

MORNING HIGHLIGHT

FROM EQUITY RESEARCH

PGAS: No signs of recovery yet

(PGAS IJ. Rp 2,790. U/R)

Distribution volume fell to 790mmscfd in 1H15. Furthermore, the figures for 2Q15 alone disappointed with the ASP dipping to USD8.9/mmscfd as some 20% of the ASP are denominated in IDR. More encouragingly, 1H15's gross margin was higher at 33.8%. Below the operating line, the sharp declines in crude oil prices resulted in further impairment losses, with interest expenses rising on the back of increased borrowings and net gearing was still rather high at 46% as of June 2015. Looking at its valuation, the stock now trades at only 10.6x 2015 annualized PE given the recent sharp decline in its stock price.

7M15

- BMRI (Bank only): Top line in 7M15 grew 18.6% YoY
- BBTN (Bank Only): Inline result at the top line
- BBNI (Bank Only): Inline result at the top line
- BBRI (Bank Only) : Inline top line and bottom line

FROM DANAREKSA RESEARCH INSTITUTE

Consumer Confidence Rebounds in August

Consumer confidence rebounded in August. After dipping 0.5% in the previous month, the Consumer Confidence Index (CCI) edged up 1.0% to 93.2 from 92.3 in July. Most notably, consumer concerns over higher prices have decreased.

Previous Reports:

- **ADRO: Maintain quarterly net profit, TINS: Gain on revaluation recovered earnings in 2Q15-[Snapshot20150901](#)**
- **SIDO: Enticing valuation on this producer of herbal products-[Snapshot20150831](#)**

MARKET NEWS

*Analysts' comment inside

- BBRI to push on commission contributions (BI)
- BSDE prepares IDR 2tn for buyback (BI)
- INCO disagree to relaxation on mineral exports policy (ID)
- MoF: Despite widening deficit, APBN budget does not need to be revised (ID)
- PTBA prepare IDR650bn for share buybacks (ID)
- PUPR absorption reached IDR38.5 Trillion (ID)
- Realization of tax revenue to achieve 45% in August (ID)
- Upper limit to rise by 10% (ID)

IDX ANNOUNCEMENT

Cash Announcement

Code	Ex-Date	Date Payable	Amount (Rp)
HMSP	19-Aug-15	9-Sep-15	1,033
APII	26-Aug-15	9-Sep-15	5,94143

Source: KSEI

Key Index

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
Asean - 5				
Indonesia	4,412	(2.2)	(15.6)	225
Thailand	1,362	(1.4)	(9.0)	1,203
Philippines	7,087	(0.2)	(2.0)	216
Malaysia	1,609	(0.2)	(8.6)	558
Singapore	2,883	(1.3)	(14.3)	782
Regional				
China	3,167	(1.2)	(2.1)	57,415
Hong Kong	21,185	(2.2)	(10.3)	11,117
Japan	18,166	(3.8)	4.1	14,374
Korea	1,914	(1.4)	(0.1)	5,142
Taiwan	8,018	(1.9)	(13.9)	2,589
India	25,696	(2.2)	(6.6)	381
NASDAQ	4,636	(2.9)	(2.1)	93,608
Dow Jones	16,058	(2.8)	(9.9)	12,850

Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	14,098	(0.3)	(4.4)	(13.8)
SBI rate %	6.75	0.1	0.1	(0.5)
10y Gov Indo bond	8.81	(0.2)	0.2	1.0

Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	60	2.1	(1.1)	(4.3)
Gold	US\$/toz	1,139	(0.1)	4.0	(3.8)
Nickel	US\$/mt.ton	9,729	(3.0)	(11.5)	(35.5)
Tin	US\$/mt.ton	15,015	4.2	(8.4)	(22.7)

Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	3,146	(0.2)	(3.7)	5.9
Corn	US\$/mt.ton	132	(2.3)	(2.2)	(7.6)
Crude Oil	US\$/barrel	50	(8.5)	(5.1)	(13.6)
Palm oil	MYR/mt.ton	1,806	(0.3)	(15.8)	(21.4)
Rubber	US\$/kg	125	0.3	(10.6)	(17.7)
Pulp	US\$/tonne	843	N/A	(1.0)	(9.6)
Coffee	US\$/60kgbag	86	(0.6)	4.1	21.3
Sugar	US\$/MT	336	(1.5)	(3.7)	(14.0)
Wheat	US\$/ton	132	0.3	(3.7)	(20.9)

Source: Bloomberg

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Under review

Target Price, IDR U/R

PGAS II/PGAS.JK

Last Price, IDR 2,790

No. of shares (bn) 24.2

Market Cap, IDRbn 67,634

(USDmn) 4,789

3M T/O, USDmn 5.16

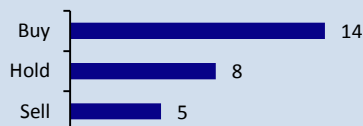
Last Recommendation

04-May-15 UNDER REVIEW Rp U/R

1H15 Results, A/F, % (BELOW)

	1H15, USD	A/F, %
Revenues	1,415.9	44.05
Operating profit	289.9	36.02
Net profit	227.0	36.13

Market Recommendation



Danareksa vs. Consensus

	Our	Cons	% Diff
Target Price, IDR	U.R.	4,474	n.a.
EPS 2015F, IDR	362.9	324.8	12
PE 2015F, x	7.6	8.6	(12)

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

UTILITY/1H15 RESULT

Perusahaan Gas Negara

No signs of recovery yet

Distribution volume fell to 790mmscfd in 1H15. Furthermore, the figures for 2Q15 alone disappointed with the ASP dipping to USD8.9/mmscfd as some 20% of the ASP are denominated in IDR. More encouragingly, 1H15's gross margin was higher at 33.8%. Below the operating line, the sharp declines in crude oil prices resulted in further impairment losses, with interest expenses rising on the back of increased borrowings and net gearing was still rather high at 46% as of June 2015. Looking at its valuation, the stock now trades at only 10.6x 2015 annualized PE given the recent sharp decline in its stock price.

Distribution volume still down, but margins inched up

As the economy slowed further, distribution volume dropped to 790mmscfd in 1H15 from 866mmscfd in 1H14. Given a top line of USD1.416bn, this translates into a 1H15 distribution ASP of roughly USD8.9/mmscfd or down from USD9.2/mmscfd in 1H14. As the 1Q15 distribution volume reached 796mmscfd, the 2Q15 volume was lower at around 784mmscfd. As for the ASP, it stood at USD8.9/mmscfd in 2Q15 – or only slightly down from USD9/mmscfd in 1Q15 and USD9.2/mmscfd in 2Q14. Going forward, improvements in distribution volume hinge on better macroeconomic conditions. Nonetheless, the company is maintaining its 2015 distribution volume target at 750-800mmscfd. On the costs front, distribution costs came down to USD361.7mn in 2Q15 (-14% QoQ; -19.4% YoY), which bolstered the margin to USD3.8/mmscfd from USD3.1/mmscfd in 1Q15. Overall, the 1H15 distribution margin climbed back to USD3.5/mmscfd, or similar to 1H14's level. As such, the gross margin in 1H15 inched up to 33.8% from 32.1% in 1Q15.

Despite the below-the-line items, a lower effective tax rate helped shore up profits

Along with the decline in crude oil prices, PGAS booked another USD18.4mn in impairment losses for its O&G assets. Barring another plunge in oil prices, we believe this impairment should be sufficient. On top of that, finance costs ballooned to USD58.63mn on its bonds issuance and increase in loans. While these below-the-line items eroded EBT, a lower effective tax rate (20% in 1H15) helped to shore up the net margin at 16%. In 1H15, the net profits came in at USD227mn, (-38.7% YoY), reaching almost 38% of the street's estimate. In 2Q15 alone, the effective tax rate was a mere 12% - but this will not be sustainable going forward, in our view. Overall, the company's 2Q15 net margin inched up to 16.3% from 15.7% in 1Q15, although still down from 23.5% in 2Q14.

Recovery contingent on macro improvements

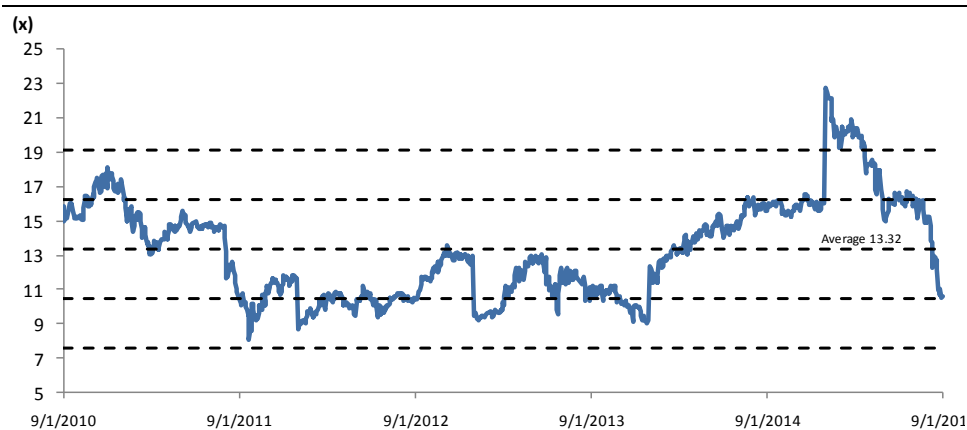
Net gearing inched up to 46% as of June 2015 from 33% as of March 2015, as the company's cash level fell. For its capex in 2015 the company has earmarked some USD800mn, meaning that gearing will likely remain fairly high, in our view. With no major distribution pipelines expected to be completed in the near future, we believe volume upside is solely dependent on an improvement in macroeconomic conditions.

	2014	2015F	2016F	2017F	2018F
Revenue	3,409	3,215	3,354	3,474	3,597
EBITDA	1,255	1,053	1,033	1,003	988
Recurring Net Profit	723	628	645	625	648
Recurring Basic EPS (USD)	0.03	0.03	0.03	0.03	0.03
EPS Growth (%)	(10.2)	(13.1)	2.7	(3.1)	3.7
DPS (USD)	0.02	0.02	0.02	0.03	0.03
PER (x)	6.6	7.6	7.4	7.7	7.4
EV/EBITDA (x)	3.2	4.0	3.9	4.0	3.9
Div Yield (%)	11.8	12.1	11.9	13.4	13.1
P/BV (x)	1.7	1.7	1.7	1.7	1.7
Net Gearing (%)	Net cash	Net cash	Net cash	Net cash	Net cash
ROE (%)	27.5	22.5	22.6	21.7	22.5
ROA (%)	13.7	12.0	15.1	14.5	15.0

Exhibit 1. PGAS 1H15's result

Financial performance	1H14	1H15	y-y, %	2Q14	1Q15	2Q15	q-q %	y-y %	2015F	A/F, %	2015C	A/C, %
(in US\$ mn)												
Net sales	1,625.9	1,415.9	-12.92	821.5	696.4	719.5	3.32	-12.42	3,215	44.05	3,273	43.26
COGS	(977.9)	(937.1)	-4.18	(470.5)	(472.9)	(464.1)	-1.86	-1.36	(1,846)	50.76		
Gross profit	648.0	478.8	-26.10	351.0	223.4	255.4	14.30	-27.24	1,368	34.99	1,227	39.02
Opex	(177.2)	(188.9)	6.59	(91.8)	(70.9)	(118.0)	66.37	28.54	(564)	33.51		
Operating profit	470.7	289.9	-38.42	259.2	152.5	137.4	-9.92	-47.00	805	36.02	762	38.03
EBITDA	572.8	397.7	-30.56	295.6	216.2	181.5	-16.02	-38.59	1,053	37.75		
Other income (expense)	16.5	(5.3)	-132.50	2.4	(3.2)	(2.1)	-35.35	-185.90	44			
Pretax profit	487.2	284.5	-41.60	261.6	149.3	135.3	-9.37	-48.30	848	33.54	787	36.14
Tax expense	(117.2)	(57.4)	-51.04	(68.3)	(40.5)	(16.9)	-58.24	-75.26	(195)			
Minority interest	0.0	(0.2)	-539.73	0.0	0.6	(0.8)			(25)			
Net profit	370.1	227.0	-38.66	193.4	109.4	117.6	7.49	-39.2%	628	36.13	598	37.95
(in %)												
Gross margin	39.9	33.8		42.7	32.1	35.5			42.6		37.5	
Operating margin	29.0	20.5		31.5	21.9	19.1			25.0		23.3	
EBITDA margin	35.2	28.1		36.0	31.0	25.2			32.8		85.7	
Net margin	22.8	16.0		23.5	15.7	16.3			19.5		18.3	

Source: Company, Danareksa Sekuritas

Exhibit 2. PGAS PE band

Source: Company, Bloomberg, Danareksa Sekuritas

7M15 RESULT

BMRI (Bank only): Top line in 7M15 grew 18.6% YoY (BMRI IJ, Rp 8,725. BUY. TP Rp 13,600)

	7M15	7M14	YoY %	FY15F	A/F %
Int. income	35,852	30,235	18.6	68,663	52.2
Int.expenses	13,814	10,994	25.7	22,992	60.1
NII	22,038	19,241	14.5	45,671	48.3
Other op. income	9,578	7,948	20.5	18,276	52.4
Op. exp	12,515	11,085	12.9	28,699	43.6
PPOP	19,101	16,104	18.6	35,248	54.2
Provisions	5,546	2,701	105.3	6,668	83.2
PBT	13,565	13,411	1.1	28,611	47.4
Net Profit	11,082	10,802	2.6	21,856	50.7

NIM	5.0	5.0	6.1
CoF	3.5	3.3	3.4
CIR	39.6	40.8	44.9

	Jul 15	Dec 14	Jul 14	YoY %	YtD %
Assets	807,488	755,867	671,941	20.2	6.8
Sec's	113,069	93,818	91,298	23.8	20.5
Loans	489,816	475,267	440,195	11.3	3.1
CASA	366,233	352,497	318,790	14.9	3.9
TD	226,808	223,829	191,488	18.4	1.3
Deposits	593,041	576,326	510,278	16.2	2.9
Interbank deposits	36,717	17,690	16,487	122.7	107.6
Borrowings	19,111	21,367	12,137	57.5	-10.6

- BMRI's top line (bank only) in 7M15 grew 18.6% YoY to IDR35.8 tn and represent 52.2% of our FY15F while at the bottom line only grew 2.6% YoY due to high provisions of IDR5.5 tn.
- Margin wise, BMRI posted flat NIM of 5.0% in 7M15 despite on track loans growth of 11.3% YoY in July 2015.

BBTN (Bank Only): Inline result at the top line (BBTN IJ. Rp 1,005. BUY. TP Rp 1,400)

	7M15	7M14	YoY	FY15F	A/F
Interest income	8,645	7,556	14.4	14,304	60.4
Interest expense	4,894	4,459	9.8	7,865	62.2
Net Interest Income	3,751	3,098	21.1	6,439	58.3
Other operating income	617	455	35.6	1,035	59.6
Operating expense	2,633	2,376	10.8	4,621	57.0
PPOP	1,735	1,176	47.5	2,853	60.8
Provisioning	409	429	(4.6)	775	52.7
PBT	1,338	742	80.3	2,078	64.4
Net Profit	962	541	77.8	1,506	63.9
NIM	4.5	4.2		4.7	
CoF	6.3	6.5		5.8	
CIR	60.3	66.9		61.8	

	Jul 15	Dec 14	Jul 14	YoY %	YtD %
Assets	159,604	144,576	137,672	15.9	10.4
Loans	127,561	115,916	107,992	18.1	10.0
CASA	53,720	47,232	44,312	21.2	13.7
Deposits	109,504	106,471	97,040	12.8	2.8
Securities issued	13,268	8,520	7,938	67.1	55.7

- BBTN posted inline result at the top line, accounted for 60.4% of our FY15F while bottom line grew 77.8% YoY to IDR962 bn, above our expectation of IDR1.5 tn for FY15F.
- NIM already expanded to by around 30 bps 4.5% in 7M15 from 4.2% in 7M14 on the back of lower blended CoF of 6.3% due to higher growth in CASA of 21.2% YoY to IDR53.7 tn as of July 2015 (49.0% of total deposits as of July 2015 vs 44.4% and 45.7% as of December and July 2014, respectively).

BBNI (Bank Only): Inline result at the top line (BBNI IJ. Rp 4,760. BUY. TP Rp 5,850)

	7M15	7M14	YoY	FY15F	A/F
Interest income	19,228	17,415	10.4	34,795	55.3
Interest expenses	5,898	5,554	6.2	10,426	56.6
Net Interest Income	13,331	11,861	12.4	24,369	54.7
Other op. income	4,655	4,728	(1.5)	11,015	42.3
Opex	8,113	7,302	11.1	17,181	47.2
PPOP	9,873	9,287	6.3	18,204	54.2
Provisions	6,042	2,623	130.3	8,908	67.8
PBT	4,123	6,710	(38.6)	9,478	43.5
Net Profit	3,280	5,359	(38.8)	7,506	43.7
NIM	6.5	6.0		6.3	
CoF	3.1	2.8		3.1	
CIR	45.1	44.0		48.6	

	Jul 15	Dec 14	Jul 14	YoY %	YtD %
Total assets	401,811	393,467	378,012	6.3	2.1
Placement	49,939	39,855	47,257	5.7	25.3
Securities	45,633	48,350	51,589	(11.5)	(5.6)
Loans	271,475	262,577	243,260	11.6	3.4
CASA	192,446	196,337	176,606	9.0	(2.0)
Deposits	307,493	299,021	292,838	5.0	2.8
Other funding	19,087	18,944	16,917	12.8	0.8

- BBNI posted inline result at the top line, accounted for 55.3% of our FY15F while bottom line compress by 38.8% YoY to IDR3.3 tn, below our expectation of IDR7.5 tn for FY15F (43.7%).
- NIM already expanded by around 50 bps to 6.5% in 7M15 from 5.8% in 7M14 while loans growth of 11.6% YoY in July 2015, slightly above our expectation of 10.0% for 2015F.

BBRI (Bank Only) : Inline top line and bottom line (BBRI IJ. Rp 10,100. BUY. TP Rp 13,400)

	7M15	7M14	YoY %	FY15F	A/F
Interest income	47,184	39,546	19.3	84,244	56.0
Interest expenses	15,211	11,340	34.1	26,157	58.2
NII	31,973	28,206	13.4	58,088	55.0
Other op. income	6,321	5,527	14.4	10,365	61.0
Operating expenses	17,046	14,129	20.7	29,935	56.9
PPOP	21,247	19,605	8.4	38,518	55.2
provisions	4,964	4,527	9.6	8,667	57.3
PBT	17,029	16,929	0.6	31,625	53.8
Net Profit	13,743	13,535	1.5	24,352	56.4

NIM	7.8	8.6	8.5
CoF	4.1	3.7	3.8
CIR	44.5	41.9	43.7

	Jul 15	Dec 14	Jul 14	YoY %	YtD %
Assets	770,061	801,984	623,882	23.4	(4.0)
placement	107,842	123,800	82,602	30.6	(12.9)
Sec's	91,733	88,472	45,271	102.6	3.7
Loans	504,229	510,697	461,207	9.3	(1.3)
CASA	320,389	326,447	279,113	14.8	(1.9)
TD	274,332	295,875	217,281	26.3	(7.3)
Deposits	594,721	622,322	496,394	19.8	(4.4)
Securities issued	12,216	8,258	5,738	112.9	47.9
Other int bearing liab.	21,444	57,435	8,166	162.6	(62.7)

- 7M15 figures both top line and bottom line came out inline with our forecast, representing 56.0% and 56.4% of our FY15F.
- Margin still stood at 7.8% due to a higher blended CoF of 4.1% in 7M15 (vs 3.7% in 7M14) as the TD grew 26.3% YoY while deposits grew 19.8% YoY and in July 2015.

September 2015

Consumer Confidence Rebounds in August

- **Consumer confidence rebounded in August. After dipping 0.5% in the previous month, the Consumer Confidence Index (CCI) edged up 1.0% to 93.2 from 92.3 in July. Most notably, consumer concerns over higher prices have decreased. Indeed, our survey shows that 81.3% of consumers cited rising foodstuff prices as a major concern in August, down from 83.8% in July. Besides this, consumer concerns over job scarcity and over higher fuel prices also declined. The August survey shows that the percentage of consumers citing job scarcity as a major concern fell from 31.5% to 29.2% and the percentage of consumers citing higher fuel prices as a major concern fell from 22.3% to 16.7%.**
- **The two main components of the CCI both increased in August. The first one – the component measuring consumer sentiment toward current conditions, the Present Situations Index (PSI), added 1.1 percent to 73.4, as sentiment toward the current state of the economy and the current state of the job market improved. The other component of the CCI - the one measuring consumer sentiment toward the future (the Expectations Index or EI) – increased 1.0 percent to 108.1, a reflection of stronger consumer optimism toward the overall economic outlook over the next six months.**
- **With consumers more upbeat on the country's overall economic outlook, buying intentions for durable goods increased in August 2015. In our latest survey, some 33.2 percent of consumers expressed plans to purchase a durable good over the next six months, up from 31.8 percent in the previous month. The figure in August is at a six-month high. On a yearly comparison, however, buying intentions for durable goods are still lower, since 34.3 percent of consumers expressed plans to purchase a durable good back in August 2014.**
- **Consumer confidence in the government's ability to carry out its duties strengthened further in the August survey. After increasing 4.3 percent in the previous survey, the Consumer Confidence in the Government Index (CCGI) added 0.6 percent to 90.6 in August. In our latest survey, four components that make up the CCGI increased, while one component declined. The component of the CCGI to increase the most was the one measuring sentiment toward the government's ability to enforce the rule of law (it jumped 4.9 percent to 83.9 in August).**

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THE AUGUST 2015 RESULTS

Consumer confidence rebounded in August. After dipping 0.5% in the previous month, the Consumer Confidence Index (CCI) edged up 1.0% to 93.2 from 92.3 in July. Most notably, consumer concerns over higher prices have decreased. Indeed, our survey shows that 81.3% of consumers cited rising foodstuff prices as a major concern in August, down from 83.8% in July. Besides this, consumer concerns over job scarcity and over higher fuel prices also declined. The August survey shows that the percentage of consumers citing job scarcity as a major concern fell from 31.5% to 29.2% and the percentage of consumers citing higher fuel prices as a major concern fell from 22.3% to 16.7%.

The two main components of the CCI both increased in August. The first one – the component measuring consumer sentiment toward current conditions, the Present Situations Index (PSI), added 1.1 percent to 73.4, as sentiment toward the current state of the economy and the current state of the job market improved. The other component of the CCI - the one measuring consumer sentiment toward the future (the Expectations Index or EI) – increased 1.0 percent to 108.1, a reflection of stronger consumer optimism toward the overall economic outlook over the next six months.

By region, consumer confidence strengthened in four of the six regions covered by the survey. Sentiment improved the most in East Java (where the index jumped 3.1 percent to 90.8 in August), followed by South Sulawesi (where the index added 2.2 percent to 102.0), Central Java (where the index edged up 2.0 percent to 96.9), and North Sumatra (where the index climbed 1.5 percent to 86.7). By contrast, sentiment still deteriorated in West Java (where the index declined 2.1 percent to 81.5 in August) and Jakarta (where the index dropped 1.3 percent to 105.4).

Overall, rural consumers were more upbeat than urban consumers in August. The survey shows that the CCI for rural consumers added 12.1 percent to 91.1 in August 2015, while the CCI for urban consumers actually fell 2.8 percent to 94.1. Changes in confidence were also varied among the different income groups. The CCI for low income consumers (incomes below Rp1,000,000/month), for example, rose 6.1 percent to 83.2 in August while the CCI for consumers with income levels above Rp2,000,000 per month actually fell by 1.3 percent to 96.5.

Chart 1. Consumer Confidence Rebounded in August 2015

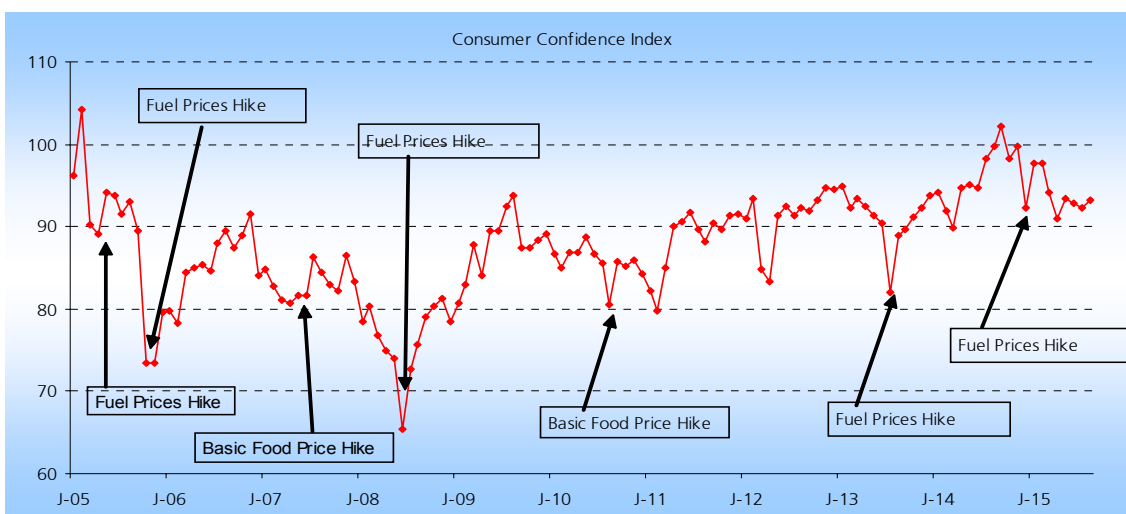


Chart 2. Rural Consumers were More Upbeat in August 2015

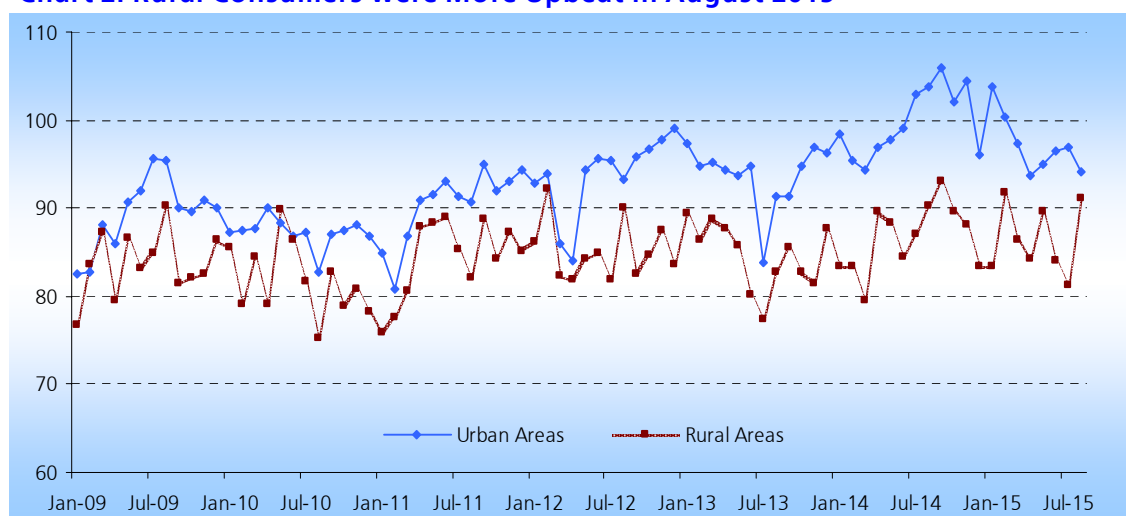


Table 1. The Consumer Confidence Index

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	MoM % Change
Consumer Confidence	90,9	93,4	92,7	92,3	93,2	1,0
Present Situation	70,1	73,4	72,3	72,6	73,4	1,1
Expectation	106,5	108,4	108,1	107,0	108,1	1,0

Appraisal of Current Situations: *More Positive on the National Economy*

Consumers gave more positive assessments on the current state of the national economy in our latest survey (this index increased 0.6 percent to 64.6). In our survey, the proportion of consumers who claimed that national economic conditions were “bad” in August declined from 48.6 percent to 47.7 percent, while the proportion of consumers claiming that national economic conditions were “good” stayed at around 12.4 percent. Nevertheless, a significant proportion of consumers (39.9 percent) said that national economic conditions were “normal”.

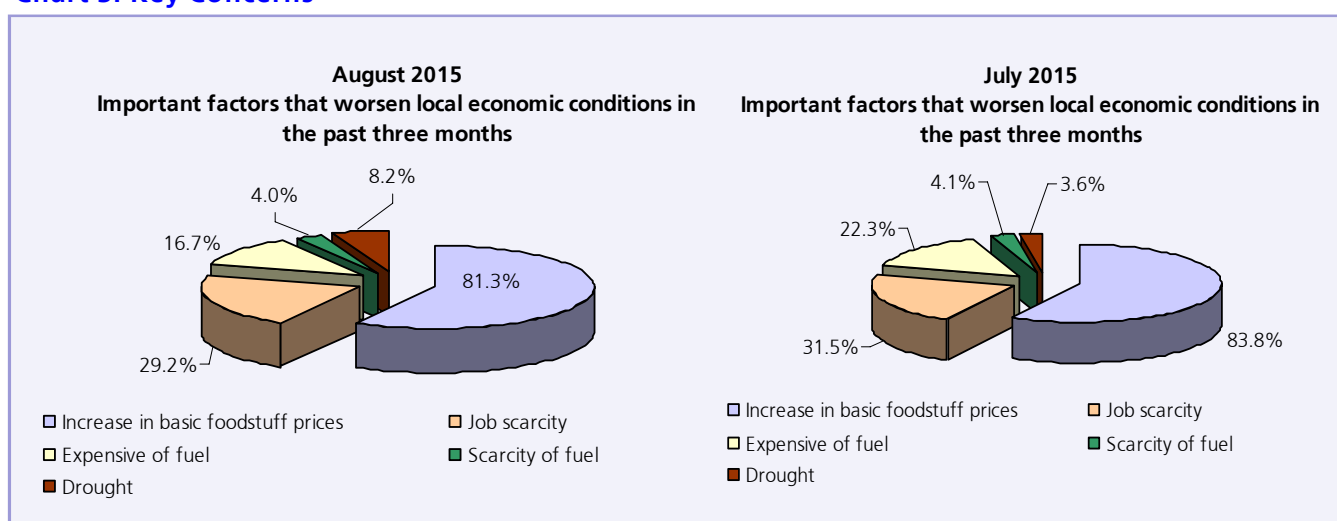
In regard to the current state of the local economy, however, consumers gave more negative assessments (this index edged down 0.9 percent to 92.4 from 93.3 in July 2015). Several issues still weighed on consumers in August 2015. Most notably, 81.3 percent of consumers still cited high foodstuff prices as a major factor weighing on the local economy in the last three months. This figure is down from 83.8 percent in July. In addition, 29.2 percent of consumers are still concerned by job scarcity (down from 31.5 percent in July) and 16.7 percent of consumers are still concerned by high fuel prices (down from 22.3 percent in July).

In the August survey, consumers also gave more upbeat assessments on the job market (the index measuring sentiment toward job market conditions added 4.7 percent to 63.2. Indeed, our survey shows that fewer consumers claimed that jobs were hard to get (55.7% in August vs. 58.8% in July), while the proportion of consumers claiming that jobs were easy to get stayed at around 18.9 percent. Nevertheless, this index is still way below 100, suggesting that the job market remains tough and that greater efforts are still needed to tackle the perennial problem of unemployment.

Table 2. Appraisal of Current Situations

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	MoM % Change
Economic Conditions	61,5	66,1	61,9	64,2	64,6	0,6
Local Area Economic Conditions	91,9	98,6	94,1	93,3	92,4	-0,9
Employment Conditions	57,1	55,5	60,7	60,3	63,2	4,7

Chart 3. Key Concerns



Assessments on Near-Term Conditions: *More Upbeat on the Local Economy*

Looking ahead over the next six months, consumers are more optimistic on the country’s economic outlook. The Expectations Index (EI) climbed 1.0 percent to 108.1 in August 2015. Three components of the EI posted increases, while one component still decreased. Notably, however, all the components of the EI are still above the 100 level, suggesting that consumers are still generally upbeat on the outlook for the economy and the job market.

In the August survey, consumers are less optimistic toward the national economic outlook. This component of the EI dropped 2.9 percent to 108.1 in August 2015. For the local economy, however, consumers are more upbeat on its prospects: this index climbed 1.9 percent to 111.2. Indeed, our survey shows that more consumers are upbeat on the local economic outlook (17.5% in August vs. 14.7% in July) while around 6.3 percent of consumers are still downbeat. Nevertheless, 76.2 percent of consumers still foresee no change in local economic conditions over the next six months.

In regard to the job market outlook, consumers are also more upbeat. This index edged up 0.7 percent to 105.6 in August 2015. With a better job market outlook, consumers also foresee more rosy prospects for family incomes: this index added 4.5 percent to 107.4 in August 2015. Our survey shows that more consumers now expect higher incomes (22.2 percent in August 2015 vs. 18.4 percent in July 2015) while fewer consumers expect lower incomes (14.8 percent in August 2015 vs. 15.6 percent in July 2015). Nonetheless, most consumers (62.9 percent) still expect no change in their future incomes.

Table 3. Expectations in the Six Months Ahead

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	MoM % Change
Economic Prospects	108,4	110,6	110,5	111,4	108,1	-2,9
Local Area Economic Prospects	108,8	110,6	110,7	109,1	111,2	1,9
Employment Prospects	103,7	104,2	106,4	104,9	105,6	0,7
Family Income Prospects	105,2	108,2	104,8	102,8	107,4	4,5

Purchasing Intentions for Durable Goods: *Up to Six-Month High*

With consumers more upbeat on the country's overall economic outlook, buying intentions for durable goods increased in August 2015. In our latest survey, some 33.2 percent of consumers expressed plans to purchase a durable good over the next six months, up from 31.8 percent in the previous month. The figure in August is at a six-month high. On a yearly comparison, however, buying intentions for durable goods are still lower, since 34.3 percent of consumers expressed plans to purchase a durable good back in August 2014.

Of the ten categories tracked by our survey, buying intentions only increased in six of them. Most notably, buying intentions for livestock increased significantly from 0.23 percent in July to 0.93 percent in August. This year, the festivities of Idul Adha fall on September 24, an occasion when demand for both goats and cows increases significantly. Also up significantly were buying intentions for land (up from 0.35 percent in July to 0.64 percent in August) as were buying intentions for houses (up from 0.81 percent in July to 1.22 percent in August). Furthermore, more people expressed an interest in renovating their homes and also buying gold & jewellery, as well as motorcycles.

Nevertheless, buying intentions for some goods still decreased. Most notably, buying intentions for audio-visual equipment dropped from 4.29 percent to 3.25 percent while buying intentions for home appliances sank from 7.42 percent to 5.74 percent. Buying intentions for automobiles fell from 0.70 percent to 0.58 percent in August. Meanwhile, buying intentions for bicycles remained unchanged in August.

Table 4. Buying intentions

	Apr-15	May-15	Jun-15	Jul-15	Aug-15
Automobile	0,46	0,35	0,29	0,70	0,58
Motorcycle	2,15	2,38	2,09	2,67	2,84
Bicycle	0,12	0,70	0,52	0,29	0,29
House	0,81	1,10	0,75	0,81	1,22
House Renovation	2,55	2,84	2,49	2,90	2,96
Land	0,23	0,23	0,29	0,35	0,64
Audio-visual	2,96	3,36	3,36	4,29	3,25
Home appliance	6,90	8,35	7,25	7,42	5,74
Gold & jewelry	1,57	2,09	1,28	1,22	1,51
Livestock	0,52	0,46	0,87	0,23	0,93

Expectations on Key Economic Variables: *Concerns on Inflation Decreased*

In our latest survey, consumers said they expected inflationary pressures to ease slightly over the next six months. Our latest survey reveals that fewer consumers now expect general prices to increase. Overall, the index measuring consumer sentiment toward general prices retreated 0.8 percent to 186.4 in August. The expectation of lower prices is unsurprising, however, since the prices of certain products - especially foodstuffs - typically return to normal levels in the weeks after the end of the fasting and Idul Fitri period.

In regard to interest rates, fewer consumers foresee lower interest rates over the next six months (6.3 percent in August 2015 vs. 9.9 percent in July 2015) while around 33.4 percent of consumers still foresee higher interest rates. At the same time, a significant portion of consumers (25.2 percent) still expect interest rates to remain unchanged. As such, overall, the index measuring sentiment toward interest rates edged up 2.6 percent to 127.1 in August.

As for the rupiah, consumers in the main cities are more pessimistic on the outlook for the local currency. In our survey, the index measuring sentiment toward the rupiah dropped 1.8 percent to 67.7 in August. In regard to the outlook for stock prices, however, consumers are still more confident that Indonesian stocks will record gains over the next six months (this index added 0.4 percent to 111.3 in August).

Table 5. Expectations on Prices

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	MoM % Change
General Prices Expectation	190,0	191,4	193,9	187,9	186,4	-0,8
Interest Rates Expectation	129,2	129,2	129,9	123,8	127,1	2,6
Exchange Rates Expectation	74,5	71,3	64,5	69,0	67,7	-1,8
Stock Prices Expectation	117,5	118,0	118,6	110,9	111,3	0,4

Confidence in the Government: Strengthened Further

Consumer confidence in the government's ability to carry out its duties strengthened further in the August survey. After increasing 4.3 percent in the previous survey, the Consumer Confidence in the Government Index (CCGI) added 0.6 percent to 90.6 in August. In our latest survey, all components that make up the CCGI increased except for the component measuring sentiment toward the government's ability to stabilize prices (it dropped 6.0 percent to 68.9 in August).

The component of the CCGI to increase the most was the one measuring sentiment toward the government's ability to enforce the rule of law (it jumped 4.9 percent to 83.9 in August). This is very encouraging since perceptions of weak law enforcement have been the main drag on consumer sentiment toward the government since the end of 2009. Also up significantly was the component of the CCGI measuring sentiment toward the government's ability to provide and maintain public infrastructure. It added 2.7 percent to 107.3 in August.

The other component to show an increase was the one measuring sentiment toward the government's ability to ensure a safe and orderly environment (it added 0.3 percent to 100.8). At the same time, the component of the CCGI measuring sentiment toward the government's ability to spur economic growth also increased, adding 0.2 percent from 91.8 percent to 92.0 in August 2015.

Table 6. Confidence Toward The Current Government

	Apr-15	May-15	Jun-15	Jul-15	Aug-15	MoM %Change
Recovery National Economy	98,0	92,7	89,4	91,8	92,0	0,2
Stabilize the Price of Goods	72,8	65,1	62,1	73,3	68,9	-6,0
Maintain Public Infrastructure	103,2	104,1	103,2	104,5	107,3	2,7
Provide A Sense of Safety	97,8	97,1	96,6	100,5	100,8	0,3
Provide A Sense of Certainty	87,6	82,3	80,5	80,0	83,9	4,9
CCGI	91,9	88,3	86,4	90,0	90,6	0,6

* Note: Starting in April 2007, the Consumer Confidence in the Government Index (CCGI) has been adjusted to the year of 2003 = 100

TABLE 7. CCI - COMPOSITE SERIES

CCI by Regions	Jul-15	Aug-15	MoM %Change
National			
Consumer Confidence Index	92,3	93,2	1,0
Present Situation	72,6	73,4	1,1
Expectations	107,0	108,1	1,0
Jakarta			
Consumer Confidence Index	106,8	105,4	-1,3
Present Situation	89,5	84,8	-5,3
Expectations	119,7	120,8	1,0
West Java			
Consumer Confidence Index	83,2	81,5	-2,1
Present Situation	56,3	55,2	-1,8
Expectations	103,5	101,2	-2,2
Central Java			
Consumer Confidence Index	95,0	96,9	2,0
Present Situation	78,9	78,6	-0,4
Expectations	107,0	110,5	3,3
East Java			
Consumer Confidence Index	88,1	90,8	3,1
Present Situation	67,0	73,5	9,7
Expectations	103,9	103,8	-0,1
North Sumatera			
Consumer Confidence Index	85,4	86,7	1,5
Present Situation	56,6	60,7	7,2
Expectations	107,0	106,2	-0,7
South Sulawesi			
Consumer Confidence Index	99,8	102,0	2,2
Present Situation	92,5	91,3	-1,3
Expectations	105,3	110,0	4,5

TABLE 8: NATIONAL FIGURES

CCI by Classification	Respondent Profile (%)	Jul-15	Aug-15	MoM %Change
Age of Respondents				
20-29	17,3	97,1	100,1	3,1
30-39	28,5	92,1	92,6	0,5
40-49	25,9	89,5	91,8	2,5
50-59	20,3	91,0	91,3	0,3
60 and over	7,9	94,8	90,1	-5,0
Educational Level				
Primary School or less	33,9	86,2	87,1	1,1
High School	57,5	94,9	95,4	0,5
Academy/University	8,5	102,2	103,0	0,8
Households Income				
under RP 1.000.000,-	5,0	78,4	83,2	6,1
Rp. 1.000.001 - 1.500.000,-	13,2	82,6	88,9	7,7
Rp 1.500.001 - 2.000.000,-	26,7	89,5	90,5	1,1
Rp 2.000.001,- and over	55,1	97,7	96,5	-1,3
Type Area				
Urban	70,6	96,8	94,1	-2,8
Rural	29,4	81,3	91,1	12,1
Gender				
Male	49,9	90,8	93,2	2,7
Female	50,1	93,8	93,2	-0,6
Occupation				
Worker	27,1	93,5	94,8	1,4
Self employed	38,3	90,6	92,6	2,3
Unemployed	34,5	93,1	92,6	-0,5

* An index reading above 100 indicates that positives responses outnumber negative responses

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MARKET NEWS

BBRI to push on commission contributions (BI)

Bank Rakyat Indonesia (BBRI) targets the contribution of fee based income (FBI) will increase to 10% by the end of this year. BRI will encourage e-banking transactions in order to boost the FBI. In the 1H15, the FBI component accounted for 7.7% of total revenue.

BSDE prepares IDR 2tn for buyback (BI)

Bumi Serpong Damai (BSDE) allocated IDR 2tn to buyback a maximum of 7% of the company's paid-up capital or at most 1.34bn shares. The buyback is limited at the price of IDR 1,700 per share.

INCO disagree to relaxation on mineral exports policy (ID)

Vale Indonesia (INCO) expects government to consistently apply the policy ban on the export of raw minerals. Relaxation mineral exports will undermine smelter's investor confidence. According to the President Director of Vale Indonesia, nickel smelter development requires substantial funds and long planning process. Therefore, investors need legal certainty in the form of regulation consistency on ban on exports of nickel ore from the Government. In addition, relaxation of export of raw minerals is considered to be a less appropriate action amid oversupply market.

MoF: Despite widening deficit, APBN budget does not need to be revised (ID)

Ministry of Finance estimates that state budget deficit in 2015 to be 2.23% of GDP or widen of the target set at 1.9% of GDP. To that end, the government has decided to attract additional financing, will not revise the APBN-P 2015. This is reinforced through policy PMK No. 163/PMK.05/2015 concerning the deficit slightly its estimate outpaces revised budget deficit target in 2015 and estimated additional deficit financing outpaces revised budget deficit target in 2015.

PTBA prepare IDR650bn for share buybacks (ID)

Bukit Asam (PTBA) plan to allocate funds to buy back as much as IDR650 billion for 101.33mn series B shares or equivalent to 4.40% of issued capital. The buyback will be carried out gradually from 2 September 2015 to 1 December 2015. Shares of the buyback will be allocated as treasury stock, and per December 1, 2015, PTBA will carry out shares transfer through shares resale or implementation of the employee stock option plan or employee stock purchase plan.

PUPR absorption reached IDR38.5 Trillion (ID)

Ministry of Public Works and Public Housing (PUPR) claim budget absorption up to the end of August 2015 amounted to IDR38.5 trillion, equivalent to 32.4% of the total budget in 2015. This achievement exceeds the target set by the ministry of 30% up to the end of August 2014. Currently, remaining project packages auction under process is IDR3.9 Trillion. This is small scale projects with a value of approximately IDR200-400 million such as maintenance project and national road maintenance contracts. The entire single year project has been successfully auctioned and most are under construction. While for the multi-year project, some projects are in the stage of finalization.

Realization of tax revenue to achieve 45% in August (ID)

Realization of tax revenue as of 31 August reached IDR592 trillion, equivalent to 45.7% of the target IDR1,294.3 trillion. Tax revenues increased approximately by IDR60 trillion from July figures of IDR531 trillion. Director General of Taxation, Sigit Priadi, determined to keep seeking tax revenue in accordance with targeted with extra effort.

Upper limit to rise by 10% (ID)

Ministry of Transportation signaled a rate increase of 10% upper cap for commercial air ticket for economy class. This increase is calculated from operating costs that are influenced by the dollar, such as the cost of fuel and spare parts costs. Currently, new regulations pertaining to upper limit tariff reference is on the Ministry of Justice and Human Rights.



Equity Valuation

	Rating	Price (Rp)	Price Target	Mkt Cap Rp Bn	Net profit, Rp bn		EPS (Rp)		Core EPS (Rp)		EPS Growth		PER (x)		EV / EBITDA (x)		PBV (x)		Net Gearing 2015	ROE 2015
					2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016		
Danareksa Universe				2,553,924	190,196	213,751	299.6	336.7			6%	12%	13.4	11.9	11.3	10.3	2.3	2.0		18.1
Auto				241,336	247,06	29,222	452.6	535.3			15%	18%	9.8	8.3	8.2	7.1	1.7	1.5		18.6
Astra International	HOLD	5,700	8,300	230,756	23,976	28,096	592	694	497	567	16%	17%	9.6	8.2	8.3	7.1	1.7	1.5	33.5	19.1
Gajah Tunggal	BUY	491	1,500	1,711	266	633	76	182	140	127	-1%	138%	6.4	2.7	4.1	4.0	0.3	0.3	95.0	4.4
Selamat Purnama	BUY	4,725	5,300	6,802	465	493	323	342	332	352	19%	6%	14.6	13.8	8.9	8.2	4.8	3.9	net cash	36.0
Banks				879,556	76,223	84,648	707.5	785.7			2%	11%	11.5	10.4	2.1	1.8	2.1	1.8		19.5
BCA	HOLD	12,575	14,050	310,037	19,127	21,921	767	879	767	879	15%	15%	16.4	14.3	NA	NA	3.3	2.8	NA	22.4
BNI	BUY	4,760	5,850	88,768	7,506	8,596	402	461	402	461	-30%	15%	11.8	10.3	NA	NA	1.4	1.2	NA	12.1
BRI	BUY	10,100	13,400	249,159	24,352	25,863	987	1,048	987	1,048	0%	6%	10.2	9.6	NA	NA	2.2	1.8	NA	23.0
Bank Tabungan Negara	BUY	1,005	1,400	10,635	1,357	1,609	129	153	129	153	22%	19%	7.8	6.6	NA	NA	0.8	0.7	NA	10.6
Bank Mandiri	BUY	8,725	13,600	203,583	21,856	24,422	937	1,047	937	1,047	10%	12%	9.3	8.3	NA	NA	1.7	1.5	NA	19.6
Bank Tabungan Pensiunan	BUY	2,975	4,500	17,375	2,026	2,237	347	383	347	383	8%	10%	8.6	7.8	NA	NA	1.3	1.1	NA	15.8
Cement				130,961	12,525	15,375	725	890			7%	23%	10.5	8.5	6.2	5.4	2.0	1.8		20.0
Holcim	HOLD	1,085	2,300	8,314	923	1,213	120	158	118	152	12%	31%	9.0	6.9	5.2	3.9	0.7	0.7	30.0	9.1
Indocement	BUY	18,775	28,300	69,115	5,741	6,595	1,559	1,792	1,555	1,788	8%	15%	12.0	10.5	6.8	5.6	2.4	2.2	net cash	21.2
Semen Indonesia	BUY	9,025	14,500	53,522	5,861	7,567	968	1,276	968	1,276	5%	29%	9.1	7.1	6.0	5.6	2.0	1.7	12.3	23.2
Construction				100,322	4,317	5,350	102	126			17%	24%	23.2	18.8	11.1	9.5	2.9	2.6		14.4
Jasa Marga	BUY	5,075	8,000	34,510	1,531	1,779	480	614	513	657	19%	28%	10.6	8.3	12.0	10.7	2.8	2.5	95.8	12.8
Wijaya Karya	HOLD	2,730	2,500	16,787	1,273	638	93	104	98	109	-7%	11%	29.3	26.3	12.0	10.1	3.0	2.7	29.0	10.9
Pembangunan Perumahan	BUY	3,205	4,600	15,520	694	856	143	177	150	185	30%	23%	22.4	18.1	9.1	7.7	5.2	4.2	39.2	25.8
Adhi Karya	BUY	1,920	3,700	3,459	399	531	221	295	244	322	23%	33%	8.7	6.5	4.9	4.3	1.7	1.4	66.6	20.8
Waskita Karya	BUY	1,565	2,000	21,898	725	1,054	53	78	53	78	4%	46%	29.3	20.1	14.4	12.1	2.5	2.3	net cash	12.5
Wika Beton	HOLD	935	1,350	8,149	396	491	45	56	46	57	32%	24%	20.6	16.6	10.7	8.6	3.3	2.8	net cash	17.1
Consumer				423,705	13,419	14,186	488	516			7%	6%	31.6	29.9	18.7	17.7	7.4	6.3		25.9
Indofood CBP	BUY	12,350	13,800	72,012	3,033	3,308	520	567	520	567	16%	9%	23.7	21.8	16.3	15.4	4.6	4.1	net cash	20.3
Indofood	BUY	5,200	7,100	45,658	3,704	4,059	422	462	563	610	-5%	10%	12.3	11.2	5.7	5.5	1.6	1.5	19.5	13.8
Unilever	SELL	38,925	30,475	296,998	5,889	6,234	772	817	772	817	3%	6%	50.4	47.6	34.0	33.0	29.1	18.2	net cash	80.4
Nippon Indosari Corpindo	BUY	1,110	1,680	5,619	266	309	53	61	53	61	41%	16%	21.1	18.2	12.2	9.8	4.7	3.9	59.5	24.7
Mandom	BUY	17,000	21,170	3,418	526	276	2,618	1,375	279	1,373	202%	-47%	6.5	12.4	7.2	6.3	2.0	1.9	net cash	35.7
Healthcare				140,163	3,219	3,609	595	703			20%	18%	43.5	38.8	27.7	23.7	7.9	7.1		19.9
Kalbe Farma	BUY	1,680	1,925	78,750	2,219	2,375	47	51	47	52	7%	7%	35.5	33.2	23.2	20.4	7.5	6.7	net cash	22.2
Kimia Farma	BUY	730	1,500	4,054	258	313	47	56	41	50	12%	19%	15.5	13.0	10.6	8.5	2.0	1.8	2.2	13.5
Sileam Hospital	HOLD	15,600	16,900	18,035	153	245	96	132	99	137	77%	38%	162.7	117.9	29.7	23.5	10.2	9.4	35.5	8.9
Mitra Keluarga	BUY	27,025	29,950	38,323	689	676	405	464	397	454	14%	15%	66.8	58.2	60.5	51.4	11.8	10.6	net cash	23.9
Heavy Equipment				70,649	5,973	6,297	1,307	1,378			7%	5%	11.8	11.2	5.3	4.5	1.7	1.5		14.6
Hexindo Adiperkasa	HOLD	1,510	3,650	1,268	220	260	262	309	238	273	13%	18%	5.8	4.9	2.5	1.7	0.5	0.4	net cash	8.0
United Tractors	HOLD	18,600	19,800	69,381	5,753	6,037	1,542	1,619	1,542	1,619	7%	5%	12.1	11.5	5.4	4.6	1.7	1.6	net cash	15.1
Mining				68,323	7,134	8,305	110	128			-19%	16%	9.6	8.2	4.0	3.6	0.7	0.7		7.3
Adaro Energy	BUY	575	1,150	18,392	2,095	2,202	66	69	66	69	2%	5%	8.8	8.4	3.5	3.0	0.5	0.5	33.0	6.2
Timah	BUY	585	850	4,357	157	237	21	32	21	32	-75%	51%	27.7	18.4	6.7	6.0	0.8	0.8	24.9	2.9
Vale Indonesia	BUY	1,395	3,700	13,861	1,386	1,790	140	180	140	180	-36%	29%	10.0	7.7	3.3	2.7	0.6	0.6	net cash	6.2
Aneka Tambang	HOLD	496	1,100	4,731	194	400	20	42	20	42	-148%	106%	24.3	11.8	11.8	8.9	0.4	0.4	62.8	1.6
Bukit Asam	BUY	6,150	8,400	14,170	1,560	1,674	718	770	718	770	-23%	7%	8.6	8.0	6.2	5.6	1.5	1.3	net cash	17.4
Indo Tambangraya Megah	HOLD	9,125	10,600	10,311	1,622	1,800	1,435	1,593	1,435	1,593	11%	6%	6.4	5.7	2.0	1.8	0.9	0.8	net cash	15.2
Harum Energy	HOLD	925	1,750	2,501	119	202	44	75	44	75	-53%	69%	21.0	12.4	0.1	0.0	0.7	0.7	net cash	3.1
Plantation				43,880	5,510	5,938	211	227			11%	8%	8.0	7.4	4.4	3.9	1.1	1.1		14.9
Astra Agro Lestari	BUY	16,900	27,100	26,613	2,770	2,832	1,759	1,798	1,759	1,798	4%	2%	9.6	9.4	5.7	5.3	2.3	2.1	net cash	24.5
Sampoerna Agro	BUY	1,325	2,600	2,504	464	550	245	291	253	299	18%	2%	5.4	4.6	3.8	3.3	0.7	0.7	31.8	14.5
PP London Sumatra	HOLD	1,095	2,090	7,471	1,055	1,133	155	166	155	166	8%	7%	7.1	6.6	3.2	2.6	0.9	0.9	net cash	13.9
Salm Ivomas Pratama	BUY	461	850	7,291	1,221	1,423	77	90	87	98	33%	17%	6.0	5.1	3.5	3.1	0.5	0.4	37.6	8.2
Property				91,237	8,896	10,205	87	99			-10%	15%	10.3	8.9	3.2	2.8	1.8	1.6		18.8
Alam Sutera	BUY	341	700	6,700	1,254	1,516	64	77	73	85	15%	21%	5.3	4.4	6.3	5.2	0.9	0.8	75.3	18.9
Bumi Serpong Damai	BUY	1,575	2,100	30,314	2,369	2,617	135	150	140	156	-36%	10%	11.6	10.5	10.2	8.9	2.0	1.8	net cash	16.6
Metropolitan Land	BUY	290	620	2,220	290	322	38	43	38	43	14%	11%	7.6	6.8	5.5	5.2	1.0	0.9	27.7	14.2
Surya Semesta Internusa	HOLD	680	1,040	3,200	464	415	99	88	103	93	32%	-11%	6.9	7.7	2.8	2.8	1.1	1.0	net cash	16.9
Lippo Karawaci	BUY	1,030	1,200	23,770	1,565	1,763	72	82	58	64	-38%	13%	14.2	12.6	10.9	9.4	1.5	1.4	27.3	10.1
PP Properti	BUY	144	242	2,022	1,626	1,963	21	26	22	28	172%	27%	7.0	5.5	5.0	4.9				

COVERAGE PERFORMANCE

LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		1-Sep-2015	31-Aug-2015					
Bukit Asam	PTBA	6,150	5,850	5.1	12.3	2.5	(50.8)	BUY
Kimia Farma	KAEF	730	700	4.3	13.2	(26.3)	(50.2)	BUY
Siloam Hospital	SILO	15,600	15,100	3.3	12.6	(5.7)	13.9	HOLD
PP London Sumatra	LSIP	1,095	1,080	1.4	16.5	(19.2)	(42.1)	HOLD
Bank Tabungan Pensiunan Nasional	BTPN	2,975	2,950	0.8	(3.7)	(5.6)	(24.7)	BUY
Perusahaan Gas Negara	PGAS	2,790	2,780	0.4	(1.9)	(30.3)	(53.5)	BUY
Kalbe Farma	KLBF	1,680	1,675	0.3	7.3	(3.7)	(8.2)	BUY
Mitra Keluarga	MIKA	27,025	27,000	0.1	(1.0)	0.2	59.0	BUY
Mandom	TCID	17,000	17,000	-	(5.6)	(12.8)	(3.0)	BUY
Hexindo Adiperkasa	HEXA	1,510	1,510	-	13.5	(34.8)	(56.9)	HOLD

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		1-Sep-2015	31-Aug-2015					
Vale Indonesia	INCO	1,395	1,545	(9.7)	11.6	(28.8)	(61.5)	BUY
Bank Tabungan Negara	BBTN	1,005	1,065	(5.6)	1.5	(14.1)	(16.6)	BUY
Mitra Adi Perkasa	MAPI	3,790	4,000	(5.3)	(0.3)	(18.5)	(25.3)	BUY
XL Axiata	EXCL	2,850	3,000	(5.0)	1.6	(3.9)	(41.4)	BUY
Bank Rakyat Indonesia	BBRI	10,100	10,625	(4.9)	6.3	1.0	(13.3)	BUY
Indocement	INTP	18,775	19,625	(4.3)	11.8	(6.2)	(24.9)	BUY
Ace Hardware	ACES	570	595	(4.2)	(1.7)	(10.9)	(27.4)	BUY
Bank Mandiri	BMRI	8,725	9,100	(4.1)	2.6	(8.4)	(19.0)	BUY
Bank Negara Indonesia	BBNI	4,760	4,950	(3.8)	9.4	-	(22.0)	BUY
Astra International	ASII	5,700	5,925	(3.8)	1.8	(14.3)	(23.2)	HOLD

Sources: Bloomberg

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