

## Equity Research Tuesday, November 17, 2015

# **MORNING HIGHLIGHT**

## FROM EQUITY RESEARCH

#### AUTO: A winding road (Neutral)

After posted an uptrend in August and September 2015, the domestic wholesales car sales reported a 5.1% mom decline to 88,325 units in October 2015 (September 2015: 93,038 units). The recent Jakarta Auto Show at end of October 2015 and continuation on further discount for motorcar helped to cushion the further decline in monthly car sales. Given the prevailing economic headwind and the impact of weak IDR, domestic car sales volume still declined by 17.8% yoy to 853,008 units in 10M15. The number was within our expectation as it has already accounted for about 85% of our full year forecast. While launching of new popular models may sustain the domestic car sales in the upcoming months, we still maintain our Neutral view on the automotive sector. Car sales is expected to decline to 1mn units for 2015 (-21% yoy) owing to challenging domestic economic outlook.

## FROM DANAREKSA RESEARCH INSTITUTE

#### BSI: Still down but early signs of improvement

Although business sentiment weakened further in the August- September period, a closer look at our survey results appear to provide an early indication that the worst is now behind us as economic headwinds wane.

#### **Previous Reports:**

- Banking: KUR:Quo Vadis? Snapshot20151116
- Cement: Signs of continued improvement in domestic cement demand-<u>Snapshot20151113</u>
- ITMG: 3Q15-better quarter on lower total cash cost, SILO: Licensing Dilemma-<u>Snapshot20151111</u>
- Infrastructure: Indonesia Infrastructure Week A Brighter yet Challenging Period Ahead, Bank: 9M15 wrap-up: short term tailwinds ahead, INCO: Benefitting from low energy costs-<u>Snapshot20151106</u>

#### **MARKET NEWS**

\*Analysts' comment inside

- ADHI obtained new contract of Rp10.6tn (Company)\*
- ANTM and Newcrest seek new gold mines, ANTM targeting 5 tons sales (ID/BI)
- WIKA seek US\$ 100mn from Saudi Arabia (BI)
- Illegal imports may threaten the industry (ID)
- Piling contractor Indopora seeks up to Rp 560bn from IPO (BI)

### **IDX ANNOUNCEMENT**

Code	Buybac	k period	Max buyback (Rp bn)	Max price/share (Rp)
MPMX	24-Aug	23-Nov	50	1,000
RALS	25-Aug	24-Nov	400	,
ARNA	25-Aug	25-Nov	18	,
Source: KSEI				

		Key Inde	x		
		Close	Chg	Ytd	Vol
			(%)	(%)	(US\$ m)
Asean -	5				
Indonesia	a	4,442	(0.7)	(15.0)	202
Thailand		1,389	0.4	(7.3)	1,001
Philippine	es	6,773	(1.8)	(6.3)	96
Malaysia		1,656	(0.2)	(6.0)	486
Singapor	е	2,916	(0.3)	(13.4)	648
Regional					
China		3,607	0.7	11.5	105,279
Hong Kor	ng	22,011	(1.7)	(6.8)	9,999
Japan		19,394	(1.0)	11.1	9,567
Korea		1,943	(1.5)	1.4	3,650
Taiwan		8,295	(0.4)	(10.9)	2,455
India		25,760	0.6	(6.3)	405
NASDAQ	2	4,985	1.2	5.2	77,499
Dow Jone	es	17,483	1.4	(1.9)	9,250
	Currenc	y and Int	erest Ra	ate	
		Rate	w-w	m-m	ytd
		Nate	(%)	(%)	(%)
Rupiah	Rp/1US\$	13,749	(0.8)	(1.5)	(11.0)
SBI rate	%	6.75	0.1	0.1	(0.5)
10y Gov	Indo bond	8.65	(0.0)	(0.0)	0.9
	Hai	rd Commo			
	Unit	Price	d-d	m-m	ytd
Coal	US\$/ton	_	(%)	(%)	(%)
		53	0.3	(1.0)	(15.7)
Gold	US\$/toz	1,083	0.1	(8.0)	(8.6)
Nickel	US\$/mt.ton	9,272	(1.3)	(12.2)	(38.5)
Tin	US\$/mt.ton	14,720	(0.3)	(7.8)	(24.3)
	So	ft Commo			
	Unit	Price	d-d	m-m	ytd
			(%)	(%)	(%)

	Unit	Price	d-d	m-m	ytd
	Unit	Price	(%)	(%)	(%)
Cocoa	US\$/mt.ton	3,416	1.3	7.4	15.0
Corn	US\$/mt.ton	136	0.7	(3.4)	(4.8)
Crude Oil	US\$/barrel	45	0.2	(11.7)	(22.3)
Palm oil	MYR/mt.ton	2,140	(0.5)	(2.5)	(6.9)
Rubber	USd/kg	117	(2.2)	(7.9)	(22.9)
Pulp	US\$/tonne	822	n/a	(1.0)	(11.8)
Coffee	US\$/60kgbag	96	0.1	3.9	39.1
Sugar	US\$/MT	405	0.4	4.1	3.6
Wheat	US\$/ton	135	(0.5)	(0.9)	(20.0)



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## EQUITY RESEARCH

# Danareksa

Tuesday, November 17, 2015

## **NEUTRAL**

**ASII relative to JCI Index** 



**AUTO relative to JCI Index** 



**IMAS relative to JCI Index** 



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# **Automotive Sector**

## A winding road

After posted an uptrend in August and September 2015, the domestic wholesales car sales reported a 5.1% mom decline to 88,325 units in October 2015 (September 2015: 93,038 units). The recent Jakarta Auto Show at end of October 2015 and continuation on further discount for motorcar helped to cushion the further decline in monthly car sales. Given the prevailing economic headwind and the impact of weak IDR, domestic car sales volume still declined by 17.8% yoy to 853,008 units in 10M15. The number was within our expectation as it has already accounted for about 85% of our full year forecast. While launching of new popular models may sustain the domestic car sales in the upcoming months, we still maintain our Neutral view on the automotive sector. Car sales is expected to decline to 1mn units for 2015 (-21% yoy) owing to challenging domestic economic outlook.

#### October 2015: a decline in car sales volume posted strong two months car sales

In the event of two major annual motor shows several popular new models were launched and this has helped domestic car sales to increase in the month of August and September 2015. However, as the spill-over effect vanished, the monthly domestic car sales reported 5.1% mom declines to 88,325 units in October 2015. While several car brands are still giving discounts, the prevailing economic condition and weakening of IDR vs. USD, reflected in domestic car sales to plunge by 17.8% yoy to 853,008 units in 10M15. The number was within our expectations as it is about 85% of our full year forecast of 1mn units.

#### Better market share for Honda and Daihatsu

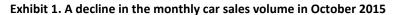
All car brands reported lower cumulative sales volume. However, Honda and Daihatsu managed to increase their market share to 15.5% (10M14: 13.7%) and to 16.5% in 10M15 (10M14: 15.2%) respectively as the decline in both brands were not as severe as the industry (Honda: -6.5% yoy and Daihatsu: -10.6% yoy) than the industry (-17.8% yoy). The strong sales of Honda Mobilio and launching of new Honda HR-V was the main reason behind improvement in Honda's market share by 1.8ppt. Despite launching the facelift models on its popular models in Low-MPV segment, Toyota Avanza, recently, the Toyota's market share continued to decline to 31.8% in 10M15 vs. 33.1% in 10M14. This is we believe due to tough competition in the Low-SUV segment, following the launching of Honda HR-V. While declining, Toyota still holds the largest domestic market share. With Daihatsu managed to improve its market share, Astra International's (ASII) market share only slightly declined by 0.5 ppt to 50.2% in 10M15.

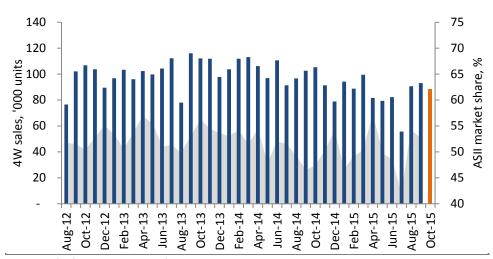
#### Expect a slight recovery in domestic car sales in 2016

Despite sluggish domestic car sales in 2015 we expect a recovery in the domestic car sales by 5.1% mom to 1.05mn units in 2016. This will be attributable to a) the full year impact from the launching of new popular model in 2H15, such as duo Toyota Avanza and Daihatsu Xenia, Honda BR-V and the second generation of Toyota Kijang Innova, b) the indirect impact from the launching of several economic policies to boost economic growth, which lead to our expectation on higher GDP growth of 5.3% yoy in 2016 (2015: 4.9% yoy), and c) the improvement in developing the infrastructure projects which will have positive impact on land transportation.

#### All New Kijang Innova – will it sustain Toyota's market share?

Toyota will launch the second generation of its popular MPV car this month, Toyota Kijang Innova after the first generation that had been on the road for about 11 years. While Toyota Astra Motor (TAM) has yet to announce the price, the major changes of Toyota Kijang Innova is expected to be sold in the range of Rp282 – 424mn, an increase by Rp5 – 32mn from the previous generation for G and V grade. While Toyota omitted the lowest J and E grade, it is introducing the highest Q grade. Although the mid-MPV segment only accounted for about 6.8% as of 2014, we expect the launching of Toyota Kijang Innova may sustain Toyota's market share as it contributed of about to 14.1% to Toyota's domestic total car sales in 2014 and Toyota Kijang Innova is considered as the market leader in the mid-MPV segment with market share of 68.4%.







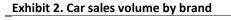
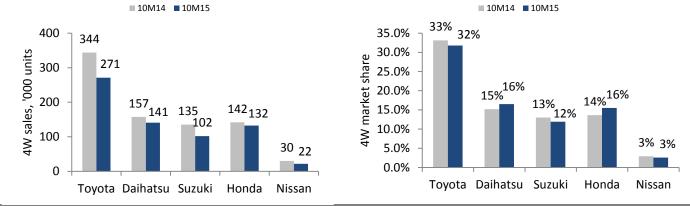


Exhibit 3. Market share by brand

Source: Gaikindo, Astra International

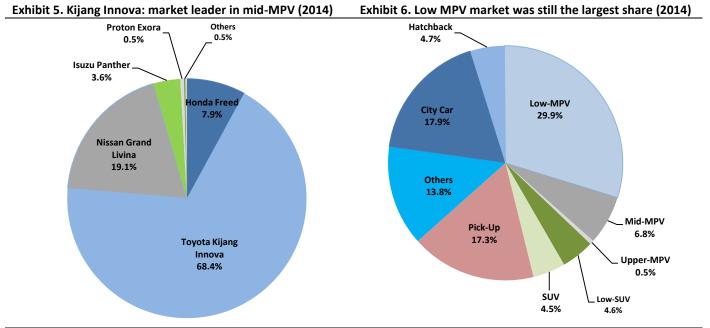


Source: Gaikindo, Astra International

#### Exhibit 4. The second generation of Toyota Kijang Innova



Source: Toyota Astra Motor



Source: Gaikindo

Source: Gaikindo



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## November 2015

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#### BUSINESS SENTIMENT

#### Still down but early signs of improvement

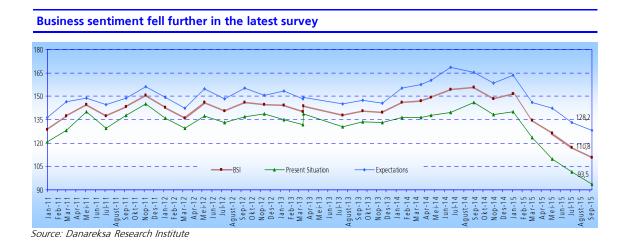
- Although business sentiment weakened further in the August- September period, a closer look at our survey results appear to provide an early indication that the worst is now behind us as economic headwinds wane.
- Several positives emerged from our latest survey. These include improving CEO sentiment toward the rupiah, expectations of easing inflationary pressures, as well as steadying business conditions and, at the micro level, greater room for companies to raise product prices.
- Nonetheless, CEOs still take a dim view on current economic conditions. Indeed, overall, more than two thirds of the CEOs interviewed gave negative assessments toward the state of the national economy.
- Overall, the Business Sentiment Index (BSI) declined for the fourth survey in succession to 110.8 from a high of 151.6 at the end of last year. The two main components which make up the BSI both declined: the Present Situations Index (or PSI) dropped 7.8 percent to 93.5 while the Expectations Index (or EI) dipped 3.8 percent to 128.2.
- On a more encouraging note, Business confidence toward the government picked up after President Joko Widodo's administration set about unveiling a string of economic policy packages. In our survey, the Business Confidence toward the Government Index (BCGI) climbed 5.0 percent to 124.0.

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#### **Table 1. Appraisal of Present Situations**

	May-15	Jul-15	Sep-15	%Change
Business Sentiment Index	126.1	117.3	110.8	(5.5)
Present Situation	109.9	101.3	93.5	(7.8)
Expectations	142.2	133.2	128.2	(3.8)

Source: Danareksa Research Institute

#### THE AUGUST - SEPTEMBER 2015 RESULTS:

Business sentiment weakened further in the August-September period. Nonetheless, a closer look at our survey results appear to provide an early indication that the worst is now behind us as economic headwinds wane. In particular, our survey reveals improving CEO sentiment toward the rupiah, expectations of easing inflationary pressures, as well as steadying business conditions and, at the micro level, greater room for companies to raise product prices.

Also on an encouraging note, CEO sentiment toward the government picked up after President Joko Widodo's administration set about unveiling a string of economic policy packages, which were subsequently well received by the business community at large.

Despite these positive findings, however, sentiment toward the overall economy continued to flounder. As a result, the Business Sentiment Index (BSI) was dragged down for the fourth survey in succession to 110.8 from a high of 151.6 at the end of last year. The two main components which make up the BSI both declined: the Present Situations Index (or PSI) dropped 7.8 percent to 93.5 while the Expectations Index (or EI) dipped 3.8 percent to 128.2.

In particular, CEOs take a dim view of current economic conditions. Indeed, overall, more than two thirds of the CEOs interviewed gave negative assessments toward the state of the national economy, or far more than around half in the previous survey. Not only has growth continued to stall but other developments on the economic front – most notably the heightened rupiah volatility and further weakening in commodity prices - have also weighed on sentiment, raising doubts over the health of the Indonesian economy. Mounting fears over China have added to the gloom, given its importance as a global economic powerhouse and important trading partner for Indonesia. As already mentioned, however, several economic policy packages have now been unveiled by the Indonesian government, and they appear to have been well received, including by CEOs in Indonesia who, in our latest survey, expressed much greater confidence in the government's ability to carry out its duties (this index climbed 5.0% to 124.0).

#### CEO ASSESSMENTS OF CURRENT BUSINESS CONDITIONS

According to the CEOs polled, economic conditions in the country are very weak. In our survey, 70.9 percent of the CEOs interviewed gave negative assessments – an unprecedented figure and far worse than at the beginning of the year when only around a quarter of CEOs claimed that the economy was in poor shape. Yet despite the downbeat views of CEOs on the current state of the economy, our survey also shows a slight improvement in overall business conditions during the reporting period (this index climbed 1.1 percent to 124.4).

At the corporate level, however, CEOs claimed that performance continued to weaken. Most notably, the sales index fell a further 8.1 percent to 76.2. Cost pressures also remained relatively high. As a result, profits growth eased further – this index fell another 9.7 percent to 75.6. Yet despite the challenges faced by Indonesian companies, they were, according to our survey, actually better placed to raise the selling prices of their products (this index rose 4.8 percent to 118.2). This is an encouraging finding and given that business conditions are also seen to be improving, better corporate performance can be expected in the months ahead as higher selling prices should naturally help give a timely boost to corporate profitability.

#### **Table 2. Appraisal of Present Situations**

	May-15	Jul-15	Sep-15	%Change
Economic Conditions	67.0	54.9	35.3	(35.8)
Business Conditions	132.5	123.1	124.4	1.1
Company's Conditions	130.3	125.9	120.7	(4.1)

#### Table 3. Current Company Financial and Utilization Performance

All Sectors	May-15	Jul-15	Sep-15	% Change
Capital Expenditure	110.7	94.3	100.8	6.9
Sales	88.2	82.9	76.2	(8.1)
Profits	87.1	83.8	75.6	(9.7)
Liquidity	93.1	90.0	86.6	(3.9)
Capacity/Equipment Utilization	101.1	100.3	97.2	(3.1)
Employment	106.9	101.1	95.5	(5.6)
Cost of Goods Sold	106.5	103.4	107.8	4.3
Operating cost	147.0	145.6	149.3	2.6
Interest expenses/cost	101.3	101.2	101.2	(0.0)
Foreign Exchange Loss	127.6	124.2	127.7	2.8
Average Price of Product/Service	119.8	112.8	118.2	4.8

Source: Danareksa Research Institute

#### CEO APPRAISALS OF NEAR-TERM BUSINESS CONDITIONS

Although economic uncertainties remain high, the rupiah's rapid recovery comes as a huge relief after the local currency unit had tumbled to a low of 14,733/US dollar on 1 October 2015. Nonetheless, sentiment toward the economic outlook still continued to worsen - this index slipped another 5.7 percent to 100.0.

With the economic outlook worsening, sentiment toward near-term business conditions also weakened, although not to a significant degree. Indeed, of the CEOs polled, a majority 57.4 percent of them still expect business conditions to be "good" over the next six months – little changed from the reading in the previous survey.

Against this backdrop, CEOs were increasingly concerned over the prospects for their companies over the next six months. In particular sales growth is expected to slow further (this index declined 7.1 percent to 130.8).

In regard to costs, COGS are expected to remain stable while operating costs are expected to ease slightly (this index dipped 3.1 percent to 137.0). At the same time, CEOs also expect interest expenses to decline. Only forex losses are expected to grow, a reflection of the wild gyrations in the value of the rupiah on the forex market. Also on an encouraging note, CEOs foresee room to jack up the selling prices of their products in the six months going forward. This index rose 2.3 percent to 138.1.

#### Table 4. Expectations for the Six Months Ahead

	May-15	Jul-15	Sep-15	% Change
Economic Prospects	112.9	106.0	100.0	(5.7)
Business Prospects	158.6	146.4	143.7	(1.8)
Company's Prospects	155.2	147.3	140.9	(4.3)

Source: Danareksa Research Institute

All Sectors	May-15	Jul-15	Sep-15	% Change
Capital Expenditure	129.2	127.6	128.6	0.7
Sales	147.9	140.7	130.8	(7.1)
Profits	141.0	137.3	128.9	(6.2)
Liquidity	135.2	133.9	127.2	(5.0
Capacity/Equipment Utilization	104.9	104.3	103.6	(0.6
Employment	118.9	114.5	111.5	(2.7)
Cost of Goods Sold	106.2	103.7	103.6	(0.1)
Operating cost	141.6	141.3	137.0	(3.1
Interest expenses/cost	115.1	116.2	112.0	(3.6
Foreign Exchange Loss	112.0	104.6	111.8	6.9
Average Price of Product/Service	138.1	135.0	138.1	2.3

#### **Table 5. Prospects for Company Financial and Utilization Performance**

Source: Danareksa Research Institute

#### Table 6. Expectation Index on Key Economic Indicators

Indicators	May-15	Jul-15	Sep-15	%Change
General Prices Expectation	129.8	134.8	128.9	(4.4)
Loan Rate Expectation	122.0	120.2	117.9	(1.9)
Exchange Rate Expectation	85.5	73.2	84.6	15.5
Stock Price Expectation	109.6	105.7	101.7	(3.8)

Source: Danareksa Research Institute

#### EXPECTATIONS ON KEY ECONOMIC INDICATORS

As already mentioned in this report, CEOs were more upbeat on several important economic indicators in our latest survey. Perhaps most significantly, CEOs foresee better prospects for the rupiah after a worrying period in which the local currency unit sank to a low of 14,733/US dollar on 1 October 2015 before staging a remarkable recovery as economic headwinds waned and government policy initiatives reassured the markets. In our latest survey the index measuring sentiment toward the rupiah jumped 15.5 percent to 84.6.

Also encouragingly, CEOs anticipate easing inflationary pressures in the months ahead – this index dipped 4.4 percent to 128.9. This is inline with the latest inflation data released by the Central Bureau of Statistics which shows that Indonesia even experienced deflation in the months of September and October 2015. For November 2015, yearly inflation will fall further, reflecting the higher base effect in November 2014 when the government made upward adjustments to fuel prices.

With inflation under control, CEOs are again more hopeful that lending rates can be lowered over the next six months - this index dropped 1.9 percent to 117.9 – its third consecutive decline. Although benign inflationary pressures and a stronger rupiah may make rate cuts more likely, uncertainty is still high given there is still no clear indication as to when the Fed will finally move to tighten US monetary policy – a future development which could have far reaching consequences across the globe and especially in emerging markets, including Indonesia. As for the outlook for Indonesian stocks, CEOs were again less upbeat (the index measuring sentiment toward stock prices dropped another 3.8 percent to 101.7 - its fourth straight decline), as stiff economic challenges have weighed on earnings growth for companies operating in many sectors of the economy.

Indicators	May-15	Jul-15	Sep-15	% Change
Expand the Market Size	121.8	118.8	123.5	3.9
Create a Safe Environment	143.2	141.0	152.9	8.5
Stabilize prices	91.9	93.7	98.3	4.9
Provide Public Utilities	141.2	151.0	155.5	2.9
Enforce Law of Contracts	100.5	85.8	89.6	4.5
BCGI	119.7	118.1	123.9	5.0

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Source: Danareksa Research Institute

#### SENTIMENT TOWARD THE GOVERNMENT

Business confidence toward the government picked up after President Joko Widodo's administration set about unveiling a string of economic policy packages. In our survey, the Business Confidence in the Government Index (BCGI) climbed 5.0 percent to 124.0.

In particular, CEOs are more confident in the government's ability to expand the domestic marketplace (this index rebounded 3.9 percent to a level of 123.5). The government's reform packages cover a range of issues with a focus on supporting the public sector and boosting domestic demand.

At the same time, CEOs were again more confident in the government's ability to stabilize prices: this index added 4.9 percent to 98.3. Meanwhile, optimism toward the ability of the government to improve public infrastructure also improved – the relevant index rose another 2.9 percent to 155.5 as implementation of the government's infrastructure plans gathered pace.

Finally, sentiment toward the government's ability to enforce the law of contracts rebounded 4.5 percent to 89.6 while the component measuring sentiment toward the government's ability to create a safe and orderly environment climbed 8.5 percent to 152.9.

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# **MARKET NEWS**

#### ADHI obtained new contract of Rp10.6tn (Company)

ADHI obtained Rp500bn new contract in October 2015, making the total new contract achievement to reach Rp10.6tn until October 2015. The total new contract in 10M15 is double the last year's new contract achievement of only Rp5.3tn. 44% of the total new contract coming from the government (state and regional budget), 23% coming from SOE, and 33% coming from private projects.

Comment: The Rp500bn new contract achievement in October was lower compare to the average new contract achievement in 2015 of Rp1.1tn. The total cumulative new contract achievement in 10M15 reached 56.7% of ADHI's full year new contract target. The potential big new contract in the coming months would be LRT project which is expected could be booked by the end of this year. (Armando)

#### ANTM and Newcrest seek new gold mines, ANTM targeting 5 tons sales (ID/BI)

Aneka Tambang (ANTM) signed heads of agreement (HoA) with gold mining companies from Australia, Newcrest Mining Ltd. The two companies will identify opportunities and development potential of gold mining and exploration mineral derivatives in Indonesia. This HoA will sustain for 2 years. ANTM and Newcrest will seek new mining areas in West Java, East Java, South Sumatra, Nusa Tenggara, Sulawesi Utara, Halmahera Islands, Maluku. In the first phase, the company assessment of new areas, cost is estimated to reached Rp4-6bn. Newcrest will finance exploration phase. In addition, ANTM targeting 5 tonnes of gold 's production in 2016, or twice as much as forecasted 2.5ton production throughout 2015, based on the number of potential new sources of gold.

#### WIKA seek US\$ 100mn from Saudi Arabia (BI)

Wijaya Karya (WIKA) targets to bagged about US \$ 50-100mn from its Saudi Arabia's branch in 2016 which mainly will be obtained by Wika Beton (WTON). WIKA also eyeing shopping centers and hotels projects in the Middle East region after the operational permit supposedly obtained in November-December 2015.

#### Illegal imports may threaten the industry (ID)

The trade balance posted a surplus of US \$ 1.01bn in this October, resulting on total Indonesia's trade surplus reached US \$ 8.16bn. This surplus came from the surplus in non-oil and gas balance of US \$ 13.57bn and deficit oil and gas balance of US \$ 5.41bn. Meanwhile, Indonesia and China trade deficit posted a deficit of US \$ 12.8bn mainly owed to increase in non-oil imports, up 64% yoy. Despite Indonesia posted surplus in trade balance this year, government must aware on the threat of illegal imported and counterfeit products. These products would threaten national industry.

#### Piling contractor Indopora seeks up to Rp 560bn from IPO (BI)

Indonesia Pondasi Raya (Indopora), a piling contractor, looking to raise up to Rp 560bn from its December 2015's IPO to aid its business expansion plan. Indopoera will offer a maximum of 303mn new shares (15.13% its enlarged capital) at Rp 1,280-1,920 per shares (PER 2016 8-12x). Offering period will run from Dec 2-3 before its scheduled to start listed in IDX in December 9th. For the IPO proceeds allocation, 40% would be to puchase equipment, 32.4% for working capital, 10% to add its subsidiary's capital while the rest would be used for land purchase.



Equity Valuation	Rating	Price (Rp)	Price	Mkt Cap	Net profi		EPS		Core EPS (		EPS Gr		PER		EV / EBI		PBV (		Net Gearing
Valuation	5		Target	Rp Bn	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
ksa Universe Auto				2,591,753 271,497	189,582 24,706	210,732 29,222	291.3 452.6	323.8 535.3			5% 15%	11% 18%	13.7 11.0	12.3 9.3	11.4 9.0	10.4 7.8	2.3 1.9	2.0	
Astra International	HOLD	6.425	8.300	260,107	23,976	28,096	592	694	497	567	16%	17%	10.8	9.3	9.2	7.9	1.9	1.7	33.5
Gajah Tunggal	BUY	615	1,500	2,143	266	633	76	182	140	127	-1%	138%	8.1	3.4	4.4	4.3	0.3	0.3	95.0
Selamat Sempurna	BUY	4,905	5,300	7,062	465	493	323	342	332	352	19%	6%	15.2	14.3	9.2	8.5	4.9	4.1	net cash
Banks				893,619	75,582	81,994	701.6	761.1			2%	8%	11.8	10.9			2.1	1.9	
BCA	HOLD	12,900	13,500	318,050	19,966	21,921	725	800	725	800	8%	10%	17.8	16.1	NA	NA	3.5	3.0	NA
BNI	BUY	4,820	5,850	89,887	7,506	8,596	402	461	402	461	-30%	15%	12.0	10.5	NA	NA	1.4	1.3	NA
BRI	BUY	10,525	13,400	259,643	24,352	25,863	987	1,048	987	1,048	0%	6%	10.7	10.0	NA	NA	2.3	1.9	NA
Bank Tabungan Negara	BUY	1,175	1,450	12,434	1,588	1,964	151	187	151	187	42%	24%	7.8	6.3	NA	NA	0.9	0.8	NA
Bank Mandiri	BUY	8,500	11,450	198,333	20,144	21,413	863	918	863	918	1%	6%	9.8	9.3	NA	NA	1.7	1.5	NA
Bank Tabungan Pensiunan	BUY	2,615	4,500	15,272	2,026	2,237	347	383	347	383	8%	10%	7.5	6.8	NA	NA	1.1	1.0	NA
Cement				143,914	12,525	15,375	725	890			7%	23%	11.5	9.4	6.9	6.0	2.2	1.9	
Holcim	HOLD	1,005	2,300	7,701	923	1,213	120	158	118	152	12%	31%	8.3	6.3	4.9	3.7	0.7	0.7	30.0
Indocement	BUY	19,600	28,300	72,152	5,741	6,595	1,559	1,792	1,555	1,788	8%	15%	12.6	10.9	7.2	6.0	2.5	2.3	net cash
Semen Indonesia	BUY	10,800	14,500	64,060	5,861	7,567	988	1,276	988	1,276	5%	29%	10.9	8.5	7.1	6.7	2.4	2.0	12.3
Construction				106,010	4,317	5,350	99	123			17%	24%	24.6	19.8	11.6	10.0	3.1	2.7	
Jasa Marga	BUY	4,825	8,000	32,810	1,531	1,779	480	614	513	657	19%	28%	10.0	7.9	11.6	10.3	2.6	2.4	95.8
Wijaya Karya	HOLD	2,755	2,500	16,941	573	638	93	104	98	109	-7%	11%	29.5	26.6	12.1	10.1	3.1	2.8	29.0
Pembangunan Perumahan	BUY	3,720	4,600 UR	18,014	694 399	856 531	143	177 149	150	185	30%	23%	26.0 19.4	21.0 14.6	10.5	8.8	6.0	4.9	39.2 66.6
Adhi Karya Waskita Karya	BUY	2,175 1,660	2,000	7,745 22,525	399 725	531 1,054	112 53	149 78	123 53	163 78	23% 4%	33% 46%	19.4 31.1	14.6 21.4	9.3 14.9	7.8 12.4	3.7 2.6	3.0 2.3	66.6 net cash
Wika Beton	HOLD	1,660	2,000	22,525 7,975	725	1,054 491	53 45	78 56	53 46	78 57	4% 32%	46% 24%	31.1 20.2	21.4 16.2	14.9 10.4	12.4	2.6	2.3	net cash
Consumer	HULD	912	1,350	402,938	396 13,419	491 14,186	45	516	40	5/	32% 7%	24% 6%	30.0	16.2 28.4	10.4	16.8	7.1	6.0	net cash
Indofood CBP	BUY	12,350	13,800	402,938 72.012	3.033	3.308	488 520	516	520	567	7% 16%	<b>6%</b> 9%	23.7	28.4 21.8	17.7	16.8	7.1 4.6	<b>6.0</b> 4.1	net cash
Indofood	BUY	5,075	7,100	44,561	3,033	4,059	520 422	462	520	610	-5%	9% 10%	12.0	21.6	5.6	5.4	4.6	4.1	19.5
Unilever	SELL	36,300	30,475	276,969	5,889	6,234	422	462 817	772	817	-5%	6%	47.0	44.4	32.3	30.7	27.1	1.5	net cash
Nippon Indosari Corpindo	BUY	1,165	1,680	5,897	266	309	53	61	53	61	41%	16%	22.1	19.1	12.7	10.3	4.9	4.1	59.5
Mandom	BUY	17.400	21,170	3,499	526	276	2.618	1.375	279	1.373	202%	-47%	66	12.7	7.4	6.5	2.1	2.0	net cash
Healthcare	501	11,400	21,170	115.825	3.220	3.599	231	284	2/0	1,010	31%	23%	36.0	32.2	22.7	19.6	6.6	5.9	not oubit
Kalbe Farma	BUY	1,350	1,925	63,281	2,219	2,375	47	51	47	52	8%	7%	28.5	26.6	18.6	16.3	6.0	5.3	net cash
Kimia Farma	BUY	975	1,200	5,415	259	303	47	55	42	47	12%	17%	20.7	17.7	13.8	12.0	2.8	2.5	0.7
Siloam Hospital	HOLD	9,300	16,900	10,752	153	245	96	132	99	137	77%	38%	97.0	70.3	18.1	14.6	6.1	5.6	35.5
Mitra Keluarga	BUY	2,500	2,995	36.377	589	676	40	46	40	45	14%	15%	61.7	53.8	55.6	47.3	10.9	9.8	net cash
Heavy Equipment				67,409	5,973	6,297	1,307	1,378			7%	5%	11.3	10.7	5.1	4.2	1.6	1.4	
Hexindo Adiperkasa	HOLD	1,650	3,650	1,386	220	260	262	309	238	273	13%	18%	6.3	5.3	2.8	1.9	0.5	0.5	net cash
United Tractors	HOLD	17,700	19,800	66,023	5,753	6,037	1,542	1,619	1,542	1,619	7%	5%	11.5	10.9	5.1	4.3	1.7	1.5	net cash
Mining				71,235	7,288	8,157	92	103			-17%	12%	9.8	8.7	4.1	3.7	0.7	0.7	
Adaro Energy	BUY	560	900	17,912	2,249	2,054	70	64	70	64	9%	-9%	8.0	8.7	3.3	3.0	0.5	0.5	32.0
Timah	BUY	540	850	4,022	157	237	21	32	21	32	-75%	51%	25.6	16.9	6.3	5.9	0.7	0.7	24.9
Vale Indonesia	BUY	1,805	3,700	17,935	1,386	1,790	140	180	140	180	-36%	29%	12.9	10.0	4.3	3.6	0.8	0.8	net cash
Aneka Tambang	HOLD	313	1,100	7,522	194	400	20	42	20	42	-148%	106%	15.4	7.5	14.4	10.7	0.6	0.6	62.8
Bukit Asam	BUY	6,025	8,400	13,882	1,560	1,674	718	770	718	770	-23%	7%	8.4	7.8	6.0	5.4	1.5	1.3	net cash
Indo Tambangraya Megah	HOLD	6,950	10,600	7,853	1,622	1,800	1,435	1,593	1,435	1,593	-23%	11%	4.8	4.4	1.3	1.1	0.7	0.6	net cash
Harum Energy	HOLD	780	1,750	2,109	119	202	44	75	44	75	-53%	69%	17.7	10.5 -	1.1 -	1.0	0.6	0.6	net cash
Plantation				45,471	5,510	5,938	211	227			11%	8%	8.3	7.7	4.6	4.1	1.2	1.1	
Astra Agro Lestari	BUY	18,075	27,100	28,464	2,770	2,832	1,759	1,798	1,759	1,798	4%	2%	10.3	10.1	6.1	5.7	2.4	2.2	net cash
Sampoerna Agro	BUY	1,300	2,600	2,457	464	550	245	291	253	299	18%	19%	5.3	4.5	3.8	3.2	0.7	0.6	31.8
PP London Sumatra	HOLD	1,210	2,090	8,256	1,055	1,133	155	166	155	166	8%	7%	7.8	7.3	3.7	3.0	1.0	1.0	net cash
Salim Ivomas Pratama	BUY	398	850	6,295	1,221	1,423	77	90	87	98	33%	17%	5.2	4.4	3.3	2.9	0.4	0.4	37.6
Property				92,653	8,896	10,205	87	99			-10%	15%	10.4	9.1	9.3	8.1	1.8	1.6	
Alam Sutera	BUY	339	700	6,661	1,254	1,516	64	77	73	85	15%	21%	5.3	4.4	6.2	5.2	0.9	0.8	75.3
Bumi Serpong Damai	BUY	1,640	2,100	31,565	2,369	2,617	135	150	140	156	-36%	10%	12.1	11.0	10.6	9.3	2.1	1.8	net cash
Metropolitan Land	BUY	201	620	1,539	290	322	38	43	38	43	14%	11%	5.2	4.7	4.2	3.9	0.7	0.6	27.7
Surya Semesta Internusa	HOLD	590	1,040	2,776	464	415	99	88	103	93	32%	-11%	6.0	6.7	2.3	2.3	0.9	0.8	net cash
Lippo Karawaci	BUY	1,160	1,200	26,770	1,565	1,763	72	82	58	64	-38%	13%	16.0	14.2	12.1	10.4	1.7	1.5	27.3
PP Properti	BUY	188	242	2,640	1,626	1,963	21	26	22	28	172%	27%	9.2	7.2	6.3	5.9	1.2	1.0	8.8
Summarecon	BUY	1,435	2,045	20,702	1,327	1,609	92	111	92	111	-5%	21%	15.6	12.9	11.6	9.5	4.2	3.4	57.1
Telco & Infrastructure	BUY	0.050		411,210	19,313	22,528	141	165	10		28%	17%	21.3	18.3	6.2	5.6	3.4	3.1	400 -
XL Axiata		3,350	4,710	28,614	356	680	42	80	42	80	-140%	91%	80.2	42.0	5.6	5.1	2.0	1.9	120.7
Indosat	BUY	4,765	4,200	25,893	312	588	57	108	38	89	-152%	89%	83.0	44.0	4.2	3.8	1.6	1.6	132.4
Telkom	HOLD	2,720	3,050	274,176	15,554	16,458	158	168	158	168	6%	6%	17.2	16.2	5.5	5.1	3.7	3.5	net cash
Sarana Menara Nusantara	BUY	4,200	4,600	42,852	1,585	2,040	155	200	158	202	89%	29%	27.0	21.0	13.0	10.9	6.9	5.5	108.8
Tower Bersama	HOLD	6,475	8,600	31,058	1,528	2,387	300	429	300	429	9%	43%	21.6	15.1	12.8	10.2	2.7	2.2	129.0
MNC Sky Vision	HOLD	1,220	1,230	8,618	(22)	375	(3)	53	(2)	1	-86%	-1776%	(385.6)	23.0	8.9	7.7	5.3	4.3	162.0
Tranportation	51.07	0.450	40.000	15,388	1,253	1,554	501	621	100		62%	24%	12.3	9.9	7.0	5.7	3.5	2.7	10.5
Blue Bird	BUY	6,150	12,200	15,388	1,253	1,554	501 457	621 425	488	608	62%	24%	12.3	9.9 6.1	7.0	5.7 4.1	3.5	2.7	43.9
Utility	DUN	0.575	0.050	62,422	11,088	10,313	457 457		6 776	5 242	3%		5.6	6.1 6.1	3.8	4.1 4.1	1.5	1.4	
PGN Retail	BUY	2,575	6,650	62,422	11,088 965	10,313	457	425 45	5,775	5,313	3%	-7% 21%	5.6 24.2	6.1 20.0	3.8 10.2	4.1	1.5 2.5	1.4 2.3	net cash
	DUN	0.405	4.050	23,375		1,168			407	475	-2%								70 .
Mitra Adi Perkasa	BUY	3,435	4,650	5,702	161	275	97	166	107	175	117%	71%	35.4	20.7	6.9	5.9	1.8	1.7	72.4
Ramayana Ace Hardware	SELL BUY	690 745	660	4,896	243 561	255	34	36	34 32	36 37	-31% 2%	5%	20.1 22.6	19.2	9.7	8.9	1.4 4.6	1.4 3.8	net cash net cash
			780	12,777		638	33	37				12%		20.1	15.2	13.0			



## **Equity Research** Tuesday, November 17, 2015

# **COVERAGE PERFORMANCE**

		L	EADERS					
	Code	16-Nov-2015	13-Nov-2015	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Gajah Tunggal	GJTL	615	575	7.0	4.2	(0.8)	(56.8)	BUY
Kimia Farma	KAEF	975	935	4.3	1.0	14.0	(33.4)	BUY
Siloam Hospital	SILO	9,300	9,000	3.3	(6.8)	(23.6)	(32.1)	HOLD
Lippo Karawaci	LPKR	1,160	1,125	3.1	-	(7.9)	13.7	BUY
PP Properti	PPRO	188	185	1.6	21.3	22.9	1.6	BUY
Ace Hardware	ACES	745	735	1.4	10.4	3.5	(5.1)	BUY
Semen Indonesia	SMGR	10,800	10,675	1.2	5.4	3.8	(33.3)	BUY
Mitra Adi Perkasa	MAPI	3,435	3,405	0.9	(1.9)	8.4	(32.3)	BUY
Astra Agro Lestari	AALI	18,075	18,050	0.1	(6.5)	(4.6)	(25.5)	BUY
Selamat Sempurna	SMSM	4,905	4,900	0.1	(2.4)	5.5	3.3	BUY

Sources: Bloomberg

LAGGARDS								
Price as on								
	Code	16-Nov-2015	13-Nov-2015	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Bukit Asam	PTBA	6,025	6,375	(5.5)	(19.7)	(6.6)	(51.8)	BUY
Nippon Indosari Corpindo	ROTI	1,165	1,220	(4.5)	(6.0)	4.5	(15.9)	BUY
Indo Tambangraya Megah	ITMG	6,950	7,250	(4.1)	(14.5)	(31.4)	(54.8)	HOLD
Blue Bird	BIRD	6,150	6,375	(3.5)	(5.4)	7.0	(34.7)	BUY
Adaro Energy	ADRO	560	580	(3.4)	(8.9)	(12.5)	(46.2)	BUY
Vale Indonesia	INCO	1,805	1,865	(3.2)	(16.4)	(19.1)	(50.2)	BUY
Hexindo Adiperkasa	HEXA	1,650	1,700	(2.9)	(5.7)	(13.2)	(52.9)	HOLD
Timah	TINS	540	555	(2.7)	(10.0)	(21.2)	(56.1)	BUY
Astra International	ASII	6,425	6,600	(2.7)	-	2.0	(13.5)	HOLD
Mitra Keluarga	MIKA	2,500	2,565	(2.5)	(4.8)	(15.0)	47.1	BUY

Sources: Bloomberg



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