



MORNING HIGHLIGHTS

Danareksa Snapshot

Monday, July 07, 2014

From Research:

Market Outlook: The Finale (NEUTRAL)

The final debate on Saturday epitomized the intensifying competition between the two candidates in the presidential race. And with a number of the latest polls continuing to show that the gap has narrowed considerably, both candidates did their best to attract support, especially from undecided voters. To our surprise, Jokowi looked far more confident in enunciating his vision and in defending his statements. If Jokowi does win the elections, we believe that strong inflows are likely next week, which, in turn, would drive up the market valuation and be followed by IDR appreciation.

From Today's Headlines:

(Please see our analysts' comment inside)

- Citilink Targets 15% Market Share (ID)
- Government Plan to Increase Coal Royalty by This Year (BI)
- Marketing sales BSD reach Rp2.75 T (ID)
- PTBA Eyeing US\$600mn Power Plant (BI)

From IDX:

Cash Announce	ement		
Code	Ex-Date	Date Payable	Amount (Rp)
SGRO	8-Jul-14	24-Jul-14	15
ICBP	10-Jul-14	5-Aug-14	190
INDF	15-Jul-14	8-Aug-14	142
MASA	4-Aug-14	20-Aug-14	1

Source: Stockwatch

		Key Index			
		Close	Chg	Ytd	Vol
		Close	(%)	(%)	(US\$ m)
Asean -	5				
Indones	ia	4,906	0.3	14.8	289
Thailand	t	1,496	0.2	15.2	1,421
Philippin	nes	6,962	0.9	18.2	198
Malaysia	а	1,885	(0.2)	1.0	702
Singapo	re	3,272	(0.0)	3.3	688
Regiona	al				
China		2,059	(0.2)	(2.7)	15,581
Hong Ko	ong	23,546	0.1	1.0	6,960
Japan		15,437	0.6	(5.2)	9,434
Korea		2,010	(0.1)	(0.1)	3,485
Taiwan		9,510	(0.2)	10.4	3,880
India		25,962	0.5	22.6	647
NASDA	Q	4,486	0.6	7.4	37,581
Dow Jor	nes	17,068	0.5	3.0	4,840
	Currenc	y and Inte	rest Rat	te	
		Rate	w-w	m-m	ytd
		Nuto	(%)	(%)	(%)
Rupiah	(Rp/1US\$)	11,873	1.0	0.1	2.4
SBI rate	(%)	7.14	(0.0)	(0.0)	(0.1)
10-y Go	vt Indo bond	8.14	(0.1)	0.1	(0.3)
	Hard	d Commod	lities		
	Unit	Price	d-d	m-m	ytd
	J.111		(%)	(%)	(%)
Coal	US\$/ton	70	n/a	(3.8)	(16.8)
Gold	US\$/toz	1,317	(0.2)	5.1	9.3
Nickel	US\$/mt.ton	19,324	(2.4)	1.9	39.7
Tin	US\$/mt.ton	22,774	(0.5)	(1.9)	2.0

	Soft Commodities													
	Unit	Price	d-d	m-m	ytd									
	Offic	11100	(%)	(%)	(%)									
Cocoa	US\$/mt.ton	3,187	(0.6)	1.0	11.4									
Corn	US\$/mt.ton	162	0.1	(11.0)	1.2									
Crude Oil	US\$/barrel	111	(0.1)	1.8	(0.2)									
Palm oil	MYR/mt.ton	2,455	0.3	1.5	(4.6)									
Rubber	USd/kg	166	(0.7)	1.2	(26.7)									
Pulp	US\$/tonne	925	n/a	(0.0)	2.1									
Coffee	US\$/60kg bag	110	(0.4)	3.0	11.7									
Sugar	US\$/MT	466	(0.8)	0.2	3.8									
Wheat	US\$/mt.ton	213	0.7	(8.1)	(7.5)									



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Monday, 7 July 2014

Neutral

YE14 Target	4,940
JCI Index Market Cap. (Rp tn) US\$ (bn) 1Y Avg. daily T/O. (Rp bn) US\$ (mn)	4,905 4,870 412 5,821 503
US\$ (mn)	503

Stock	Recom.	Ytd,%	Target Price (Rp)
Big cap			
BBRI	BUY	40.7	10,300
BMRI	BUY	23.2	10,500
ICBP	BUY	-1.2	13,050
JSMR	BUY	27.0	7,100
TLKM	BUY	17.4	2,750
SMGR	BUY	6.9	17,500
Medium	Cap Pick		
BBTN	BUY	20.1	1,400
Commod	lity Plays		
INCO	BUY	41.3	4,500
TINS	BUY	28.5	1,575
ADRO	BUY	9.2	1,220
A recove	ry play in 2H		
MTLA	BUY	5.8	600



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Danareksa research reports are also available at Reuters Multex and First Call Direct and Bloomberg.

Market Outlook The Finale

The final debate on Saturday epitomized the intensifying competition between the two candidates in the presidential race. And with a number of the latest polls continuing to show that the gap has narrowed considerably, both candidates did their best to attract support, especially from undecided voters. To our surprise, Jokowi looked far more confident in enunciating his vision and in defending his statements. If Jokowi does win the elections, we believe that strong inflows are likely next week, which, in turn, would drive up the market valuation and be followed by IDR appreciation.

Final round - competition heated up

The final debate on Saturday clearly shows that competition between the two candidates has intensified as reflected in the findings of several recent polls which show the gap between the two candidates has narrowed considerably. In our view, the fifth debate was marked by the two candidates trying to outperform each other in a bid to attract more votes in this week's election, especially with various polls still showing there are a considerable number of undecided voters. During the heated debate, Jokowi-JK were noticeably more assertive and, in particular, criticized the large coalition of Prabowo-Hatta, in which several party figures have been charged in corruption cases. To our disappointment, however, the critical issue of whether to lower fuel subsidies through fuel price hikes was not touched on, a reflection of both candidates' unwillingness to raise this unpopular issue for the time being to avoid any loss of support.

Prabowo-Hatta's key points: higher oil lifting of 1m barrel in 2015

Prabowo-Hatta will focus on: 1) ensuring food security and energy security whilst also supporting sustainable development; 2) implementing plans to boost productivity in the energy sector as an effort to reduce dependency on fuel imports. Hatta envisages possible higher oil lifting of 1m barrels in 2015; 3) diversification in food supply as well as in renewably energy; 4) the opening of 2m ha of land for agricultural purposes and the use of specific fertilizer for each crop to boost productivity. At the same time, Prabowo also praised the SBY government in successfully renegotiating the gas price for exports to China.

Jokowi-JK' key points: fuel to gas conversion

Jokowi did a much better job in articulating his vision and plans in the final debate. He was clearly more confident in elaborating his ideas and in defending his statements. Some of the key points were: 1) improving food production through better seeds, fertilizer and irrigation systems, as well as opening 1m ha of new paddy fields. Jokowi also highlighted the need to build the necessary infrastructure to ensure water availability before opening new agricultural land; 2) developing gas infrastructure in 3 years to support conversion from fuel to gas, especially for transportation; 3) improving public transportation in big cities in an effort to reduce fuel usage; 4) one map policy to avoid any overlapping in forestry, mining and plantation concessions.

Potential of strong inflow post-election

With investors standing on the sidelines ahead of the election, strong inflows are likely if Jokowi is victorious, in our view. With potentially higher inflows, a liquidity game would ensue. As such, we recommend the purchase of bigger cap companies such as large banks: BBRI, BBCA and BMRI, as well as ASII and TLKM. A strengthening of the currency would likely follow, which would benefit the consumers. The infrastructure sector will also enjoy renewed interest, especially construction which could go back to last year's valuation peak of 21x PE. On the other hand, if Jokowi does not win, it is likely that the market will experience a knee-jerk reaction, although we argue that the current market level already partially prices in this possibility. The IDR would also be at risk. In our view, while any de-rating in the market would affect most stocks, the exporters and commodities would still be positively impacted by IDR weakening.

Final round – competition heated up

With the political campaigning period coming to an end, the final debate served as the stage for both presidential candidates to draw support before the election on 9 July. The final debate on Saturday clearly shows that competition between the two candidates has intensified as reflected in the findings of several recent polls which show the gap between the two candidates has narrowed considerably. Based on several political polls, Prabowo-Hatta have been enjoying increasing popularity over the past couple of weeks. We have been of the view that this series of debates can allow the electorate to gauge both candidates' electability and that the debates will likely have a considerable impact on influencing undecided voters ahead of Wednesday's election.

Exhibit 1. Too close to call - smaller gap trend

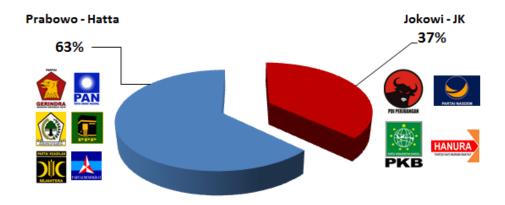
in %	LSI	SSSG	Populi Center	FSI	Poll Tracking	LSN	Cyrus Network	PDB	Indo Barometer	Kompas	LIPI	LSI*	LSN*	Indo Barometer*	Average
Jokowi - Jusuf Kalla	35.4	42.7	47.5	45.2	48.5	38.8	53.6	29.9	49.9	42.3	43.0	45.0	39.9	46.0	43.4
Prabowo - Hatta Rajasa	22.8	28.4	36.9	45.7	41.1	46.3	41.1	31.8	36.5	35.3	34.0	38.7	46.6	42.6	37.7
Undecided	41.8	29.0	15.6	9.1	10.4	14.9	5.3	38.3	13.6	22.4	23.0	16.3	13.5	11.4	18.9

Source: various publications

In our view, the fifth debate was marked by the two candidates trying to outperform each other in a bid to attract more votes in this week's election, especially with various polls still showing there are a considerable number of undecided voters. As the undecided voters are still significant (11 to 16%), the winner of next week's election remains uncertain.

During the heated debate, Jokowi-JK were noticeably more assertive and, in particular, criticized the large coalition of Prabowo-Hatta, in which several party figures have been charged in corruption cases. From the 10 parties in parliament, Prabowo-Hatta are backed by 6 of them, with the Democrat Party the last party to show its support. By comparison, Jokowi-JK is supported by a smaller coalition which is perceived to be less "transactional".

Exhibit 2. Coalition share on the legislative

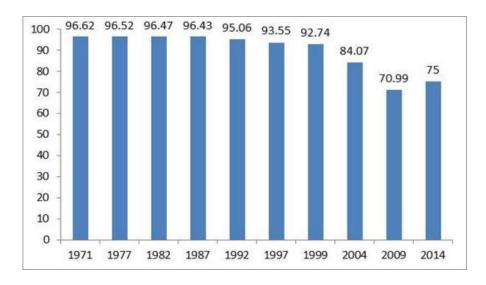


Source: KPU

The fifth and final debate took Food, Energy and the Environment as the main theme. To our disappointment, however, the critical issue of whether to lower fuel subsidies through fuel price hikes was not touched on, a reflection of both candidates' unwillingness to raise this unpopular issue for the time being to avoid any loss of support.

The political campaign officially ended at the weekend prior to the cooling-off period before the election on 9 July. The voting is already underway for Indonesians living overseas, and has reportedly drawn considerably greater participation than in the earlier legislative election. Various exit polls are inconclusive with both camps claiming strong support, especially in the absence of quick count results as the calculation of the votes will only be done on 9 July. We believe that the election on 9 July will similarly draw a large number of voters, well ahead of the parliamentary elections in April which had a 75% participation rate.

Exhibit 3. Participation rate on legislative election



Source: KPU

Prabowo-Hatta's key points: higher oil lifting of 1m barrels in 2015

During the final debate, Prabowo-Hatta highlighted a number of areas where change needs to be made, noticeably efforts in regard to improving domestic oil production. Prabowo-Hatta will focus on:

- 1) ensuring food security and energy security whilst also supporting sustainable development. The government needs to ensure the availability of food, not only in terms of the volume but also its affordability and accessibility.
- 2) implementing plans to boost productivity in the energy sector as an effort to reduce dependency on fuel imports. Hatta envisages possible higher oil lifting of 1m barrels in 2015;
- 3) diversification in food supply to mitigate any potential damage to crops (such as from adverse weather) as well as in renewably energy;
- 4) the opening of 2m ha of land for agricultural purposes and the use of specific fertilizer for each crop to boost productivity.

Jokowi-JK' key points: Fuel to gas conversion

Jokowi did a much better job in articulating his vision and plans in the final debate. He was clearly more confident in elaborating his ideas and in defending his statements. Some of the key points were:

- 1) improving food production through better seeds, fertilizer and irrigation systems, as well as opening 1m ha of new paddy fields. Jokowi also highlighted the need to build the necessary infrastructure to ensure water availability before opening new agricultural land;
- 2) developing gas infrastructure in 3 years to support conversion from fuel to gas, especially for transportation;
- 3) improving public transportation in big cities in an effort to reduce fuel usage;
- 4) one map policy to avoid any overlapping in forestry, mining and plantation concessions.

Potential of strong inflow post-election

Based on our recent marketing trip, it appears that both domestic and overseas clients have been trimming their positions and raising cash levels. As this liquidity has been standing on the sidelines, strong inflows are likely if Jokowi is victorious, in our view. With potentially higher inflows, a liquidity game would ensue. As such, we recommend the purchase of bigger cap companies such as large banks: BBRI, BBCA and BMRI, as well as ASII and TLKM. Not only do these stocks have ample liquidity, but they are also arguably some of the best managed companies in Indonesia.

Exhibit 4. Top market cap and liquidity

Name	Ticker	Last Price	Ytd (%)	Market Cap (Rp bn)	Name	Ticker	Last Price	Ytd (%)	1 Yr Average Turnover (Rp bn)
Astra International Tbk PT	ASII IJ Equity	7,275	7.0	294,518	Bank Rakyat Indonesia Persero Tbk PT	BBRI IJ Equity	10,325	42.4	309
Bank Central Asia Tbk PT	BBCA IJ Equity	11,000	14.6	271,205	Bank Mandiri Persero Tbk PT	BMRI IJ Equity	9,725	23.9	288
Bank Rakyat Indonesia Persero Tbk PT	BBRI IJ Equity	10,325	42.4	254,709	Telekomunikasi Indonesia Persero Tbk PT	TLKM IJ Equity	2,465	15.7	254
Telekomunikasi Indonesia Persero Tbk PT	TLKM IJ Equity	2,465	15.7	248,472	Trada Maritime Tbk PT	TRAM IJ Equity	1,845	#N/A	235
Bank Mandiri Persero Tbk PT	BMRI IJ Equity	9,725	23.9	226,917	Astra International Tbk PT	ASII IJ Equity	7,275	7.0	229
Unilever Indonesia Tbk PT	UNVR IJ Equity	29,275	12.6	223,368	Bank Central Asia Tbk PT	BBCA IJ Equity	11,000	14.6	137
Perusahaan Gas Negara Persero Tbk PT	PGAS IJ Equity	5,575	24.6	135,146	Semen Indonesia Persero Tbk PT	SMGR IJ Equity	15,075	6.5	137
Gudang Garam Tbk PT	GGRM IJ Equity	53,500	27.4	102,939	Perusahaan Gas Negara Persero Tbk PT	PGAS IJ Equity	5,575	24.6	122
Semen Indonesia Persero Tbk PT	SMGR IJ Equity	15,075	6.5	89,418	Lippo Karawaci Tbk PT	LPKR IJ Equity	960	5.5	108
Bank Negara Indonesia Persero Tbk PT	BBNI IJ Equity	4,765	20.6	88,861	Bank Negara Indonesia Persero Tbk PT	BBNI IJ Equity	4,765	20.6	107
United Tractors Tbk PT	UNTR IJ Equity	23,100	21.6	86,166	Kalbe Farma Tbk PT	KLBF IJ Equity	1,660	32.8	86
Indocement Tunggal Prakarsa Tbk PT	INTP IJ Equity	22,550	12.8	83,012	Matahari Putra Prima Tbk PT	MPPA IJ Equity	3,125	61.1	75
Kalbe Farma Tbk PT	KLBF IJ Equity	1,660	32.8	77,813	Indocement Tunggal Prakarsa Tbk PT	INTP IJ Equity	22,550	12.8	68
Charoen Pokphand Indonesia Tbk PT	CPIN IJ Equity	3,770	11.7	61,820	Adhi Karya Persero Tbk PT	ADHI IJ Equity	2,785	84.4	68
Indofood Sukses Makmur Tbk PT	INDF IJ Equity	6,700	1.5	58,829	Indofood Sukses Makmur Tbk PT	INDF IJ Equity	6,700	1.5	68

Source: Bloomberg

A strengthening of the currency would likely follow, which would benefit the consumers. The infrastructure sector will also enjoy renewed interest, especially construction which could go back to last year's valuation peak of 21x PE. On the other hand, if Jokowi does not win, it is likely that the market will experience a knee-jerk reaction, although we argue that the current market level already partially prices in this possibility. The IDR would also be at risk. In our view, while any de-rating in the market would affect most stocks, the exporters (GJTL and SMSM) and commodities (INCO, TINS, LSIP, ADRO) would still be positively impacted by IDR weakening. Jokowi's winning will ensure market re-rating going forward, and we expect market to go up to 16.4x PE (half standard deviation above mean valuation of 14x) by year end 2014 which translate to index target of 5,248, higher than our current bottom up approach which pointed to 4,940 YE index target.

Exhibit 5. A nervous market



Source: Bloomberg

Some of the key points from the previous debates

During the series of debates over the past month, both candidates presented their concepts and agendas, and most importantly, their key reforms they would make to better shape Indonesia. Some of their agendas appear to bring hope toward creating a brighter future for Indonesia. Both candidates continued to maintain a nationalistic stance, whilst also delicately balancing this with the importance of connectivity with foreign countries/investment.

Prabowo's key points: Big push strategy and good neighbor policy

In developing the economy, Prabowo has presented his big push strategy, which will focus on stopping leakages in the budget and using Indonesia's resources wealth to improve social welfare. On several occasions, Prabowo said that he would stop leakages as a way to boost the economy in the future.

Furthermore, with his economic program, the national economy would be focused more on improving the welfare of the people. In addition, Prabowo also blamed the leakages of Indonesia's wealth going abroad as the main culprit for the recent budget deficit. These leakages, in his calculation, amount to a staggering Rp1,134tn.

Prabowo will also boost the agriculture sector to create jobs and raise output in a relatively short period of time. He also hinted at developing 2m ha of land for bioethanol production, which would reduce dependency on imports of fossil fuels. Prabowo appeared to be offguard, however, when asked by Jokowi about TPID (the Regional Inflation Controlling Team) and gave a rather short answer. TPID is comprised of regional government officials and Bank Indonesia officials tasked with evaluating the effectiveness of policy in controlling inflation in the regions.

In regard to national security, Prabowo will pursue a good neighbor policy and emphasize his preference for peace and diplomacy over armed conflict. He is firm with his view to prevent leakages of Indonesia's natural resources to boost Indonesia's bargaining power on the international stage. He also prefers to use imported military equipment such as Leopard tanks.

Jokowi's key points: An improvement on infrastructure, education and healthcare

During the second debate, infrastructure was one of the main topics, with both presidential candidates appearing to be committed toward reducing dis-connectivity across Indonesia. Jokowi's key program to address the country's inadequate infrastructure is to develop several deep sea routes, which he calls his "sea toll road" program and dual track railways, as the cheapest modes of transportation. If these two programs were implemented, high distribution costs for companies in Indonesia could be reduced, which, in turn, would improve margins whilst leading to an expanding market.

Jokowi also mentioned the need to create education and healthcare programs, similar to the ones already launched in Jakarta, called Kartu Indonesia Sehat (Healthcare) and Kartu Indonesia Pintar (Education). For the former, however, the program would not be much different to the current national healthcare program launched earlier this year, in our view.

In regard to the Asean Economic Community in 2015, Jokowi said that he would protect local players, stressing that the domestic market should not be dominated by foreigners. To do this he said he would raise the barriers to entry for foreigners by tightening the issuance of business permits. On economic growth, Jokowi expects growth above 7% subject to several considerations including a more conducive investment climate. When asked about which contracts with foreign companies were not in Indonesia's interest, Jokowi replied that he would always honor those contracts but if there was any clause for re-negotiation, he would use the opportunity to maximize Indonesia's interest. In his closing remarks, Jokowi stressed that he would only adhere to the constitution, a statement which, in our view, seeks to counter the view that the elite of PDI-P would have the power to control him in the future.

In regard to national security, Jokowi will pursue govt to govt diplomacy for disputed areas, but will protect Indonesia's territory at all costs. Jokowi also made the interesting point that he would consider the possibility of buying back Indosat which Megawati's former government came under pressure to sell. Unlike Prabowo, Jokowi prefers that Indonesia develops its own combat vehicles such as Anoa tanks.

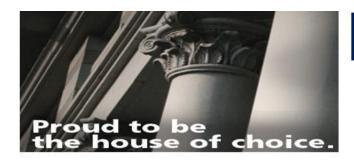
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TODAY'S HEADLINES

Citilink Targets 15% Market Share (ID)

Citilink Indonesia targets to get 15% of airline passenger market at the end of 2014. In 5M14, Citilink passengers have reached 3.6mn passengers. Until the end of this year, the company believes it can carry 8.2mn passengers driven by the addition in frequencies and new routes in Eastern Indonesia. The company estimates revenues in 1H14 to reach US\$200mn with year-end target US\$500mn.

Government Plan to Increase Coal Royalty by This Year (BI)

The government signaled to raise royalty rates for open pit coal miners to 7%, 9%, and 13.5%. The 7% rate will be charged for coal under 5,000 kcal/kg, the rate of 9% for coal from 5,100 to 6,000 kcal/kg, and the 13.5% rates for coal above 6,100 kcal/kg. Furthermore, the government also plans to set a benchmark price of coal (HPB) at US\$80/ton.

Comment: The government's plan to increase royalty rate for IUP holders to between 7% and 13.5% will impact the most on the earnings for PTBA since all company's license is currently under IUP. ITMG will have minimal impact since its coal mining concession under IUP accounted for about 12% of total coal production as of 2013. No impact for ADRO and HRUM as their coal mining concessions, which are currently operated, are under CCoWs. (Stefanus)

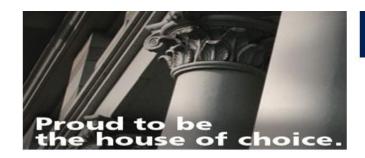
Marketing sales BSD reach Rp2.75 T (ID)

Marketing sales of BSDE property business unit up until June 2014 was estimated at Rp2.75 trillion or about 46% of this year target of Rp6 trillion. Previously, Sinar Mas Land Ltd., through its subsidiary, PT Ekacentra Usahamaju and PT Paraga Artamida, buy as many as 874.8 million new shares, equivalent to 5% of BSDE paid up capital worth Rp1.59 trillion through non-preemptive right issue scheme that will be used for business expansion.

PTBA Eyeing US\$600mn Power Plant (BI)

PT Tambang Batubara Bukit Asam Persero Tbk (PTBA) is eyeing the power plants potential in Myanmar and Vietnam worth a total of US\$600mn. The capacity on each country is estimated at around 2x100MW. Currently, PTBA still in the process of feasibility study as well as looking for funding options either through loan or project financing.

Equity																				
Valuation	Rating	Price (Rp)	Price	Mkt Cap		Net profit, Rp	bn		EPS (Rp)		EPS G	Frowth	PER	(x)	EV / EBI	TDA (x)	PBV	(x)	Net Gearing	ROE
Danareksa	Rating	Price (Kp)	Target	Rp Bn	2013	2014	2015	2013	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2014
Danareksa Universe				2,863,553	158,740	186,282	211,922	245.9	288.6	328.3	17%	14%	15.4	13.5	13.0	11.6	2.9	2.6		20.1
Auto Astra International	BUY	7,350	8,050	313,601 297,554	19,901 19,417	23,467 21,600	28,719 26,760	364.6	429.9 534	526.1	18% 11%	22% 24%	13.4	10.9 11.1	11.2 11.6	9.5 9.9	2.4	2.1	42.8	19.5 19.9
Astra international Gajah Tunggal	BUY	7,350 1,835	2,550	6,395	19,417	1,455	1,406	480 35	417	661 404	1109%	-3%	13.8 4.4	4.5	4.9	9.9 4.3	2.6 0.9	2.2 0.8	42.6 45.5	22.6
Multistrada	HOLD	315	390	2,893	43	86	161	5	10	18	97%	71%	30.7	17.9	8.5	6.8	0.7	0.8	45.7	2.0
Selamat Sempurna	BUY	4,695	4,350	6,759	321	327	393	223	227	273	2%	20%	20.7	17.2	11.4	9.8	5.8	5.0	11.4	30.2
Banks	1101.5	44.400	40.000	875,781	66,427	74,468	84,212	616.7	691.4	781.8	12%	13%	11.8	10.4			2.5	2.1		22.8
BCA BNI	HOLD BUY	11,100 4,750	10,800 5,400	273,671 88,581	14,254 9,058	15,741 10,319	17,856 11,807	579 486	631 553	716 633	9% 14%	13% 14%	17.6 8.6	15.5 7.5	NA NA	NA NA	3.6 1.6	3.1 1.4	NA NA	22.6 20.0
BRI	BUY	10,200	10,300	251,625	21,218	23,830	26,641	860	966	1,080	12%	12%	10.6	9.4	NA	NA	2.6	2.2	NA NA	27.2
Bank Tabungan Negara	BUY	1,045	1,400	11,041	1,562	1,794	2,061	149	171	197	15%	15%	6.1	5.3	NA	NA	0.9	0.8	NA	14.7
Bank Mandiri	BUY	9,675	10,500	225,750	18,204	20,584	23,368	780	882	1,001	13%	13%	11.0	9.7	NA	NA	2.2	1.9	NA	21.8
Bank Tabungan Pensiunan	BUY	4,300	5,250	25,113	2,131	2,200	2,479	365	377	424	3%	13%	11.4	10.1	NA 44.0	NA 10.0	2.1	1.7	NA	20.0
Cement Holcim	HOLD	2,605	2,300	195,725 19,962	11,334 952	11,294 1,274	11,336 1,465	656 124	654 166	656 191	0% 34%	0% 15%	17.3 15.7	17.3 13.6	11.0 8.8	10.3 7.9	3.3 1.9	3.1 1.8	31.7	20.3 12.9
Indocement	HOLD	23,375	21,300	86,049	5,012	4,839	5,215	1,362	1,315	1,417	-3%	8%	17.8	16.5	11.3	9.9	3.6	3.2	net cash	21.1
Semen Indonesia	BUY	15,125	17,500	89,714	5,370	5,180	4,657	905	873	785	-4%	-10%	17.3	19.3	11.5	11.4	3.7	3.4	22.1	22.8
Construction				82,703	3,344	3,998	4,619	88	105	122	20%	16%	20.7	17.9	10.2	8.9	3.2	2.8		17.1
Jasa Marga	BUY	6,000	7,100	40,800	1,336	1,643	1,807	197	242	266	23%	10%	24.8	22.6	14.1	13.2	3.4	3.1	92.3	14.4
Wijaya Karya Pembangunan Perumahan	HOLD BUY	2,320 1,870	2,400 2,100	14,266 9,055	570 421	664 553	803 634	93 87	108 114	131 131	16% 32%	21% 15%	21.4 16.4	17.7 14.3	8.6 6.7	7.0 5.8	2.8 3.8	2.5 3.1	1.5 27.1	16.1 25.2
Adhi Karya	HOLD	2,910	2,900	5,242	406	410	495	225	228	275	1%	21%	12.8	10.6	5.2	4.3	2.8	2.4	net cash	24.2
Waskita Karya	HOLD	695	700	6,715	368	421	479	38	44	50	14%	14%	15.9	14.0	8.2	7.0	2.5	2.2	15.6	16.6
Wika Beton	BUY	760	850	6,624	243	307	401	28	35	46	26%	31%	21.6	16.5	9.7	6.9	3.1	2.6	net cash	21.2
Consumer Indofood CBP	BUY	10,075	13,050	439,133 58,747	12,342 2,225	14,833 2,949	16,573 3,671	166 382	199 506	223 630	20% 33%	12% 25%	29.6 19.9	26.5 16.0	18.0 12.5	16.0 9.9	7.7 4.1	7.0 3.5	net cash	27.5 21.7
Indofood	HOLD	6,800	7,050	59,707	2,504	3,191	3,368	285	363	384	27%	6%	18.7	17.7	8.9	8.1	2.4	2.3	31.8	13.5
Kalbe Farma	HOLD	1,685	1,350	78,985	1,922	2,471	2,921	41	53	62	29%	17%	31.8	27.2	21.3	17.8	7.2	6.3	net cash	24.3
Unilever	HOLD	30,300	28,300	231,189	5,353	5,775	6,047	702	757	792	8%	5%	40.0	38.2	28.4	27.1	48.8	47.3	3.4	128.2
Nippon Indosari Corpindo	BUY	1,420	1,400	7,188	178	268	350	35	53	69	50%	31%	26.8	20.6	15.2	11.8	7.0	5.5	43.1	29.1
Mandom	BUY	16,500	13,600	3,318	160	180	216 6,601	796	893	1,075	12%	20% 15%	18.5	15.3 13.5	10.8	9.5	2.6	2.3 2.1	28.2	14.7 15.4
Heavy Equipment Hexindo Adiperkasa	HOLD	3,645	3,175	89,414 3,062	5,116 282	5,730 348	381	1,119 335	1,254 414	1,444 453	12% 24%	1 5% 9%	15.6 8.8	8.0	7.1 6.8	6.3 6.0	2.3 1.1	1.2	18.7	13.4 13.2
United Tractors	BUY	23,150	23,300	86,353	4,834	5,382	6,220	1,296	1,443	1,667	11%	16%	16.0	13.9	7.1	6.3	2.4	2.2	net cash	15.6
Mining				157,948	8,400	11,982	14,560	129	184	224	43%	22%	13.2	10.8	6.3	5.7	1.7	1.7		12.9
Adaro Energy	BUY	1,190	1,220	38,063	2,370	3,167	3,241	74	99	101	34%	2%	12.0	11.7	4.9	4.6	1.2	1.3	45.8	10.1
Timah Vale Indonesia	BUY BUY	1,390 3,745	1,575 4,500	10,352 37,212	515 396	625 1,527	706 1,806	102 40	124 154	140 182	21% 285%	13% 18%	11.2 24.4	9.9 20.6	7.7 9.0	6.4 8.6	2.0 1.9	1.8 2.0	net cash 2.1	12.4 7.8
Aneka Tambang	HOLD	1,150	1,000	10,969	410	1,063	2,281	43	111	239	159%	115%	10.3	4.8	12.0	8.1	0.8	0.7	40.8	7.8 8.4
Bukit Asam	HOLD	10,650	11,050	24,539	1,826	2,113	2,595	793	917	1,126	16%	23%	11.6	9.5	7.7	6.2	2.5	2.2	net cash	23.3
Indo Tambangraya Megah	HOLD	27,100	30,000	30,621	2,373	2,863	3,281	2,100	2,534	2,904	21%	15%	10.7	9.3	5.0	4.6	2.8	3.0	net cash	25.9
Harum Energy	HOLD	2,290	2,850	6,191	510	624	649	189	231	240	22%	4%	9.9	9.5	2.9	3.4	1.5	1.6	net cash	15.9
Plantation Astra Agro Lestari	HOLD	27,500	24,700	83,329 43,305	3,210 1,834	5,089 2,527	6,144 2,918	105 1,165	166 1,604	201 1,853	59% 38%	21% 15%	16.4 17.1	13.6 14.8	8.5 9.8	7.3 8.7	2.2 4.1	2.1 3.7	net cash	14.2 25.0
Sampoerna Agro	BUY	2,245	2,200	4,243	119	251	379	63	133	201	111%	51%	16.9	11.2	8.1	7.3	1.5	1.3	52.1	9.2
BW Plantation	BUY	1,235	1,380	5,562	182	372	575	42	83	128	97%	54%	14.9	9.7	8.3	5.9	2.3	1.9	106.4	16.9
PP London Sumatra	BUY	2,250	2,130	15,351	688	946	995	101	139	146	37%	5%	16.2	15.4	9.5	8.4	2.1	2.0	net cash	13.8
Salim Ivomas Pratama	BUY	940	970	14,867	388 5,905	994	1,277 6,696	25	63	81	156%	29%	15.0	11.6	6.5	5.5	1.0	1.0 1.5	35.3	7.1 16.6
Property Alam Sutera	BUY	477	770	67,825 9,373	1,286	6,043 1,658	1,877	80 65	82 84	91 96	2% 29%	11% 14%	11.2 5.7	10.1 5.0	8.7 5.9	7.8 5.3	1.7 1.4	1.1	46.3	26.6
Bumi Serpong Damai	BUY	1,555	1,960	28,568	2,432	1,896	1,996	139	108	114	-22%	5%	14.4	13.6	11.2	10.6	2.2	1.9	net cash	15.4
Metropolitan Land	BUY	402	600	3,047	233	345	421	31	45	56	45%	24%	8.9	7.2	6.6	5.1	1.5	1.3	21.6	18.5
Surya Semesta Internusa	BUY	750	870	3,529	726	776	804	154	165	171	7%	4%	4.5	4.4	2.4	2.0	1.2	1.0	net cash	28.9
Lippo Karawaci Telco	BUY	1,010	1,040	23,308	1,228	1,368	1,598	57 107	63 145	74 172	11% 36%	17% 18%	16.0 21.0	13.6 17.8	12.6	10.6	1.7 3.5	1.5	39.3	10.3 17.7
XL Axiata	HOLD	5,125	4,875	395,810 43,739	13,872 1,033	18,841 (111)	22,270 579	107 121	1 45 (13)	172 68	36% -111%	-623%	(394.9)	1 7.8 75.5	6.1 7.3	5.3 5.9	3.5 3.0	3.2 2.9	116.5	17.7 -0.7
Indosat	BUY	3,635	4,920	19,752	(2,782)	728	905	(512)	134	167	-126%	24%	27.1	21.8	3.3	2.8	1.2	1.1	116.8	4.4
Telkom	BUY	2,525	2,725	254,520	14,205	15,459	17,270	147	159	171	8%	8%	15.9	14.7	5.4	4.7	3.6	3.3	net cash	23.5
Sarana Menara Nusantara	HOLD	3,970	3,700	40,506	169	1,169	1,590	17	115	156	594%	36%	34.7	25.5	15.2	12.6	8.4	6.4	153.9	27.6
Tower Bersama Utility	SELL	7,775	5,900	37,293 131,510	1,248 7,713	1,596 9,219	1,926 8,573	260 318	333 380	402 354	28%	21% -7%	23.4 14.3	19.4 15.3	16.2 8.9	13.7 9.0	6.7 4.4	5.5 4.4	207.1	32.8 31.4
PGN	BUY	5,425	6,000	131,510	7,713	9,219	8,573	318	380	354	20%	-7%	14.3	15.3	8.9	9.0	4.4 4.4	4.4 4.4	net cash	31. 4 31.4
Retail			,	30,774	1,174	1,317	1,618	45	51	62	12%	23%	23.4	19.0	11.8	9.8	3.6	3.2		16.3
Mitra Adi Perkasa	HOLD	4,905	5,200	8,142	328	332	442	197	200	266	1%	33%	24.5	18.4	8.8	7.3	3.0	2.6	98.5	12.9
Ramayana	HOLD	1,135	1,240	8,054	413	477	574	58	67	81	16%	20%	16.9	14.0	9.4	7.8	2.3	2.2	net cash	14.4
Ace Hardware	HOLD	850	750	14,578	433	508	602	25	30	35	17%	18%	28.7	24.3	19.3	16.1	6.0	5.0	net cash	23.2





LEADERS AND LAGGARDS

The leaders on Danareksa coverage

		Price a	s on					
	Code	4-Jul-14	3-Jul-14	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Surya Semesta Internusa	SSIA	750	710	5.6	11.1	2.7	33.9	BUY
Adhi Karya	ADHI	2,910	2,785	4.5	6.4	(3.3)	92.7	HOLD
Bumi Serpong Damai	BSDE	1,555	1,505	3.3	8.4	(1.3)	20.5	BUY
Lippo Karawaci	LPKR	1,010	980	3.1	6.9	(3.3)	11.0	BUY
Pembangunan Perumahan	PTPP	1,870	1,815	3.0	5.1	1.6	61.2	BUY
Waskita Karya	WSKT	695	675	3.0	3.7	2.2	71.6	HOLD
Selamat Sempurna	SMSM	4,695	4,590	2.3	5.7	3.8	36.1	BUY
Wijaya Karya	WIKA	2,320	2,270	2.2	6.7	(0.4)	46.8	HOLD
Telkom	TLKM	2,525	2,475	2.0	4.1	0.2	18.6	BUY
Multistrada Arah Sarana	MASA	315	309	1.9	0.3	-	(19.2)	HOLD
Sources: Bloomberg								

The laggards on Danareksa coverage

		Price a	s on			Price as on											
	Code	4-Jul-14	2-Jul-14	Chg, %	w-w, %	m-m, %	YTD, %	Rating									
XL Axiata	EXCL	5,125	5,425	(5.5)	2.5	0.5	(1.4)	HOLD									
Harum Energy	HRUM	2,290	2,375	(3.6)	(1.3)	(6.5)	(16.7)	HOLD									
Ace Hardware	ACES	850	865	(1.7)	(2.9)	(2.9)	44.1	HOLD									
Tower Bersama	TBIG	7,775	7,900	(1.6)	(1.6)	0.6	34.1	SELL									
Jasa Marga	JSMR	6,000	6,050	(0.8)	3.4	0.4	27.0	BUY									
Gajah Tunggal	GJTL	1,835	1,850	(0.8)	3.7	-	9.2	BUY									
Indofood CBP	ICBP	10,075	10,150	(0.7)	1.8	(1.2)	(1.2)	BUY									
Bukit Asam	PTBA	10,650	10,725	(0.7)	0.2	(4.5)	4.4	HOLD									
Kalbe Farma	KLBF	1,685	1,695	(0.6)	1.5	6.3	34.8	HOLD									
Bank Tabungan Negara	BBTN	1,045	1,050	(0.5)	2.5	1.0	20.1	BUY									
Sources: Bloomberg																	

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