizens, compared to in the normal times when 2.5 million pilgrims from all corners of the world flock into Mecca.

COMPANY UPDATE

BBRI FACILITATES WORKING CAPITAL LOANS FOR MINISTRY OF DEFENSE'S CONTRACTORS

PT Bank Rakyat Indonesia (Persero), Tbk. (BBRI) in cooperation with the Ministry of Defense of the Republic of Indonesia provides

the ministry's suppliers, vendors, or contractors with financial services in the form of working capital loans and/or bank guarantee. The goal is to accelerate the spending of Kemhan in procurement of defense tools and equipment. The facilities BBRI provides include pre-financing and post-financing loans, competitive interest, adjustment of credit terms to working contracts, and minimal guarantee of only 30% of loan ceiling.

DILD STARTS THE ROSEBAY APARTMENT HANDOVER

PT Intiland Development Tbk (DILD), through its subsidiary PT Intiland Grande, will start The Rosebay apartment handover to its buyers. The handover will be gradually done until the end of 2020. As of now, 75% of The Rosebay units have been sold out, with a selling price of Rp2.2B - Rp3.2B. For now, 176 The Rosebay units have been developed.



ANTM TO MANAGE BLOK WABU GOLD MINE IN PAPUA

PT Aneka Tambang, Tbk. (ANTM) is said to manage the Blok Wabu gold mine in Papua which was owned by PT Freeport Indonesia (PTFI). PTFI returned the gold mine in 2015 to the Government of Indonesia as part of an obligation to limit its operating area from 212,950 hectares to 90,360 hectares. Blok Wabu has an area of 10,700 hectares and is estimated to contain the potential for gold ore as much as 4.3 million tons, with a grade of 2.47 grams/ton. The reserves could be worth up to US\$14 billion (Rp207 trillion), and with an average margin of gold mine of 30%, ANTM could pocket a dear profit of Rp62 trillion while operating the mine. Going forward, ANTM is expected to not only rely on the gold trading business, but also manage its own gold mine, given the enormous gold potential.

CSAP PLANS TO ADD MORE MITRA 10 STORES

PT Catur Sentosa Adiprana Tbk (CSAP) plans to add more Mitra 10 stores. To execute the plan, CSAP will increase PT Catur Mitra Sejati Sentosa (CMSS)'s capital by Rp74,9B. The proceeds will be used for opening Mitra 10 stores and working capital needs. Through the capital injection, CSAP ownership in CMSS will increase by 10.3% to 99.9%.

JSMR TO START LAND ACQUISITION OF KERTOSONO-KEDIRI TOLL ROAD IN 2021

PT Jasa Marga Tbk (JSMR), through its subsidiary PT Jasamarga Ngawi Kertosono Kediri (JNK), will start its land acquisition of Kertosono-Kediri toll road in early 2021. Kertosono-Kediri toll road is the extension of Ngawi-Kertosono toll road; such extension has been approved in Toll Road Concession Agreement (PPJT). Kertosono-Kediri toll road, which has a length of 20.3 km, will be connected to Kediri Airport that is now being constructed. Also, the toll road construction is expected to finish in 2023.

SEVERAL SOEs TO INVOLVE IN WTR'S TOLL ROAD DIVESTMENT

PT Waskita Toll Road (WTR), a subsidiary of PT Waskita Karya (Persero) Tbk (WSKT), plans to divest 30% of its ownership in PT Kresna Kusuma Dyandra, Bekasi - Cawang - Kampung Melayu toll road concession owner. The divested shares will be acquired by several investors in the forms of Limited Participation of Mutual Funds (RDPT). Several investors are said to include several SOEs, including PT Taspen (Persero). The 30% divested shares are equal to Rp550B.



TECHNICAL OUTLOOK

JCI IS NEGATIVE WITH EXPECTED RANGE OF 4,870 to 5,000

JCI closed lower to 4,918 for the third consecutive trading day with the Support lay at 4,754 while the Resistance hanging at 5,190/380. EMA20&50 confirming its death cross pattern along with EMA 5&20 still in death cross pattern. PSAR green still appeared while MACD still in the negative territory. Stochastic still negative while RSI was flattened.



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	505	(95)	-15.83%	HOLD
ADRO	1,030	1,350	1,080	1,280	1,010	0.35	1,160	80	7.41%	HOLD
BBTN	900	1,930	700	1,800	650	0.05	1,175	475	67.86%	BUY
FAST	880	950	885	950	840	0.69	930	45	5.08%	HOLD
HMSP	1,455	1,650	1,500	1,650	1,400	0.67	1,420	(80)	-5.33%	BUY
PTBA	1,930	2,500	2,130	2,280	1,850	1.87	1,980	(150)	-7.04%	BUY
PWON	332	434	374	420	350	0.52	354	(20)	-5.35%	BUY
WEGE	107	290	110	240	100	0.08	162	52	47.27%	BUY



Data & 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
ROCK	1,625	325	25.00%
TUGU	1,695	305	21.94%
LMSH	276	48	21.05%
SIPD	1,200	195	19.40%
IFSH	370	58	18.59%

TOP TRADING VALUE

TICKER	Close	Chg	% Chg
BBCA	27,525	275	1.01%
BBRI	3,080	(50)	-1.60%
BBNI	4,420	(120)	-2.64%
TLKM	2,800	20	0.72%
BMRI	5,200	(100)	-1.89%

MOST ACTIVE

TICKER	Close	Chg	% Chg
BBRI	3,080	(50)	-1.60%
BRIS	750	(20)	-2.60%
BBCA	27,525	275	1.01%
BBNI	4,420	(120)	-2.64%
PURA	136	(8)	-5.56%

TOP LOSERS

TICKER	Close	Chg	% Chg
PGJO	37	(4)	-9.76%
SOHO	12,650	(950)	-6.99%
PBSA	470	(35)	-6.93%
SPMA	270	(20)	-6.90%
DFAM	326	(24)	-6.86%

MOST TRADED

TICKER	Close	Chg	% Chg
ZINC	132	(1)	-0.75%
BEST	175	7	4.17%
BRIS	750	(20)	-2.60%
BRMS	59	(2)	-3.28%
PURA	136	(8)	-5.56%

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Source: IDX

Disclaimer

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