

## MORNING HIGHLIGHT

### FROM EQUITY RESEARCH

#### UNTR: Infra projects helped to endure weak Komatsu sales

(UNTR IJ. Rp13,225. HOLD. TP Rp17,00)

United Tractors (UNTR) reported a recovery in monthly Komatsu sales volume of 190 units in April 2016 (+25.8% mom) thanks to better sales volume to the construction sector (+57.3% mom). On a cumulative basis, Komatsu sales volume to the construction sector grew 25.4% yoy in 4M16 supported by progress on government infrastructure projects. Nonetheless, this was not enough to prevent a decline in Komatsu's total sales volume in 4M16: down 28.7% to 689 units on the back of unfavorable commodity prices. Although Komatsu's sales volume in 4M16 was slightly above our expectation - reaching 36.3% of our full year forecast of 1,900 units - we maintain our HOLD recommendation with a target price of Rp17,000 (DCF valuation with WACC of 14.8% and long-term growth of 3%) as lackluster global commodity prices will continue to adversely affect heavy equipment sales and the mining contracting (MC) division. Our target price implies 11.7x 2016F PE.

### MARKET NEWS

\*Analysts' comment inside

- BBRI budgeted IT capex of Rp2.19tn (ID)
- Creador leave MSKY (ID)
- Fitch maintain investment grade rating for RI (ID)
- IPO of Cikarang Listrindo is oversubscribed (ID)
- Sales SMBR up to April has edged up by 2.65% (BI)

### Previous Reports:

- **TPIA: Beneficiary of low oil prices-[Snapshot20160520](#)**
- **AUTO: Weak monthly domestic car sales in April 2016-[Snapshot20160517](#)**
- **Cement sales April: Not encouraging-[Snapshot20160513](#)**
- **ITMG: 1Q16: Still depressed by coal price, but above expectation-[Snapshot20160512](#)**
- **1Q16 result on cement, cigarettes, mining, retail-[Snapshot20160502](#)**
- **1Q16 result on cement, consumer, mining, property-[Snapshot20160429](#)**

### IDX ANNOUNCEMENT

Corp Action

Code	Action	Date	Time (WIB)
MPMX	AGM	31-May-16	14
TFCO	AGM	2-Jun-16	10
BEST	AGM	2-Jun-16	10

Source: KSEI

### Key Index

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	4,711	(0.7)	2.6	245
Thailand	1,384	0.2	7.5	951
Philippines	7,357	0.7	5.8	135
Malaysia	1,626	(0.6)	(3.9)	336
Singapore	2,750	(0.6)	(4.6)	539
<b>Regional</b>				
China	2,822	(0.8)	(20.3)	42,776
Hong Kong	19,830	0.1	(9.5)	5,837
Japan	16,499	(0.9)	(13.3)	8,972
Korea	1,955	0.9	(0.3)	3,419
Taiwan	8,301	(0.5)	(0.4)	1,926
India	25,305	0.3	(3.1)	385
NASDAQ	4,861	2.0	(2.9)	66,987
Dow Jones	17,706	1.2	1.6	6,900

### Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,638	(2.6)	(3.3)	1.1
SBI rate %	6.60	-	-	(0.6)
10y Gov Indo bond	7.96	0.3	0.3	(0.8)

### Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	51	0.1	-	0.8
Gold	US\$/toz	1,226	(0.1)	(1.0)	15.5
Nickel	US\$/mt.ton	8,355	0.8	(7.8)	(4.8)
Tin	US\$/mt.ton	15,770	(1.0)	(9.1)	8.0

### Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	3,057	1.7	(4.4)	(6.5)
Corn	US\$/mt.ton	147	(0.1)	6.1	10.0
Oil (WTI)	US\$/barrel	49	1.2	15.4	32.9
Oil (Brent)	US\$/barrel	49	0.5	7.8	30.4
Palm oil	MYR/mt.ton	2,568	(1.3)	(3.7)	16.7
Rubber	US\$/mt ton	127	2.9	(18.5)	7.8
Pulp	US\$/tonne	796	N/A	0.8	(0.9)
Coffee	US\$/60kgbag	105	0.1	1.2	1.9
Sugar	US\$/MT	469	(0.9)	3.4	11.0
Wheat	US\$/ton	126	0.4	(2.1)	(4.0)

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

#### Natalia Sutanto

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

#### Stefanus Darmagiri

stefanus.darmagiri@danareksa.com  
(62-21) 2955 5831  
Auto, Coal, Heavy Equip., Metal, Cement

#### Puti Adani

putia@danareksa.com  
(62-21) 2955 5824  
Consumer

#### Antonia Febe Hartono

antonia.hartono@danareksa.com  
(62-21) 29555 888 ext.3504  
Cement

#### Lucky Bayu Purnomo

lucky.purnomo@danareksa.com  
(62-21) 29555 888 ext.3512  
Technical Analyst

### 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

#### Ehrlich Suhartono

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

#### Yunita L. Nababan

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

#### Laksmi Armandani

laksmiata@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

# HOLD

Target Price, Rp 17,000

Upside 28.3%

UNTR IJ/UNTR.JK

Last Price, Rp 13,225

No. of shares (bn) 3.7

Market Cap, Rpbn 49,331

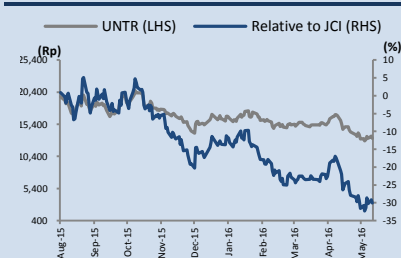
(US\$ mn) 3,617

3M T/O, US\$mn 4.69

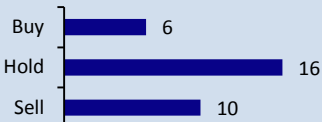
## Last Recommendation

7-Apr-2016	HOLD	Rp17,000
26-Feb-2016	HOLD	Rp18,500
28-Dec-2015	HOLD	Rp18,500

## UNTR relative to JCI Index



## Market Recommendation



## Consensus

	Our	Cons	% Diff
Target Price, IDR	17,000	15,094	12.6
EPS 2016F, IDR	1,450	1,267	14.4
PE 2016F, x	9.1	10.4	(12.6)

# United Tractors

## Infra projects helped soften the decline in Komatsu sales

United Tractors (UNTR) reported a recovery in monthly Komatsu sales volume of 190 units in April 2016 (+25.8% mom) thanks to better sales volume to the construction sector (+57.3% mom). On a cumulative basis, Komatsu sales volume to the construction sector grew 25.4% yoy in 4M16 supported by progress on government infrastructure projects. Nonetheless, this was not enough to prevent a decline in Komatsu's total sales volume in 4M16: down 28.7% to 689 units on the back of unfavorable commodity prices. Although Komatsu's sales volume in 4M16 was slightly above our expectation - reaching 36.3% of our full year forecast of 1,900 units - we maintain our HOLD recommendation with a target price of Rp17,000 (DCF valuation with WACC of 14.8% and long-term growth of 3%) as lackluster global commodity prices will continue to adversely affect heavy equipment sales and the mining contracting (MC) division. Our target price implies 11.7x 2016F PE.

### 4M16: Infrastructure projects helped soften the decline in Komatsu sales volume

Falling commodity prices were behind Komatsu's lower sales volume in 4M16 (down by 28.7% yoy to 689 units). Sales to the mining sector posted the sharpest decline (down by 54.9% yoy), followed by sales to the forestry sector (-54.8% yoy) and the agro sector (-35.2% yoy). However, thanks to progress on government infrastructure projects in the beginning of the year, Komatsu's sales volume to the construction sector rose by 25.4% yoy, cushioning the company from the impact of falling Komatsu sales volume.

### Challenging outlook for the heavy equipment market

With the outlook for commodity prices still dim, especially for coal given the continuation of global coal oversupply and lethargic coal demand, we maintain our view that the heavy equipment market will remain challenging. For 2016, we forecast a further 10.5% yoy decline in Komatsu's sales volume to 1,900 units (or about 160 units/month). On a more positive note, however, the acceleration of infrastructure projects should help soften the impact of lower Komatsu sales volume in 2016. Nonetheless, we also expect a decline in average selling prices as a result of the change in the product mix, reflecting more sales of smaller sized heavy equipment to the construction sector.

### Lower coal production and stripping ratio to impact the MC business

Coal production under its subsidiary, Pamapersada Nusantara (PAMA), declined by 5.0% yoy to 32.1mn tons in 4M16 with overburden (OB) removal down by 9.1% yoy. This lowered the stripping ratio to 6.8x in 4M16 from 7.1x in 4M15, as coalminers requested a further reduction in stripping ratios in order to maintain profitability in an environment of unfavorable coal prices. Furthermore, given that more coalmine owners requested further mining fee adjustments while the rupiah has stabilized against the US dollar, UNTR's consolidated gross margin is expected to be squeezed to 20.9% in 2016 from 23.7% in 2015.

### Stefanus Darmagiri

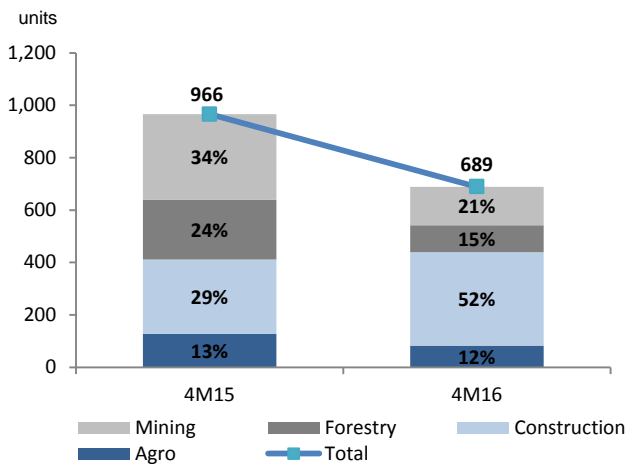
(62-21) 2955 5777 ext 3530

stefanus.darmagiri@danareksa.com

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

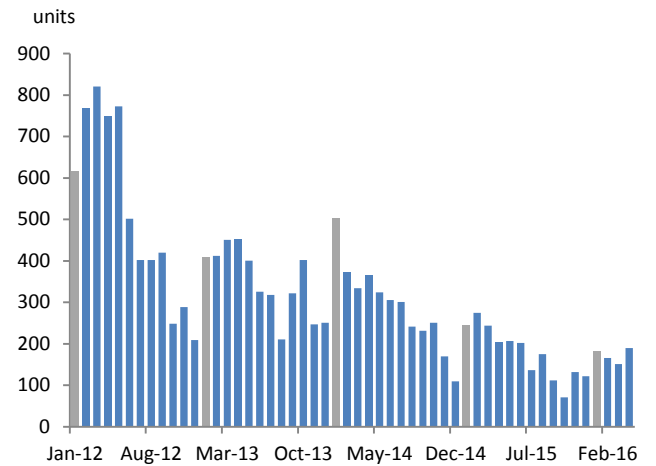
	2014A	2015A	2016F	2017F	2018F
Revenue, IDR bn	53,142	49,347	47,695	49,437	50,195
EBITDA, IDR bn	11,808	12,403	11,742	12,336	11,431
EBITDA Growth, %	13.0	5.0	-5.3	5.1	-7.3
Net profit, IDRbn	5,362	3,853	5,409	5,580	5,542
Core profit, IDRbn	6,732	5,825	5,561	5,819	5,844
EPS, IDR	1,437	1,033	1,450	1,496	1,486
EPS growth, %	10.9	-28.1	40.4	3.2	-0.7
BVPS, Rp	9,386	9,620	10,608	11,518	12,407
DPS, Rp	575	413	580	598	594
Net Gearing, %	-9.0	-18.2	-33.7	-37.5	-44.0
PER, x	9.2	12.8	9.1	8.8	8.9
PBV, x	1.4	1.4	1.2	1.1	1.1
EV/EBITDA, x	3.9	3.7	3.9	3.8	4.1
Yield, %	4.3	3.1	4.4	4.5	4.5

**Exhibit 1. Construction sector to post stronger growth**



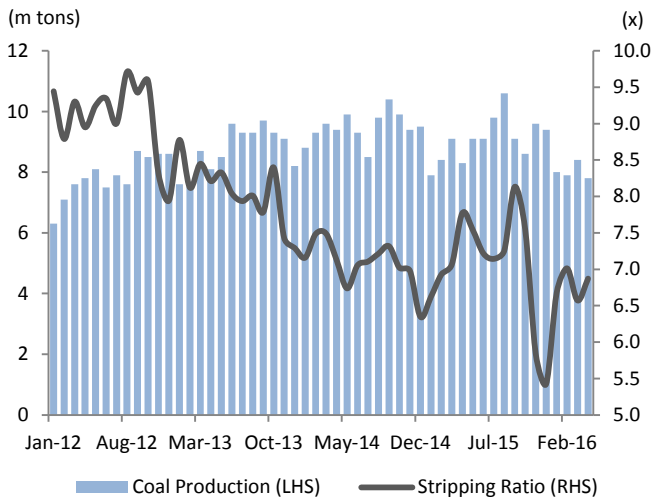
Source: United Tractors

**Exhibit 2. Monthly Komatsu sales volume**



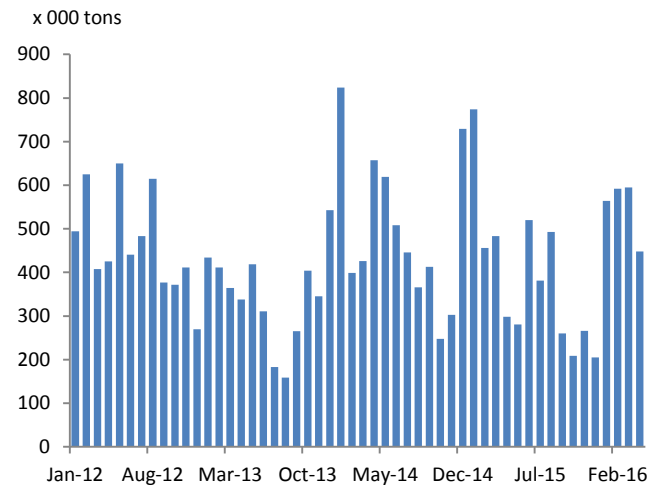
Source: United Tractors

**Exhibit 3. Lower coal production for 4M16**



Source: United Tractors

**Exhibit 4. But better coal sales volume in 4M16**



Source: United Tractors

**Exhibit 5. Profit and Loss, Rpbn**

	2014	2015	2016F	2017F	2018F
Turnover	53,142	49,347	47,695	49,437	50,195
COGS	(41,071)	(37,645)	(37,721)	(39,139)	(39,926)
Gross Profit	12,070	11,702	9,974	10,298	10,269
Operating Expenses	(3,215)	(3,116)	(2,969)	(3,106)	(3,171)
Operating Profit	8,855	8,586	7,005	7,192	7,098
Other Income/expenses	(2,503)	(4,466)	(126)	(241)	(318)
Net Interest	154	72	342	496	618
Pre-tax Profit	6,507	4,193	7,221	7,448	7,398
Tax	(1,675)	(1,400)	(1,805)	(1,862)	(1,850)
Minority Interest	530	1,061	(7)	(5)	(7)
<b>Net Profit</b>	<b>5,362</b>	<b>3,853</b>	<b>5,409</b>	<b>5,580</b>	<b>5,542</b>

Source: Company, Danareksa Sekuritas

**Exhibit 6. Balance Sheet, Rpbn**

	2014	2015	2016F	2017F	2018F
<b>Current Assets</b>					
Cash and Cash Equivalents	10,060	15,413	17,526	21,301	25,407
Account Receivables	13,587	12,170	12,427	12,881	12,391
Inventories, Net	7,770	8,328	8,071	8,393	8,414
Other Current Assets	2,163	3,349	2,805	2,927	2,971
Total Current Assets	33,580	39,260	40,829	45,502	49,183
Fixed Assets	22,774	17,519	16,481	15,337	15,504
Goodwill	209	146	261	271	275
Other LT Assets	3,745	4,791	4,785	4,924	4,957
<b>Total Assets</b>	<b>60,307</b>	<b>61,715</b>	<b>62,357</b>	<b>66,034</b>	<b>69,919</b>
<b>Current Liabilities</b>					
ST Debt	1,279	1,136	504	522	536
Other Current Liabilities	15,019	17,144	13,774	14,063	14,432
Total Current Liabilities	16,298	18,280	14,279	14,585	14,968
LT Debt	2,109	1,507	1,563	1,084	1,091
Other LT Liabilities	3,370	2,678	2,993	3,296	3,368
Minority Interests	1,916	1,331	2,271	2,354	2,390
Shareholders' Equity	36,613	37,920	41,250	44,715	48,102
<b>Total Equity &amp; Liabilities</b>	<b>60,307</b>	<b>61,715</b>	<b>62,357</b>	<b>66,034</b>	<b>69,919</b>

Source: Company, Danareksa Sekuritas

**Exhibit 7. Cash Flow, Rpbn**

	2014	2015	2016F	2017F	2018F
Net Profit	5,362	3,853	5,409	5,580	5,542
Depreciation and amortization	2,953	3,816	4,538	5,144	4,333
Change in Working Capital	(1,606)	1,817	(2,620)	(610)	794
Others Non-Cash	2,355	(814)	267	187	50
<b>Operating Cash Flow</b>	<b>9,063</b>	<b>8,672</b>	<b>7,594</b>	<b>10,302</b>	<b>10,718</b>
Capex	(2,857)	2,156	(3,500)	(4,000)	(4,500)
Investment	(451)	(549)	0	0	0
Others Investing Activities	(42)	(1,588)	847	50	22
<b>Investing Cash Flow</b>	<b>(3,350)</b>	<b>19</b>	<b>(2,653)</b>	<b>(3,950)</b>	<b>(4,478)</b>
Net Change in Debt	(1,074)	(1,002)	(1)	(481)	10
New Capital	0	0	0	0	0
Dividend	(1,996)	(2,989)	(1,725)	(2,183)	(2,227)
Others Financing Activities	(520)	653	(1,102)	88	83
<b>Financing Cash Flow</b>	<b>(3,589)</b>	<b>(3,338)</b>	<b>(2,827)</b>	<b>(2,577)</b>	<b>(2,134)</b>
<b>Net change in cash</b>	<b>2,124</b>	<b>5,353</b>	<b>2,113</b>	<b>3,775</b>	<b>4,106</b>
<b>Net cash (debt) at beg.</b>	<b>7,936</b>	<b>10,060</b>	<b>15,413</b>	<b>17,526</b>	<b>21,301</b>
<b>Net cash (debt) at end.</b>	<b>10,060</b>	<b>15,413</b>	<b>17,526</b>	<b>21,301</b>	<b>25,407</b>

Source: Company, Danareksa Sekuritas

**Exhibit 8. Key Ratios, Rpbn**

	2014	2015	2016F	2017F	2018F
Gross Margin, %	22.7	23.7	20.9	20.8	20.5
EBITDA Margin, %	22.2	25.1	24.6	25.0	22.8
Operating Margin, %	16.7	17.4	14.7	14.5	14.1
Net Margin, %	10.1	7.8	11.3	11.3	11.0
ROE, %	15.4	10.3	13.7	13.0	11.9
ROA, %	9.1	6.3	8.7	8.7	8.2
Net Gearing, %	(18.2)	(33.7)	(37.5)	(44.0)	(49.4)

Source: Company, Danareksa Sekuritas

## MARKET NEWS

### **BBRI budgeted IT capex of Rp2.19tn (ID)**

Bank Rakyat Indonesia (BBRI) is committed to developing the digitization of banks to improve services. BBRI is committed to allocate capex for information technology for Rp2.19tn of total capex this year by Rp4.56tn. Capex is used to improve software and hardware to support the company's business.

### **Creador leave MSKY (ID)**

Creador Sdn Bhd, a private equity from Malaysia decided to leave MNC Sky Vision (MSKY) following buyback conducted by MSKY since July 2015. At the AGM MSKY, Brahma Vasudevan, as a representative of Creador, resigned from the commissioners board. Meanwhile, MSKY plans to conduct a private placement with total proceeds of Rp4.37tn. The proceeds will be used for refinancing and finance future expansion. Global Mediacom (BMTR) will be the standby buyer for this transaction.

### **Fitch maintain investment grade rating for RI (ID)**

Fitch Ratings re-establish credit Sovereign Rating Indonesia at BBB- with a stable prospect in May 2016 on the back of (i) low government debt burden, only 26.8% of GDP, (ii) the prospect of economic growth is estimated to reach 5.1% this year, (iii) limited risks to the banking sector. These ratings represent Indonesia at the level of investment grade. However, Fitch still noted considerable influence of external factors on the market sentiment as well as a need to improve the investment climate. Fitch assesses structural reforms undertaken since September 2015 rated the investment climate will improve investment climates significantly.

### **IPO of Cikarang Listrindo is oversubscribed (ID)**

Offering of Cikarang Listrindo is oversubscribed. Total orders reached Rp6.3tn of the target funds Rp3.3tn. Of this amount, approximately 80-90% of them are foreign investors. Although oversubscribed, shareholders of Cikarang Listrindo still determined to issue 1.68bn shares, or approximately 10% of outstanding shares post IPO.

### **Sales SMBR up to April has edged up by 2.65% (BI)**

Semen Baturaja (SMBR) posted a sales increase of 2.65% yoy for the period January-April 2016, or a total of 419.238 tonnes. Infrastructure development is expected to increase sales in 2Q16 up to the end of 2016. SMBR targeting sales volume of 1.75mn tonnes, up 16% yoy, with 1.75mn tonnes of cement production. Sales are targeted to increase 16% yoy to Rp 1.69tn with a net profit of Rp 373.75bn, an increase by 16% yoy.



# Equity Valuation

Danareksa	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		RC	
					2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017		2016
<b>Danareksa Universe</b>				<b>2,649,739</b>	<b>159,430</b>	<b>178,704</b>	<b>360.4</b>	<b>404.0</b>			<b>7%</b>	<b>12%</b>	<b>16.6</b>	<b>14.8</b>	<b>18.7</b>	<b>16.6</b>	<b>2.5</b>	<b>2.3</b>			<b>16.1</b>	
<b>Auto</b>				<b>258,083</b>	<b>18,063</b>	<b>20,702</b>	<b>397.8</b>	<b>455.9</b>			<b>13%</b>	<b>15%</b>	<b>14.3</b>	<b>12.5</b>	<b>10.9</b>	<b>9.8</b>	<b>1.8</b>	<b>1.6</b>			<b>13.3</b>	
Astra International	HOLD	6,375	6,700	258,083	18,063	20,702	446	511	412	461	13%	15%	14.3	12.5	10.9	9.8	1.8	1.6			28.0	13.3
<b>Banks</b>				<b>869,153</b>	<b>77,627</b>	<b>86,048</b>	<b>761.8</b>	<b>844.5</b>			<b>8%</b>	<b>11%</b>	<b>11.2</b>	<b>10.1</b>	<b>11.9</b>	<b>10.1</b>	<b>1.9</b>	<b>1.6</b>			<b>17.9</b>	
BCA	BUY	12,975	15,425	319,899	19,792	22,201	794	890	794	890	10%	12%	16.3	14.6	N/A	N/A	3.0	2.5			N/A	20.1
BNI	BUY	4,440	5,850	82,900	8,596	9,810	461	526	461	526	15%	14%	9.6	8.4	N/A	N/A	1.2	1.0			N/A	12.6
BRI	BUY	9,825	13,400	242,374	25,863	28,463	1,048	1,154	1,048	1,154	6%	10%	9.4	8.5	N/A	N/A	1.8	1.5			N/A	20.7
Bank Tabungan Negara	BUY	1,660	1,450	17,579	1,964	2,395	187	228	187	228	24%	22%	8.9	7.3	N/A	N/A	1.2	1.0			N/A	13.8
Bank Mandiri	BUY	8,850	11,450	206,500	21,413	23,179	918	993	918	993	6%	8%	9.6	8.9	N/A	N/A	1.5	1.3			N/A	16.8
<b>Cement</b>				<b>115,160</b>	<b>9,047</b>	<b>8,489</b>	<b>465</b>	<b>436</b>			<b>-2%</b>	<b>-6%</b>	<b>12.7</b>	<b>13.6</b>	<b>7.5</b>	<b>7.4</b>	<b>2.0</b>	<b>1.9</b>			<b>16.3</b>	
Indocement	HOLD	15,950	18,700	58,716	4,148	4,075	1,127	1,107	1,114	1,094	-5%	-2%	14.2	14.4	8.1	8.0	2.3	2.2			net cash	16.9
Semen Indonesia	BUY	8,700	12,100	51,604	4,582	4,228	772	713	766	707	1%	-8%	11.3	12.2	6.9	7.0	1.8	1.6			3.3	16.5
Semen Baturaja	SELL	492	330	4,840	317	186	32	19	32	19	-11%	-41%	15.3	26.0	8.5	6.3	1.5	1.5			net cash	10.3
<b>Cigarettes</b>				<b>585,421</b>	<b>17,509</b>	<b>19,507</b>	<b>2,662</b>	<b>2,966</b>			<b>4%</b>	<b>11%</b>	<b>33.4</b>	<b>30.0</b>	<b>22.1</b>	<b>20.0</b>	<b>7.8</b>	<b>7.2</b>			<b>24.1</b>	
Gudang Garam	HOLD	71,150	74,000	136,899	6,189	7,053	3,216	3,666	3,216	3,666	-4%	14%	22.1	19.4	13.5	12.1	3.2	2.9			40.5	15.4
HM Sampoerna	HOLD	96,400	105,000	448,522	11,320	12,455	2,433	2,677	2,447	2,691	4%	10%	39.6	36.0	28.3	25.8	13.6	13.2			5.5	34.8
<b>Construction</b>				<b>73,620</b>	<b>3,243</b>	<b>4,005</b>	<b>115</b>	<b>142</b>			<b>32%</b>	<b>23%</b>	<b>22.7</b>	<b>18.4</b>	<b>10.5</b>	<b>8.4</b>	<b>2.8</b>	<b>2.4</b>			<b>13.1</b>	
Wijaya Karya	HOLD	2,420	2,900	14,881	741	841	120	137	126	142	27%	24%	20.1	17.7	8.5	7.2	2.4	2.1			35.4	12.6
Pembangunan Perumahan	BUY	3,410	4,700	16,513	857	1,045	177	216	185	227	35%	22%	19.3	15.8	8.2	7.0	3.1	2.3			27.1	19.1
Adhi Karya	BUY	2,520	2,750	8,973	556	632	156	177	169	195	40%	14%	16.1	14.2	8.0	6.9	1.7	1.5			17.7	11.0
Waskita Karya	BUY	2,450	2,150	33,253	1,089	1,487	80	110	80	110	31%	37%	30.5	22.3	15.7	11.0	3.4	3.0			24.9	11.7
<b>Consumer</b>				<b>495,510</b>	<b>14,666</b>	<b>18,520</b>	<b>507</b>	<b>640</b>			<b>4%</b>	<b>26%</b>	<b>33.8</b>	<b>26.8</b>	<b>20.5</b>	<b>16.4</b>	<b>8.5</b>	<b>7.5</b>			<b>26.1</b>	
Indfood CBP	BUY	15,875	13,800	92,566	3,130	4,761	537	816	524	804	-11%	52%	29.6	19.4	21.3	13.6	5.2	4.4			net cash	18.4
Indfood	BUY	6,850	7,100	60,146	4,059	5,149	462	586	610	773	10%	27%	14.8	11.7	7.1	5.7	2.0	1.8			14.7	13.9
Unilever	BUY	42,500	46,650	324,275	6,563	7,555	860	990	860	990	12%	15%	49.4	42.9	35.0	30.4	62.1	56.2			28.9	130.6
Kino Indonesia	BUY	6,000	5,700	8,571	329	379	230	266	230	266	-2%	15%	26.1	22.6	16.1	14.3	4.2	3.6			2.2	17.2
Nippon Indosari Corpindo	BUY	1,390	1,680	7,036	309	359	61	71	61	71	16%	16%	22.7	19.6	12.0	10.4	4.9	4.1			49.6	23.4
Mandom	BUY	14,500	21,170	2,915	276	317	1,375	1,577	1,373	1,576	-47%	15%	10.5	9.2	5.3	4.9	1.7	1.5			net cash	15.9
<b>Healthcare</b>				<b>120,680</b>	<b>3,341</b>	<b>3,768</b>	<b>260</b>	<b>335</b>			<b>29%</b>	<b>30%</b>	<b>31.1</b>	<b>32.0</b>	<b>21.3</b>	<b>18.5</b>	<b>6.2</b>	<b>5.6</b>			<b>18.0</b>	
Kalbe Farma	HOLD	1,405	1,355	65,860	2,274	2,533	49	54	49	54	15%	11%	29.0	26.0	18.4	16.4	5.7	5.1			net cash	20.1
Kimia Farma	HOLD	1,170	1,130	6,498	287	303	52	55	47	49	15%	6%	22.7	21.4	14.9	13.6	3.0	2.7			19.9	14.3
Siloam Hospital	HOLD	9,200	10,500	10,636	134	204	116	177	127	191	91%	53%	79.6	52.1	16.0	11.8	5.7	5.1			28.4	7.4
Mitra Keluarga	BUY	2,590	2,580	37,686	646	728	44	50	43	49	13%	13%	58.3	51.8	41.5	36.0	10.3	9.3			net cash	18.5
<b>Heavy Equipment</b>				<b>49,331</b>	<b>5,409</b>	<b>5,580</b>	<b>1,450</b>	<b>1,496</b>			<b>40%</b>	<b>3%</b>	<b>9.1</b>	<b>8.8</b>	<b>2.9</b>	<b>2.4</b>	<b>1.2</b>	<b>1.1</b>			<b>14.3</b>	
United Tractors	HOLD	13,225	17,000	49,331	5,409	5,580	1,450	1,496	1,450	1,496	40%	3%	9.1	8.8	2.9	2.4	1.2	1.1			net cash	14.3
<b>Mining</b>				<b>81,988</b>	<b>4,045</b>	<b>5,257</b>	<b>51</b>	<b>66</b>			<b>-32%</b>	<b>30%</b>	<b>20.3</b>	<b>15.6</b>	<b>5.2</b>	<b>4.6</b>	<b>0.7</b>	<b>0.7</b>			<b>3.7</b>	
Adaro Energy	BUY	660	750	21,111	1,577	1,652	49	52	49	52	-30%	5%	13.4	12.8	3.8	3.3	0.5	0.6			25.0	4.1
Timah	BUY	625	850	4,655	237	293	32	39	32	39	51%	24%	19.6	15.9	6.6	5.5	0.8	0.8			25.6	4.3
Vale Indonesia	BUY	1,500	2,000	14,905	222	480	22	48	22	48	-67%	116%	67.1	31.0	5.7	4.9	0.6	0.6			net cash	0.9
Aneka Tambang	BUY	645	472	15,500	(293)	50	(31)	5	(31)	5	-59%	-117%	(21.0)	124.1	19.8	15.8	0.9	0.9			22.7	-1.8
Bukit Asam	BUY	6,275	8,800	14,458	1,610	1,834	741	844	741	844	-21%	14%	8.5	7.4	5.9	5.1	1.4	1.3			net cash	16.7
Indo Tambangraya Megah	HOLD	8,175	7,300	9,237	814	1,044	720	924	720	924	-46%	28%	11.3	8.9	2.6	2.0	0.8	0.8			net cash	6.8
Harum Energy	HOLD	785	790	2,122	(123)	(95)	(45)	(35)	(45)	(35)	-540%	-22%	(17.3)	(22.3)	4.9	2.8	0.6	0.6			net cash	-3.2
<b>Property</b>				<b>95,137</b>	<b>8,608</b>	<b>9,107</b>	<b>84</b>	<b>89</b>			<b>14%</b>	<b>6%</b>	<b>11.1</b>	<b>10.4</b>	<b>8.3</b>	<b>7.6</b>	<b>1.6</b>	<b>1.4</b>			<b>15.5</b>	
Alam Sutera	BUY	380	700	7,467	1,516	2,043	77	104	85	117	21%	35%	4.9	3.7	5.6	4.0	0.9	0.7			57.4	19.5
Bumi Serpong Damai	BUY	1,770	2,100	34,067	2,617	2,842	150	162	156	169	10%	9%	11.8	10.9	10.1	9.1	2.0	1.7			net cash	16.2
Metropolitan Land	BUY	316	620	2,419	322	341	43	45	43	45	11%	6%	7.4	7.0	5.5	5.2	1.0	0.9			27.2	13.9
Surya Semesta Internusa	HOLD	630	1,040	2,964	415	477	88	101	93	106	-11%	15%	7.1	6.2	2.5	2.1	0.9	0.8			net cash	13.4
Lippo Karawaci	BUY	920	1,200	21,231	1,763	1,236	82	57	64	40	13%	-30%	11.3	16.1	8.6	9.9	1.2	1.2			27.4	10.6
PP Properti	BUY	350	242	4,916	366	427	26	30	28	32	27%	17%	13.4	11.5	9.9	8.4	1.9	1.7			30.1	15.5
Summarecon	BUY	1,530	2,045	22,073	1,609	1,741	111	121	111	120	21%	8%	13.7	12.7	10.1	9.6	2.9	2.5			27.9	23.0
<b>Retail</b>				<b>26,337</b>	<b>1,211</b>	<b>1,487</b>	<b>47</b>	<b>57</b>			<b>17%</b>	<b>23%</b>	<b>21.7</b>	<b>17.7</b>	<b>10.1</b>	<b>8.9</b>	<b>2.7</b>	<b>2.5</b>			<b>12.6</b>	
Mitra Adi Perkasa	BUY	3,860	4,650	6,408	275	438	166	264	175	272	71%	59%	23.3	14.6	6.5	5.6	1.9	1.8			67.4	8.4
Ramayana	HOLD	730	775	5,180	331	369	47	52	47	52	3%	1%	15.6	14.0	8.8	7.8	1.4	1.4			net cash	9.4



## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on					YTD, %	Rating
		24-May-2016	23-May-2016	Chg, %	w-w, %	m-m, %		
Gajah Tunggal	GJTL	750	705	6.4	5.6	12.8	41.5	BUY
Ramayana	RALS	730	700	4.3	7.4	5.0	13.2	HOLD
Kino Indonesia	KINO	6,000	5,850	2.6	3.4	30.2	56.3	BUY
Blue Bird	BIRD	4,010	3,970	1.0	(11.3)	(7.8)	(43.5)	BUY
Bank Tabungan Negara	BBTN	1,660	1,645	0.9	(2.6)	(4.0)	28.2	BUY
Telkom	TLKM	3,730	3,710	0.5	0.3	(0.9)	20.7	HOLD
Kalbe Farma	KLBF	1,405	1,400	0.4	8.1	1.1	6.4	HOLD
Bank Negara Indonesia	BBNI	4,440	4,430	0.2	3.0	(7.4)	(11.0)	BUY
Astra International	ASII	6,375	6,375	-	0.8	(13.3)	6.3	HOLD
Bank Mandiri	BMRI	8,850	8,850	-	1.1	(8.5)	(4.3)	BUY

Sources: Bloomberg

### LAGGARDS

	Code	Price as on					YTD, %	Rating
		24-May-2016	23-May-2016	Chg, %	w-w, %	m-m, %		
PP Properti	PPRO	350	370	(5.4)	10.1	12.5	96.6	BUY
Timah	TINS	625	655	(4.6)	-	(25.1)	23.8	BUY
PP London Sumatra	LSIP	1,415	1,480	(4.4)	(9.6)	(12.4)	7.2	HOLD
Gudang Garam	GGRM	71,150	73,925	(3.8)	(2.5)	4.6	29.4	HOLD
Mitra Adi Perkasa	MAPI	3,860	4,000	(3.5)	(3.5)	(5.0)	1.7	BUY
Metropolitan Land	MTLA	316	326	(3.1)	2.6	6.8	47.0	BUY
Tower Bersama	TBIG	6,425	6,600	(2.7)	(4.5)	11.3	9.4	HOLD
United Tractors	UNTR	13,225	13,575	(2.6)	3.3	(17.3)	(22.0)	HOLD
Pembangunan Perumahan	PTPP	3,410	3,500	(2.6)	(3.9)	(8.8)	(12.0)	BUY
Summarecon	SMRA	1,530	1,570	(2.5)	10.5	(5.6)	(7.3)	BUY

Sources: Bloomberg

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