

## MORNING HIGHLIGHT

### FROM EQUITY RESEARCH

#### Strategy - JCI: Road to Recovery

The government spending will be the primary mover of the Indonesian economy, and we believe that implementation of government projects will be better in 2016 as we have seen signs of improvements in several areas. The macro variables are mostly supporting, giving the room for lower benchmark interest rate, which could further enhance growth. Our index target for 2016 is 5,400 using blended approach of DDM and PE based valuation model..

### MARKET NEWS

#### \*Analysts' comment inside

- 79 SOEs Participate in Assets Revaluation (BI)
- ANTM fulfilled the US \$ 600mn funding (ID)
- Govt to develop palm oil industrial zones (TJP)
- Government Policy Package VIII Aim for Transportation Sector (BI)
- State Capital Injection: Bureaucracy to be Simplified (BI)
- Total Persada prepare Rp 150BN capex (ID)

#### Previous Reports:

- Construction: Infrastructure Driven Scenario-[Snapshot20151216](#)**
- AUTO: Still weak on cumulative basis, Construction: PUPR: likely to miss budget target-[Snapshot20151215](#)**
- Cement: Maintaining sturdy sales volume in November 2015, Retail: No surprise-[Snapshot20151214](#)**
- Coal Sector: Weak coal prices to persist, Infrastructure: SOE Synergy for Indonesia Transformation-[Snapshot20151211](#)**
- Bank Rakyat Indonesia: 10M15 Result-[Snapshot20151210](#)**
- Cement: Fighting on uphill battle-[Snapshot20151202](#)**

### IDX ANNOUNCEMENT

#### Corp Action

Code	Action	Date	Time (WIB)
MIKA	EGM	17-Dec-15	14
BMRI	EGM	18-Dec-15	--

Source: KSEI

### Key Index

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia				
Thailand	4,469	(1.9)	(14.5)	247
Philippines	1,285	(1.9)	(14.2)	1,134
Malaysia	6,867	(0.6)	(5.0)	133
Singapore	1,644	(0.8)	(6.7)	524
<b>Regional</b>	2,853	(0.3)	(15.2)	645
China				
Hong Kong	3,579	(0.0)	10.6	94,988
Japan	21,756	(0.5)	(7.8)	9,720
Korea	18,987	(1.9)	8.8	18,941
Taiwan	1,978	0.2	3.3	3,332
India	8,257	(0.7)	(11.3)	2,515
NASDAQ	25,519	(1.1)	(7.2)	472
Dow Jones	4,923	(1.6)	3.9	133,611

### Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,905	0.9	(1.6)	(11.8)
SBI rate %	7.10	0.4	0.4	(0.1)
10y Gov Indo bond	8.70	(0.0)	0.1	0.9

### Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	52	(0.1)	(1.0)	(16.2)
Gold	US\$/toz	1,065	(0.1)	(1.2)	(10.1)
Nickel	US\$/mt.ton	8,724	1.6	(2.4)	(42.1)
Tin	US\$/mt.ton	14,805	1.3	1.3	(23.8)

### Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	3,305	(1.0)	(3.2)	11.2
Corn	US\$/mt.ton	140	-	2.4	(1.9)
Crude Oil	US\$/barrel	37	(0.9)	(18.2)	(36.3)
Palm oil	MYR/mt.ton	2,136	(0.5)	1.7	(7.0)
Rubber	US\$/kg	116	0.1	(1.1)	(23.7)
Pulp	US\$/tonne	804	n/a	(2.3)	(13.7)
Coffee	US\$/60kgbag	92	(0.4)	1.0	39.7
Sugar	US\$/MT	414	1.8	5.9	5.8
Wheat	US\$/ton	132	0.6	0.4	(21.4)

Source: Bloomberg

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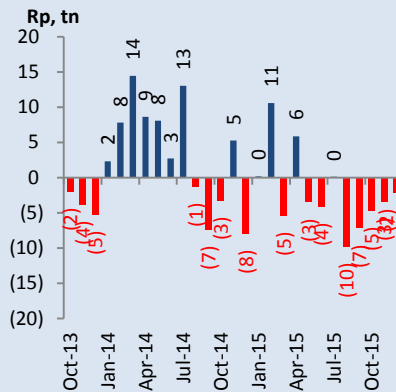
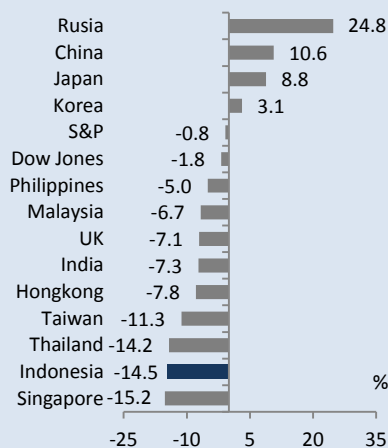
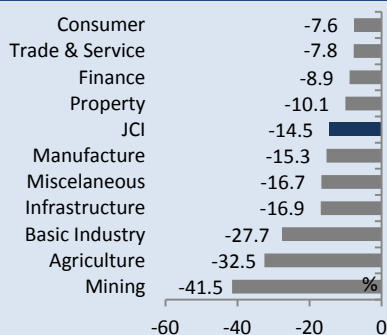
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Monday, December 21, 2015

**OVERWEIGHT****JCI Target 2016: 5,400****Foreign fund flow****2015 Ytd Regional Performance****2015 Ytd Sector Performance**

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

**Strategy****JCI: Road to Recovery**

The government spending will be the primary mover of the Indonesian economy, and we believe that implementation of government projects will better in 2016 as we have seen signs of improvements in several areas. The macro variables are mostly supporting, giving the room for lower benchmark interest rate, which could further enhance growth. Our index target for 2016 is 5,400 using blended approach of DDM and PE based valuation model.

**Government spending on the driver seat**

We have an optimistic view in 2016 but only moderately. To grow better than last year, Indonesia will heavily rely on government spending which only has a small 9.8% share in GDP (as per 3Q15). This is not an easy task, but it is achievable. Signs of improvements are evident, such as, the improvement in cement consumption since August 2015 mainly supported by government projects especially toll road. Many of projects that have been stalling for sometimes are now in acceleration mode.

**Supported by several economic packages**

After the consecutive decline in GDP in the first and second quarters this year, the government responded by issuing several economic packages and other measurements as well to prevent the economy from declining further. While the effectiveness of these policies will vary, we view this positively as it demonstrates seriousness of the current government (as it had never before) in achieving economic growth. The tax incentives on asset revaluation and lower administrative prices of diesel fuel, electricity tariff discount and subsidized interest on micro credit (KUR) are among those who have relatively immediate impact than other policies.

**The likelihood of more relaxed monetary policy**

With GDP growth bottoming out in 3Q15, inflation at a low rate, current account deficit at a safe level, the likelihood of BI reduces interest rates in 2016 increases. This will be good for boosting investments as well as consumption. Together with government spending that will start earlier in 2016 (versus 2015 in May) the multiplier effect on consumption and investment will take effect in 2H16.

**The external factors: higher global growth in 2016**

We believe that the Fed rate hike has largely been factored in by the market, and the impact will be short and relatively restrained. The global economic growth is expected to be higher in 2016 of 3.6% (compared to 3.1% in 2015), with USA, Japan and Europe to grow by 3%, 1.2% and 1.7% (2015F: 2.5%; 0.8%; 1.5%) respectively. India, in the meantime, has already overtaken China with its economic growth reach 7.3% in 2015 and 7.5% in 2016. The higher global growth and the relatively of high economic growth in India could provide some cushion (in the export market as well as in commodity market), against the further decline in China.

**Our top picks**

Construction sectors and banks are our top sectors with WSKT, PTPP and BBRI and BBKA as the top picks in the sectors. Lots of government's infrastructure projects need to be carried out, and with SOE synergy approached at the background, it is only logical that construction SOE companies are the primary beneficiaries of government spending. SOE banks are second in line to benefit from funding the contractors as well as to benefit from other form of government spending. The possibility of interest rate decline in 2016 adds the attractiveness to banking sector. Likewise, we recommend several stocks which have the potential to shine despite the still problematic issues in their sectors. Those are SMGR, MIKA, BSDE, PTBA.

## Top Picks

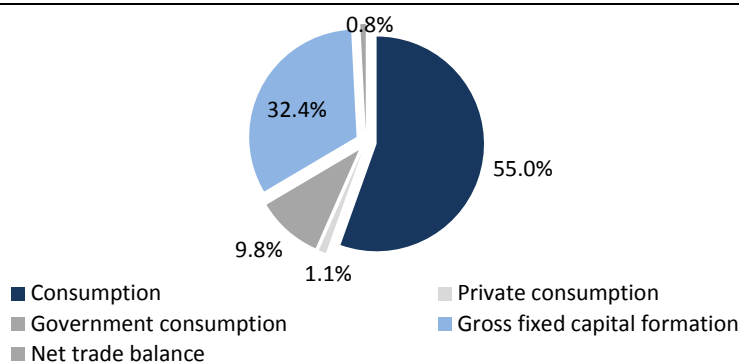
Company	Current price Rp	Target price Rp	PE, x		PB, x		ROE, % 2015F	Net gearing, % 2015F
			2015F	2016F	2015F	2016F		
BBCA	13,225	15,425	18.3	16.7	3.6	3.0	NA	21.4
BBRI	10,875	13,400	11.0	10.4	2.3	2.0	NA	23.0
SMGR	10,475	12,300	13.5	13.4	2.4	2.2	5.1	18.4
PTPP	3,745	4,700	28.6	21.2	4.9	3.4	25.6	20.9
WSKT	1,640	2,150	26.7	20.4	2.5	2.3	net cash	14.2
MIKA	2,300	2,995	56.8	49.5	10.0	9.0	net cash	22.9
PTBA	4,780	7,800	5.3	7.2	1.1	1.0	net cash	21.4
BSDE	1,650	2,100	12.2	11.0	2.1	1.8	net cash	16.6

Source: Bloomberg, Danareksa Sekuritas as of December 18, 2015

## Government spending in the driver seat

With only 9.8% share in the GDP, government spending needs to be implemented without delays and reliable to be effective. The SOE companies will be the first who will benefit before they spill over to the private sectors, as well to the consumption that has a larger 55.0% share in the GDP.

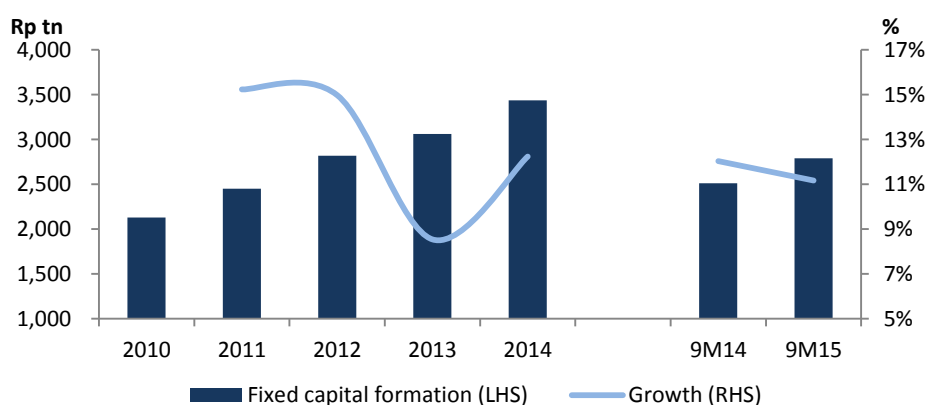
## Exhibit 1: GDP component as per 3Q15



Source: BPS

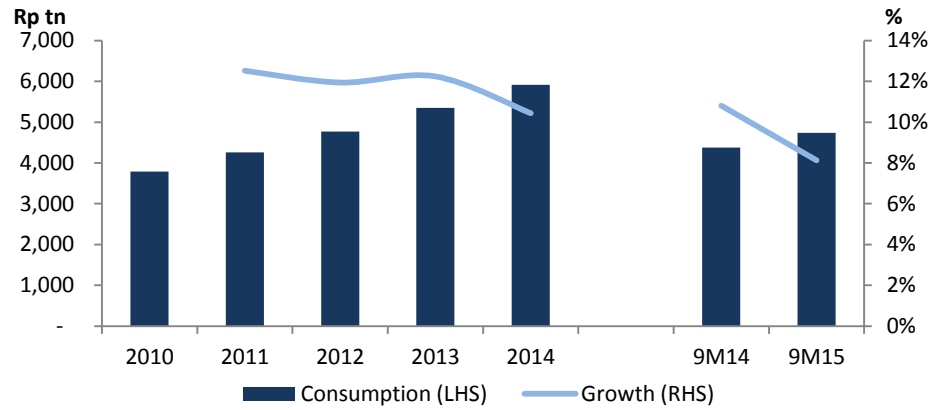
Due to economic slowdown, investment or gross fixed capital formation in 9M15 grew lower at 11.2% (9M14: 12%). However, we expect an improvement in growth in 2016, supported by several policies that aim to make investments more attractive for foreign as well for domestic investor. These segments will certainly benefit from the decline in interest rate that is expected to occur in 2016. The same thing with consumption, which slowed down in 9M15 to 8.1%. We expect consumption to resume at around the 2H16 following the spillover effect of the government spending as well as the possible lower interest rate.

## Exhibit 2: Gross fixed capital formation



Source: BPS

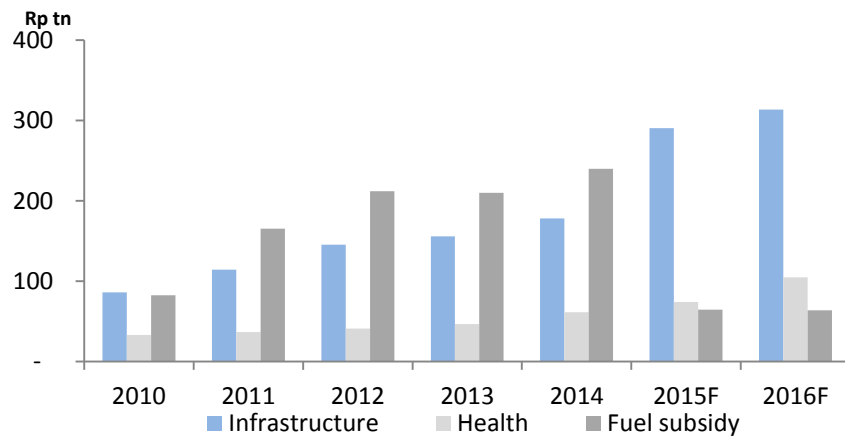
**Exhibit 3: Consumption**



Source: BPS

The government now has more capacity to spend more on infrastructure which is the result of its bold decision at the beginning of year by significantly cutting the unproductive fuel subsidy and spend more for much needed infrastructure

**Exhibit 4: More productive spending**



Source: CEIC, Ministry of Finance

**Acceleration in government spending**

We are quite confident that spending can start early in 2016 (versus in June in 2015), as the budget has been approved, project tenders will be done before the year-end, hence disbursement can happen in 1Q16. The confidence is supported by continuing effort by the government in tackling obstacles in stalled projects.

Overall, the infrastructure budget is higher by 8% to Rp313.5 tn in 2016. We also note that regional transfer increased significantly to Rp79.4 tn from Rp41.0 tn previously. While we are more optimistic on budget absorption by the central government, we are rather skeptical on the ability of regional government to absorb budget. As in many cases previously, the money tends to stay idle in regional banks. However, we may expect a slight improvement based on the recent statement from President Jokowi regarding the alternatives of using non-cash transfer and / or to reduce the budget in an effort to increase the utilization of regional transfer.

**Exhibit 5: Acceleration in government projects**

Projects	Project cost (Rp bn)	Progress
1 Construction of oil refinery in Bontang with a minimum capacity of 235K per day	60,000	Land clearing process has completed Auction for appointment KPBU be completed in December 2015 Construction expected to start in 2016 and complete in 2019
2 Drinking Water Management in West Semarang	824	Currently, PDAM Semarang is waiting for issuance regulation of water management cooperation scheme
3 Balikpapan-Samarinda toll road	6,002	85% land acquisition completed concession to be signed in April 2016
4 Revitalization of three small and medium sized airports i.e. (i) Radin Inten II Airport, Lampung, (ii) Airport Mutiara, Palu, (iii) Labuan Bajo Airport, Komodo		Revitalization for Raden Inten and Labuan Bajo Airport are under progress
5 Electrical transmission 'High Voltage Direct Current' (HVDC) Sumatra Java interconnection (ISJ)	20,000	Finalization of land acquisition is targeted in the third quarter 2015.
6 4 toll roads as part of Trans Sumatera Toll Road, i.e. (i) Medan-Binjai Sumatra, (ii) Palembang-Indralaya, (iii) Pekanbaru-Dumai, and (iv) Bekauheni-Tebanggi Besar.	30,000	Signed of concession agreement Land acquisition is ongoing Construction activity has started on several sections
7 Construction of PLTU Batang with capacity of 2x1,000 MW	40,000	Land acquisition issue has been resolved Ground breaking on August 2015
8 Express train to Soekarno Hatta International Airport	24,000	60% land clearing progress and has started construction Expected to be completed in 2016
9 Train in East Kalimantan	4,500	Ground Breaking on 19 Nov 15
10 500 kV electrical transmission from Southern to Northern Sumatera	35,000	Initially, this project will be conducted by SOEs. Yet, regulation of direct appointment has not been issued

Source: Various resources

**Exhibit 6: Government infrastructure spending**

	APBNP 2015	RAPBN 2016
<b>I Economic infrastructure</b>	280.0	302.3
a. Ministries spending	196.4	167.5
Ministry of Public works	111.1	101.2
Ministry of Transportation	59.1	47.2
Ministry of Agriculture	8.9	6.2
Ministry of Energy and Mineral Resources	8.1	3.6
b. Non-ministries spending	6.8	5.1
Viability gap fund (VGF)	1.2	1.1
Grants	4.5	4.0
c. Regional transfer and village fund	41.0	79.4
Special purpose fund	29.7	57.2
Village fund for infrastructure	8.3	18.8
d. Financing	35.7	50.3
Government injection for infrastructure	5.1	9.2
Government capital injection	28.8	40.2
<b>II Social infrastructure</b>	6.5	6.5
Ministry of Education and Culture	4.4	6.1
Ministry of Religious Affair	2.1	0.5
<b>III Infrastructure support</b>	3.9	4.7
BPN	1.3	1.6
Ministry of Industry	0.6	0.5
<b>Total</b>	<b>290.3</b>	<b>313.5</b>

Source: Ministry of Finance

### Economic packages to strengthen and boost economic growth

In the 1Q15 and 2Q15 the GDP growth was down trending, hence, in order to stop the down trend, the government has come up with several economic packages as stimulus to revive economic growth. While the real impact of most of the stimuli will be in the medium term, some of them do have immediate impact, e.g. tax incentives on asset revaluation, lower price on diesel fuel, electricity tariff for industry, subsidized interest on micro credit (KUR).

Several companies have shown their interests to benefit from the tax incentives on asset revaluation. Mostly, SOE banks, but also non SOE BCA, will take part on this program, and Tax Authority has estimated that tax revaluation from big SOE this year will bring around Rp10 tn extra tax revenue. Lower price on diesel fuel and electricity tariff for industry, will help industry to stay in business in the midst of economic slow down, and to prevent further lay offs.

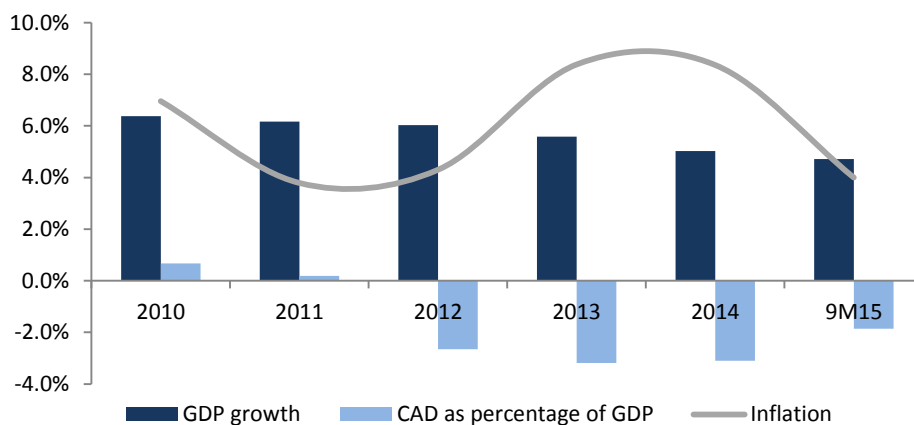
Subsidized interest on micro credit of Rp100 tn will also play a role in improving the welfare of people particularly those that do not have access to banking products. It has both short term and long term impact. Playing the effect on low income people's businesses, KUR will help small businesses to survive and to grow. Furthermore, as the government set annual target for the banks to channel KUR, the impact should be felt in relatively short term.

### Greater likelihood for the Central Bank to reduce interest rate

Three factors will create room for BI to reduce interest rate which could then boost growth further specially in investment and consumption segments with its 33% and 55% portion to GDP respectively. Firstly, is the earlier implementation of government spending, supported by several economic packages, closer monitoring on projects progresses. Secondly, benign inflation and finally the improvement in the current account deficit will be supportive for lower interest rate environment.

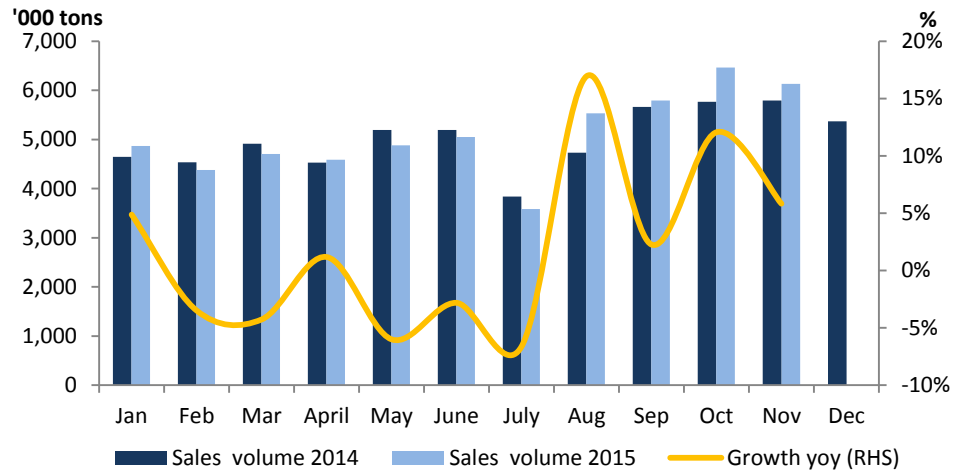
The data on higher cement consumption and project progresses further support our believe that earlier implementation on government spending is happening at this moment and will likely to be maintained or better in 2016 (see exhibit 9 and exhibit 5). The cement consumption which was slow at the beginning of 2015, has started to pickup in August 2015. Furthermore, with less uncertainty regarding US Fed rate hike, our economist also expects Rupiah exchange rate to stabilize going forward.

**Exhibit 8: GDP growth, current account deficit, and inflation rate**



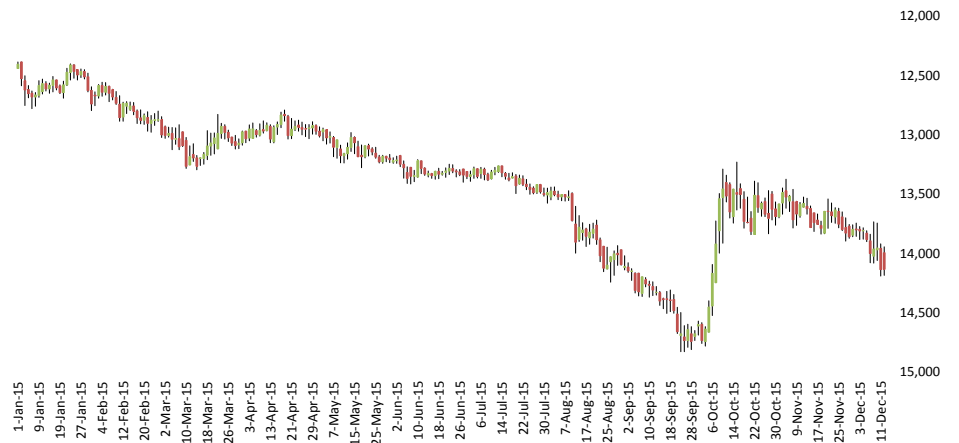
Source: BPS, BI

**Exhibit 9: Improvement in cement consumption with better budget absorption**



Source: Indonesian Cement Association

**Exhibit 10: USD/IDR performance**



Source: Bloomberg, as of Dec 18, 2015



### Target and valuation

We use blended DDM valuation and PE based model to calculate our JCI 2016 target and arrive at JCI 2016 of 5,400. In the former model we use GDP growth estimate of 5.3% and inflation of 4.5%, while in the latter model we take consensus EPS in FY16F of Rp307 and target PE of 15.5x

### Exhibit 11: JCI target and valuation

#### DDM based

Year	2016	2017	2018	2019	2020	2021
Number of Years	0	1	2	3	4	5
Dividend Yield	2.3%	average since 2005				
JCI Index, Full Year 2015	4,600					
Growth	12.3%					
Terminal Growth (nominal)	9.8%	GDP: 5.3%		Inflation: 4.5%		
Cost of Capital	12.0%	Rm = 12%				
Rm - Rf (Rp Risk Premium)	5.0%					
Rf	7.0%					
Beta	1.0					
Cost of capital	12.0%					
Dividend	101	114	128	143	161	181
Terminal Value						9,412
Total Dividend		114	128	143	161	181
Present Value		114	114	114	115	115
<b>Target Index 2016, rounded</b>	<b>6,000</b>					

#### PE-based

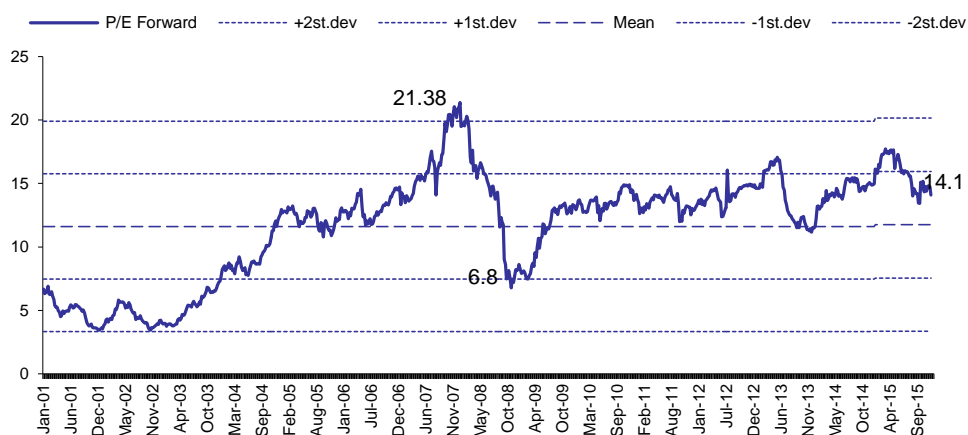
Target PE	
EPS 2016 consensus est.	307.00
PE (x)	15.50
<b>Target Index 2016, rounded</b>	<b>4,800</b>

#### Blended valuation

Blended Valuation	
DDM Based	6,000
PE-Based	4,800
<b>Target Index 2016, Blended</b>	<b>5,400</b>

Source: Danareksa Sekuritas

### Exhibit 12: JCI Historical PEs



Source: Danareksa Sekuritas, as of Dec 11, 2015

**PTPP**

PTPP's large order book backlog should ensure earnings visibility in FY16F. With an expected Rp36.5 tn of order book carry over for FY16F, PTPP should be able to maintain solid earnings growth. For its solid track record on new project acquisitions and good execution, PTPP stands to benefit from sizeable government infrastructure projects, especially related to port development. We expect earnings growth of 28% CAGR on the back of 18% CAGR order book growth in FY15F-17F. We maintain our positive view on PTPP for its solid earnings visibility, good project execution and strong ability to generate new contracts. Maintain BUY with a higher TP of Rp4,700 based on the target FY16F PE of 26.7x, equal to 1.5st.dev above the sector's average P/E.

**WSKT**

WSKT is the largest listed SOE contractor by equity size following its Rp5.3 tn rights issue. This allowed WSKT to aggressively invest in high value toll road projects which will give it sizeable construction contracts. Currently, WSKT owns 11 toll road concessions with the potential to add another Rp20 tn to its order book. We expect 34% CAGR earnings growth in FY15F-17F on the back of higher new contract acquisition and margin improvement on the greater contribution from toll road projects. Maintain BUY with higher TP of Rp2,150 based on 26.7x target FY16F PE.

**BBRI**

We are bullish on BBRI with TP of Rp13,400 due to its unique business model in micro banking which continue to serve as its strong point. BBRI is the bank with the largest profit domestically with Rp 24.3tn in 2014 and Rp 18.4tn in 9M15. Near future catalyst for BBRI is the boost from government spending, particularly the subsidized micro credit (KUR), in which BBRI will most likely get the most allocation to channel KUR. Despite the lower interest rate on subsidized KUR which could lower NIM the medium to long term benefit of this program is huge as it will significantly enlarge BBRI customer base and further strengthened its position as market leader in micro credit. Furthermore, the possible decline in interest rate will be most beneficial to BBRI compare to its peers, as it has the highest TD portion (43.8%) in its deposits.

**BBCA**

While a laggard compared to SOE peer banks, BBCA has been able to book the highest profit growth of 9.6% in 9M15 at Rp13.4 tn. This is supported by BBCA robust business model as the "transactional bank", sound fundamental, prudent risk management and the still respectable growth. It is essentially chosen due to its high quality and respectable growth, that we recommend BUY on BBCA at TP of Rp15,425 which implies PBV 16F of 3.6x.

**SMGR**

Despite an overcapacity situation in the industry, we still like SMGR and it is our top pick in the cement sector considering the following: (i) its extensive presence across the archipelago. As location is a vital component to be able to compete effectively, those closer to the development sites have superior pricing power compared to those who are further away. (ii) its lower dependency on Java where most of the cement producers are located and hence where competition is even stiffer. (iii) continued efficiency improvements through the construction of additional packing plants and power generators to further reduce electricity costs. We recommend BUY with a TP of Rp12,300 and implies 15.6x 2016F PE.

**BSDE**

While property market is still struggling, the sub-sector i.e. residential property can still grow in 2016 supported by demand backlog for first time buyers, and the possibility of lower interest rate. BSDE is our top pick as it has huge landbank which provides it with greater flexibility in offering the type properties suitable to market condition. We recommend BUY with TP of Rp2,100.

**MIKA**

The national insurance program (JKN) implementation has negatively impacted MIKA's patient volume thus far, especially on its hospital located in greater Jakarta areas (inpatient: -7% yoy; outpatient:-2.3% yoy). However, we expect the negative trend to abate in the coming years since we believe the shift to public hospital is a temporary hype in the first two years of JKN implementation. With its wide range specialty services and fine quality, MIKA should remain the preferred hospital among other public hospitals within its catchment area. Thus, we believe the patient volume should normalize in the near future. Profitability wise, the centralized procurement strategy should help to sustain the robust margin going forward. All in all, we like MIKA on the back of: 1) the stock's superior EBITDA margin of 34-35% and ROIC compared to its peers, 2) the strong FCF generation, and 3) its sound business model (community based hospital). Maintain BUY.

**PTBA**

We continue to like PTBA and select it as our top pick in the coal mining sector. The major catalysts are: a) expectation of higher coal production growing at 3-year CAGR of 10.1% in 2014 – 2017, b) the fact that the company stands to benefit from greater domestic exposure which shall sustain demand for its coal and c) additional earnings from diversification into power plant projects. Maintain BUY with target price to Rp7,800 based on DCF valuation (WACC of 13.2% and long-term growth of 3%). Our TP implies 11.7x 2016F PE.

## **MARKET NEWS**

### **79 SOEs Participate in Assets Revaluation (BI)**

A total of 79 out of the 119 State Owned Companies already included in the list of companies that will carry out the fixed assets revaluation to take advantage of discounts on final income tax rates, 3-6%. In this regards, the four state-owned banks (BMRI, BBRI, BBNI, BBTN) has participated and paid tax with a total amount of around Rp1 tn.

### **ANTM fulfilled the US \$ 600mn funding (ID)**

Aneka Tambang(ANTM) fulfilled the funding of Pomalaa Ferronickel Plant Expansion Project (P3FP) by obtaining US\$ 660mn financing from Maybank Indonesia. By the end of November 2015, the EPC progress of P3FP has reached 98.36%. Recently, ANTM with Indonesia Asahan Aluminium (Inalum) also has signed an MoU with Aluminum Corporation of China for Smelter Grade Alumina Refinery (SGAR)'s funding and technology in Mempawah, West Kalimantan.

### **Govt to develop palm oil industrial zones (TJP)**

Government has been reviewing three industrial zones for the development of the palm oil downstream industry, which will be located in Sei Mangkei (North Sumatera), Dumai (Riau), and Pupuk Kaltim (East Borneo), which were chosen based on the availability of gas to supply production and the accessibility of international shipping. The three areas were aimed at producing various palm oil product such as olein and stearin. Industry Ministry also expected partnership with SOEs and private companies to develop the area. This designation of industrial zones are were based on agreement established by Indonesia and Malaysia through the Council of Palm Oil Producing Countries (CPOPC).

### **Government Policy Package VIII Aim for Transportation Sector (BI)**

Policy package number VIII to be launched soon by the government would target the public transport sector, in particular, air transportation sector by giving some ease. According to the minister of transportation, there will be deregulation to remove customs duties for 25 items spare parts vital for aircraft.

### **State Capital Injection: Bureaucracy to be Simplified (BI)**

SOE Ministry wants the process to obtain a Government Regulation (PP) associated with the disbursement of the State Capital Injection (PMN) for SOEs to be more simple. In this regards, the SOE Ministry proposed a revision of the procedures to create the Government Regulation (PP) to the State Secretariat (Setneg)

### **Total Persada prepare Rp 150BN capex (ID)**

Total Bangun Persada (TOTL) preparing capex of Rp 150bn which will derived from internal cash and will be used for the purchase of land for its subsidiary, office renovation, purchasement of project equipment, IT, etc. As of December 2015, the company has bagged new contracts acquisitions worth Rp 2.2tn from the targeted Rp 3tn and currently is in negotiations phase for the acquisition of several building projects worth Rp 1tn.



## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		18-Dec-2015	17-Dec-2015					
Surya Semesta Internusa	SSIA	610	595	2.5	4.3	5.2	(43.0)	HOLD
Tower Bersama	TBIG	6,100	5,950	2.5	5.6	(6.2)	(37.1)	HOLD
Gajah Tunggal	GJTL	515	505	2.0	3.2	(13.4)	(63.9)	BUY
Blue Bird	BIRD	7,100	7,000	1.4	1.4	13.6	(24.7)	BUY
Bukit Asam	PTBA	4,780	4,740	0.8	6.1	(22.0)	(61.8)	BUY
Perusahaan Gas Negara	PGAS	2,705	2,690	0.6	8.6	(7.0)	(54.9)	BUY
Metropolitan Land	MTLA	223	222	0.5	7.7	10.4	(49.4)	BUY
MNC Sky Vision	MSKY	1,335	1,330	0.4	(1.1)	18.7	(16.6)	HOLD
Sarana Menara Nusantara	TOWR	4,525	4,510	0.3	4.6	2.8	9.0	BUY
Bank Tabungan Negara	BBTN	1,300	1,300	-	1.6	7.4	7.9	BUY

Sources: Bloomberg

### LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		18-Dec-2015	17-Dec-2015					
Indo Tambangraya Megah	ITMG	5,525	6,000	(7.9)	(5.2)	(25.6)	(64.1)	HOLD
Timah	TINS	466	499	(6.6)	(1.7)	(12.1)	(62.1)	BUY
Salim Ivomas Pratama	SIMP	325	346	(6.1)	(10.2)	(17.3)	(53.9)	BUY
Bank Rakyat Indonesia	BBRI	10,875	11,550	(5.8)	0.5	(0.7)	(6.7)	BUY
Mitra Adi Perkasa	MAPI	3,685	3,900	(5.5)	(9.8)	6.7	(27.4)	BUY
Bumi Serpong Damai	BSDE	1,650	1,730	(4.6)	-	0.9	(8.6)	BUY
Bank Mandiri	BMRI	8,725	9,100	(4.1)	(0.3)	1.2	(19.0)	BUY
Adaro Energy	ADRO	490	510	(3.9)	1.0	(14.8)	(52.9)	BUY
Mitra Keluarga	MIKA	2,300	2,390	(3.8)	7.7	(7.4)	35.3	BUY
PP London Sumatra	LSIP	1,275	1,315	(3.0)	(0.8)	1.6	(32.5)	HOLD

Sources: Bloomberg

## WEEKLY COVERAGE PERFORMANCE

### WEEKLY LEADERS

	Code	Price as on		w-w, %	m-m, %	YTD, %	Rating
		18-Dec-2015	11-Dec-2015				
Sampoerna Agro	SGRO	1,600	1,450	10.3	21.7	(23.8)	BUY
Perusahaan Gas Negara	PGAS	2,705	2,490	8.6	(7.0)	(54.9)	BUY
Indocement	INTP	21,000	19,400	8.2	0.5	(16.0)	HOLD
Metropolitan Land	MTLA	223	207	7.7	10.4	(49.4)	BUY
Mitra Keluarga	MIKA	2,300	2,135	7.7	(7.4)	35.3	BUY
Indofood CBP	ICBP	12,400	11,550	7.4	(2.7)	(5.3)	BUY
United Tractors	UNTR	15,350	14,375	6.8	(10.0)	(11.5)	HOLD
Astra International	ASII	6,275	5,900	6.4	(1.2)	(15.5)	HOLD
Bukit Asam	PTBA	4,780	4,505	6.1	(22.0)	(61.8)	BUY
Vale Indonesia	INCO	1,485	1,405	5.7	(17.7)	(59.0)	BUY

Sources: Bloomberg

### WEEKLY LAGGARDS

	Code	Price as on		w-w, %	m-m, %	YTD, %	Rating
		18-Dec-2015	11-Dec-2015				
Salim Ivomas Pratama	SIMP	325	362	(10.2)	(17.3)	(53.9)	BUY
Mitra Adi Perkasa	MAPI	3,685	4,085	(9.8)	6.7	(27.4)	BUY
Ramayana	RALS	630	665	(5.3)	(13.1)	(20.3)	SELL
Indo Tambangraya Megah	ITMG	5,525	5,825	(5.2)	(25.6)	(64.1)	HOLD
Astra Agro Lestari	AALI	16,025	16,575	(3.3)	(11.6)	(33.9)	BUY
Selamat Sempurna	SMSM	4,850	5,000	(3.0)	(2.8)	2.1	BUY
Semen Indonesia	SMGR	10,475	10,750	(2.6)	(8.9)	(35.3)	BUY
Hexindo Adiperkasa	HEXA	1,260	1,290	(2.3)	(22.2)	(64.1)	HOLD
Timah	TINS	466	474	(1.7)	(12.1)	(62.1)	BUY
Wijaya Karya	WIKA	2,640	2,675	(1.3)	(5.7)	(28.3)	HOLD

Sources: Bloomberg

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