





### FROM EQUITY RESEARCH

### **Consumer: Confirmation of resiliency** (OVERWEIGHT)

Because of lower incomes as a result of the covid-19 pandemic, consumers need to prioritize their spending. After consumer staples, electricity/nutritional products, data package and education are the main priorities. Consumers are eating out less and spending has shifted toward hygiene/health-related products.

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### Waskita Beton Precast: More external works may support the rating (WSBP.IJ. IDR. 179 BUY TP IDR. 250)

We expect FY20 new contracts of IDR4.0tn, or -43%yoy. New contracts booked as of mid-Jul20 reached IDR1.06tn, or 27% of our FY target. While the rate is lower than the historical rate of 44%, our new contracts estimate for 2H20 is only 63% of the historical average contracts value of IDR4.7tn in 2H. We see that the company will benefit from government plans to boost budget spending in the remainder of the year.

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- Bank Indonesia: Consumer confidence improves in July

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- Banking: new regulation on PP No. 43/2020

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#### **KEY INDEX**

Close	Chg	Ytd	Vol
Close	(%)	(%)	(US\$ m)
5,178	1.0	(17.8)	585
1,333	(0.3)	(15.6)	1,768
5,903	1.2	(24.5)	129
1,589	1.3	(0.0)	1,973
2,559	1.0	(20.6)	945
3,386	0.3	11.0	96,597
24,931	(0.7)	(11.6)	17,568
22,418	(0.4)	(5.2)	10,190
2,343	1.3	6.6	15,109
12,914	0.9	7.6	8,818
38,025	1.0	(7.8)	461
11,108	1.0	23.8	191,462
27,387	0.7	(4.0)	13,890
	1,333 5,903 1,589 2,559 3,386 24,931 22,418 2,343 12,914 38,025 11,108	Close (%)  5,178 1.0 1,333 (0.3) 5,903 1.2 1,589 1.3 2,559 1.0  3,386 0.3 24,931 (0.7) 22,418 (0.4) 2,343 1.3 12,914 0.9 38,025 1.0 11,108 1.0	Close         (%)         (%)           5,178         1.0         (17.8)           1,333         (0.3)         (15.6)           5,903         1.2         (24.5)           1,589         1.3         (0.0)           2,559         1.0         (20.6)           3,386         0.3         11.0           24,931         (0.7)         (11.6)           22,418         (0.4)         (5.2)           2,343         1.3         6.6           12,914         0.9         7.6           38,025         1.0         (7.8)           11,108         1.0         23.8

### **CURRENCY AND INTEREST RATE**

		Rate	w-w	m-m	ytd
		Rate	(%)	(%)	(%)
Rupiah	Rp/1US\$	14,585	0.1	(0.7)	(5.2)
BI7DRRR	%	4.00	(0.3)	(0.5)	(1.0)
10y Gov	Indo bond	6.79	(0.0)	(0.4)	(0.3)

### **HARD COMMODITY**

	Unit	Price	d-d	m-m	ytd
	Onit	Filce	(%)	(%)	(%)
Coal	US\$/ton	50	(2.7)	(4.7)	(25.8)
Gold	US\$/toz	2,069	0.3	15.3	36.4
Nickel	US\$/mt.ton	14,436	0.4	8.7	3.5
Tin	US\$/mt.ton	17,840	(0.3)	4.5	3.9

#### SOFT COMMODITY

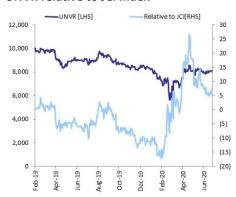
Unit		Dates	a-a	m-m	yta
	Unit	Price	(%)	(%)	(%)
Cocoa	US\$/mt.ton	115	0.3	(12.1)	(20.5)
Corn	US\$/mt.ton	42	0.2	3.5	(31.1)
Oil (WTI)	US\$/barrel	45	(0.2)	4.6	(31.7)
Oil (Brent)	US\$/barrel	2,847	(0.7)	17.7	(5.9)
Palm oil	MYR/mt.ton	130	2.9	10.3	(10.5)
Rubber	USd/kg	1,205	N/A	2.8	20.5
Pulp	US\$/tonne	378	2.3	8.4	5.2
Coffee	US\$/60kgbag	136	(1.9)	1.6	(11.9)
Sugar	US\$/MT	32	(0.6)	10.9	(8.6)
Wheat	US\$/ton	881	(0.1)	(2.0)	(6.6)
Soy Oil	US\$/lb	115	0.3	(12.1)	(20.5)
SoyBean	US\$/by	42	0.2	3.5	(31.1)



Friday, 07 August 2020

# Overweight Maintain

#### **UNVR** relative to JCI Index



#### **KLBF** relative to JCI Index



Source: Bloomberg



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### **Consumer**

### **Confirmation of resiliency**

Because of lower incomes as a result of the covid-19 pandemic, consumers need to prioritize their spending. After consumer staples, electricity/nutritional products, data package and education are the main priorities. Consumers are eating out less and spending has shifted toward hygiene/health-related products.

79% of the total respondents have lower incomes. We conducted a survey encompassing 1,724 people in 6 Indonesian provinces through Danareksa Research Institute (DRI) to gauge the impact of the Covid-19 pandemic on the people's income and changes in shopping/product preferences. Around 51% of the total respondents said that the pandemic had reduced their incomes by 25% to 50%. With less money in their pockets, we believe consumers will be more selective in their shopping preferences.

**Priority shopping.** After food staples, there are 4 spending priorities, namely: Electricity, Nutritional products/Vitamins, data package and Education. Cigarettes are the next spending priority. Personal care (skin/hair/body) and homecare products have demonstrated resiliency as around 53-78% of the total respondents stated that they had maintained their consumption on these products. Around 30-40% of the total respondents have spent more money on home cleaning and personal hygiene products amid the pandemic.

Hygiene and health products to see growing demand. In the face of lower incomes, respondents said that they would reduce spending on eating out (85%), entertainment activities (80%) and snacks/coffee (65%). Around 41% of the total respondents ate home cooked food 3x/day before the pandemic. However, this percentage has increased to 45% during the pandemic. From this survey we also learnt that only 18% of the total respondents consume vitamins/herbal/traditional supplements on a daily basis. Around 43% rarely consume vitamins/nutritional products and the remaining 39% do not consume them at all. However, the pandemic has changed people's lifestyles: (1) greater hygiene awareness from using hand sanitizers, hand wash products and face masks, (2) the switch to eating more home cooked food, (3) the consumption of vitamins and healthy food to boost immunity and (4) doing more sports. Reducing smoking was the last option for the respondents.

**Maintain Overweight.** The survey provides insights that cement our view on the resiliency of consumer companies which have strong fundamentals with net cash positions and proven track records. We continue to like UNVR and KLBF as they should be major beneficiaries of growing demand for hygiene related and health/nutritional products. We also expect to see resilient earnings growth for ICBP given that its staples products are offered at affordable prices. Maintain Overweight on the sector.

			Target	Market					
			Price	Price Cap.		:)	P/BV (:	ROE (%)	
Company	Ticker	Rec	(Rp)	(RpBn)	2020F	2021F	2020F	2021F	2021F
Unilever Indonesia	UNVR IJ	BUY	9,100	311,876	40.0	37.5	55.0	51.2	141.4
Indofood CBP	ICBP IJ	BUY	11,600	120,409	22.3	20.6	4.3	3.9	19.8
Kalbe Farma	KLBF IJ	BUY	1,700	75,000	29.7	27.9	4.3	3.9	14.8
Indofood Sukses	INDF IJ	BUY	7,600	61,682	11.8	11.1	1.5	1.4	13.2
Mayora Indah	MYOR IJ	BUY	2,600	50,978	21.4	21.8	4.5	3.9	19.1
Sido Muncul	SIDO IJ	BUY	1,530	21,000	23.6	22.0	6.6	6.4	29.7
Kino Indonesia	KINO IJ	SELL	2,700	4,771	18.9	18.2	1.8	1.6	9.3



### Friday,07 August 2020

### BUY Maintain

Last price (IDR)	179
Target Price (IDR)	250
Upside/Downside	+39.7%
Previous Target Price (IDR)	240

#### Stock Statistics

Sector	Construction
Bloomberg Ticker	WSBP IJ
No of Shrs (mn)	26,361
Mkt. Cap (IDRbn/USDmn)	4,719/324
Avg. daily T/O (IDRbn/USDmn)	13.9/1.0

#### Major shareholders (%)

Waskita Karya	60.0
Public	40.0

#### **EPS Consensus (IDR)**

	2020F	2021F	2022F
Danareksa	9.5	14.8	16.4
Consensus	21.3	24.8	28.7
Danareksa/Cons	(55.3)	(40.0)	(42.8)

### **WSBP** relative to JCI Index



Source: Bloomberg

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## Waskita Beton Precast(WSBP IJ)

### More external works may support the rating

We expect FY20 new contracts of IDR4.0tn, or -43%yoy. New contracts booked as of mid-Jul20 reached IDR1.06tn, or 27% of our FY target. While the rate is lower than the historical rate of 44%, our new contracts estimate for 2H20 is only 63% of the historical average contracts value of IDR4.7tn in 2H. We see that the company will benefit from government plans to boost budget spending in the remainder of the year.

We further cut our FY20 forecast given the weak 1H20 result. We cut our FY20 new contracts target to IDR4.0tn, or -43.1%yoy on the back of weak realization in 1H20 due to the covid-19 pandemic. The new contracts as of mid-Jul20 reached IDR1.06tn (-67.4%yoy), or 26.5% of our FY target. Our FY20 new contracts target is 20% lower than the management's new target of IDR5.0tn and 67% lower than the management's initial target of IDR12.0tn. We believe our new contracts target is achievable as the remaining target of IDR3.0tn is only 63% of the historical new contracts booked in 2H at IDR4.7tn on average. WSBP's order book as of mid Jul20 stood at IDR5.7tn.

Awaiting more new contracts and to continue its ongoing projects in 2H20. WSBP is awaiting some new projects to be awarded by Hutama Karya such as: the Padang – Sicincin toll road and the Binjai – Langkat toll road, along with three irrigation projects from the Ministry of Public Works and Housing and a seaport project in Bali. For the private sector, WSBP is participating in tenders for smelter projects in West Kalimantan, Kendar – North Sulawesi and in East Java. The company still has ongoing projects from Hutama Karya such as the Aceh – Sigli toll road, the Indrapura – Kisaran toll road, the Tebing Tinggi – Kuala Tanjung toll road, and the Pekan Baru – Bakinang toll road. These projects should support revenues in the future.

Awaiting a new rating from Pefindo. WSBP is expecting a new rating from Pefindo by early Sep20. The rating will be used in its bonds issuance expected this year for the refinancing of its short term bank loans. In May20, WSBP's rating was downgraded to BB mostly reflecting the high risk from its high dependency on its parent, WSKT (more than 50% of the works when the assessment was conducted). However, WSBP is looking for more external projects. As of mid Jul20, the portion of external contracts had reached 60% and they are expected to rise to 70% by end-2020. Around 66% or IDR3.8tn of the company's debts are ST bank loans. WSBP's bank loan cost stands at 9.5% to 10.5%pa. The DER stood at 0.84x as of Jun20 with an ICR of 1.19x.

Maintain BUY with a slightly higher target price of IDR250 (old: IDR240) based on 16.9x PE multiple, implying the median between its average PE and +1SD PE as we roll over our valuation to 2021. WSBP is trading at 12.1x 21PE.

#### **Kev Financials**

,					
Year to 31 Dec	2018A	2019A	2020F	2021F	2022F
Revenue (IDRbn)	8,000	7,467	3,440	5,134	5,946
EBITDA (IDRbn)	1,650	1,289	522	767	871
EBITDA Growth (%)	7.8	(21.9)	(59.5)	46.8	13.5
Net profit (IDRbn)	1,103	806	250	391	433
EPS (IDR)	42.6	30.6	9.5	14.8	16.4
EPS growth (%)	10.3	(28.2)	(69.0)	56.4	10.7
BVPS (IDR)	304.4	308.6	310.4	322.9	335.6
DPS (IDR)	28.5	20.9	7.6	2.4	3.7
PER (x)	4.2	5.9	18.9	12.1	10.9
PBV (x)	0.6	0.6	0.6	0.6	0.5
Dividend yield (%)	15.9	11.7	4.3	1.3	2.1
EV/EBITDA (x)	5.4	8.0	15.3	11.8	10.8

Source: WSBP, Danareksa Estimates

### **Equity SNAPSHOT**





### MARKET NEWS

#### **MACROECONOMY**

### **Bank Indonesia: Consumer confidence improves in July**

Bank Indonesia (BI) Consumer Survey in July 2020 indicates that consumer confidence in economic conditions is improving, even though it is still in the pessimistic zone (less than 100), as reflected in the Consumer Confidence Index (IKK) of 86.2, up from 83.8 in the previous month. Spatially, consumer confidence improved in the 13 cities, with the highest increases in the cities of Mataram, Denpasar and Pangkal Pinang. The strengthening of consumer confidence in July 2020 was driven by improving consumer perceptions of current economic conditions, which is reflected in the improvement of all its constituent components, namely confidence in income, availability of employment, and the purchase of durable goods. This is in line with economic activity that has increased again after the easing of Large-Scale Social Restrictions (PSBB) in various cities in Indonesia. (Investor Daily)

### **SECTOR**

### Banking: new regulation on PP No. 43/2020

PP No. 43/2020 is replacing PP No. 23/2020 on National Economic Recovery Program (PEN). Few key highlights are: 1) shift the terminology of executing banks and participant banks into partner banks, 2) criterias for partner banks are owned by domestic institutions with minimal level 3 composite level released by OJK from previously 15 biggest banks and 51% owned by domestic institutions, 3) all government's placement fund will be guaranteed by LPS, Askrindo, Jamkrindo, PT Penjaminan Infrastruktur Indonesia (PII) and Indonesia Exim Bank (LPEI), 4) PT Sarana Multi Infrastruktur (SMI) act as the Government's SPV for regional PEN.

#### **CORPORATE**

### Astra International: TAM targeted monthly Corolla Cross sales volume of around 200 - 300 units

Toyota Astra Motor (TAM) has launched All New Corolla Cross, an high compact SUV with targeted monthly sales volume of around 200 - 300 units. Corolla Cross comes with two models (hybrid and gasoline types) with engine capacity of 1.8L. TAM targeted that hybrid variant to contribute 40% of total sales volume while remaining (60%) from gasoline (non-hybrid) variants. (Investor Daily)

### Hutchison 3 reported key financials for 1H20 - positive findings.

As of 2Q20, Hutchison 3 had approximately 34.16 mn active subscribers, increased approx. by 14%yoy. The Indonesia operation has expanded its 4G network to almost 28,000 4G BTS, covering approximately 35,000 villages as at 30 June 2020. For 1H20, the Indonesiaoperation reported revenue growth of 10%yoy in local currency, reflecting the 14% growth in active customer accounts and 45% growth of data traffic compared to the same period last year. However, EBITDA and EBIT decreased by 8% and 31% in local currency respectively compared to same period last year, primarily due to increased network costs and depreciation that accompany the network expansion. Comment: This adds to Indosat and Smartfren 1H20 financial results with Hutch 3 reporting YTD revenue growth of 10%. We deem this result positive for Hutch 3 and beneficiary of the increasing data adoption with very high consumption per sub (we estimate about +8GB/sub/month). We note also that Hutch has been leading tenancy take up for both Tower Bersama TBIG and Sarana Menara Nusantara TOWR in the recent tower results. Meeting the vice CEO of Hutch 3 Indonesia, we were advised that Hutch 3 was committed to significant budget capex for its network and looking for expansion in ex-Java. The sector competition is heating up but we understand operators are looking for market share is not the key priority, but rather deeper adoption of their service.

Hutchison 3 Indonesia 1H20 results	1H19	1H20	Δ yoy
Total revenues (Rp bn)	6,850	7,535	10.00%
EBITDA (Rp bn) (pre IFRS 16)	1,849	1,701	-8.00%
EBITDA margin	27%	23%	-4.42%
Active Subscribers (mn)	30.00	34.16	13.87%
Data traffic (PB)	1,214	1,760	45.00%
4G BTS	_ 21,000	28,000	33.33%



Equity																				
Valuation	Rating	Price (Rp)	Price	Mkt Cap	Net prof			(Rp)	Core EPS (			rowth	PER		EV / EBIT		PBV (x)		ROE	
Danareksa Universe			Target	Rp Bn 3.590.750	2020 179,221	2021	2020 147	2021 183	2020	2021	2020 -21.3%	2021 24.8%	2020	2021 16.1	2020 10.8	2021 10.0	2020	2021	2020 11.1	2021 13.0
Auto				211,527	14,957	19,242	301	387			-31.1%	28.6%	14.1	11.0	6.8	6.4	1.3	1.2	9.8	11.7
Astra International	BUY	5,225	5,600	211,527	14,957	19,242	369	475	525	546	-31.1%	28.6%	14.1	11.0	6.8	6.4	1.3	1.2	9.8	11.7
Banks BCA	HOLD	31.300	33.000	<b>1,196,161</b> 771,702	<b>47,407</b> 21.520	<b>75,553</b> 28,722	<b>361</b> 873	<b>575</b> 1,165	873	1.165	<b>-38.4%</b> -24.7%	<b>59.4%</b> 33.5%	<b>25.2</b> 35.9	<b>15.8</b> 26.9	N/A	N/A	<b>2.2</b> 4.2	<b>2.0</b> 3.9	<b>8.4</b> 12.1	<b>13.1</b> 15.2
BNI	BUY	4,640	5,000	86,530	2,077	11,925	111	639	777	870	-86.5%	474.1%	41.7	7.3	N/A	N/A	0.7	0.7	1.7	9.6
Bank Tabungan Negara	BUY	1,340	1,500	14,191	1,133	1,909	107	180	107	180	442.1%	68.5%	12.5	7.4	N/A	N/A	0.8	0.7	5.3	9.7
Bank Mandiri	BUY	5,775	6,500	269,500	17,683	27,053	379	580	379	580	-35.7%	53.0%	15.2	10.0	N/A	N/A	1.4	1.4	9.0	14.0
BTPN BTPS	HOLD HOLD	2,230 3,600	3,500 3,600	18,172 27,733	2,870 963	3,298 1,381	352 125	405 179	352 125	405 179	11.2% -31.2%	14.9% 43.4%	6.3 28.8	5.5 20.1	N/A N/A	N/A N/A	0.6 4.6	0.5 3.9	9.3 16.8	9.9 21.1
BPD Jatim	BUY	3,600 555	760	8.334	1.161	1,265	77	84	77	84	-31.2% -15.7%	9.0%	26.6 7.2	6.6	N/A	N/A	0.9	0.8	12.3	12.6
Cigarettes				294,068	23,747	24,334	201	206			-3.5%	2.5%	12.4	12.1	7.5	6.7	3.2	2.9	26.6	25.3
Gudang Garam	BUY	51,575	57,000	99,235	10,837	11,296	5,632	5,871	5,739	6,765	-0.4%	4.2%	9.2	8.8	6.2	5.1	1.8	1.6	20.6	19.3
HM Sampoerna  Construction	SELL	1,675	1,640	194,833 <b>63,195</b>	12,910 <b>5,853</b>	13,038 <b>7,665</b>	111 <b>78</b>	112 103	132	136	-5.9% <b>-29.8%</b>	1.0% <b>31.0%</b>	15.1 10.8	14.9 <b>8.2</b>	8.7 <b>7.98</b>	8.3 <b>7.32</b>	5.2 <b>0.6</b>	5.1 <b>0.6</b>	35.2 <b>6.2</b>	34.6 <b>7.3</b>
Wijaya Karya	BUY	1,130	1.750	10.136	1,618	2.197	180	245	314	352	-29.2%	35.8%	6.3	4.6	3.7	3.4	0.5	0.5	9.1	10.9
Pembangunan Perumahan	BUY	940	1,300	5,828	622	835	100	135	280	300	-33.1%	34.2%	9.4	7.0	3.4	3.1	0.4	0.3	4.2	5.1
Adhi Karya	BUY	590	900	2,101	570	605	160	170	289	315	-14.1%	6.1%	3.7	3.5	3.2	2.8	0.2	0.2	7.2	6.6
Waskita Karya Waskita Beton	HOLD BUY	625 179	730 240	8,484 4,719	517 724	693 776	38 27	51 29	172 34	172 38	-44.9% -10.2%	34.0% 7.2%	16.4 6.5	12.2 6.1	13.3 7.1	11.9 6.3	0.4 0.5	0.4 0.5	2.6 8.7	3.2 8.7
Wika Beton	BUY	274	400	2,388	553	642	63	74	66	74	8.0%	16.1%	4.3	3.7	3.2	3.0	0.6	0.6	15.2	15.7
Jasa Marga	BUY	4,070	5,500	29,540	1,249	1,917	172	264	301	371	-43.4%	53.5%	23.7	15.4	13.6	13.1	1.3	1.1	5.7	7.8
Consumer				549,717	21,047	22,348	255	271			6.0%	6.2%	26.1	24.6	15.4	14.4	6.3	5.7	25.1	24.4
Indofood CBP Indofood	BUY	10,325 7.025	11,600 7.600	120,409 61,682	5,399 5,230	5,855 5,578	463 596	502 635	465 600	510 663	7.1% 6.6%	8.4% 6.7%	22.3 11.8	20.6 11.1	17.1 5.6	16.1 5.2	4.5 1.6	4.0 1.5	21.1 13.9	20.6 13.7
Unilever	BUY	8,175	9.100	311,876	7,788	8,314	204	218	210	223	5.3%	6.8%	40.0	37.5	27.1	25.6	40.9	40.7	102.3	108.8
Kino Indonesia	SELL	3,340	2,700	4,771	253	262	177	183	206	230	-51.3%	3.6%	18.9	18.2	10.3	9.2	1.7	1.5	9.2	8.8
Mayora Indah	BUY	2,280	2,600	50,978	2,377	2,339	106	105	88	96	19.6%	-1.6%	21.4	21.8	14.0	12.6	4.6	4.1	23.1	19.9
Pharmaceutical Sido Muncul	BUY	1,400	1,530	<b>115,157</b> 21,000	<b>3,585</b> 883	<b>3,832</b> 949	<b>53</b> 59	<b>56</b> 63	60	67	<b>3.1%</b> 9.3%	<b>6.9%</b> 7.4%	<b>32.1</b> 23.8	<b>30.1</b> 22.1	<b>18.9</b> 19.7	<b>17.0</b> 17.4	<b>4.2</b> 6.5	<b>3.9</b> 6.1	<b>13.9</b> 28.0	13.5 28.3
Kalbe Farma	BUY	1,600	1,700	75,000	2,521	2,687	59 54	57	61	66	0.6%	6.6%	29.8	27.9	16.8	15.2	4.2	3.7	14.7	26.3 14.1
Phapros	BUY	1,780	965	1,495	110	121	130	144	130	144	13.7%	10.5%	13.7	12.4	6.8	6.9	0.8	0.7	7.7	6.1
Kimia Farma	HOLD	3,180	1,300	17,662	71	75	13	14	13	14	6.5%	5.0%	247.2	235.5	33.9	29.3	4.4	4.4	1.8	1.9
Heavy Equipment United Tractors	BUY	23,775	21,000	<b>88,684</b> 88,684	<b>8,152</b> 8,152	<b>9,324</b> 9,324	<b>2,185</b> 2,185	<b>2,500</b> 2,500	2,817	2,769	<b>-27.9%</b> -27.9%	<b>14.4%</b> 14.4%	<b>10.9</b> 10.9	<b>9.5</b> 9.5	<b>3.7</b> 3.7	3.4 3.4	<b>1.3</b> 1.3	<b>1.2</b> 1.2	<b>12.9</b> 12.9	<b>13.3</b> 13.3
Industrial Estate	BUT	23,775	21,000	14,236	1,198	1,645	2,185	2,500 <b>26</b>	2,017	2,769	-27.9%	37.3%	11.9	8.7	4.8	4.5	0.9	0.8	7.5	9.8
Puradelta Lestari	HOLD	236	160	11,375	790	904	16	19	28	21	-40.8%	14.4%	14.4	12.6	7.1	9.0	1.6	1.5	10.9	12.3
Bekasi Fajar	BUY	120	220	1,158	409	468	42	49	41	48	7.6%	14.4%	2.8	2.5	3.2	2.6	0.2	0.2	8.7	9.3
Surya Semesta Media	BUY	362	600	1,703 <b>31,177</b>	2,673	273 3,881	(0) 92	58 134	46	82	-101.1% -19.1%	-27400.0% 45.2%	(1,703.3) 11.7	6.2 <b>8.0</b>	2.2 5.9	1.1 5.1	0.4 1.7	0.4 1.5	(0.0) <b>15.0</b>	6.2 19.4
Media Nusantara Citra	BUY	885	1,550	12,634	1.773	2,677	124	188	161	181	-20.6%	51.0%	7.1	4.7	4.1	3.3	1.0	0.9	14.5	19.6
Surya Citra Media	BUY	1,255	1,450	18,542	900	1,204	61	81	95	111	-15.9%	33.8%	20.6	15.4	8.9	8.0	3.1	2.8	16.2	19.2
Mining				134,808	12,196	12,745	137	144			-1.2%	4.5%	11.1	10.6	4.0	3.9	0.9	0.9	8.2	8.2
Adaro Energy Timah	BUY	1,115 790	1,300 950	35,664 5.884	5,353	5,197 109	167	162 15	190 12	182 26	-7.3% -44.1%	-2.9% -131.8%	6.7 (17.2)	6.9 54.0	2.5 8.0	2.3	0.6 1.0	0.6	9.3	8.7 1.8
Vale Indonesia	BUY	3,690	4,000	36,665	1,278	1,392	129	140	127	153	56.8%	8.9%	28.7	26.3	8.7	7.7	1.3	1.2	4.6	4.8
Aneka Tambang	BUY	835	750	20,066	235	290	10	12	30	33	21.1%	23.4%	85.4	69.2	9.7	9.9	1.0	1.0	1.2	1.4
Bukit Asam	BUY	2,080	3,200	23,963	3,954	4,067	343 1.345	353	364	381	-2.5% -17.8%	2.9%	6.1	5.9	3.6	3.7	1.2	1.1 0.7	20.5	18.9
Indo Tambangraya Megah Harum Energy	BUY HOLD	7,975 1,315	12,000	9,011 3,555	1,519 199	1,434 256	1,345 74	1,269 95	1,531 116	1,483 126	-17.8% -26.8%	-5.6% 28.6%	5.9 17.9	6.3 13.9	1.4 - 1.2 -	1.3	0.7 0.8	0.7	11.8 4.5	11.2 5.6
Petrochemical	HOLD	1,313	1,300	217,439	2.430	2.783	22	25	110	120	64.2%	14.5%	89.5	78.1	17.1	16.6	5.0	4.8	5.6	6.3
Barito Pacific	BUY	920	900	85,917	821	994	9	11	14	12	115.2%	21.1%	104.6	86.4	11.6	10.8	5.0	4.9	4.8	5.8
Chandra Asri Petrochemical	BUY	7,375	7,500	131,522	1,609	1,789	90	100	94	105	46.4%	11.2%	81.8	73.5	28.8	28.3	5.0	4.8	6.1	6.6
Plantation Astra Agro Lestari	BUY	9,700	12,500	<b>25,356</b> 18,669	<b>1,079</b> 669	<b>1,319</b> 954	<b>123</b> 348	<b>151</b> 496	488	438	<b>124.8%</b> 217.1%	<b>22.2%</b> 42.6%	<b>23.5</b> 27.9	<b>19.2</b> 19.6	<b>6.3</b> 6.6	<b>6.6</b> 6.8	<b>0.9</b> 1.0	<b>0.9</b> 0.9	3.9 3.5	<b>4.6</b> 4.8
PP London Sumatra	BUY	980	1,250	6,686	410	365	60	53	67	54	52.4%	-11.0%	16.3	18.3	5.1	5.5	0.8	0.8	4.9	4.2
Poultry				116,590	2,750	4,107	91	135			-50.3%	49.3%	42.4	28.4	11.7	10.0	3.0	2.7	7.6	10.0
Charoen Pokphand Japfa Comfeed	SELL HOLD	6,275 1,055	4,100 1,150	102,897 12,372	2,070 672	2,934 1,092	126 57	179 93	262 170	322 199	-43.1% -61.9%	41.7% 62.5%	49.7 18.4	35.1 11.3	16.1 5.3	13.5 4.8	4.3 1.0	3.8 0.9	9.1 6.0	11.4 8.5
Malindo Feedmill	HOLD	590	500	1.321	8	1,092	4	36	149	180	-61.9% -94.1%	912.5%	165.1	16.3	5.3 4.6	4.0	0.5	0.5	0.3	3.1
Property	HOLD	000	000	55,664	6,448	7,313	53	60	1-10		-20.7%	13.4%	8.6	7.6	7.4	5.5	0.7	0.6	8.2	8.6
Alam Sutera	HOLD	120	140	2,358	433	736	22	37	59	56	-57.2%	70.0%	5.4	3.2	4.9	4.8	0.2	0.2	4.1	6.4
Bumi Serpong Damai	BUY	695 645	900 800	14,714 11.971	2,372 978	2,112 1.089	112 53	100 59	103 38	126 55	-15.0% -15.5%	-11.0% 11.3%	6.2 12.2	7.0 11.0	6.3 9.7	4.2	0.5 0.8	0.4 0.7	7.9 6.4	6.5
Ciputra Development Pakuw on Jati	BUY	388	490	18,686	2,132	2,763	44	57	36 46	50	-15.5%	29.6%	8.8	6.8	5.2	7.2 5.1	1.1	1.0	13.7	6.8 15.8
Summarecon	BUY	550	600	7,935	533	613	37	42	39	46	18.7%	15.0%	14.9	12.9	29.8	7.4	1.0	1.0	7.1	7.6
Retail				47,484	3,053	3,760	70	86			-23.3%	23.2%	15.6	12.6	5.5	5.2	2.4	2.1	16.5	17.9
Mitra Adi Perkasa	BUY	695	950	11,537	447	824	27	50	66	74	-52.1%	84.3%	25.8	14.0	3.6	3.8	1.6	1.5	6.7	11.0
Ramayana Matahari Department Store	BUY HOLD	580 1,260	750 3,350	4,116 3,534	390 1,328	528 1,272	55 473	74 453	94 532	101 535	-39.8% -2.9%	35.4% -4.2%	10.6 2.7	7.8 2.8	2.6 1.0	2.6 0.7	0.9 1.2	0.9 1.0	9.1 52.4	11.5 38.6
Ace Hardware	BUY	1,650	2,050	28,298	888	1,136	52	66	66	72	-13.8%	27.9%	31.9	24.9	19.1	17.3	5.3	4.8	17.7	20.2
Telco				427,530	22,400	23,483	119	124			-7.1%	4.8%	19.1	18.2	4.9	4.4	2.6	2.4	14.2	13.6
Telekomunikasi Indonesia	BUY	3,020	4,000	299,168	19,746	19,338	199	195	242	261	5.8%	-2.1%	15.2	15.5	4.4	4.0	2.5	2.3	17.4	15.3
Indosat VI Aviata	BUY	2,400	3,500	13,041 27,086	(1,469) 423	(954) 797	(270) 40	(176) 74	(147) 40	(52) 74	193.6% -40.7%	35.1% 88.4%	(8.9) 64.0	(13.7) 34.0	2.8 3.3	2.5 2.9	1.3	1.4	(14.5) 2.2	(10.0)
XL Axiata Tow er Bersama	BUY	2,530 1,305	2,750 1,500	27,086	1,072	1,422	40 47	63	40 45	74 54	-40.7% 30.9%	32.6%	27.6	20.8	3.3 12.1	11.2	1.3 5.8	1.3 5.2	21.9	3.8 26.3
Sarana Menara Nusantara	BUY	1,150	1,020	58,667	2,628	2,880	52	56	54	59	12.2%	9.6%	22.3	20.4	11.8	10.8	5.6	5.0	26.6	26.0
Transportation				1,958	247	249	35	35			4.5%	1.0%	7.9	7.9	2.9	2.8	0.8	8.0	10.5	10.2
Indonesia Kendaraan Terminal Jasa Armada Indonesia	BUY HOLD	434 220	550 135	789	164 70	172 63	90 13	95 12	90 13	95 12	5.6% 1.4%	5.1%	4.8 16.6	4.6	2.0 8.0	2.0 9.3	0.6 1.0	0.6 1.0	13.7	13.6 5.6
Jasa Affiliada Indonesia	HOLD	220	135	1,163	70	0.3	13	12	13	12	1.470	-10.0%	0.01	18.5	6.0	9.3	1.0	1.0	6.4	0.0



### **COVERAGE PERFORMANCE**

### **LEADERS**

		Price						
	Code	06-Aug-20	05-Aug-20	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Kimia Farma	KAEF	3,180	2,850	11.6	43.2	181.4	154.4	HOLD
Aneka Tambang	ANTM	835	750	11.3	14.4	28.5	(0.6)	BUY
United Tractors	UNTR	23,775	21,525	10.5	10.6	37.2	10.5	BUY
Indonesia Kendaraan	IPCC	434	402	8.0	1.9	-	(36.2)	BUY
Terminal								
Ramayana	RALS	580	540	7.4	2.7	0.9	(45.5)	BUY
Adaro Energy	ADRO	1,115	1,050	6.2	2.8	6.2	(28.3)	BUY
Mitra Adi Perkasa	MAPI	695	665	4.5	(0.7)	(4.1)	(34.1)	BUY
Timah	TINS	790	760	3.9	1.3	24.4	(4.2)	BUY
Astra International	ASII	5,225	5,050	3.5	3.0	8.2	(24.5)	BUY
Indo Tambangraya Megah	ITMG	7,975	7,725	3.2	0.9	7.4	(30.5)	BUY

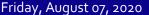
Sources: Bloomberg

### **LAGGARDS**

		Price	as on					
	Code	06-Aug-20	05-Aug-20	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Jasa Marga	JSMR	4,070	4,210	(3.3)	2.0	(7.3)	(21.4)	BUY
Indofood CBP	ICBP	10,325	10,550	(2.1)	13.2	8.7	(7.4)	BUY
Ace Hardware	ACES	1,650	1,685	(2.1)	(5.2)	7.1	10.4	BUY
Pakuwon Jati	PWON	388	392	(1.0)	(8.5)	(5.8)	(31.9)	BUY
Kalbe Farma	KLBF	1,600	1,615	(0.9)	4.9	5.6	(1.2)	BUY
Unilever	UNVR	8,175	8,250	(0.9)	(0.9)	3.2	(2.7)	BUY
Sarana Menara Nusantara	TOWR	1,150	1,160	(0.9)	5.5	5.0	42.9	BUY
Ciputra Development	CTRA	645	650	(8.0)	(1.5)	4.9	(38.0)	BUY
Indofood	INDF	7,025	7,075	(0.7)	9.8	6.8	(11.4)	BUY
Astra Agro Lestari	AALI	9,700	9,750	(0.5)	=	11.5	(33.4)	BUY

Sources: Bloomberg

### **Equity SNAPSHOT**





### **PREVIOUS REPORTS**

- Strategy: The Worst is Now Behind Us
- Malindo Feedmill Indonesia: <u>Broiler gains unable to offset losses from DOC</u>
- Indofood CBP Sukses Makmur: <u>Strong 1H20 result</u>
- Indofood Sukses Makmur: Inline 2Q20 earnings
- Sarana Menara Nusantara: More income under the hood
- Media Nusantara Citra: <u>Stellar Performance Despite Covid-19</u>
- Bank Tabungan Negara: <u>Strengthen its core in mortgage business</u>
- Aneka Tambang: <u>Boosted by good nickel performance and forex gains</u>
- Harum Energy: <u>Above expectations from other income</u>
- Unilever Indonesia: <u>Sluggish performance in a challenging guarter</u>
- Mayora Indah: <u>Boosted by forex gains and tax cuts</u>
- Indocement Tunggal Prakasa: <u>Impacted by PSBB and Lebaran festive</u>
- Adhi Karya: <u>Soft 2Q performance</u>
- Jasa Marga: Weak 2Q results due to PSBB
- Puradelta Lestari: Higher q-o-q profits amid COVID-19
- Surya Citra Media: <u>1H20 looking good</u>
- Vale Indonesia: Retaining its allure
- Timah: 2020: better results on lower costs
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- Charoen Pokphand Indonesia: Relatively immune to COVID-19
- Bumi Serpong Damai: Severe hit by COVID-19 pandemic
- Summarecon Agung: <u>Profits dragged down by investment property</u>
- PP London Sumatra: Below on Biological Asset FV
- Ace Hardware Indonesia: <u>In-line 1H20</u>, <u>ahead of its competitors</u>
- Tower Bersama: <u>TBIG in-line, solid trajectory drawn by data</u>
- Astra International: Gains from the divestment of BNLI saved the day
- BPD Jatim: On track to grow further
- Gudang Garam: 2Q20 earnings: Below estimates
- United Tractors: <u>Solid gold prices lessen pressure on earnings</u>
- Vale Indonesia: <u>Higher volume helped profit</u>
- Indosat Ooredoo: <u>In-line</u>; <u>clearer pathway to earnings</u>
- Astra Agro Lestari: <u>Above on a Lower-than-expected Tax Rate</u>
- BTPN Syariah: Still focusing on collection
- Telco: <u>Price tracker July '20 big tests for telcos</u>
- Bank Central Asia: Unjustified valuation
- Kino Indonesia: Inline 2Q20 earnings
- United Tractors: <u>Sales recovery in June</u>
- Sido Muncul: Solid earnings expected in FY20
- Chandra Asri Petrochemical: <u>Still booked negative margins</u>
- HM Sampoerna: <u>Earnings slump</u>
- Jasa Marga: Latest updates
- Sido Muncul: <u>Inline 2Q20 earnings</u>, <u>sustained by efficiencies</u>
- HM Sampoerna: <u>Hit by the pandemic and government regulation</u>
- Semen Indonesia: <u>Maintaining its grip on the market</u>
- Plantation: <u>It Takes Two to Tango</u>
- Alam Sutra Realty: Weak revenues recognition, strong marketing sales
- Strategy: <u>Monetary and Fiscal Synergy</u>
- Astra International: Sharp recovery in June car sales as expected



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Friday, August 07, 2020

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