

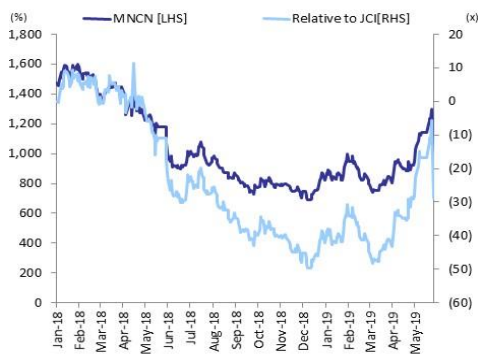
Tuesday, 02 July 2019

## OVERWEIGHT

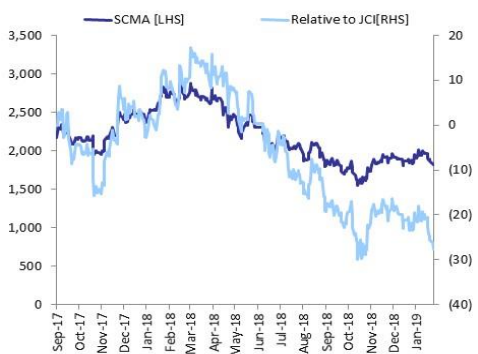
# Media

## Suzanna resurrected VIVA

### MNCN relative to JCI Index



### SCMA relative to JCI Index



Source; Bloomberg



**Ignatius Teguh Prayoga**  
(62-21) 2955 5888 ext 3511  
ignatius.prayoga@danareksa.co.id



**Andreas Kenny**  
(62-21) 2955 5888 3509  
andreas.kenny@danareksa.co.id

The latest Nielsen survey reveals that the Jun19 audience share for MNCN was lower on a monthly comparison, reflecting lower prime time and nonprime time audience share. Meanwhile, SCMA's audience share was flat on a mom basis but higher yoy due to higher non-prime time but lower prime time audience share. We see improvements in the performance of VIVA group and Trans group on a mom basis. In our Daily TV program tracking, we note that several new TV programs produced for the Ramadan season supported the audience share of both companies. We expect higher revenues in Q2 for both companies due to seasonality. MNCN remains our top pick in the sector with a TP of IDR1,200 implying 7.4x 2019PE.

**MNCN's audience share is down in the past two months.** MNCN's audience share has fallen in the past two months from 35.5% in Apr19 to 34.4% in May19 and fell further to 32.3% in Jun19. Even though the group is still in top spot, its prime time and non-prime time audience share has declined (MNCN's audience share in Jun19 is slightly lower than in the previous year at 32.3%). In Jun 2019, our tracker shows that MNCN was supported by its flagship programs: 1) Dunia Terbalik, 2) Tukang Ojek Pengkolan and 3) Masterchef Indonesia.

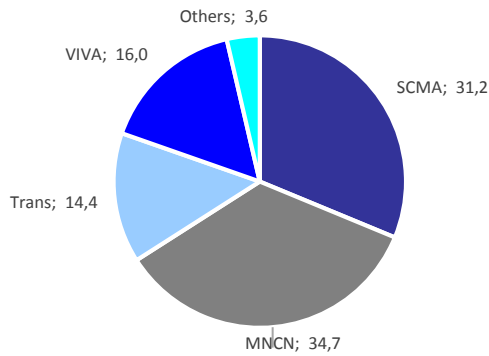
**SCMA's audience share is slightly lower.** SCMA's audience share was down from 31.4% in May19 to 31.1% in Jun19 as its prime time audience share fell from 32.7% in May19 to 30.5% in Jun19. However, its non-prime time audience share increased slightly from 30.7% in May19 to 31.5% in Jun19. In Jun 19, our tracker shows that MNCN was supported by its flagship programs and one soccer league program: 1) Cinta Suci, 2) Orang Ketiga, 3) Anak Langit, 4) Cinta Buta, and 5) Shopee Liga One.

**VIVA and Trans took the spotlight.** We note that the audience share of both VIVA and Trans improved significantly. Both groups prevailed in both prime time and non-prime time. ANTV released *Sinema Lebaran Spesial Suzanna*, a series of horror movies starring Suzanna and its new program Fitri which was launched in June 2019. These programs elevated VIVA's audience share. This series of Suzanna movies only lasted for a week. However, for Trans group, its TV programs were not captured in our daily tracker.

**MNCN remains our top pick.** Despite the fall in MNCN's share price in mid Jun19 and our reduction in the TP to IDR1,200, MNCN remains as our top pick in the sector as we anticipate better 1H19 results due to the expansion of digital ads by MNCN and the impact from the Ramadan season. The risks to our call include: 1) pressure on its clients' business, 2) stiffer competition, and 3) higher content costs.

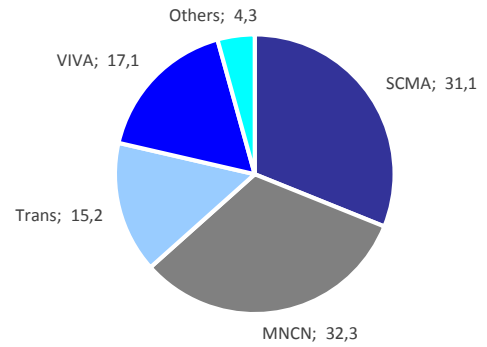
Company	Ticker	Rec	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		P/BV (x)		ROE (%)
					2019F	2020F	2018F	2019F	2019F
Media Nusantara Citra	MNCN IJ	BUY	1,200	11,906.3	7.4	6.8	1.1	1.0	15.6
Surya Citra Media	SCMA IJ	BUY	2,350	27,269.3	16.9	15.2	5.9	5.1	35.9

**Exhibit 1. Average audience share (YTD)**



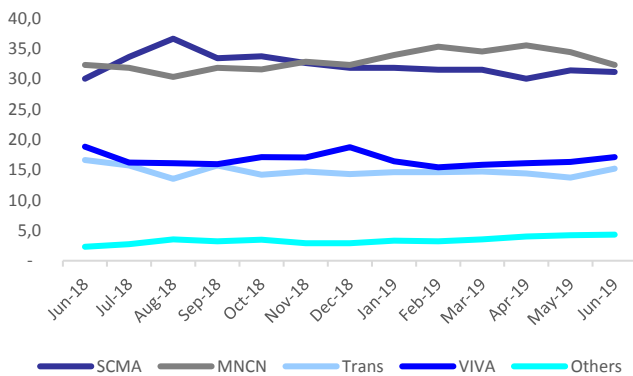
Source: Nielsen

**Exhibit 2. Audience share, Jun 2019**



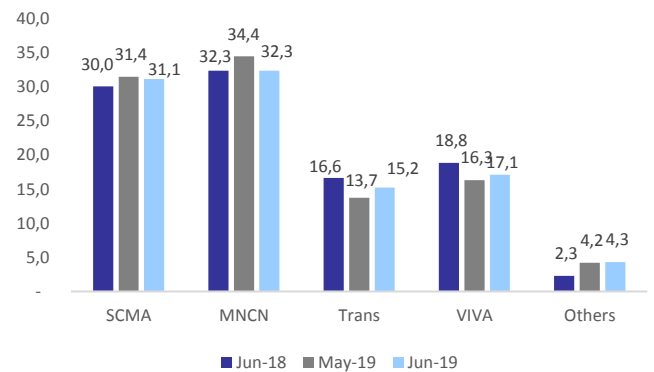
Source: Nielsen

**Exhibit 3. Audience share over the last one year**



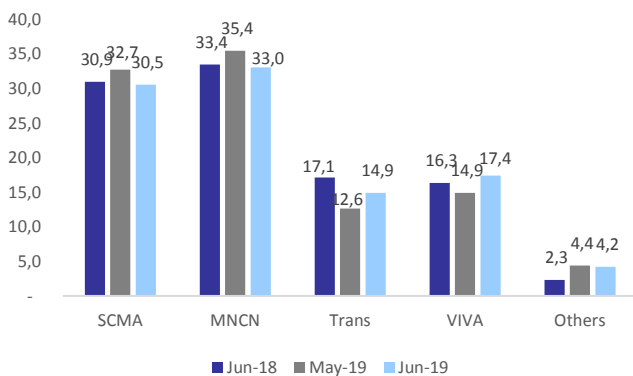
Source: Nielsen

**Exhibit 4. Audience share, Jun 2019**



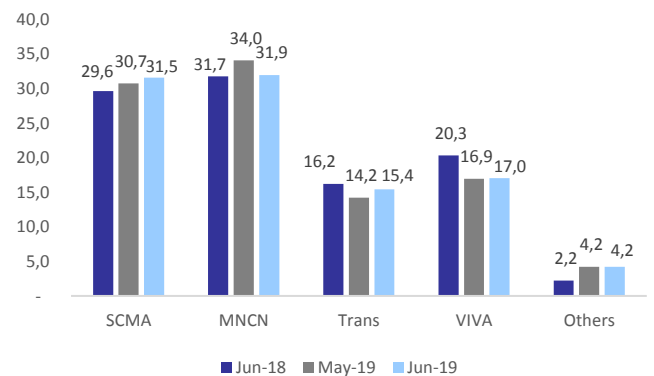
Source: Company, Danareksa Sekuritas estimates

**Exhibit 5. Prime time audience share, Jun 2019**



Source: Company, Danareksa Sekuritas estimates

**Exhibit 6. Non-prime time audience share, Jun 2019**



Source: Company, Danareksa Sekuritas estimates

**Exhibit 7. Top 10 based on Avg. TV rating and daily top 10 appearance (1-30 June 2019. 10-day obs.)**

Rank	Program	Channel	Avg. TV rating	Avg. TV share	Ranked in daily top 10	Schedule
1	CINTA SUCI	SCTV	3.7	14.7	10 times	Everyday, 19.45
2	ORANG KETIGA	SCTV	3.0	14.7	10 times	Everyday, 21.30
3	ANAK LANGIT	SCTV	2.6	14.1	9 times	Everyday, 18.20
4	DUNIA TERBALIK	RCTI	3.2	13.3	9 times	Everyday, 21.00
5	TUKANG OJEK PENGKOLAN	RCTI	2.7	12.9	7 times	Everyday, 16.30
6	CINTA BUTA	SCTV	3.0	12.9	9 times	Everyday, 19.00
7	SINEMA LEBARAN SPECIAL SUZANNA	ANTV	3.0	10.8	6 times	8-15 Jun, 19.00
8	FITRI	ANTV	2.9	11.6	5 times	Everyday, 18.00
9	SHOPEE LIGA ONE	IVM	3.2	9.6	3 times	Various
10	MASTER CHEF INDONESIA	RCTI	2.9	10.8	2 times	Weekends, 15.30

\*Rank based on average TV rating between 1-29 May 19 and frequently appear in daily top 10

Source: Nielsen, Various sources, Danareksa Sekuritas

**Exhibit 8. Top 10 based on Avg. TV rating and daily top 10 appearance (1-31 May 2019. 11-day obs.)**

Rank	Program	Channel	Avg. TV rating	Avg. TV share	Ranked in daily top 10	Schedule
1	CINTA SUCI	SCTV	3.6	14.9	11 times	Everyday, 19.45
2	ANAK LANGIT	SCTV	3.1	16.0	11 times	Everyday, 18.20
3	CINTA BUTA	SCTV	3.3	14.5	10 times	Everyday, 19.00
4	CINTA YANG HILANG	RCTI	3.2	12.8	10 times	Everyday, 19.00
5	DUNIA TERBALIK	RCTI	2.6	14.6	10 times	Everyday, 21.00
6	TUKANG OJEK PENGKOLAN	RCTI	3.8	16.5	9 times	Everyday, 16.30
7	MENGETUK PINTU HATI	SCTV	3.4	14.7	9 times	Everyday, 17.45
8	BUKA PUASA BARENG UPIN & IP	MNCTV	2.8	11.4	7 times	Everyday, 18.00
9	PARA PENCARI TUHAN 12	SCTV	2.8	19.1	6 times	Everyday 02.30
10	KULTUM	RCTI	3.1	14.0	4 times	Everyday 10.54

\*Rank based on average TV rating between 1-29 May 19 and frequently appear in daily top 10

Source: Nielsen, Various sources, Danareksa Sekuritas

**Exhibit 9. Top 10 based on Avg. TV rating and daily top 10 appearance (1-30 Apr 2019. 17-day obs.)**

Rank	Program	Channel	Avg. TV rating	Avg. TV share	Ranked in daily top 10	Schedule
1	CINTA BUTA	SCTV	3.5	14.6	17 times	Everyday, 19.00
2	CINTA YANG HILANG	RCTI	4.2	16.4	16 times	Everyday, 19.00
3	CINTA SUCI	SCTV	3.8	15.5	15 times	Everyday, 19.45
4	ANAK LANGIT	SCTV	2.7	15.8	15 times	Everyday, 18.20
5	TUKANG OJEK PENGKOLAN	RCTI	3.7	17.6	15 times	Everyday, 16.30
6	UPIN & IPIN BERMULA	MNCTV	2.6	11.7	13 times	Everyday, 18.00
7	DUNIA TERBALIK	RCTI	3.1	17.2	11 times	Everyday, 21.00
8	FATIH DI KAMPUNG JAWARA	MNCTV	2.4	9.3	11 times	Everyday 17.00
9	ORANG KETIGA	SCTV	2.6	15.4	10 times	Everyday, 21.30
10	KONSER LIDA 2019	IVM	2.5	12.9	8 times	Everyday 20.30

\*Rank based on average TV rating between 1-30 Apr 19 and frequently appear in daily top 10

Source: Nielsen, Various sources, Danareksa Sekuritas

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