

# **MORNING HIGHLIGHT**

# FROM RESEARCH

# Market outlook: Progress on the four key factors (OVERWEIGHT)

For 2Q15, we've been highlighting four key factors which, we believe, are crucial to bolster confidence in Indonesia's equity market: 1. an improving current account, which should help the currency; 2. better seasonality for corporate business in 2Q15, partly driven by higher demand prior to Lebaran; 3. more progress on infrastructure development with the awarding of contracts to construction companies; and 4. greater relaxation of the currently tight monetary policy.

# **Previous Reports:**

- Ramayana Lestari Sentosa: Struggling to maintain growth <u>Snapshot20150518</u>
- Consumer Sector: Unexciting macro clouding over (NEUTRAL) Snapshot20150515
- Indo Tambangraya Megah: Tough times continue <u>Snapshot20150515</u>
- Gajah Tunggal: Challenging conditions persisted <u>Snapshot20150515</u>
- Cement Sector: Modest demand in April (OVERWEIGHT) -Snapshot20150513
- Construction Sector April 2015 Contracts: Following the seasonal trend (OVERWEIGHT) - <u>Snapshot20150513</u>

# **MARKET NEWS**

### \*Analysts' comment inside

- BSD Aims Rp700 Billion from Element Rasuna (BI)
- Indosat offers new bonds to buy back USD650 mn debt (TJP)
- Kalbe Farma Boosts Exports Sales Growth Up to 20% (BI)
- Wika Beton Wins New Contract of Rp 1Tn (BI)

# **IDX ANNOUNCEMENT**

Cash Announcement			
Code	Ex-Date	Date Payable	Amount (Rp)
SMGR	24-Apr-15	20-May-15	375.34
TLKM	27-Apr-15	21-May-15	89.46
UNTR	29-Apr-15	22-May-15	545
Source: KSEI			

	Key Inde	x		
	Close	Chg	Ytd	Vol
	Ciose	(%)	(%)	(US\$ m)
Asean - 5				
Indonesia	5,238	0.2	0.2	288
Thailand	1,510	(0.1)	0.9	958
Philippines	7,910	0.4	9.4	147
Malaysia	1,824	0.6	3.5	514
Singapore	3,460	(0.1)	2.8	733
Regional				
China	4,283	(0.6)	32.4	-
Hong Kong	27,591	(0.8)	16.9	16,242
Japan	19,890	0.8	14.0	15,013
Korea	2,114	(0.0)	10.3	5,640
Taiwan	9,606	0.3	3.2	3,018
India	27,687	1.3	0.7	501
NASDAQ	5,078	0.6	7.2	64,482
Dow Jones	18,299	0.1	2.7	7,160

Currency and Interest Rate									
		Rate	w-w	m-m	ytd				
		Nate	(%)	(%)	(%)				
Rupiah	(Rp/1US\$)	13,139	0.1	(1.9)	(6.1)				
SBI rate	(%)	6.67	(0.3)	(0.3)	(0.6)				
10-y Govt	(Rp/1US\$)	8.01	(0.3)	0.5	0.2				

	Har	d Commod	lities		
	Unit	Price	d-d	m-m	ytd
			(%)	(%)	(%)
Coal	US\$/ton	59	n/a	(1.1)	(17.0)
Gold	US\$/toz	1,225	(0.1)	1.7	3.3
Nickel	US\$/mt.ton	13,712	(1.6)	9.6	(9.0)
Tin	US\$/mt.ton	15,872	0.8	7.3	(18.3)

	Soft C	Commod	ities		
	Unit	Price	d-d	m-m	ytd
	Onit	11100	(%)	(%)	(%)
Cocoa	US\$/mt.ton	3,172	1.2	11.5	6.8
Corn	US\$/mt.ton	137	1.0	(4.4)	(4.1)
Crude Oil	US\$/barrel	66	(8.0)	4.4	15.6
Palm oil	MYR/mt.ton	2,188	0.7	0.8	(4.7)
Rubber	USd/kg	154	0.9	11.3	1.4
Pulp	US\$/tonne	853	n/a	(1.4)	(8.5)
Coffee	US\$/60kgbag	94	0.9	(1.7)	7.0
Sugar	US\$/MT	367	(0.2)	(1.5)	(6.2)
Wheat	US\$/mt.ton	192	2.1	6.6	(12.7)

Source: Bloomberg



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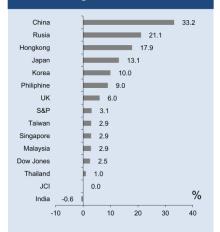
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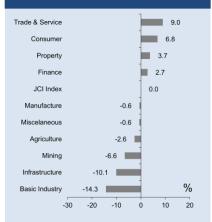
# Tuesday, May 19, 2015 OVERWEIGHT



# 2015 Ytd Regional Performance



### 2015 Ytd Sector Performance



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

# **Market outlook**

# Progress on the four key factors

For 2Q15, we've been highlighting four key factors which, we believe, are crucial to bolster confidence in Indonesia's equity market: 1. an improving current account, which should help the currency; 2. better seasonality for corporate business in 2Q15, partly driven by higher demand prior to Lebaran; 3. more progress on infrastructure development with the awarding of contracts to construction companies; and 4. greater relaxation of the currently tight monetary policy.

### Update on factor no 1: the 1Q15 CAD narrowed to 1.8% of GDP

As expected, the CAD showed an improvement in 1Q15, supported by better trade data. In 1Q15, the CAD encouragingly declined to USD3.8b or 1.8% of GDP, a marked improvement from 4Q14's position of USD5.7b or 2.6% of GDP. Although the CAD appears to be seasonally better in 1Q, this year's figure also compares favorably to 1Q14's figure of USD4.1b or 1.9% of GDP. While the CAD is likely to increase in 2Q due to seasonality, another trade surplus in April bring hopes that the increase in the CAD can be mitigated. A stronger current account, in our view, should set the stage for the currency to strengthen.

### Update on factor no 2: the April 2015 data remains soft

With the current weak state of the economy, we don't believe there will be any substantial improvement in business activity, with our economist expecting GDP growth to remain flat at 4.7%. Based on monthly data announcements from several industries, the economy remained soft in April as seen in: 1. 4W sales of 81.6k units, down 18% m-m and 23% y-y. Overall, the 4M15 sales are down 16% y-y; 2. 2W sales of 525k units, down 4% m-m and 28% y-y, with the 4M15 sales still down 21% y-y; 3. Cement sales of 4.47m tonnes, still down 2.8% m-m and 1.1% y-y, with overall 4M15 sales down 2.7% y-y; 4. The new contracts of construction companies only reached IDR3.8tn in April 2015, less than half the level in March 2015, although still up 46%y-y with the 4M15 figure 21.6% higher; and 4. Retail sales still relatively weak with ACES' April sales down 10% m-m with SSG in 4M15 still a negative 2.1%, with RALS also showing weak performance with its April sales down 4.1% and 4M15 SSG of negative 3.9%. In our view, despite the rather soft figures in April, corporates are still likely to benefit from better business seasonality in 2Q than in 1Q, with demand growth in late 2Q15 also underpinned by the surge in demand in the period leading up to Ramadan in mid-July.

### Update on factor no 3: The tender process continues to progress well; soon to be awarded

There has been some progress on tender process completion especially as the Ministry of Public Works and Public Housing has stated that its internal reorganization process was completed in early May 2015. This paves the way for budget allocations in mid-April 2015, which should lead to potential acceleration of the tender process. By the end of April 2015, the tender process has reached 80.1% (March 2015: 70%), with a total of Rp68tn in packages ready to deliver. The Ministry targets 100% completion of the tender process by the end of this month, thus paving the way for construction works to start in June or July. The low budget disbursement is reflected in the Ministry's absorption rate which only reached 4% in 4M15. With this progress, we remain confident that an influx of government projects will get off the ground in 2H15F.

### Update on factor no 4: Relaxation on the LTV

With the weak economic growth, more relaxed monetary policy will be increasingly needed to propel economic growth. However, aside from potential Fed rate hikes, the upsurge in domestic inflation in recent months may make BI more reluctant to cut rates. Nonetheless, cutting rates is not the only way for BI to relax its policy as it can also further ease the LTV regulation as well as the minimum reserves of banks – an approach taken by China's central bank recently to propel economic growth in that country. In Indonesia, the central bank looks set to ease the LTV regulation by the end of May, mainly to support ailing mortgage loans, which only grew at half last year's growth of 25%. While the real impact on the property sector will still depend on the eventual regulation changes, what is more importation, in our view, is that this signals that BI will take a more responsive and pro-growth stance.

### We take a cautious stance and continue to pitch our 9 top picks in the market

We maintain our belief that investors will continue to take a cautious stance on the market, especially in view of the soft April data. Foreign outflows have still dominated in the past 5 trading weeks. We continue to have faith in the government's ability to realize its ambitious infrastructure development plans — a key part of Indonesia's investment story going forward. We continue to pitch our 9 top picks in the market: BMRI, BBRI, PTPP, WSKT, SMGR, INDF, BSDE, ACES and INCO.

**Weekly Report** 19 May 2015

Exhibit 1. April 2015 data remains soft

	4M14	4M15	YoY, %	Apr-14	Mar-15	Apr-15	MoM, %	YoY, %
Constrution -Contracts (IDR								
bn)								
WIKA	5,355	5,120	(4)	643	1,054	870	(17)	3
PTPP	5,501	7,800	42	958	5,580	1,100	(80)	1
WSKT	3,520	3,700	5	511	1,830	1,100	(40)	11
ADHI	2,000	3,300	65	500	1,260	740	(41)	4
TOTAL	16,376	19,920	22	2,612	9,724	3,810	(61)	4
Auto - Sales (Unit)								
ASII								
4 Wheelers	230,837	183,604	(20)	57,553	49,951	46,395	(7)	(19
2 Wheelers	1,699,237	1,464,395	(14)	445,420	376,571	371,001	(1)	(1
Other								
4 Wheelers	203,787	180,341	(12)	48,571	49,459	35,205	(29)	(28
2 Wheelers	1,012,629	665,423	(34)	282,370	169,598	153,774	(9)	(40
Total								•
4 Wheelers	434,624	363,945	(16)	106,124	99,410	81,600	(18)	(23
2 Wheelers	2,711,866	2,129,818	(21)	727,790	546,169	524,775	(4)	(28
Cement-Sales ('000 tonnes)								
SMGR	8,182	6,301	(23)	2004	2056	1910	(7)	(5
INTP	5,627	5,262	(6)	1408	1253	1385	11	(2
SMCB	2,661	2,506	(6)	649	658	646	(2)	((
SMBR	360	408	13	55	110	106	(4)	9
TOTAL DOMESTIC	18,598	18,096	(3)	4521	4598	4471	(3)	(1
Retail - Sales (IDR bn)								
ACES	1,388	1,450	5	333	394	353	(10)	
RALS	2,059	1,981	(4)	516	510	489	(4)	(5
Retail - SSG (%)								•
ACES	5.00	(2.10)						
RALS	7.10	(3.90)						

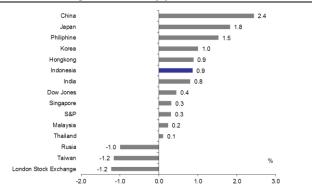
Source: Companies and Association

Exhil	bit 2	. Progress of Government Infrastructure Program			
ı	Po	wer Plant Project 35,000 MW			
	Pro	oject Progress	Location		Capacity
	1	Signing of PPA PLTB (wind power plant) Samas	Yogyakarta		50 MW
	2	Signing of PPA PLTU (steam power plant) Kendari-3	South East Sulawesi		2x50 MW
	3	Signing of PPA PLTU (steam power plant) Jeneponto Expansion	South Sulawesi		2x125 MW
	4	Signing of PPA PLTA (hydro power plant) Malea	South Sulawesi		2x45 MW
	5	Signing of LOI of EPC PLTU (steam power plant) Grati	East Java		450 MW
	6	Groundbreaking PLTA (hydro power plant) Jati Gede	West Java		2X55 MW
	7	Groundbreaking PLTU (steam power plant) Takalar	South Sulawesi		2x100 MW
	8	Groundbreaking PLTU (steam power plant) Pangkalan Susu unit 3 and 4	North Sumatera		2x220 MW
Ш	Tra	ans Sumatera Toll Road (Ground Breaking)			
	a.	Four Main Corridor Development Plan	Le	ngth	
	1	Bandar Lampung - Palembang (South Sumatera)	358	km	
	2	Palembang - Pekanbaru (Riau)	610	km	
	3	Pekanbaru - Medan (North Sumatera)	548	km	
	4	Medan - Banda Aceh	460	km	
	b.	Three Priority Corridor Development Plan	Le	ngth	
	1	Palembang - Bengkulu	303	km	
	2	Pekanbaru - Padang (West Sumatera)	242	km	
	3	Medan - Sibolga	175	km	
Ш	So	lo - Kertosono Toll Road (Accelerating program)	Ler	ngth	
	1	Solo - Ngawi acceleration program (91.62% completion)	90.1	km	
	2	Ngawi - Kertosono toll road ground breaking (48.5% land	87.02	km	
		acquisition, expect to complete by end of 2016)			
IV	On	ne Million Housing Programs (Ground Breaking)			
	To	tal Budget Allocation Rp13tn:			
	-60	percent allocation for low income people, selling price breakdown:			
	1	Greater Jakarta	Rp120mn	per unit	
	2	Java (exclude greater Jakarta)	Rp105mn	per unit	
	3	Sumatera (exclude Bangka Belitung)	Rp105mn	per unit	
	4	Kalimantan	Rp118mn	per unit	
	5	Sulawesi	Rp110mn	per unit	
	6	Papua and Papua Barat	Rp165mn	per unit	
	-40	percent allocation for middle income people			
IV		auguration of Way Leman Dam in Maluku roject value of Rp25.8bn			

IV Pledge Rp3tn budget for infrastructure project in North Maluku Source: Cabinet Secretary of Republic of Indonesia

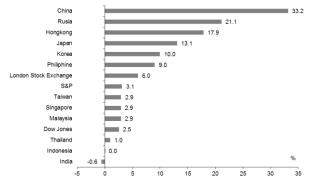


# **Exhibit 3. Regional weekly performance**



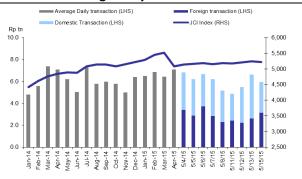
Source: Bloomberg, as of May 15th, 2015

# Exhibit 4. Regional Ytd 2015 performance



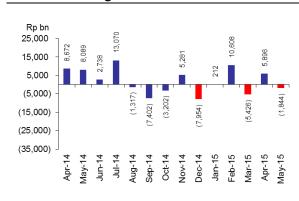
Source: Bloomberg, as of May 15th, 2015

# **Exhibit 5. Average daily transactions**



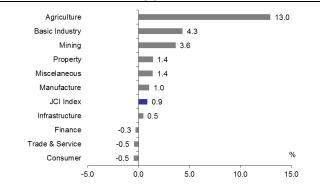
Source: IDX, as of May 15th, 2015

# **Exhibit 6. Foreign fund flows**



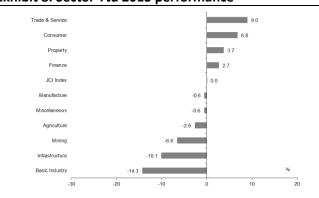
Source: IDX, as of May 15th, 2015

# **Exhibit 7. Sector weekly performance**



Source: Bloomberg, as of May 15th, 2015

# **Exhibit 8. Sector Ytd 2015 performance**



Source: Bloomberg, as of May 15th, 2015

**Exhibit 9. Regional market valuations** 

	2015F	2016F
Philippine	20.1	17.8
Malaysia	16.6	15.3
NKY	18.9	17.1
Singapore	14.3	13.2
JCI	16.2	13.7
Dow Jones	16.4	15.0
Sensex	15.5	12.9
Thailand	15.1	13.2
FTSE	16.9	14.8
Hongkong	13.4	12.1
Korea	11.4	10.5
China	17.5	15.4
Taiwan	13.3	12.4
Average	15.8	14.1

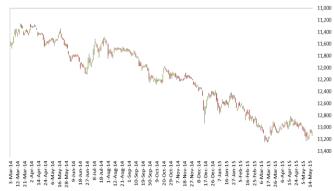
Source: Bloomberg, as of May 18th, 2015

# **Exhibit 10. JCI Valuation**



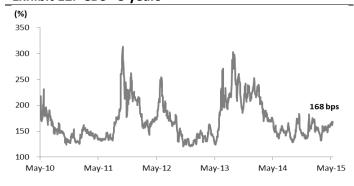
Source: Danareksa Sekuritas, as of May 15th, 2015

Exhibit 11. USD/IDR performance



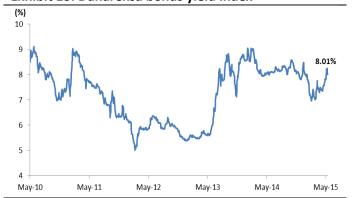
Source: Bloomberg, as of May 18th, 2015

Exhibit 12. CDS - 5 years



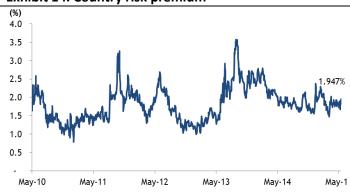
Source: Bloomberg, as of May 15th, 2015

Exhibit 13. Danareksa bonds yield index



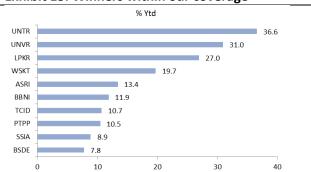
Source: Danareksa Sekuritas, as of May 15th, 2015

**Exhibit 14. Country risk premium** 



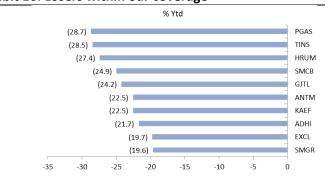
Source: Danareksa Sekuritas, as of May 15th, 2015

# **Exhibit 15. Winners within our coverage**



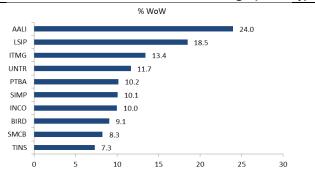
Source: Bloomberg and Danareksa Sekuritas, as of May 15th, 2015

# **Exhibit 16. Losers within our coverage**



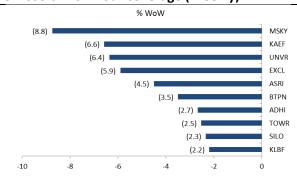
Source: Bloomberg and Danareksa Sekuritas, as of May 15th, 2015

Exhibit 17. Winners within our coverage (Weekly)



Source: Bloomberg and Danareksa Sekuritas, as of May 15th, 2015

Exhibit 18. Losers within our coverage (Weekly)



Source: Bloomberg and Danareksa Sekuritas, as of  $\,$  May 15th, 2015  $\,$ 

# Exhibit 19. One-week report wrap

Date	Company	Title	Key Point
18-May-15	Ramayana Lestari	Struggling to maintain growth	RALS posted a disappointing set of 1Q15 results due to depressed demand - which we believe owed to the weaker purchasing power of its customers - and higher expenses which put pressure on its margins. April was also a weak month, culminating in a 3.8% yoy decline in sales in the first four months of the year at Rp1,981 bn. In the
			remainder of the year, the company will open 5 new stores, all located in Java, as there are scant signs of an improvement in demand in areas out of Java. Despite the expansion, we don't expect a significant improvement in profitability over the near term. Taking into account these factors, we arrive at a new Target Price of Rp660. Downgrade to SELL.
15-May-15	Consumer Sector	Unexciting macro clouding over	On the back of less impressive economic growth, we note that most investors prefer to keep their position on the sidelines. Especially with target realization below expectations, macro headwinds continues to overshadow the market. Thus, we advise investors to go for defensive names. Within the consumer staple space, our preferred pick lies with INDF, being the most lucrative from valuation perspective, as well as defensive product lines from ICBP's instant noodle.
15-May-15	Indo Tambangraya	Tough times continue	We attended the analyst meeting of Indo Tambangraya Megah (ITMG) and came away with the following key takeaways: a) new company estimates for its reserves to reflect the current coal prices, b) a further decline in the stripping ratio to mitigate the impact of weak coal ASP and recovery in the crude oil price, c) plans for further cost efficiency initiatives in 2015 and d) maintaining its dividend payout ratio. Our lower Target Price of Rp16,000 assumes a WACC of 12.3% for our DCF valuation and implies 10.1x 2015F PE. Maintain HOLD.
15-May-15	Gajah Tunggal	Challenging conditions persisted	The domestic economy slowdown impacted GJTL sales performance. Albeit the export still grew 8%y-y, the 11%y-y lower domestic revenues resulting in GJTL's revenues to drop by 3%y-y in 1Q15. Meanwhile, gross margin remain high at 18% during the period thanks to lower material prices, both in rubber and oil-related products. Going forward, we believe this condition will continue, with more pressure on the profitability level given rising oil prices in the recent weeks. We may further tweak down our earnings assumption in the near-term.
13-May-15	Cement Sector	Modest demand in April	There has not much improvement on April, with cement sales reached 4.47m tonnes, down 2.8% m-m and 1.1% y-y. This, however, were still inline with seasonality and we expect demand improvement in May – June on construction projects acceleration before Lebaran period. Ex Java continue to outperform Java, with the latter market share decline to 54.8% in 4M15 from 56.1% in 2014. Semen Indonesia and Semen Baturaja saw an increase in market share, on the expense of Indocement and Holcim Indonesia.
13-May-15	Construction Sector	April 2015 Contracts: Following the seasonal trend	The total new contracts awarded in April 2015 followed the historical pattern after the strong pickup in March. In total, only Rp3.8tn of new contracts were awarded in April 2015, less than half the level in March 2015, yet still up 46%y-y – a reflection of stronger confidence, we believe, especially among private owners. As of April 2015, private projects still dominated project portfolios since the disbursement of government projects hasn't happened yet. All in all, total new contracts reached Rp19.9tn in 4M15, up 22%y-y, mainly thanks to the significant growth in contracts awarded to PTPP (+42%y-y) and ADHI (+65%y-y), since the performance of WIKA and WSKT was still flattish. Nevertheless, we expect better performance going forward, especially with the seasonal awarding of government projects in 2H15F. Maintain OVERWEIGHT.
12-May-15	Weekly report	Inviolable will	Although concerns on the ongoing economic slowdown have rattled investors, we don't think this necessarily implies poor delivery capabilities of the current government. In fact, we would like to believe that it has actually served as a wake-up call for the government to take measures to accelerate economic growth. This year, government efforts will be key to accelerating growth, especially as consumers started to feel the pinch coming from the tighter monetary policy implemented since last year. Recognizing the importance of swift and decisive action, the government has been running on all cylinders recently, launching several major projects.
12-May-15	Indo Tambangraya	Gloomy coal outlook to persist	Indo Tambangraya Megah(ITMG)reported net profit of US\$38mn in 1Q15 (-61% yoy, but +20% qoq). The net profit was within our expectation, but slightly above consensus forecast. The decline in the net profit was mainly attributable to a) a weak in coal prices, which reflected on a decline in ASP by 15% yoy, b) lower gain on coal swaps resulted on a decline in other income and c) higher effective tax rate of 38.9% in 1Q15 (1Q14: 25.4%). At the moment, we still maintain HOLD recommendation with Target Price to Rp18,500 (based on DCF valuation with a WACC of 12.3%).

Source: Danareksa Sekuritas



# **MARKET NEWS**

# BSD Aims Rp700 Billion from Element Rasuna (BI)

BSDE targets to earn Rp700 billion from the sale of apartment units in the Element Rasuna project. The Company plans to launch this new project located in the Kuningan Epicentrum on July or August 2015. For the initial price, apartment units will be offered at Rp40 million per sqm. BSDE plans to develop two residential towers, which each tower consist of 300 units.

### Indosat offers new bonds to buy back USD650 mn debt (TJP)

ISAT has decided to buy back all of its USD650 mn bonds, which mature in 2020, this year, in a move to significantly reduce its US dollar exposure. The company may exercise the call option as of July 29 this year. ISAT has already secured US denominated credit facilities worth USD500 mn and Rupiah denominated loans worth USD150 mn. The company's total USD denominated liabilities has hit USD850 mn, accounting for around half of its total liabilities, as of December 2014. ISAT aimed to make its USD and Rupiah denominated liabilities to stand around a 30:70 ratio.

### Kalbe Farma Boosts Exports Sales Growth Up to 20% (BI)

KLBF is targeting export sales growth of 15-20%, or higher than domestic sales growth target of 5-7% for this year. To pursue these targets, the company will increase penetration in several countries, namely Singapore, Thailand, and several countries in West Africa. Up to 1Q15, KLBF export sales reached Rp200 billion, contributing 5% to the total revenue. On the other hand, with a still sluggish market conditions, the company revised its sales and net profit target for this year, to 7-9% and 9-11% (from the previous 11-13% and 14-16%).

# Wika Beton Wins New Contract of Rp 1Tn (BI)

Wika Beton (WTON) recorded new contracts of Rp 1tn YTD, up Rp 400bn compared to the recorded Rp 550bn in March 2015. For 2015, the company targets to acquire new contracts of total Rp 4tn with Rp1tn carry over in 2014. Currently, WTON participates in phase 1 of the MRT project, and will participate in the Jakarta-Bandung fast train project. 2015, WTON have capex budget of Rp 550bn for the completion of the plant in Lampung to start mass production in June 2015, and for the maintenance and development of the existing plant.

Equity																		
Mariana (1 a a	Rating	Price (Rp)	Price	Mkt Cap	Net profi	t, Rp bn	EPS	(Rp)	EPS G	rowth	PER	(x)	EV / EBITI	DA (x)	PBV (x	<b>()</b>	Net Gearing	ROE
valuation valuation	g	: nee (.tp)	Target	Rp Bn	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2015
nareksa Universe				3,068,370	198,117	225,673	329.1	374.8	11%	14%	15.5	13.6	13.4	12.2	2.8	2.4		19.0
Auto				318,708	24,660	29,165	451.7	534.3	15%	18%	12.9	10.9	10.3	8.9	2.3	2.0		18.6
Astra International	HOLD	7,550	8,300	305,651	23,976	28,096	592	694	16%	17%	12.7	10.9	10.6	9.1	2.3	2.0	33.5	19.1
Gajah Tunggal Selamat Sempurna	BUY BUY	1,020 4,655	1,500 5,300	3,554 6,702	266 419	633 437	76 291	182 303	-1% 14%	139% 4%	13.4 16.0	5.6 15.4	4.6 9.2	4.4 8.7	0.6 4.7	0.5 4.0	80.8 net cash	4.4 32.3
Banks	DUT	4,000	5,300	1,049,695	84,332	96,420	782.9	895.1	13%	14%	12.4	10.9	9.2	0.7	2.4	2.1	net casn	21.4
BCA	HOLD	13,600	14,050	335.308	19,127	21.921	767	879	15%	15%	17.7	15.5	NA	NA	3.6	3.0	NA	22.4
BNI	BUY	6,675	7,450	124,480	12,142	13,914	651	746	13%	15%	10.3	8.9	NA	NA	1.8	1.6	NA	19.1
BRI	BUY	12,000	13,800	296,030	27,391	31,497	1,110	1,277	13%	15%	10.8	9.4	NA	NA	2.5	2.0	NA	25.2
Bank Tabungan Negara	BUY	1,145	1,400	12,100	1,357	1,609	129	153	22%	19%	8.8	7.5	NA	NA	0.9	0.8	NA	10.6
Bank Mandiri	BUY	11,100	13,600	259,000	22,087	24,946	947	1,069	11%	13%	11.7	10.4	NA	NA	2.2	1.8	NA	19.8
Bank Tabungan Pensiunan	BUY	3,900	5,450	22,777	2,228	2,533	381	434	19%	14%	10.2	9.0	NA	NA	1.6	1.4	NA	17.2
Cement				176,156	12,525	15,375	725	890	7%	23%	14.1	11.5	8.6	7.5	2.7	2.4		20.0
Holcim	HOLD	1,610	2,300	12,337	923	1,213	120	158	12%	31%	13.4	10.2	7.0	5.5	1.2	1.1	30.0	9.1
Indocement	BUY	22,950	28,300	84,484	5,741	6,595	1,559	1,792	8%	15%	14.7	12.8	8.7	7.4	3.0	2.7	net cash	21.2
Semen Indonesia	BUY	13,375	18,800	79,334	5,861	7,567	988	1,276	5%	29%	13.5	10.5	8.8	8.2	3.0	2.5	12.3	23.2
Construction				112,013	4,577	5,552	120	146	24%	21%	24.5	20.2	11.9	10.1	3.8	3.3		16.7
Jasa Marga	BUY	6,150	8,200	41,820	1,600	1,877	422	547	25%	30%	14.6	11.2	14.3	12.8	3.3	3.0	116.4	13.4
Wijaya Karya	BUY	3,090	4,000	19,001	843	1,004	137	164	37%	19%	22.5	18.9	9.3	7.8	3.2	2.7	8.9	15.4
Pembangunan Perumahan	BUY	4,055	4,600	19,636	694	856	143	177	30%	23%	28.3	22.9	11.0	9.1	6.6	5.3	18.0	25.8
Adhi Karya	BUY	2,740	3,700	4,936	399 646	531	221	295	23%	33%	12.4	9.3	6.4	5.5	2.4	1.9	66.5	20.8
Waskita Karya Wika Beton	BUY HOLD	1,760 1,090	2,100 1.350	17,120 9.500	646 396	792 491	66 45	81 56	28% 32%	23% 24%	26.7 24.0	21.8 19.3	13.5 12.8	10.9 10.3	5.1 3.8	4.3 3.3	39.2 net cash	20.9 17.1
Consumer Consumer	HULD	1,090	1,350	9,500 <b>486,679</b>	13,686	491 <b>15,530</b>	45 498	565	32% <b>9%</b>	13%	24.0 <b>35.6</b>	19.3 31.3	12.8 21.2	10.3 19.2	9.3	3.3 <b>8.5</b>	net cash	27.8
Indofood CBP	HOLD	13,750	13,800	80,176	3,033	3,308	<b>498</b> 520	567	16%	13% 9%	26.4	24.2	18.3	17.2	9.3 5.1	<b>8.5</b> 4.6	net cash	20.3
Indofood	BUY	7,050	8,050	61,902	3,811	4,287	434	488	-2%	12%	16.2	14.4	7.7	7.0	2.2	2.0	19.2	14.1
Unilever	SELL	43,850	30,000	334,576	6,365	7,332	834	961	11%	15%	52.6	45.6	36.7	32.2	62.1	55.6	net cash	129.7
Nippon Indosari Corpindo	HOLD	1,210	1,200	6,125	266	377	53	75	41%	42%	23.0	16.2	13.2	9.3	5.2	4.2	63.0	25.0
Mandom	BUY	19,400	19,300	3.901	210	226	1.045	1,126	8%	8%	18.6	17.2	10.0	9.3	2.7	2.5	2.6	15.3
Heavy Equipment		-,	.,	84,977	5,764	6,341	1,261	1,387	4%	10%	14.7	13.4	6.5	5.5	2.0	1.8		14.1
Hexindo Adiperkasa	HOLD	3,025	3,650	2,541	220	260	262	309	13%	18%	11.6	9.8	5.5	4.3	0.9	0.9	net cash	8.0
United Tractors	HOLD	22,100	22,200	82,436	5,544	6,081	1,486	1,630	3%	10%	14.9	13.6	6.5	5.6	2.1	1.9	net cash	14.5
Healthcare				108,039	2,633	3,039	49	57	11%	15%	41.0	35.6	24.6	20.5	7.5	6.6		19.3
Kalbe Farma	HOLD	1,805	1,900	84,610	2,273	2,593	48	55	9%	15%	37.6	32.8	24.7	21.1	8.0	7.0	net cash	22.7
Kimia Farma	BUY	1,195	1,500	6,637	258	313	47	56	12%	19%	25.4	21.3	17.3	13.9	3.3	2.9	2.3	13.5
Siloam Hospital	BUY	14,525	15,750	16,792	102	133	89	115	64%	30%	164.0	126.4	28.7	21.3	9.6	8.9	64.2	6.0
Mining				121,348	8,963	10,056	138	155	5%	12%	13.5	12.1	6.1	5.4	1.2	1.2		9.4
Adaro Energy	BUY	880	1,150	28,148	2,095	2,202	66	69	2%	5%	13.4	12.8	4.7	4.2	0.8	0.8	33.0	6.2
Timah	BUY	890	1,400	6,629	651	765	87	103	40%	18%	10.2	8.7	5.0	4.5	1.2	1.1	10.2	12.4
Vale Indonesia	BUY	3,470	4,200	34,479	2,375	2,566	239	258	17%	8%	14.5	13.4	6.6	5.8	1.6	1.5	2.6	11.0
Aneka Tambang	HOLD	820	1,100	7,822	194	400	20	42	-148%	106%	40.2	19.6	14.6	10.9	0.6	0.6	62.8	1.6
Bukit Asam	BUY	10,450	13,500	24,078	1,746	1,939	803	892	-13%	11%	13.0	11.7	9.5	8.2	2.6	2.4	net cash	19.7
Indo Tambangraya Megah Harum Energy	HOLD HOLD	15,000 1,200	16,000 1,750	16,949 3,244	1,782 119	1,982 202	1,577 44	1,755 75	-15% -53%	11% 69%	9.5 27.2	8.5 16.1	4.4 2.3	4.0 1.8	1.6 0.8	1.6 0.9	net cash net cash	18.0 3.1
Plantation	HOLD	1,200	1,750	66,746	5,510	5,938	211	227	11%	8%	12.1	11.2	6.5	5.9	1.7	1.6	net cash	14.9
Astra Agro Lestari	BUY	26,275	27,100	41,376	2,770	2,832	1,759	1,798	4%	2%	14.9	14.6	9.0	8.4	3.5	3.2	net cash	24.5
Sampoerna Agro	BUY	1,830	2,600	3,459	464	550	245	291	18%	19%	7.5	6.3	4.8	4.1	1.0	0.9	31.8	14.5
PP London Sumatra	HOLD	1,635	2,090	11,155	1,055	1,133	155	166	8%	7%	10.6	9.8	4.6 5.4	4.1	1.4	1.3	net cash	13.9
Salim Ivomas Pratama	BUY	680	850	10,755	1,221	1,423	77	90	33%	17%	8.8	7.6	4.5	4.0	0.7	0.7	37.6	8.2
Property				88,782	5,943	6,634	80	89	-25%	12%	14.9	13.4	11.1	9.8	2.0	1.8		14.4
Alam Sutera	BUY	640	700	12,576	1,254	1,516	64	77	15%	21%	10.0	8.3	9.3	7.9	1.8	1.5	75.3	18.9
Bumi Serpong Damai	BUY	1,950	2,100	37,531	2,369	2,617	135	150	-36%	10%	14.4	13.0	12.6	11.1	2.5	2.2	net cash	16.6
Metropolitan Land	BUY	415	620	3,145	290	322	38	43	14%	11%	10.8	9.8	7.4	6.8	1.4	1.3	27.7	14.2
Surya Semesta Internusa	HOLD	1,175	1,040	5,529	464	415	99	88	32%	-11%	11.9	13.3	5.5	5.7	1.9	1.7	net cash	16.9
Lippo Karawaci	BUY	1,300	1,200	30,001	1,565	1,763	72	82	-38%	13%	18.0	15.9	13.4	11.5	1.9	1.7	29.1	10.1
Telco & Infrastructure				434,269	19,860	22,840	145	167	28%	15%	21.9	19.0	6.4	5.9	3.6	3.3		17.4
XL Axiata	BUY	3,930	4,710	33,568	356	680	42	80	-140%	91%	94.1	49.3	6.2	5.6	2.3	2.2	120.7	2.5
Indosat	HOLD	3,800	3,820	20,649	312	588	57	108	-152%	89%	66.2	35.1	3.7	3.4	1.3	1.2	132.4	2.0
Telkom	HOLD	2,830	3,050	285,264	15,554	16,458	158	168	6%	6%	17.9	16.9	5.7	5.3	3.9	3.6	net cash	22.1
Sarana Menara Nusantara	BUY	3,895	4,525	39,740	1,702	2,121	167	208	35%	25%	23.4	18.7	11.7	10.0	6.1	4.8	107.9	29.8
Tower Bersama	HOLD	9,275	9,625	44,488	1,933	2,570	380	462	38%	22%	24.4	20.1	15.5	13.2	3.7	3.0	120.9	23.9
MNC Sky Vision	HOLD	1,495	1,410	10,561	2	423	0	60	-101%	19638%	4,927.3	25.0	10.0	8.4	6.4	5.1	150.1	0.1
Tranportation	DUN	0.1=0	40.000	21,143	1,253	1,554	501	621	62%	24%	16.9	13.6	9.4	7.7	4.8	3.8		32.3
Blue Bird	BUY	8,450	12,200	21,143 <b>102,420</b>	1,253	1,554 10,313	501 <b>457</b>	621 <b>425</b>	62% 3%	24% - <b>7%</b>	16.9 9.2	13.6 9.9	9.4 <b>6.2</b>	7.7 <b>6.7</b>	4.8 <b>2.5</b>	3.8 2.3	47.8	32.3
Utility PGN	BUY	4,225	6,650	102,420 102,420	<b>11,088</b> 11,088	10,313 10,313	<b>457</b> 457	<b>425</b> 425	3% 3%	-7% -7%	9.2 9.2	9.9	6.2 6.2	6.7	2.5 2.5	2.3	net cash	<b>28.7</b> 28.7
	DUT	4,220	0,000			1,509	457	425 <b>58</b>			22.0	17.6	10.6	8.9	2.5	2.3	nei casn	28.7 14.0
Retail	RHV	5 250	6 250	26,578 8 881	1,210				15% 112%	25% 54%							047	
	BUY SELL	5,350 790	6,250 660	8,881 5,606	1,210 352 243	543 255	212 34	327 36	15% 112% -31%	25% 54% 5%	25.2 23.0	16.4 22.0	8.3 11.2	6.9 10.3	3.1 1.7	2.6 2.7 1.6	84.7 net cash	13.0



# **COVERAGE PERFORMANCE**

LEADERS												
Price as on												
	Code	18-May-2015	15-May-2015	Chg, %	w-w, %	m-m, %	YTD, %	Rating				
Kimia Farma	KAEF	1,195	1,130	5.8	0.4	(0.8)	(18.4)	BUY				
Ramayana	RALS	790	770	2.6	3.9	(1.3)	-	SELL				
Bank Tabungan Negara	BBTN	1,145	1,120	2.2	4.6	(4.6)	(5.0)	BUY				
Blue Bird	BIRD	8,450	8,275	2.1	3.7	(9.1)	(10.3)	BUY				
Timah	TINS	890	875	1.7	9.2	(0.6)	(27.6)	BUY				
Bank Rakyat Indonesia	BBRI	12,000	11,800	1.7	3.0	(7.7)	3.0	BUY				
Bumi Serpong Damai	BSDE	1,950	1,920	1.6	8.0	(8.7)	8.0	BUY				
Lippo Karawaci	LPKR	1,300	1,280	1.6	2.8	(1.9)	27.5	BUY				
Bank Mandiri	BMRI	11,100	10,950	1.4	(0.7)	(7.5)	3.0	BUY				
Pembangunan Perumahan	PTPP	4,055	4,010	1.1	(0.2)	1.4	13.4	BUY				
Sources: Bloomberg												

LAGGARDS												
Price as on												
	Code	18-May-2015	15-May-2015	Chg, %	w-w, %	m-m, %	YTD, %	Rating				
PP London Sumatra	LSIP	1,635	1,720	(4.9)	14.3	6.2	(13.5)	HOLD				
United Tractors	UNTR	22,100	22,800	(3.1)	(7.6)	(3.9)	27.4	HOLD				
Gajah Tunggal	GJTL	1,020	1,050	(2.9)	2.0	(17.7)	(28.4)	BUY				
Adaro Energy	ADRO	880	905	(2.8)	2.3	(8.3)	(15.4)	BUY				
Indosat	ISAT	3,800	3,900	(2.6)	(0.8)	(7.3)	(6.2)	HOLD				
Salim Ivomas Pratama	SIMP	680	695	(2.2)	6.3	1.5	(3.5)	BUY				
Sampoerna Agro	SGRO	1,830	1,865	(1.9)	(0.8)	(3.7)	(12.9)	BUY				
Indofood	INDF	7,050	7,175	(1.7)	6.0	(4.1)	4.4	BUY				
Indo Tambangraya Megah	ITMG	15,000	15,200	(1.3)	6.6	(0.3)	(2.4)	HOLD				
Holcim	SMCB	1,610	1,630	(1.2)	5.6	3.9	(26.3)	HOLD				
Sources: Bloomberg												





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