

## MORNING HIGHLIGHT

### FROM EQUITY RESEARCH

#### WIKA: High Speed Railway: so it begins

(WIKA IJ. Rp1,000. HOLD. TP Rp1,350)

Yesterdays' ground breaking ceremony marked the beginning of the anticipated High Speed Railway (HSR) megaproject serving Jakarta-Bandung routes with a total trace length of 142km. The president of Republic Indonesia attended the event gave his support to the project and encourage more privately funded mass rapid transport projects to be carried further. The West Java governor also seemed enthusiastic on the project and the plan to develop new city in Walini, a city that become one of the HSR station and has the largest TOD area around 1,270ha. The HSR project is estimated to spend around USD5.5bn in three years, of which 75% will be funded from loan. We believe the most interesting part is the TOD development which may enhance the HSR project value if correctly executed. The consortium has appointed consultants to create TOD masterplan with the result is expected to come in three months. Maintain HOLD.

### MARKET NEWS

#### \*Analysts' comment inside

- ADHI aims 1,000 hotel rooms, and will work on Rp1.1 tn bridge (ID, BI)
- DILD book marketing sales of Rp1.9 tn (ID)
- Fitch projected bank NPL reached 3.5% (ID)
- PPRO seek for Rp1.2 tn financing (ID)
- SSIA adds on Batiqa Brand (BI)

#### Previous Reports:

- Cement: ASI: Promoting healthier competition on the industry- [Snapshot20160121](#)**
- BSDE: Upside surprises in the offing- [Snapshot20160120](#)**
- Construction: Land acquisition process shortened- [Snapshot20160119](#)**
- Automotive: Seasonally weak car sales volume in December 2015- [Snapshot20160118](#)**
- Banking: Tailwind from lower BI rate- [Snapshot20160115](#)**
- Fuel price cuts: minimal impact- [Snapshot20160114](#)**
- ASII: Challenges remain- [Snapshot20160113](#)**
- Cement: Seasonality impact- [Snapshot20160112](#)**

### IDX ANNOUNCEMENT

#### Corp Action

Code	Action	Date	Time (WIB)
TPIA	EGM	25-Jan-16	--
TIRA	EGM	27-Jan-16	10
PDES	EGM	28-Jan-16	--
RIMO	EGM	29-Jan-16	14

Source: KSEI

#### Key Index

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	4,414	(0.3)	(3.9)	275
Thailand	1,246	(0.3)	(3.3)	1,132
Philippines	6,084	(2.8)	(12.5)	153
Malaysia	1,601	(1.1)	(5.4)	478
Singapore	2,533	(1.1)	(12.1)	949
<b>Regional</b>				
China	2,880	(3.2)	(18.6)	55,120
Hong Kong	18,542	(1.8)	(15.4)	12,410
Japan	16,017	(2.4)	(15.8)	16,987
Korea	1,841	(0.3)	(6.2)	4,399
Taiwan	7,664	(0.5)	(8.1)	2,163
India	23,962	(0.4)	(8.3)	442
NASDAQ	4,472	0.0	(10.7)	87,332
Dow Jones	15,883	0.7	(8.9)	10,850

#### Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,907	-	(0.7)	(0.9)
SBI rate %	6.65	(0.4)	(0.5)	(0.6)
10y Gov Indo bond	8.51	(0.0)	(0.2)	(0.2)

#### Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	49	-	(5.9)	(3.2)
Gold	US\$/toz	1,101	(0.1)	2.6	3.7
Nickel	US\$/mt.ton	8,518	(0.5)	(2.4)	(3.0)
Tin	US\$/mt.ton	13,515	1.6	(8.7)	(7.4)

#### Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,857	(4.3)	(13.5)	(12.6)
Corn	US\$/mt.ton	138	(0.4)	(1.0)	3.4
Crude Oil	US\$/barrel	30	0.9	(17.5)	(19.5)
Palm oil	MYR/mt.ton	2,283	0.2	6.0	3.8
Rubber	US\$/mt ton	109	(0.2)	(8.4)	(7.6)
Pulp	US\$/tonne	792	N/A	(1.5)	(1.4)
Coffee	US\$/60kgbag	92	(0.0)	4.2	3.7
Sugar	US\$/MT	427	2.2	3.9	1.2
Wheat	US\$/ton	129	0.7	(0.8)	1.1

Source: Bloomberg

## PT Danareksa Sekuritas

Jl. Medan Merdeka Selatan No. 14  
Jakarta 10110  
Indonesia  
Tel (62 21) 29 555 888  
Fax (62 21) 350 1709

### Equity Research Team

#### A. Indrajatri Suwono, CFA

adriana.suwono@danareksa.com  
(62-21) 2955 5616  
**Strategy, Banking**

#### Anindya Saraswati

anindyas@danareksa.com  
(62-21) 2955 5820  
**Property, Retail**

#### Armando Marulitua

armandom@danareksa.com  
(62-21) 2955 5817  
**Pharmaceutical**

#### Stefanus Darmagiri

stefanus.darmagiri@danareksa.com  
(62-21) 2955 5831  
**Coal, Heavy Equipment, Metal Mining**

#### Natalia Sutanto

natalia.sutanto@danareksa.com  
(62-21) 29555 888 ext.3508  
**Consumer, Tobacco**

#### Puti Adani

putia@danareksa.com  
(62-21) 2955 5824  
**Research Associate**

#### Antonia Febe Hartono

antonia.hartono@danareksa.com  
(62-21) 29555 888 ext.3504  
**Research Associate**

### Sales team

#### Ermawati A. Erman

ermawatiae@danareksa.com  
(62 21) 29555 888 ext. 3151

#### Novrita E. Putrianti

novrita@danareksa.com  
(62 21) 29555 888 ext. 3128

#### Ehrliech Suhartono

ehrlich@danareksa.com  
(62 21) 29555 888 ext. 3132

#### Yunita L. Nababan

yunita@danareksa.com  
(62 21) 29555 888 ext. 3145

#### Martin Joshua

martinjs@danareksa.com  
(62 21) 29555 888 ext. 3126

#### Laksmi Armandani

laksmिता@danareksa.com  
(62 21) 29555 888 ext. 3125

#### Muhammad Hardiansyah

mhardiansyah@danareksa.com  
(62 21) 29555 888 ext. 3109

#### Tuty Sutopo

tuty@danareksa.com  
(62 21) 29555 888 ext. 3121

#### Upik Yuzarni

upik\_y@danareksa.com  
(62 21) 29555 888 ext. 3137

#### Kevin Giarto

kevin.giarto@danareksa.com  
(62 21) 29555 888 ext. 3139

## CONSTRUCTION/COMPANY UPDATE

**HOLD**

Target Price, Rp 2,900

Upside 2.29

WIKA IJ/WIKA.JK

Last Price, Rp 2,835

No. of shares (bn) 6.1

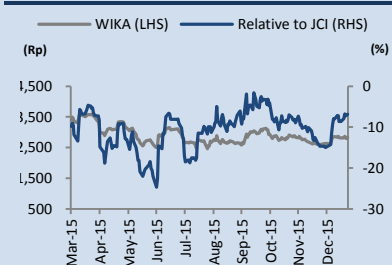
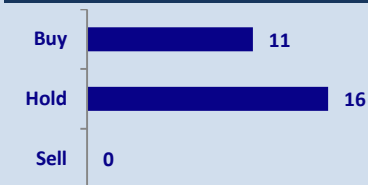
**Market Cap, Rp bn 17,433**

(US\$ mn) 1,256

3M T/O, US\$mn 1.94

**Last Recommendation**

16-Dec-15	HOLD	Rp2,900
01-Dec-15	HOLD	Rp2,500
20-Aug-15	BUY	Rp2,500

**WIKA relative to JCI****Market Recommendation****Danareksa vs. Consensus**

	Our	Cons	% Diff
Target Price, IDR	2,900	3,186	(9)
EPS 2015F, IDR	121	110	20.3
PE 2015F, x	29.1	24.7	16.9

**Armando Marulitua**

(62-21) 2955 5817

armandom@danareksa.com

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

**Wijaya Karya****High Speed Railway: so it begins**

Yesterday's groundbreaking ceremony marked the beginning of the anticipated High Speed Railway (HSR) megaproject serving Jakarta-Bandung with a total length of 142km. President Joko Widodo attended the event and called for more privately funded mass rapid transportation projects to be carried out in Indonesia. The West Java Governor expressed his enthusiasm for the HSR project, especially in regard to plans to develop a new city in Walini, where one of the HSR stations will be located. This new city will have the largest TOD area of around 1,270ha. Spending on the HSR project is estimated at around USD5.5bn in three years, of which 75% will be funded from loans. We view the TOD development to be crucial, since it should enhance the HSR project value if correctly executed. The consortium has already appointed consultants to create the TOD masterplan with results expected in three months. **Maintain HOLD.**

**Commencement of the High Speed Railway (HSR) megaproject**

Yesterday's groundbreaking ceremony marked the beginning of the anticipated High Speed Railway (HSR) megaproject serving Jakarta-Bandung with a total length of 142km. The development of this project under a consortium called Kereta Cepat Indonesia China (KCIC) is notable for its cooperation between Indonesia and China with the groundbreaking ceremony attended by the President of Indonesia, Joko Widodo, and the China state councilor.

We note that the project has also obtained support from the regional governments since the governor of West Java, the governor of Jakarta and the mayor of Bandung also attended the event. Listening to the president's speech, it is clear that he is determined to boost the development of mass transportation in urban areas as well as extend his support for this specific project. Nonetheless, the president's preference is for mass transportation development to be carried out by private investment rather than be financed from the state budget since his administration will utilize the state budget for infrastructure development in areas out of Java.

**A huge project with total value of USD5.5bn to be executed in three years**

The HSR project will span 142km from Jakarta to Bandung with five planned stations in Manggarai, Halim, Karawang, Walini and Tegalluar. Of the 142km long railway, around 72km will be elevated, 51km at grade, and 20km laid in tunnels. The estimated construction period is three years and it is expected to be operational in 2019. There will be 11 rolling stocks (8 operating and 3 back-up) ready for operation in 2019. The planned operational hours are 18hr/day with 50 trips/day. The total capacity per trip is up to 1,000 passengers per train.

Spending on the HSR project is estimated at around USD5.5bn in three years, of which 75% will be funded from loans provided by the China Development Bank with a 2% fixed interest rate. The project owner, KCIC, is 60% owned by the Indonesian SOE consortium and 40% by China Railway. In the local consortium, WIKA has the largest share with a 38% ownership, followed by PTPN VIII (25%), KAI (25%), and JSRM (12%). The local consortium should inject USD880mn into KCIC before the project is completed. WIKA alone will have to inject USD314mn (or around Rp4tn) over the next three years.

**Enhanced value from TOD development**

At yesterday's event, we were given the opportunity to discuss the TOD development with the KCIC and its TOD consultant from Surbana Jurong, Atkins and Aedas, an expert in urban and infrastructure planning and consultation. They will create a masterplan for TOD development in Walini, Karawang, and Tegalluar in three months. The general view is that TOD development is a long-term process with a key objective being to increase value around the station areas.

Even though the timeframe remains unclear, TOD development usually takes around 5-15 years until it yields the desired results. We believe that without TOD, the HSR alone will not be an attractive investment. As such, the execution of TOD will be crucial. The total TOD area is around 1,500ha, of which Walini has the largest area of 1,270ha. All

the TOD land in Walini has been secured since the land is owned by PTPN VIII, one of the shareholders. The TOD development cost is still unknown, and the impact on the project's IRR could change depending on the masterplan.

**Risk return profile still unclear**

Despite the encouraging news, we remain skeptical on the project's execution, and therefore on its impact on WIKA. There are several notable risks for WIKA from this project, including the low margin construction work (est. 6% GM vs 8.2% for other infrastructure projects), the low project IRR, high forex exposure, and large capex needs. WIKA will inject Rp800bn of cash into the consortium's equity in FY16F. With total cash of Rp1.2tn as of 9M15, WIKA will need to utilize debt to fund its cash injection for paid-in capital in the consortium. By 2018, WIKA will need to inject around Rp4.5tn of cash into the consortium. We are concerned on the rising interest cost going forward. A positive catalyst would come from the approval of state capital injection (PMN). Maintain HOLD.

**Figure 1. Jokowi delivered his speech at the groundbreaking event**

**Figure 2. Walini area that would be develop into TOD**



Source: Danareksa Sekuritas

Source: Danareksa Sekuritas

**Figure 3. Indonesia government officials, China government representatives and Director of KCIC altogether official marked the beginning of HSR project**



Source: Danareksa Sekuritas

## MARKET NEWS

### **ADHI aims 1,000 hotel rooms, and will work on Rp1.1 tn bridge (ID, BI)**

After the success of its first hotel, the Grand Dhika Iskandarsyah, Adhi Karya (ADHI) targeting 1,000 hotel rooms in the next 5 years. The expansion is aimed at optimizing land owned ADHI in big cities. This year, ADHI has been managing 3 hotels and plan for build two new hotels i.e. Grand Dhika Setiabudi field with a capacity of 120 rooms, Grand Dhika Pemuda Semarang with a capacity of 130 rooms. ADHI will also working on the Kotabaru-Batulicin bridge, Kalimantan, which worth Rp1.1 tn. This construction will cooperate with Hutama Karya, but still uncertain on when the project will be finished as it depends on the budget availability.

### **BMRI looking to raise up to Rp10 tn (BI)**

Bank Mandiri (BMRI) reviewing foreign currency loans option from foreign institutions (offshore loan) to finance the long-term infrastructure sector. Bilateral loans became the main options as for public issuance, the market considered to be less conducive and bilateral lending offers lower cost of funds. BMRI projecting credit disbursement to grow 14-16% yoy for 2016.

### **DILD book marketing sales of Rp1.9 tn (ID)**

Intiland Development (DILD) book marketing sales of Rp1.9tn in 2015, down by 24% yoy from Rp2.5tn in previous year. Sales is contributed from mixed use and high rise building (48%), landed house (28%) and investment property (14%). This sluggish performance is attributable to economic slowdown as well as lower consumer purchasing power and uncertainty in luxury tax and income tax. On the 2H15, company book marketing sales of Rp1.4tn, up by 114% compared to marketing sales in 1H15 of Rp497bn.

### **Fitch projected bank NPL reached 3.5% (ID)**

Fitch Ratings expects pressure on asset quality and decline in profitability to loom banking industry this year. Fitch also expects NPLs to potentially reach 3.5%. Decline in asset quality is still concentrated in the mining sector. Special mentioned credit category last year still will suppress asset quality.

### **PPRO seek for Rp1.2 tn financing (ID)**

PP Properti (PPRO) seek for Rp1-1.2tn financing through bond and medium term notes issuance. This fund raising will be conduct gradually following the expansion need of company. On the first phase, PPRO will issue MTN worth Rp300bn on 1Q16. Pefindo has rated this MTN with rating of A- and stable outlook. On 2Q, 3Q, 4Q PPRO will issue the first obligation, second MTN, and second obligation, respectively with value ranging between Rp200-300bn for each issuance. Proceed is not only used to finance the capex need, but also bank loan refinancing of Rp120 bn.

### **SSIA adds on Batiqa Brand (BI)**

Surya Semesta Internusa (SSIA) plans to officially release its Batiqa Hotel Brand in March 2016, and will be followed by the operation of three new Batiqa hotel in Palembang, Pekanbaru, and Lampung. SSIA targets to operate seven Batiqa hotel up to early 2017, and now has operate three hotels located in Jababeka, Karawang, and Cirebon, and will open one new unit in Casablanca, South Jakarta, next year. Currently, SSIA has another three hotels; Gran Melia Jakarta, Melia Bali Hotel, and Bayan Tree Ungasan Resort.



# 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			
<b>Danareksa Universe</b>				<b>2,608,473</b>	<b>175,906</b>	<b>189,144</b>	<b>273.5</b>	<b>294.1</b>			<b>-1%</b>	<b>8%</b>	<b>14.8</b>	<b>13.8</b>	<b>12.1</b>	<b>11.5</b>	<b>2.3</b>	<b>2.1</b>		<b>16.8</b>	
<b>Auto</b>				<b>246,711</b>	<b>16,781</b>	<b>19,189</b>	<b>307.4</b>	<b>351.5</b>			<b>-15%</b>	<b>14%</b>	<b>14.7</b>	<b>12.9</b>	<b>10.6</b>	<b>9.7</b>	<b>1.8</b>	<b>1.6</b>		<b>12.7</b>	
Astra International	HOLD	5,850	6,700	236,829	16,050	18,063	396	446	370	412	-16%	13%	14.8	13.1	11.1	10.1	1.8	1.7	34.1	12.9	
Gajah Tunggal	BUY	494	1,500	1,721	296	633	76	182	140	127	-1%	138%	6.5	2.7	4.1	4.0	0.3	0.3	95.0	4.4	
Selamat Purnama	BUY	4,450	5,300	6,407	465	493	323	342	332	352	19%	6%	13.8	13.0	8.4	7.7	4.5	3.7	net cash	36.0	
<b>Banks</b>				<b>921,305</b>	<b>73,678</b>	<b>79,865</b>	<b>683.9</b>	<b>741.3</b>			<b>-1%</b>	<b>8%</b>	<b>12.5</b>	<b>11.5</b>	<b>2.2</b>	<b>1.9</b>	<b>2.2</b>	<b>1.9</b>		<b>19.0</b>	
BCA	BUY	12,950	15,425	319,282	18,062	19,792	724	794	724	794	8%	10%	17.9	16.3	NA	NA	3.5	3.0	NA	21.4	
BNI	BUY	4,870	5,850	90,819	7,506	8,596	402	461	402	461	-30%	15%	12.1	10.6	NA	NA	1.4	1.3	NA	12.1	
BRI	BUY	10,825	13,400	267,044	24,352	25,863	987	1,048	987	1,048	0%	6%	11.0	10.3	NA	NA	2.3	2.0	NA	23.0	
Bank Tabungan Negara	BUY	1,380	1,450	14,604	1,588	1,964	151	187	151	187	4%	24%	9.1	7.4	NA	NA	1.1	1.0	NA	12.4	
Bank Mandiri	BUY	9,300	11,450	217,000	20,144	21,413	863	918	863	918	1%	6%	10.8	10.1	NA	NA	1.8	1.6	NA	18.2	
Bank Tabungan Pensiunan	BUY	2,150	4,500	12,557	2,026	2,237	347	383	347	383	8%	10%	6.2	5.6	NA	NA	0.9	0.8	NA	15.8	
<b>Cement</b>				<b>126,851</b>	<b>9,522</b>	<b>9,566</b>	<b>991</b>	<b>995</b>			<b>-13%</b>	<b>0%</b>	<b>13.3</b>	<b>13.3</b>	<b>8.3</b>	<b>8.0</b>	<b>2.3</b>	<b>2.1</b>		<b>17.6</b>	
Indocement	HOLD	18,225	21,000	67,090	4,915	4,919	1,335	1,336	1,305	1,306	-9%	0%	13.7	13.6	8.3	8.1	2.3	2.2	net cash	16.9	
Semen Indonesia	BUY	10,075	12,300	59,780	4,608	4,648	777	784	761	767	-17%	2%	13.0	12.9	8.2	8.0	2.3	2.1	5.1	18.4	
<b>Construction</b>				<b>114,668</b>	<b>4,375</b>	<b>5,514</b>	<b>100</b>	<b>126</b>			<b>19%</b>	<b>26%</b>	<b>26.2</b>	<b>20.8</b>	<b>12.4</b>	<b>10.3</b>	<b>3.0</b>	<b>2.6</b>		<b>13.8</b>	
Jasa Marga	BUY	5,550	8,000	37,740	1,531	1,779	480	614	513	657	19%	29%	11.6	9.0	12.9	11.4	3.0	2.7	95.6	12.8	
Wijaya Karya	HOLD	2,800	2,900	17,218	684	741	95	120	100	126	-5%	27%	29.5	23.2	12.1	9.7	3.1	2.8	28.8	11.1	
Pembangunan Perumahan	BUY	3,940	4,700	19,079	635	857	131	177	138	185	19%	35%	30.0	22.3	11.6	9.4	5.2	3.6	25.6	20.9	
Adhi Karya	BUY	2,445	2,750	8,706	397	556	111	156	123	169	22%	40%	21.9	15.7	8.2	7.8	1.8	1.6	net cash	12.1	
Waskita Karya	BUY	1,710	2,150	23,209	833	1,089	61	80	61	80	19%	31%	27.9	21.3	14.9	11.3	2.6	2.4	net cash	14.2	
Wika Beton	HOLD	1,000	1,350	8,715	396	491	45	56	46	57	32%	2%	22.0	17.7	11.6	9.3	3.5	3.0	net cash	17.1	
<b>Consumer</b>				<b>416,939</b>	<b>13,419</b>	<b>14,186</b>	<b>488</b>	<b>516</b>			<b>7%</b>	<b>6%</b>	<b>31.1</b>	<b>29.4</b>	<b>18.4</b>	<b>17.4</b>	<b>7.3</b>	<b>6.2</b>		<b>25.9</b>	
Indofood CBP	BUY	14,575	13,800	84,986	3,033	3,308	520	567	520	567	16%	9%	28.0	25.7	19.4	18.3	5.4	4.8	net cash	20.3	
Indofood	BUY	5,650	7,100	49,609	3,704	4,059	422	462	563	610	13%	12%	14.2	12.2	6.1	5.9	1.8	1.6	19.5	13.8	
Unilever	SELL	35,800	30,475	273,154	5,889	6,234	772	817	772	817	3%	6%	46.4	43.8	31.9	30.2	26.7	16.7	net cash	80.4	
Nippon Indosari Corpindo	BUY	1,170	1,680	5,922	266	309	53	61	53	61	41%	16%	22.2	19.1	12.8	10.3	4.9	4.1	59.5	24.7	
Mandom	BUY	16,250	21,170	3,267	526	276	2,618	1,375	279	1,373	202%	-47%	6.2	11.8	6.9	6.0	1.9	1.9	net cash	35.7	
<b>Healthcare</b>				<b>109,900</b>	<b>2,981</b>	<b>3,387</b>	<b>211</b>	<b>266</b>			<b>-26%</b>	<b>36.9</b>	<b>32.5</b>	<b>23.2</b>	<b>19.8</b>	<b>6.3</b>	<b>5.7</b>			<b>18.6</b>	
Kalbe Farma	HOLD	1,330	1,355	62,344	2,040	2,274	44	49	43	49	-1%	12%	30.6	27.4	19.9	17.3	6.0	5.4	net cash	20.6	
Kimia Farma	BUY	915	1,200	5,082	259	303	47	55	42	47	12%	17%	19.5	16.6	13.0	11.3	2.4	2.4	0.7	13.9	
Siloam Hospital	HOLD	9,050	10,500	10,463	93	134	80	116	84	127	49%	44%	112.5	78.3	20.4	15.7	6.0	5.6	16.1	5.5	
Mitra Kalidjaja	BUY	2,200	2,995	32,012	599	676	40	46	40	45	14%	15%	54.3	47.4	48.5	41.2	9.6	8.6	net cash	23.9	
<b>Heavy Equipment</b>				<b>59,970</b>	<b>6,331</b>	<b>6,015</b>	<b>1,385</b>	<b>1,316</b>			<b>14%</b>	<b>-5%</b>	<b>9.5</b>	<b>10.0</b>	<b>3.9</b>	<b>3.6</b>	<b>1.4</b>	<b>1.3</b>		<b>15.9</b>	
Hoindo Adiperkasa	HOLD	1,120	3,650	941	220	260	262	309	238	273	13%	18%	4.3	3.6	1.8	1.0	0.3	0.3	net cash	8.0	
United Tractors	HOLD	15,825	18,500	59,029	6,111	5,756	1,638	1,543	1,638	1,543	14%	-6%	9.7	10.3	4.0	3.7	1.5	1.4	net cash	16.5	
<b>Mining</b>				<b>55,839</b>	<b>6,032</b>	<b>4,691</b>	<b>76</b>	<b>59</b>			<b>-25%</b>	<b>-22%</b>	<b>9.3</b>	<b>11.9</b>	<b>3.2</b>	<b>3.6</b>	<b>0.5</b>	<b>0.5</b>		<b>6.0</b>	
Adaro Energy	BUY	450	750	14,394	2,249	1,577	70	49	70	49	9%	-30%	6.4	9.1	2.9	2.9	0.4	0.4	32.0	6.4	
Timah	HOLD	491	570	3,657	101	180	14	24	14	24	-84%	78%	36.2	20.3	7.1	5.6	0.7	0.7	34.7	1.8	
Vale Indonesia	BUY	1,385	3,700	13,762	887	1,090	89	110	89	110	-56%	23%	15.5	12.6	4.1	3.8	0.6	0.6	net cash	4.1	
Aneka Tambang	BUY	304	472	7,305	(706)	(293)	(74)	(31)	(74)	(31)	-5%	-59%	(4.1)	(9.9)	12.5	11.4	0.4	0.4	13.3	-4.9	
Bukit Asam	BUY	4,165	7,800	9,597	1,970	1,445	906	665	906	665	-2%	-27%	4.6	6.3	3.1	4.3	1.0	0.9	net cash	21.4	
Indo Tambangraya Megah	HOLD	4,750	7,300	5,367	1,504	814	1,331	720	1,331	720	-28%	-46%	3.6	6.6	0.6	0.8	0.5	0.4	net cash	14.1	
Harum Energy	HOLD	650	790	1,757	28	(123)	10	(45)	10	(45)	471%	-540%	63.1	(14.3)	-	4.5	10.0	0.5	0.5	net cash	0.8
<b>Plantation</b>				<b>42,347</b>	<b>5,510</b>	<b>5,938</b>	<b>211</b>	<b>227</b>			<b>11%</b>	<b>8%</b>	<b>7.7</b>	<b>7.1</b>	<b>4.3</b>	<b>3.8</b>	<b>1.1</b>	<b>1.0</b>		<b>14.9</b>	
Astra Agro Lestari	BUY	16,375	27,100	25,786	2,770	2,832	1,759	1,798	1,759	1,798	11%	9%	9.3	9.1	5.5	5.1	2.2	2.0	net cash	24.5	
Sampoerna Agro	BUY	1,765	2,600	3,336	464	550	245	291	253	299	18%	19%	7.2	6.1	4.7	4.0	1.0	0.9	31.8	14.5	
PP London Sumatra	HOLD	1,280	2,090	8,733	1,055	1,133	155	166	155	166	8%	7%	8.3	7.7	4.0	3.3	1.1	1.0	net cash	13.9	
Salm Ivomas Pratama	BUY	284	850	4,492	1,221	1,423	77	90	87	98	33%	17%	3.7	3.2	2.8	2.4	0.3	0.3	37.6	8.2	
<b>Property</b>				<b>89,523</b>	<b>8,896</b>	<b>10,205</b>	<b>87</b>	<b>99</b>			<b>-10%</b>	<b>15%</b>	<b>10.1</b>	<b>8.8</b>	<b>9.0</b>	<b>7.8</b>	<b>1.8</b>	<b>1.6</b>		<b>18.8</b>	
Alam Sutera	BUY	321	700	6,307	1,254	1,516	64	77	73	85	5%	21%	5.0	4.2	6.1	5.0	0.9	0.7	75.3	18.9	
Bumi Serpong Damai	BUY	1,650	2,100	31,757	2,369	2,617	135	150	140	156	-36%	10%	12.2	11.0	10.7	9.4	2.1	1.8	net cash	16.6	
Metropolitan Land	BUY	203	620	1,554	290	322	38	43	38	43	14%	11%	5.3	4.8	4.2	4.0	0.7	0.6	27.7	14.2	
Surya Semesta Internusa	HOLD	660	1,040	3,105	464	415	99	88	103	93	32%	-11%	6.7	7.5	2.7	2.7	1.1	1.0	net cash	16.9	
Lippo Karawaci	BUY	1,025	1,200	23,655	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	179	242	2,514	1,626	1,963	21	26	22	28	172%	27%	8.7	6.9	6.1	5.7	1.1	1.0	8.8	100.6	
Summarecon	BUY	1,430	2,045	20,630	1,327	1,609	92	111	92	111	-5%	21%	15.5	12.8	11.5	9.5	4.2	3.4	57.1</		

## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		21-Jan-2016	20-Jan-2016					
XL Axiata	EXCL	3,680	3,560	3.4	(0.8)	(2.4)	0.8	BUY
Adaro Energy	ADRO	450	437	3.0	(3.0)	(10.0)	(12.6)	BUY
Wika Beton	WTON	1,000	975	2.6	4.2	25.0	21.2	HOLD
Lippo Karawaci	LPKR	1,025	1,000	2.5	(3.3)	-	(1.0)	BUY
Bank Tabungan Pensiunan Nasional	BTPN	2,150	2,100	2.4	(3.4)	(13.7)	(10.4)	BUY
Ramayana	RALS	575	565	1.8	(0.9)	(9.4)	(10.9)	SELL
Metropolitan Land	MTLA	203	200	1.5	(1.5)	(9.8)	(5.6)	BUY
Tower Bersama	TBIG	5,675	5,600	1.3	1.3	(3.0)	(3.4)	HOLD
Astra International	ASII	5,850	5,775	1.3	(0.4)	(3.7)	(2.5)	HOLD
Ace Hardware	ACES	800	790	1.3	1.3	(1.2)	(3.0)	HOLD

Sources: Bloomberg

### LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		21-Jan-2016	20-Jan-2016					
Blue Bird	BIRD	5,600	6,200	(9.7)	(14.2)	(20.3)	(21.1)	BUY
Indo Tambangraya Megah	ITMG	4,750	4,955	(4.1)	(14.0)	(15.9)	(17.0)	HOLD
Indosat	ISAT	5,100	5,300	(3.8)	(5.6)	(8.5)	(7.3)	BUY
Bumi Serpong Damai	BSDE	1,650	1,710	(3.5)	(8.8)	(5.2)	(8.3)	BUY
Kimia Farma	KAEF	915	945	(3.2)	2.8	5.8	5.2	BUY
Summarecon	SMRA	1,430	1,475	(3.1)	(7.7)	(8.9)	(13.3)	BUY
Indocement	INTP	18,225	18,650	(2.3)	(7.8)	(17.8)	(18.4)	HOLD
Bukit Asam	PTBA	4,165	4,260	(2.2)	(7.3)	(10.4)	(8.0)	BUY
Vale Indonesia	INCO	1,385	1,415	(2.1)	(2.5)	(5.1)	(15.3)	BUY
Salim Ivomas Pratama	SIMP	284	290	(2.1)	(6.0)	(13.1)	(14.5)	BUY

Sources: Bloomberg

## **Disclaimer**

The information contained in this report has been taken from sources which we deem reliable. However, none of P.T. Danareksa Sekuritas and/or its affiliated companies and/or their respective employees and/or agents makes any representation or warranty (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of P.T. Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitation for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this report and neither P.T. Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or misstatements, negligent or otherwise, in the report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The information contained in this report is not to be taken as any recommendation made by P.T. Danareksa Sekuritas or any other person to enter into any agreement with regard to any investment mentioned in this document. This report is prepared for general circulation. It does not have regard to the specific person who may receive this report. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice.