

## MORNING HIGHLIGHT

### FROM EQUITY RESEARCH

#### MTLA: Taking the middle way (MTLA. Rp262. NON RATED)

Since its establishment in 1994, MTLA has grown into one of the country's foremost developers of middle-class property. The company is currently developing six townships in the Jakarta and Greater Jakarta area with total net land bank of 344ha. With average net area of 5ha sold each year, this land bank should suffice for 70 years of development, we believe. A rough calculation arrives at a NAV of Rp14.2tn or Rp1,855/share. MTLA currently trades at a discount of 85.9% to its NAV, vis-à-vis 46.5-70.1% for its peers – a reflection of the stock's illiquidity.

#### SMGR: Steady performance

(SMGR IJ. Rp9,300. SELL. TP Rp8,100)

SMGR reported sales of 2.4mn tons in November 2016, down 11.7% yoy. Besides heavier rainfall during the period, we believe the decline in sales was also due to the high base in November 2015. Although progress on infrastructure projects managed to support sales of bulk cement (which were relatively flat, falling 1.4% yoy), weak purchasing power and weak demand for property reined in cement sales overall.

### MARKET NEWS

#### \*Analysts' comment inside

- BI: Loan growth: 7.5% yoy
- SMRA eyes for Rp4.5tn marketing sales target in 2017\*
- MTLA to offer land plot
- DMAS to allocate Rp900bn for capex
- KAEF will start the construction of its 2nd phase pharmaceutical salt plant

#### Previous Reports:

- Cement sales November: still sluggish (UNDERWEIGHT), ASRI: Solid marketing sales growth due to one-off transaction, Ramayana Lestari Sentosa: In-line 11M16 gross sales -[Snapshot20161214](#)
- ACES: Continued inventory problems -[Snapshot20161213](#)
- Strategy: Peaceful rally = return confidence -[Snapshot20161205](#)
- MPPA: Ongoing recovery, CTRA: to delay its EGM given FSA's requirement to conduct a cash offering -[Snapshot20161202](#)

### IDX ANNOUNCEMENT

#### AGM EGM Announcement

Code	Action	Date	Time (WIB)
DGIK	EGM	15-Dec-16	9.00
SKLT	EGM	15-Dec-16	--:--
SUGI	EGM	16-Dec-16	14.00

### Key Index

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	5,263	(0.6)	14.6	326
Thailand	1,521	(0.6)	18.1	1,372
Philippines	6,928	0.7	(0.3)	115
Malaysia	1,643	(0.1)	(2.9)	389
Singapore	2,954	(0.0)	2.5	650
<b>Regional</b>				
China	3,141	(0.5)	(11.3)	37,190
Hong Kong	22,457	0.0	2.5	7,983
Japan	19,254	0.0	1.2	13,459
Korea	2,031	(0.3)	3.6	3,570
Taiwan	9,369	(0.1)	12.4	2,108
India	26,603	(0.4)	1.9	353
NASDAQ	5,437	(0.5)	8.6	80,383
Dow Jones	19,793	(0.6)	13.6	10,290

### Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,294	0.3	0.6	3.6
SBI rate %	5.90	-	(0.3)	(1.3)
10y Gov Indo bond	7.83	0.3	(0.1)	(0.9)

### Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	88	1.8	(16.9)	73.0
Gold	US\$/toz	1,140	(0.3)	(7.2)	7.4
Nickel	US\$/mt.ton	11,368	0.3	1.4	29.5
Tin	US\$/mt.ton	21,240	(1.0)	1.5	45.6

### Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,307	2.0	(8.5)	(29.4)
Corn	US\$/mt.ton	131	0.5	6.0	(1.8)
Oil (WTI)	US\$/barrel	51	(0.4)	11.0	37.3
Oil (Brent)	US\$/barrel	54	(3.3)	21.3	44.6
Palm oil	MYR/mt.ton	3,180	(0.0)	6.1	44.5
Rubber	US\$/kg	212	(1.3)	27.4	80.0
Pulp	US\$/tonne	809	N/A	(0.1)	0.7
Coffee	US\$/60kgbag	142	(0.2)	(11.4)	30.0
Sugar	US\$/MT	486	(2.7)	(14.6)	15.0
Wheat	US\$/ton	114	0.1	1.3	(19.5)

## 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

#### Agus Pramono, CFA

agus.pramono@danareksa.com  
(62-21) 29555 888 ext.3500  
**Strategy, Banking**

#### Stefanus Darmagiri

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

#### Natalia Sutanto

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

#### Maria Renata

maria.renata@danareksa.com  
(62-21) 29555 888 ext.3513  
**Construction**

#### Adeline Solaiman

adeline.solaiman@danareksa.com  
(62-21) 2955 888 ext. 3503  
**Retail**

#### Puti Adani

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

#### Antonia Febe Hartono

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

#### Lucky Bayu Purnomo

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

#### Melati Laksmindra Isnandari

melati.isnandari@danareksa.com  
(62-21) 2955 888 ext. 3506  
**Research Associate**

### Sales team

#### 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

#### Laksmita 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

## Non Rated

MTLA IJ/MTLA.JK

Last Price, Rp 262

No. of shares (bn) 7.7

**Market Cap, Rpbn** **2,006**

(US\$ mn) 151

3M T/O, US\$mn 0.01

## PROPERTY/COMPANY VISIT

# Metropolitan Land

## Taking the middle way

Since its establishment in 1994, MTLA has grown into one of the country's foremost developers of middle-class property. The company is currently developing six townships in the Jakarta and Greater Jakarta area with total net land bank of 344ha. With average net area of 5ha sold each year, this land bank should suffice for 70 years of development, we believe. A rough calculation arrives at a NAV of Rp14.2tn or Rp1,855/share. MTLA currently trades at a discount of 85.9% to its NAV, vis-à-vis 46.5-70.1% for its peers – a reflection of the stock's illiquidity.

### Stellar performance in 2016

MTLA recorded marketing sales of Rp1.0tn in 11M16 (+83.1% yoy), 9.7% above its full year marketing sales target of Rp915bn, underpinned by the stellar performance of Metland Transyogi (+104.6% yoy) and Metland Menteng (+95.0% yoy). If we strip out the Rp195bn one-off transaction with JV Metropolitan Karyadeka Ascendas, MTLA would have recorded marketing sales of Rp808.6bn in 11M16, up 47.6% yoy. This one-off transaction is, however, recorded by MTLA in its marketing sales target.

### MTLA only expects 5% marketing sales growth in 2017

MTLA only expects to record marketing sales of Rp1.05tn in 2017, up 5.0% yoy. Nevertheless, excluding 2016's one-off transaction, the marketing sales would increase 25% yoy. To achieve its marketing sales target, MTLA will continue to sell landed residential property in its seven township projects, Kaliana Apartment and high rise projects in Metland Transyogi whilst also launching new condotel projects in Lampung and apartment projects in Metland Cyber City (part of the JV).

### 20% revenues growth expected next year

For 2017, MTLA is looking to book 20% revenues growth supported by: (i) stellar growth in development revenues given recognition of Kaliana Apartment sales and recognition of sizable sales of landed residential property in August 2016, (ii) growth in recurring revenues from commencement of Metropolitan Mall Cileungsi (the soft opening was in May 2016 with the grand opening slated for December 2016).

### Trading at an 85.9% discount to NAV due to the stock's illiquidity

A rough calculation arrives at a NAV of Rp14.2tn or Rp1,855/share. This is based on the company's current gross land bank of 667ha and a plot rate and ASP in accordance with the company's guidance. We also include the value of the company's investment property projects based on annualizing the 9M16 investment property gross profits, a WACC of 11.2% and terminal growth of 3.0%. MTLA currently trades at a discount of 85.9% to its NAV, vis-à-vis 46.5-70.1% for its peers – a reflection of the stock's illiquidity.

**Antonia F. Hartono**  
(62-21) 2955 5777 ext3504  
Antonia.hartono@danareksa.com

**Natalia Sutanto**  
(62-21) 2955 5777 ext3508  
natalia.sutanto@danareksa.com

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

	2012	2013	2014	2015	9M16
Revenue, IDRbn	679	855	1,118	1,089	765
EBITDA, IDRbn	257	312	467	461	315
EBITDA growth, %	19.6%	21.2%	49.8%	-1.3%	6.0%
Net profit, IDRbn	204	241	268	214	169
Core profit, IDRbn	178	213	296	270	165
EPS, IDR	27	32	35	28	29
EPS growth, %	30.1%	18.2%	11.4%	-20.9%	6.2%
Core EPS, IDR	24	28	39	35	35
Core EPS growth, %	27.2%	19.7%	38.7%	-9.6%	-1.0%
Net gearing, %	-4.0%	14.7%	25.2%	32.2%	35.6%
PER, x	9.7	8.2	7.4	9.4	9.0
Core PER, x	11.1	9.3	6.7	7.4	7.5
Yield, %	1.1%	2.1%	2.5%	1.7%	1.2%
EV/EBITDA, x	7.5	7.2	5.3	5.9	9.0

### A focus on the mid and low income classes will help to sustain performance

The company is currently developing six townships in the Jakarta and Greater Jakarta area. Each of these townships has a different target market (see the table below).

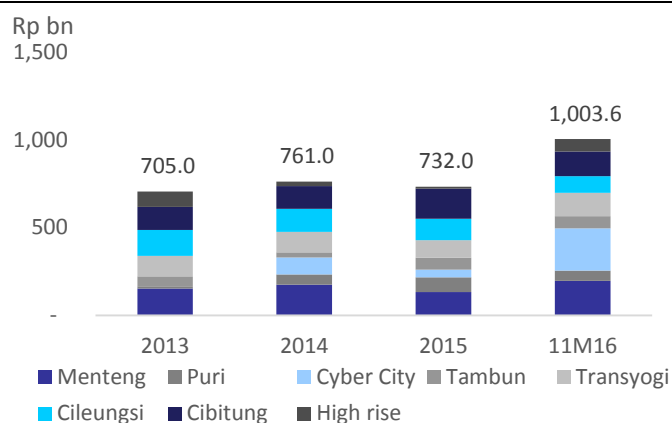
**Exhibit 1. Townships developed by MTLA**

	Metland Menteng	Metland Puri	Metland Cyber City	Metland Tambun	Metland Transyogi	Metland Cileungsi	Metland Cibitung
Segment	Mid-up	Mid-up	Mid-up	Mid	Mid	Mid-low	Mid-low
Project size (ha)	138	61	37	37	132	134	319
Remaining gross area (ha)	74	42	21	21	103	87	290
Remaining net area (ha)	50	16	5	5	55	30	158
Price range per unit (Rp mn)	1,400-3,700	1,300-3,000	3,900-6,700	800-2,000	710-1,500	285-740	298-750
Unit size (sqm)							
Land	90-266	90-238	150-227	90-153	72-160	72-165	72-105
Building	55-225	69	156-227	52-165	45-84	22-42	24-68
Location	Cakung, East Jakarta	Tangerang	Tangerang	Tambun, Bekasi	Cileungsi, Bogor	Cileungsi, Bogor	Cibitung, Bekasi

Source: Company

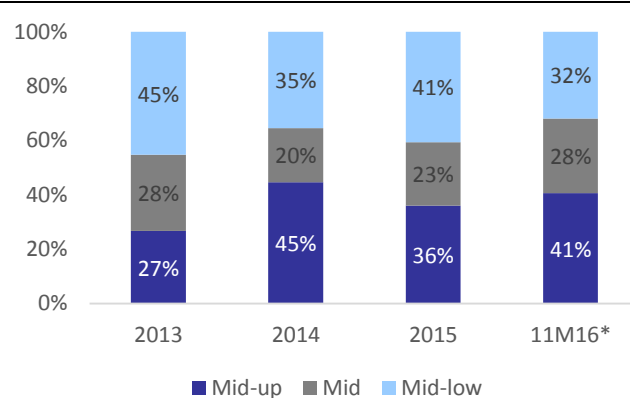
Historically, the mid and mid-low segments have contributed more than 60% of the total marketing sales generated by the company. Looking ahead, we expect that the company's marketing sales will continue to be sustained by these segments as the country's middle class continues to expand.

**Exhibit 2. Marketing sales by project**



Source: Company

**Exhibit 3. Marketing sales by product segment**

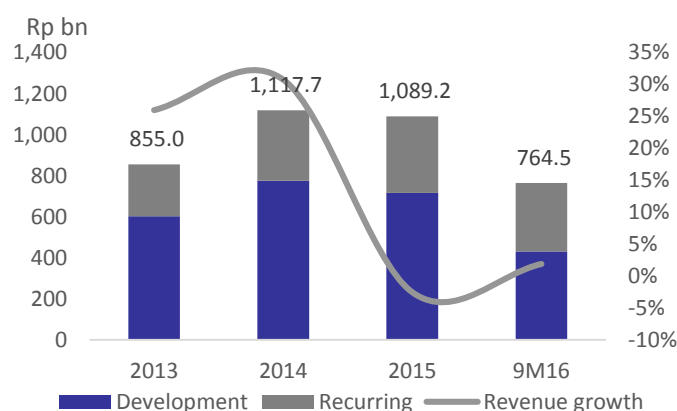


Source: Company

### Balanced mix of development and recurring revenues

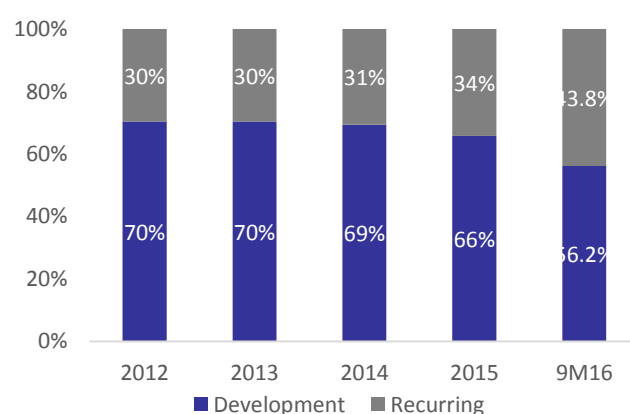
Although the country's property developers have faced the problem of longer development revenues recognition, MTLA still managed to increase its 9M16 revenues by 1.9% yoy. This owed to stellar growth in recurring revenues (+25.6% yoy) thanks to: (i) commencement of Metropolitan Mall Cileungsi in May 2016, and (ii) upward rental rate adjustments for its existing malls. As such, MTLA has a more balanced mix of development and recurring revenues: 56.2% for development revenues and 43.8% for recurring revenues.

**Exhibit 4. Revenues growth**



Source: Company

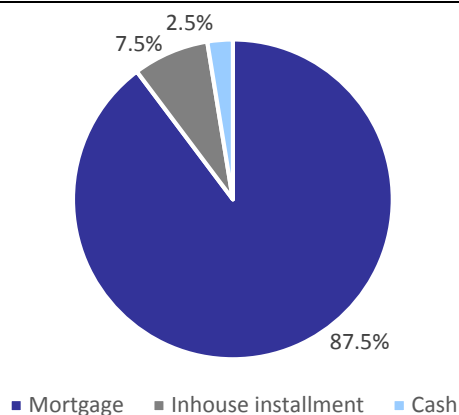
**Exhibit 5. Development and recurring revenues mix**



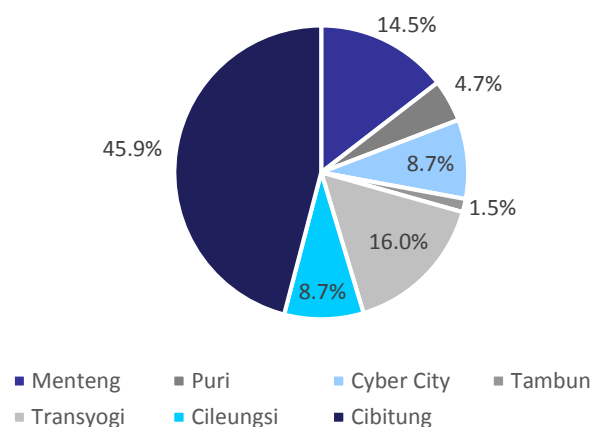
Source: Company

**To benefit from lower mortgage rates**

With a focus on the middle-class segment, the consumer financing for MTLA's property is dominated by mortgage financing (87.5%) followed by in-house installments (7.5%) and cash (2.5%). With the current mortgage rate 25-210 bps lower than last year, MTLA should be a major beneficiary of the lower mortgage rates.

**Exhibit 6. Consumer financing profile**

Source: Company

**Exhibit 7. Land bank locations**

Source: Company

**Sufficient land bank for 70 years of development**

With six townships under development, MTLA has total net land bank of 344ha. Most of the land bank is located in the Metland Cibitung area. With average net area of 5ha sold each year, this land bank should suffice for 70 years of development, we believe. For 2017, the company has earmarked Rp160bn of capex to acquire new land bank, particularly in the Metland Cibitung area.

**Exhibit 8. NAV calculation**

	Location	Stakes	Area (ha)	Plot ratio	Price per sqm (Rp mn/sqm)	Method	RNAV (Rp bn)
<b>Land bank</b>							
Metland Menteng	East Jakarta	100.0%	74.0	68%	6.8	NAV	3,380
Metland Puri	Tangerang	100.0%	42.0	38%	7.0	NAV	1,115
Metland Cyber City	Tangerang	50.1%	50.0	68%	12.7	NAV	2,155
Metland Tambun	Tambun	100.0%	21.0	38%	3.5	NAV	278
Metland Transyogi	Bogor, West Java	100.0%	103.0	53%	4.3	NAV	2,384
Metland Cileungsi	Bogor, West Java	100.0%	87.0	34%	1.6	NAV	481
Metland Cibitung	Cibitung, Bekasi	100.0%	290.0	54%	1.8	NAV	2,867
<b>Total land bank</b>			<b>593.0</b>				
<b>Investment property</b>		100.0%				DCF	2,611
<b>Total asset (Rp bn)</b>							<b>15,269</b>
<b>Net debts (Rp bn)</b>							840
<b>Advance from customer (Rp bn)</b>							233
<b>Net asset value (Rp bn)</b>							14,197
Number of shares outstanding (bn shares)							7.7
<b>NAV per share</b>							<b>1,855</b>

Source: Company, Danareksa Sekuritas

**Exhibit 9. Income Statement (in Rp bn)**

	2012	2013	2014	2015	9M16
Sales	679	855	1,118	1,089	765
COGS	(309)	(389)	(469)	(429)	(307)
Gross profit	370	466	648	660	458
Operating expenses	(138)	(178)	(216)	(242)	(187)
<b>Operating profit</b>	<b>231</b>	<b>288</b>	<b>433</b>	<b>419</b>	<b>271</b>
Other income/expenses	11	4	(54)	(111)	(59)
Pre-tax profit	242	292	379	308	212
Taxes	(38)	(51)	(69)	(68)	(45)
<b>Net profit</b>	<b>204</b>	<b>241</b>	<b>268</b>	<b>214</b>	<b>169</b>
Core profit	178	213	296	270	165

Source: Company

**Exhibit 10. Balance Sheet (in Rp bn)**

	2012	2013	2014	2015	9M16
Cash	230	382	302	216	205
Receivables	88	158	324	225	243
Inventories	802	888	1,177	1,503	1,583
Other current assets	42	39	44	68	54
<b>Current assets</b>	<b>1,162</b>	<b>1,468</b>	<b>1,848</b>	<b>2,012</b>	<b>2,085</b>
Inventories	175	281	195	185	201
Property & plant - net	173	227	316	364	379
Investment properties	424	763	808	981	1,041
Other assets	81	97	85	79	93
<b>Non current assets</b>	<b>854</b>	<b>1,367</b>	<b>1,403</b>	<b>1,609</b>	<b>1,715</b>
<b>Total assets</b>	<b>2,016</b>	<b>2,835</b>	<b>3,251</b>	<b>3,621</b>	<b>3,800</b>
Advance from customer	133	153	149	167	201
Bank Loans	71	277	399	446	574
Other current liabilities	84	217	204	254	113
<b>Current liabilities</b>	<b>288</b>	<b>647</b>	<b>752</b>	<b>867</b>	<b>888</b>
Bank loans	97	365	416	483	471
Other non current liabilities	76	59	52	58	85
<b>Non current liabilities</b>	<b>174</b>	<b>424</b>	<b>468</b>	<b>541</b>	<b>555</b>
<b>Total liabilities</b>	<b>462</b>	<b>1,071</b>	<b>1,220</b>	<b>1,408</b>	<b>1,444</b>
Minority	37	46	100	103	106
Capital stock and share premium	996	996	996	1,023	1,023
Retained Earnings and Others	521	722	936	1,087	1,226
<b>Total equity</b>	<b>1,517</b>	<b>1,718</b>	<b>1,931</b>	<b>2,110</b>	<b>2,250</b>
<b>Total liabilities and equity</b>	<b>2,016</b>	<b>2,835</b>	<b>3,251</b>	<b>3,621</b>	<b>3,800</b>

Source: Company

**Exhibit 11. Statement of cash flow (in Rp bn)**

	2012	2013	2014	2015	9M16
Net Income	204	241	268	214	169
+ Depreciation	26	24	35	43	44
Adjustment to working capital	(190)	(259)	(294)	(173)	(187)
<b>Cash flow from operation</b>	<b>40</b>	<b>6</b>	<b>9</b>	<b>84</b>	<b>25</b>
Acquisition of fixed assets	(58)	(64)	(98)	(49)	(38)
Acquisition of investment properties	(127)	(270)	(33)	(143)	(73)
Increase/decrease in other assets	14	39	(92)	(33)	(20)
<b>Cash flow from investment</b>	<b>(171)</b>	<b>(294)</b>	<b>(223)</b>	<b>(225)</b>	<b>(131)</b>
+/- in bank loan	22	473	173	113	114
Dividend payment	(21)	(41)	(49)	(34)	(24)
Others	18	9	9	(23)	4
<b>Cash flow from financing</b>	<b>18</b>	<b>441</b>	<b>134</b>	<b>56</b>	<b>94</b>
Net increase/decrease in cash flow	(113)	152	(80)	(86)	(11)
Beginning balance	343	230	382	302	216
<b>Ending balance</b>	<b>230</b>	<b>382</b>	<b>302</b>	<b>216</b>	<b>205</b>

Source: Company

**Exhibit 12. Ratios (in Rp bn)**

	2012	2013	2014	2015	9M16
Gross margin	54.5	54.5	58.0	60.6	59.9
Operating margin	34.1	33.7	38.7	38.5	35.4
Pre-tax margin	35.7	34.1	33.9	28.3	27.7
Net margin	30.0	28.2	24.0	19.7	22.0
ROA	10.1	8.5	8.3	5.9	4.4
ROE	13.4	14.0	13.9	10.2	7.5
Gearing	10.8	36.4	40.1	41.9	44.3
Net gearing	(4.0)	14.7	25.2	32.2	35.6

Source: Company, Danareksa Sekuritas

## FLASH NOTE

### SMGR: Steady performance

(SMGR IJ. Rp9,300. SELL. TP Rp8,100)

- SMGR reported sales of 2.4mn tons in November 2016, down 11.7% yoy. Besides heavier rainfall during the period, we believe the decline in sales was also due to the high base in November 2015. Although progress on infrastructure projects managed to support sales of bulk cement (which were relatively flat, falling 1.4% yoy), weak purchasing power and weak demand for property reined in cement sales overall.
- On a cumulative basis, SMGR managed to record domestic sales of 23.5mn tons in 11M16, relatively flat on a yoy basis. Despite negative growth in Java (-2.4% yoy) and Kalimantan (-16.6% yoy), stellar sales growth in Sulawesi (+13.0% yoy) due to multiple infrastructure projects managed to offset the sluggish performance in these areas.
- To boost sales given the weak domestic market conditions, SMGR increased its export volume (+30.0% yoy), particularly to the Maldives, Sri Lanka and East Timor. As such, SMGR recorded sales of 24.0mn tons (+0.4% yoy) in 11M16. This figure is 89.7% of our full year target of 26.5mn tons.
- SMGR's domestic market share was relatively stable in 11M16 (41.6% vs. 41.8% in 11M15). Nevertheless, this came at the expense of lower ASP. The average domestic ASP of SMGR in 11M16 declined by 6.9% yoy, yet in-line with our forecast of -6.0% yoy.
- We maintain our SELL call on SMGR with a Target Price of Rp8,100 (DCF based valuation with WACC of 12.9% and Terminal Growth of 4.0%). This implies 16.2x 2017F P/E. SMGR currently trades at 18.6x 2017F P/E.

000 tons	Sales volume						Market share			
	Nov-15	Oct-16	Nov-16	yoy chg	mom chg	11M15	11M16	yoy chg	11M15	11M16
Java	1,279	1,268	1,164	-9.0%	-8.2%	11,929	11,647	-2.4%	37.9%	37.8%
<i>East Java</i>	540	572	511	-5.4%	-10.7%	5,148	5,282	2.6%	68.7%	68.2%
<i>Central Java</i>	325	348	328	0.9%	-5.6%	2,717	3,105	14.3%	40.7%	43.8%
Sulawesi	327	334	334	2.3%	0.2%	2,720	3,074	13.0%	62.9%	62.0%
<i>South Sulawesi</i>	165	148	142	-14.3%	-4.1%	1,232	1,276	3.6%	59.0%	56.2%
<i>North Sulawesi</i>	82	87	84	2.5%	-2.7%	794	849	6.9%	66.9%	62.8%
Sumatera	610	593	511	-16.3%	-13.9%	5,079	5,253	3.4%	43.1%	42.6%
West Sumatera	123	102	100	-18.9%	-1.9%	942	942	0.0%	96.3%	96.5%
North Sumatera	101	125	81	-19.6%	-34.8%	1,069	1,151	7.6%	41.8%	38.5%
Kalimantan	208	163	134	-35.3%	-17.5%	1,934	1,613	-16.6%	44.4%	41.9%
Other area	190	191	164	-13.8%	-14.2%	1,877	1,912	1.9%	42.3%	41.7%
<b>Total Outside Java</b>	<b>1,334</b>	<b>1,280</b>	<b>1,143</b>	<b>-14.4%</b>	<b>-10.7%</b>	<b>11,610</b>	<b>11,852</b>	<b>2.1%</b>	<b>46.6%</b>	<b>46.1%</b>
<b>Total Indonesia</b>	<b>2,613</b>	<b>2,548</b>	<b>2,307</b>	<b>-11.7%</b>	<b>-9.5%</b>	<b>23,540</b>	<b>23,499</b>	<b>-0.2%</b>	<b>41.8%</b>	<b>41.6%</b>
Total exports	29	96	67	127.8%	-30.0%	449	584	30.0%	46.1%	39.0%
<b>Total domestic &amp; export</b>	<b>2,643</b>	<b>2,643</b>	<b>2,374</b>	<b>-10.2%</b>	<b>-10.2%</b>	<b>23,989</b>	<b>24,083</b>	<b>0.4%</b>	<b>41.9%</b>	<b>41.5%</b>

Source: ASI, SMGR

**Antonia Febe Hartono**  
[antonia.hartono@danareksa.com](mailto:antonia.hartono@danareksa.com)  
(62-21) 29555 888 ext.3504

**Stefanus Darmagiri**  
[stefanus.darmagiri@danareksa.com](mailto:stefanus.darmagiri@danareksa.com)  
(62-21) 2955 583



## MARKET NEWS

### **BI: Loan growth: 7.5% yoy**

According to Bank Indonesia (BI), as of November 2016, the loan growth has increased 7.5% yoy. Further ahead, BI estimates the growth should be around 7-9% end of year 2016 due to slowdown in economy and commodity price this year. For 2017, BI predicts 10-12% loan growth. (Kontan)

### **SMRA eyes for Rp4.5tn marketing sales target in 2017**

Summarecon Agung (SMRA) eyes for Rp4.5tn marketing sales target in 2017, up by 50.0% yoy from this year target amounted to Rp3.0tn. These marketing sales will come from Serpong (40%), Bandung (28%), Bekasi (12%) and Kelapa Gading (11%). Up to 11M16, SMRA has obtained marketing sales of Rp2.7tn. To achieve the marketing sales target, SMRA is eyeing to sell commercial land plot area in Serpong and Bekasi. (Company)

***Comment:** compared to achievement in 11M16, we noticed that going forward, the company aims to reduce contribution from the Serpong (from 54% to 40%) yet increasing contribution from Bandung (from 14% to 28%). We use a more conservative marketing sales target of Rp3.5tn in 2017. (Antonia)*

### **KAEF will start the construction of its 2nd phase pharmaceutical salt plant**

Kimia Farma will commence the construction of pharmaceutical salt plant phase II in Jombang, East Java, with total investment of Rp76bn. This new plant will have a double capacity of 4,000 ton compared to the previous plant. It is expected to see the completion of this new plant by 2017. On separate news, President Joko Widodo visited India this week and obtained USD135mn commitment to develop the plants for active pharmaceutical ingredients in Indonesia within the next two years. More than 90% of raw materials for pharmaceutical industry are imported materials. (Kontan)

### **MTLA to offer land plot**

Metropolitan Land (MTLA) offers commercial land plot in the Metland Menteng area with size range of 1,100sqm to 1.1ha to facilitate investment from repatriated fund in tax amnesty program. The company eyes for additional sales of Rp200bn from this land plot sales. At the moment, MTLA has gross land bank of 74 ha (or 50 ha net land bank) in the area. (Bisnis Indonesia)

### **DMAS to allocate Rp900bn for capex**

Puradelta Lestari (DMAS) allocates Rp900bn for capex next year. This includes Rp150-200bn capex for land acquisition. The company aims to acquire 20ha land bank in 2017. This is lower than the land acquisition target this year amounted to 125ha. At the moment, DMAS has 1,725ha land bank in Cikarang. Besides land acquisition, the company will allocate the capex for develop its existing land, provide infrastructure access in its area, as well as expansion to residential market. Next year, DMAS will launch 350-400 units of landed residential with price ticket of Rp800mn-1.5bn/unit. (Bisnis Indonesia)



# Equity Valuation

Danareksa Universe	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		
					2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Auto</b>				<b>3,067,068</b>	<b>150,667</b>	<b>176,905</b>	<b>243.9</b>	<b>285.9</b>													
Astra International	HOLD	7,775	8,400	314,760	15,508	18,375	311.9	369.5													
<b>Banks</b>				<b>1,021,529</b>	<b>74,614</b>	<b>91,514</b>	<b>732.3</b>	<b>898.1</b>													
BCA	HOLD	14,750	16,300	363,661	18,931	20,806	768	844	768	844	5%	10%	19.2	17.5	N/A	N/A	3.5	3.1	N/A	N/A	19.6
BNI	HOLD	5,475	6,100	102,101	10,494	13,698	563	735	563	735	16%	31%	9.7	7.5	N/A	N/A	1.2	1.0	N/A	N/A	12.7
BRI	BUY	11,500	14,500	283,695	26,092	31,100	1,058	1,261	1,058	1,261	3%	19%	10.9	9.1	N/A	N/A	1.9	1.7	N/A	N/A	20.1
Bank Tabungan Negara	BUY	1,730	2,300	18,321	2,200	2,572	208	243	208	243	19%	17%	8.3	7.1	N/A	N/A	1.0	0.8	N/A	N/A	13.6
Bank Mandiri	HOLD	10,875	11,250	253,750	16,898	23,339	724	1,000	724	1,000	-17%	38%	15.0	10.9	N/A	N/A	1.6	1.5	N/A	N/A	12.4
<b>Cement</b>				<b>142,440</b>	<b>7,891</b>	<b>5,869</b>	<b>406</b>	<b>302</b>													
Indocement	SELL	16,600	14,600	61,108	3,863	2,808	1,049	763	1,042	757	-11%	-27%	15.8	21.8	11.1	11.6	2.4	2.3	net cash		15.8
Semen Indonesia	SELL	9,300	8,100	55,163	3,792	2,958	639	499	633	492	-16%	-22%	14.5	18.6	8.6	9.5	1.9	1.8		6.1	13.8
Semen Baturaja	SELL	2,660	400	26,168	236	103	24	11	24	11	-33%	-56%	110.7	252.9	64.1	50.4	8.4	8.2	net cash		7.8
<b>Cigarettes</b>				<b>588,418</b>	<b>18,145</b>	<b>19,608</b>	<b>153</b>	<b>166</b>													
Gudang Garam	HOLD	67,025	70,400	128,962	6,342	6,990	3,296	3,565	3,296	3,565	-1%	8%	20.3	18.8	12.6	11.7	3.3	2.9		46.6	16.4
HM Sampoerna	HOLD	3,950	3,850	459,456	11,803	12,749	101	110	101	109	14%	8%	38.9	36.0	28.9	26.3	13.7	13.4			36.1
<b>Construction</b>				<b>137,573</b>	<b>6,602</b>	<b>8,166</b>	<b>90</b>	<b>111</b>													
Wijaya Karya	BUY	2,430	4,300	21,797	758	900	123	146	123	146	21%	19%	19.7	16.6	10.8	8.9	4.4	3.8		24.6	16.2
Pembangunan Perumahan	BUY	3,890	5,700	18,837	967	1,295	200	267	211	298	31%	34%	19.5	14.5	9.2	7.1	3.6	3.0	net cash		20.2
Adhi Karya	BUY	2,080	3,500	7,407	703	986	208	292	216	303	52%	40%	10.0	7.1	5.4	4.2	1.2	2.0	net cash		12.2
Waskita Karya	BUY	2,530	3,700	34,341	1,688	2,344	124	173	124	173	61%	39%	20.3	14.6	14.6	10.4	3.1	2.6		20.2	16.4
Waskita Beton	BUY	570	770	15,026	547	788	21	30	21	30	64%	44%	27.5	19.1	16.2	12.4	2.1	2.0	net cash		13.1
Wika Beton	BUY	840	1,300	7,321	268	362	31	42	31	42	54%	35%	27.3	20.2	14.8	10.7	3.0	2.7	net cash		11.5
Jasa Marga	BUY	4,530	5,700	32,844	1,671	1,492	246	219	249	223	14%	-11%	18.4	20.6	11.4	12.4	2.8	2.5		143.1	15.0
<b>Consumer</b>				<b>413,307</b>	<b>10,506</b>	<b>12,110</b>	<b>507</b>	<b>584</b>													
Indofood CBP	BUY	8,925	10,850	104,083	3,714	4,293	319	368	319	368	24%	16%	28.0	24.2	19.7	17.1	6.3	6.2	net cash		22.5
Unilever	HOLD	40,050	46,650	305,582	6,563	7,555	860	990	860	990	12%	15%	46.6	40.4	33.0	28.7	58.5	53.0		28.9	130.6
Kino Indonesia	BUY	2,550	4,500	3,643	229	262	160	183	160	183	-32%	14%	15.9	13.9	9.2	8.4	1.9	1.7		3.9	12.3
<b>Healthcare</b>				<b>87,505</b>	<b>2,490</b>	<b>2,743</b>	<b>97</b>	<b>106</b>													
Kalbe Farma	SELL	1,535	1,400	71,953	2,210	2,441	47	52	47	52	10%	10%	32.6	29.5	20.7	18.6	6.1	5.4	net cash		19.9
Kimia Farma	SELL	2,800	1,510	15,551	279	302	50	54	48	52	12%	8%	55.7	51.5	37.5	31.3	7.5	6.7		33.7	14.3
<b>Heavy Equipment</b>				<b>83,275</b>	<b>4,481</b>	<b>5,676</b>	<b>1,201</b>	<b>1,522</b>													
Hexindo Adiperkasa																					
United Tractors	HOLD	22,325	23,500	83,275	4,481	5,676	1,201	1,522	1,231	1,556	16%	27%	18.6	14.7	6.7	5.2	2.1	2.0	net cash		12.0
<b>Mining</b>				<b>171,315</b>	<b>4,311</b>	<b>5,355</b>	<b>54</b>	<b>67</b>													
Adaro Energy	HOLD	1,690	800	54,056	1,781	1,980	56	62	56	62	-13%	1%	24%	39.7	32.0	10.4	9.4	1.5	1.5		3.9
Timah	HOLD	1,175	590	8,751	180	196	24	26	24	26	78%	9%	48.6	44.5	11.8	10.8	1.6	1.6		26.0	3.3
Vale Indonesia	HOLD	3,240	2,800	32,194	480	222	48	48	22	48	-67%	116%	144.9	67.0	13.5	11.6	1.3	1.3	net cash		0.9
Aneka Tambang	HOLD	880	650	21,147	(307)	(147)	(13)	(6)	(13)	(6)	-79%	-52%	(69.0)	(143.6)	27.6	24.3	1.2	1.2		18.0	(1.7)
Bukit Asam	BUY	12,600	8,800	29,032	1,610	1,834	741	844	741	844	-21%	14%	17.0	14.9	12.2	10.3	2.9	2.6	net cash		16.7
Indo Tambangraya Megah	HOLD	17,650	8,400	19,943	947	1,106	838	979	838	979	14%	17%	21.1	18.0	6.8	6.0	1.7	1.7	net cash		8.4
Harum Energy	HOLD	2,290	790	6,191	(123)	(95)	(45)	(35)	(45)	(35)	-540%	-22%	(50.5)	(65.0)	52.1	64.0	1.7	1.8	net cash		(3.2)
<b>Property</b>				<b>112,701</b>	<b>5,172</b>	<b>6,045</b>	<b>44</b>	<b>52</b>													
Alam Sutera	HOLD	376	380	7,388	820	924	42	47	53	52	38%	13%	9.0	8.0	9.8	10.1	0.4	0.3		33.2	4.2
Bumi Serpong Damai	BUY	1,770	2,500	34,067	1,859	2,009	97	104	139	146	-13%	8%	18.3	17.0	12.0	11.7	1.7	1.5		11.5	9.5
Ciputra Development	BUY	1,355	1,850	20,901	661	998	43	54	38	45	-38%	26%	31.6	25.2	13.0	12.6	2.4	1.6		42.2	7.7
Pakuwon Jati	HOLD	620	700	29,859	1,757	2,019	36	42	34	39	39%	15%	17.0	14.8	12.5	11.4	3.4	2.8		29.6	21.8
Summarecon	BUY	1,420	1,600	20,486	75	95	5	7	14	19	-91%	27%	272.2	215.2	19.4	18.5	3.5	3.4		92.8	1.3
<b>Retail</b>				<b>81,750</b>	<b>3,435</b>	<b>3,888</b>	<b>100</b>	<b>114</b>													
Mitra Adi Perkasa	HOLD	5,000	5,000	8,300	174	267	108	166	107	165	370%	54%	46.3	30.1	9.7	8.8	2.7	2.6		99.8	5.8
Ramayana	BUY	1,140	1,350	8,089	396	468	56	66	54	64	18%	18%	20.3	17.2	14.9	13.2	2.3	2.2	net cash		11.6
Matahari Department Store	SELL	14,425	12,000	42,091	2,080	2,370	707	805	704	803	16%	14%	20.4	17.9	14.2	12.3	20.5	17.3	net cash		131.7
Matahari Putra Prima	HOLD	1,680	1,700	9,035	129	185	24	34	29	40	-30%	44%	70.3	48.9	16.0	13.7	3.1	2.9	net cash		4.5
Ace Hardware	SELL	830	750	14,235	656	598	37	35	38	34	7%	-5%	22.4	23.6	16.5	16.7	4.9	4.5	net cash		23.7

## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		14-Dec-2016	13-Dec-2016					
Kimia Farma	KAEF	2,800	2,690	4.1	(2.8)	17.6	221.8	SELL
Indo Tambangraya Megah	ITMG	17,650	17,100	3.2	5.4	10.3	208.3	HOLD
Jasa Marga	JSMR	4,530	4,490	0.9	5.3	7.6	(13.1)	BUY
Bank Tabungan Negara	BBTN	1,730	1,715	0.9	(1.7)	6.5	33.6	BUY
Semen Baturaja	SMBR	2,660	2,640	0.8	3.9	23.7	814.1	SELL
Ace Hardware	ACES	830	825	0.6	(4.6)	7.1	0.6	SELL
Bank Mandiri	BMRI	10,875	10,825	0.5	2.1	3.1	17.6	HOLD
Bank Central Asia	BBCA	14,750	14,700	0.3	0.5	1.4	10.9	HOLD
Gudang Garam	GGRM	67,025	66,850	0.3	(0.6)	9.7	21.9	HOLD
Bank Negara Indonesia	BBNI	5,475	5,475	-	1.9	9.5	9.7	HOLD

Sources: Bloomberg

### LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		14-Dec-2016	13-Dec-2016					
Timah	TINS	1,175	1,240	(5.2)	(8.2)	13.0	132.7	HOLD
Summarecon Agung	SMRA	1,420	1,485	(4.4)	(3.1)	15.0	(13.9)	BUY
Pakuwon Jati	PWON	620	640	(3.1)	(7.5)	(7.5)	25.0	HOLD
Kino Indonesia	KINO	2,550	2,620	(2.7)	(10.2)	(14.7)	(33.6)	BUY
Matahari Department Store	LPPF	14,425	14,800	(2.5)	(1.9)	(4.5)	(18.0)	SELL
Wika Beton	WTON	840	860	(2.3)	(1.2)	2.4	1.8	BUY
Aneka Tambang	ANTM	880	900	(2.2)	(8.3)	(0.6)	180.3	HOLD
Harum Energy	HRUM	2,290	2,340	(2.1)	(3.8)	0.9	239.3	HOLD
Wijaya Karya	WIKA	2,430	2,480	(2.0)	1.3	1.7	(0.6)	BUY
Bank Rakyat Indonesia	BBRI	11,500	11,725	(1.9)	1.5	4.3	0.7	BUY

Sources: Bloomberg

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