

## FROM EQUITY RESEARCH

### Bank Negara Indonesia: Accelerating performance

(BBNI IJ. Rp5,550. BUY. TP Rp6,700)

Bank Negara Indonesia is our top pick in the banking sector given its improving assets quality, ability to achieve a low cost of funds in addition to its solid loans growth which has been better than its peers. The bank's low cost of funds gives it more room to maneuver in the face of stiffer competition in 2017. At 1.1x PB FY17, BBNI's valuation is undemanding. Upgrade to BUY, with a TP of Rp6,700 implying 1.2x PB FY17F.

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## MARKET NEWS

### Sector

- Consumer: instant noodles sales volume to grow 8% yoy this year
- Consumer: GAPMMI forecasts FY17 revenues growth of more than 8%
- Poultry: DoC and livebirds average market prices YTD as of December 2016\*
- Cement: Investment value for cement reaches Rp15 tn
- Property: Industrial land sales might grow this year

### Corporate

- Ramayana Lestari Sentosa: Targeting 10% yoy revenues growth in 2017
- Bank Jatim: 2016 profits up by 16.25%
- Summarecon Agung: Targets FY17 marketing sales of Rp4.5tn

## KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	5,316	(0.6)	0.4	319
Thailand	1,564	(0.5)	1.4	1,487
Philippines	7,276	0.4	6.4	103
Malaysia	1,668	(0.5)	1.6	438
Singapore	2,982	0.6	3.5	581
<b>Regional</b>				
China	3,171	0.5	2.2	35,832
Hong Kong	22,559	0.2	2.5	6,644
Japan	19,393	(0.3)	1.5	1,286
Korea	2,044	(0.2)	0.9	3,228
Taiwan	9,342	(0.3)	1.0	1,998
India	26,727	(0.1)	0.4	406
NASDAQ	5,532	0.2	2.8	74,037
Dow Jones	19,887	(0.4)	0.6	7,680

## CURRENCY AND INTEREST RATE

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,362	0.8	(0.3)	0.8
SBI rate %	5.90	-	-	(1.3)
10y Gov Indo bond	7.79	(0.2)	0.1	(0.2)

## HARD COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	82	(1.7)	(2.7)	(7.2)
Gold	US\$/toz	1,182	0.1	1.9	2.6
Nickel	US\$/mt.ton	10,338	1.4	(9.5)	3.8
Tin	US\$/mt.ton	21,160	0.4	0.5	(0.2)

## SOFT COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,259	0.6	(5.0)	5.2
Corn	US\$/mt.ton	133	0.6	2.0	2.7
Oil (WTI)	US\$/barrel	52	0.1	1.0	(3.2)
Oil (Brent)	US\$/barrel	55	(3.8)	1.1	(3.3)
Palm oil	MYR/mt.ton	3,214	(1.3)	0.4	0.5
Rubber	US\$/kg	203	5.0	11.3	4.7
Pulp	US\$/tonne	809	N/A	0.0	0.0
Coffee	US\$/60kgbag	153	0.2	3.4	2.3
Sugar	US\$/MT	538	(1.0)	5.1	2.7
Wheat	US\$/ton	116	0.9	2.6	4.7

Tuesday, 10 Jan 2017

**BUY**  
**Upgraded**

Last price Rp 5,550  
Target Price **Rp6,700**  
Upside/Downside **20.7%**  
Previous Target Price Rp6,100

**Stock Statistics**

Sector Banking  
Bloomberg Ticker BBNI IJ  
No of Shrs (mn) 18,649  
Mkt. Cap (Rpbn/USDmn) 103,500/7,746  
Avg. daily T/O (Rpbn/USDmn) 136.4/10.21

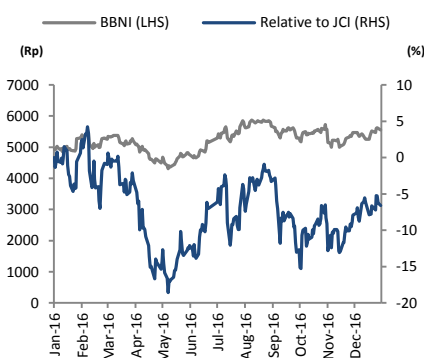
**Major shareholders**

Indonesian Government 60.0%  
BPJS Ketenagakerjaan 2.5%  
Estimated free float (%) n/a

**Net Profit Consensus**

	2016F	2017F	2018F
Danareksa	10,994	14,036	17,204
Consensus	10,514	12,487	15,297
Danareksa/Cons	4.5	12.4	12.4

**BBNI relative to JCI Index**



Source : Bloomberg

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# BANK NEGARA INDONESIA (BBNI IJ)

## Accelerating performance

**Bank Negara Indonesia is our top pick in the banking sector given its improving assets quality, ability to achieve a low cost of funds in addition to its solid loans growth which has been better than its peers. The bank's low cost of funds gives it more room to maneuver in the face of stiffer competition in 2017. At 1.1x PB FY17, BBNI's valuation is undemanding. Upgrade to BUY, with a TP of Rp6,700 implying 1.2x PB FY17F.**

**Ready to compete.** BBNI has the second lowest cost of funds after Bank BCA (BBCA) at 3.1% in September 2016 despite a slight decline in its portion of CASA to 56.1% from 57.8% in December 2015. As such, we believe that with its strong deposits franchise, BBNI should fare better in competing for loans - especially in the corporate and medium-segments. In the meantime, BBNI has room to tap the mortgage market more aggressively. The bank's strategy to focus on the corporate and medium segments may sacrifice profitability but also help the bank to strengthen its deposits franchise and manage its assets quality.

**Improvement in assets quality.** BBNI's NPLs rose slightly in 3Q16 to 3.1%, but should decline thereafter. With the massive loans cleanup since 2015, we see that the bank has been able to identify and isolate its problem loans as well as reduce restructured loans (which fell to 7.5% in 3Q16 from its peak in 2Q16 of 8.4%). In 2017, we forecast NPLs to decline to 2.8% and the bank's charge-off to decline to 1.0%.

**Discipline in executing its strategy.** The bank's performance in 9M16 reflects the implementation of its strategic management policies such as strengthening its SOE business and low risk financing, while, at the same time, exploring supply chain business opportunities with its existing corporate customers. The bank's strategy is reflected in its loans book which focuses on sectors such as construction (+75.4% yoy in 9M16) and agriculture (+49.5% yoy in 9M16), as well as on payroll loans (+220.8% yoy in 9M16). Meanwhile, in order to manage assets quality, the bank's management changed its management structure for loans monitoring and administration to the branch level, whilst also including assets quality as part of the individual performance measurement.

**BBNI is our top pick in the sector.** We upgrade our recommendation on the stock to BUY with a TP of Rp6,700 implying 1.2x PB mid-FY17F (ROE=14%, G=9.5% and Ke=13.2%). At the same time, we also revise our net earnings estimates by 4.8%, 2.5% and 0.7% for FY16, FY17 and FY18, respectively. We don't think the market has priced in the bank's strong growth and performance yet.

**Key Financials**

Year to 31 Dec	2014A	2015A	2016F	2017F	2018F
PPOP, (Rpbn)	12,643	18,748	20,650	23,930	27,681
Net profit (Rpbn)	6,437	9,067	10,994	14,036	17,204
EPS (Rp)	345.2	486.2	589.5	752.7	922.5
EPS growth (%)	(28.9)	40.8	21.3	27.7	22.6
BVPS, (Rp)	3,167.6	4,097.6	4,762.7	5,485.4	6,355.6
PER (x)	16.3	11.6	9.5	7.5	6.1
PBV (x)	1.8	1.4	1.2	1.0	0.9
Dividend yield (%)	(79.9)	(67.2)	(97.7)	(124.7)	(152.9)
ROAE (%)	12.2	13.6	13.3	14.7	15.6

Source : BBNI, Danareksa Estimates

**MARKET NEWS**
**SECTOR**
**Consumer: instant noodles sales volume to grow 8% yoy this year**

The Association of Biscuit, Bread and Instant Noodles Producers (ASRIM) stated that sales of instant noodles would grow by 8%yoy to 16bn packs this year. This is a realistic estimate, according to Sribugo, the Head of ASRIM. In spite of increasing imported instant noodle products in the past few years, Sribugo stated that the local-flavor instant noodles still dominated the Indonesian market. Based on data from Bloomberg, ICBP is still the market leader (70.7%), followed by Wings (17.2%), Jakarana Tama (2.8%), ABC President (1.8%) and others (7.5%). (Kontan)

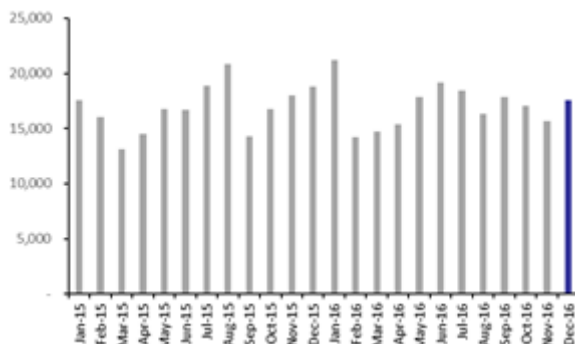
**Consumer: GAPMMI forecasts FY17 revenues growth of more than 8%**

The Food and Beverages Association (GAPMMI) forecasts strong revenues growth of more than 8% this year to USD104.5mn, supported by increasing investment last year and recovery in commodity prices that will lead to greater spending. While steady revenues growth is expected this year, the association also expects margins to decline amid stiffer competition from imported products. (Jakarta Post)

**Poultry: DoC and livebirds average market prices YTD as of December 2016**

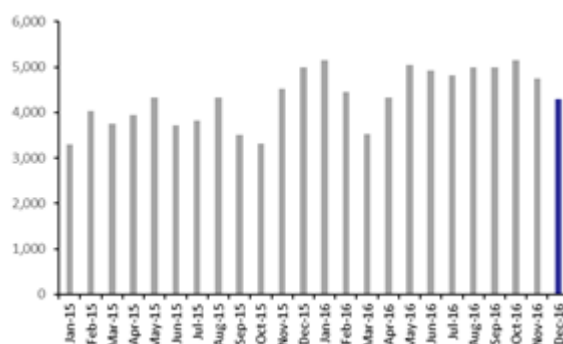
Japfa Comfeed Indonesia (JPFA) has released its survey on the average daily market prices of both DoC and livebirds in West Java. For DoC, as of December 2016, the average price YTD in West Java is up by about 18.6% yoy. For livebirds, as of December 2016, the average price YTD in West Java is up by 1.6% yoy. (Company)

Exhibit 1. Monthly livebird price (in Rp)



Source: JPFA

Exhibit 2. Monthly DoC price (in Rp)



Source: JPFA

**Cement: Investment value for cement reaches Rp15 tn**

Investment in the cement industry in 2016 reached Rp15 tn from both domestic and foreign companies. This hopefully will be followed by higher consumption as the Ministry of Industry will encourage the Ministry of Civil Works to speed up its projects. There are also plans to implement national standards (SNI) to hinder cement imports. In 2017, cement consumption is expected to grow to 84.96 mn tons, 37% yoy higher than 2016's projection, supported by government projects. (Kontan)

**Property: Industrial land sales might grow this year**

Industrial land sales might increase in 2017 given increasing interest for industrial land. Puradelta Lestari (DMAS) sold 53 ha of industrial land in 2016, or 30% of the total industrial land sales in Jabodetabek recorded by Colliers of 174.9 ha. Most of the potential buyers of industrial land are from non-automotive sectors. Meanwhile, Modernland Realty (MDLN) also expressed optimism toward this year's industrial land sales, even though many potential buyers are still assessing the domestic macroeconomic and political conditions. Surya Semesta Internusa (SSIA) is targeting 20ha of industrial land sales in 2017, up 100% yoy. (Kontan)

**CORPORATE****Ramayana Lestari Sentosa: Targeting 10% yoy revenues growth in 2017**

Ramayana Lestari Sentosa (RALS) is targeting 10% yoy revenues growth this year and is expecting to make capital expenditures of Rp400bn. (Kontan)

***Comment:** We currently expect RALS' revenues growth to reach around 6% yoy in 2017, lower than the management's expectation. We also expect around Rp300bn of capital expenditures in 2017. BUY on RALS with a TP of Rp1,350. (Adeline)*

**Bank Jatim: 2016 profits up by 16.25%**

The higher profits were driven by 4.45% loans growth. The loans growth to small, medium and micro enterprises reached 11.9% while consumer loans grew by 8.89%. Third party funds decreased by 4.28%. The NPLs ratio increased from 4.29% to 4.77%. According to the bank's business plan (RBB), BJTM targets 8% third party funds growth and 8.17% loans growth in 2017. (Kontan)

**Summarecon Agung: Targets FY17 marketing sales of Rp4.5tn**

SMRA recorded 2016 marketing sales of Rp3.0tn, INLINE with the management's target (Rp3.0tn) but slightly below our full year estimate as the figure is 93.5% of our marketing sales target of Rp3.2tn. In November and December 2016, the company made sizable commercial land sales in Bekasi (0.3ha) of Rp37bn and in Serpong (1.5ha) of Rp251bn. For 2017, the company expects to record marketing sales of Rp4.5tn, considerably higher than our target of Rp3.5tn. We are reviewing our numbers and recommendation on SMRA. (Company)

## DANAREKSA VALUATION GUIDE

	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		ROE			
					2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
<b>Danareksa Universe</b>				<b>3,095,925</b>	<b>152,943</b>	<b>180,487</b>	<b>247.1</b>	<b>291.6</b>				<b>5%</b>	<b>18%</b>	<b>20.2</b>	<b>17.2</b>	<b>22.9</b>	<b>20.2</b>	<b>2.9</b>	<b>2.6</b>			<b>15.3</b>	<b>16.0</b>	
<b>Auto</b>				<b>329,941</b>	<b>15,508</b>	<b>18,375</b>	<b>311.9</b>	<b>369.5</b>				<b>7%</b>	<b>18%</b>	<b>21.3</b>	<b>18.0</b>	<b>15.4</b>	<b>13.1</b>	<b>2.4</b>	<b>2.2</b>			<b>11.7</b>	<b>12.7</b>	
Astra International	HOLD	8,150	8,400	329,941	15,508	18,375	383	454	360	435		7%	18%	21.3	18.0	15.4	13.1	2.4	2.2	27.1		11.7	12.7	
<b>Banks</b>				<b>1,054,174</b>	<b>74,614</b>	<b>91,514</b>	<b>732.3</b>	<b>898.1</b>				<b>0%</b>	<b>23%</b>	<b>14.1</b>	<b>11.5</b>			<b>2.1</b>	<b>1.8</b>			<b>16.2</b>	<b>16.7</b>	
BCA	HOLD	15,350	16,300	378,454	18,931	20,806	768	844	768	844		5%	10%	20.0	18.2	N/A	N/A	3.7	3.2			N/A	19.6	18.7
BNi	BUY	5,550	6,700	103,500	10,494	13,698	563	735	563	735		16%	31%	9.9	7.6	N/A	N/A	1.2	1.0			N/A	12.7	14.4
BRI	BUY	11,750	14,500	289,863	26,092	31,100	1,058	1,261	1,058	1,261		3%	19%	11.1	9.3	N/A	N/A	2.0	1.7			N/A	20.1	19.8
Bank Tabungan Negara	BUY	1,820	2,300	19,274	2,200	2,572	208	243	208	243		19%	17%	8.8	7.5	N/A	N/A	1.0	0.8			N/A	13.6	12.3
Bank Mandiri	HOLD	11,275	11,250	263,083	16,898	23,339	724	1,000	724	1,000		-17%	38%	15.6	11.3	N/A	N/A	1.7	1.5			N/A	12.4	14.2
<b>Cement</b>				<b>134,315</b>	<b>7,891</b>	<b>5,869</b>	<b>406</b>	<b>302</b>				<b>-15%</b>	<b>-26%</b>	<b>17.0</b>	<b>22.9</b>	<b>10.8</b>	<b>11.5</b>	<b>2.4</b>	<b>2.3</b>			<b>14.4</b>	<b>10.1</b>	
Indocement	SELL	15,450	14,600	56,875	3,863	2,808	1,049	763	1,042	757		-11%	-27%	14.7	20.3	10.2	10.6	2.3	2.2			net cash	15.8	10.9
Semen Indonesia	SELL	9,125	8,100	54,125	3,792	2,958	639	499	633	492		-16%	-22%	14.3	18.3	8.4	9.3	1.9	1.8			6.1	13.8	10.2
Semen Baturaja	SELL	2,370	400	23,315	236	103	24	11	24	11		-33%	-56%	98.6	225.3	56.9	44.7	7.5	7.3			net cash	7.8	3.3
<b>Cigarettes</b>				<b>584,155</b>	<b>18,145</b>	<b>19,608</b>	<b>153</b>	<b>166</b>				<b>8%</b>	<b>8%</b>	<b>32.2</b>	<b>29.8</b>	<b>21.8</b>	<b>20.1</b>	<b>8.0</b>	<b>7.4</b>			<b>25.4</b>	<b>25.9</b>	
Gudang Garam	HOLD	63,600	70,400	122,372	6,342	6,860	3,296	3,565	3,296	3,565		-1%	8%	19.3	17.8	12.0	11.1	3.1	2.8			46.6	16.4	16.4
HM Sampoerna	HOLD	3,970	3,850	461,783	11,803	12,749	101	110	101	109		14%	8%	39.1	36.2	29.0	26.5	13.8	13.4			net cash	36.1	37.6
<b>Construction</b>				<b>140,449</b>	<b>6,602</b>	<b>8,166</b>	<b>88</b>	<b>109</b>				<b>36%</b>	<b>24%</b>	<b>21.3</b>	<b>17.2</b>	<b>11.6</b>	<b>9.9</b>	<b>2.9</b>	<b>2.5</b>			<b>15.3</b>	<b>15.5</b>	
Wijaya Karya	BUY	2,420	4,300	21,707	758	900	123	146	123	146		21%	19%	19.6	16.5	10.7	8.8	4.3	3.8			24.6	16.2	16.7
Pembangunan Perumahan	BUY	3,750	5,700	23,250	967	1,295	200	267	211	298		31%	34%	18.8	14.0	11.5	8.8	4.5	3.7			net cash	20.2	22.5
Adhi Karya	BUY	2,160	3,500	7,691	703	966	208	292	216	303		52%	40%	10.4	7.4	5.6	4.4	1.2	1.0			net cash	12.2	13.7
Waskita Karya	BUY	2,540	3,700	34,477	1,688	2,344	124	173	124	173		61%	39%	20.4	14.7	14.7	10.5	3.1	2.6			20.2	16.4	19.5
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	10.7
Wika Beton	BUY	830	1,300	7,234	268	362	31	42	31	42		54%	35%	27.0	20.0	14.6	10.6	2.9	2.6			net cash	11.5	13.9
Jasa Marga	BUY	4,280	5,700	31,064	1,671	1,492	246	219	249	223		14%	-11%	17.4	19.5	11.0	12.0	2.6	2.4			143.1	15.0	12.1
<b>Consumer</b>				<b>413,126</b>	<b>10,433</b>	<b>11,581</b>	<b>504</b>	<b>559</b>				<b>14%</b>	<b>11%</b>	<b>39.6</b>	<b>35.7</b>	<b>28.0</b>	<b>25.2</b>	<b>17.4</b>	<b>16.9</b>			<b>44.7</b>	<b>48.1</b>	
Indofood CBP	BUY	8,800	10,850	102,625	3,714	4,293	319	368	319	368		24%	16%	27.6	23.9	19.4	16.9	6.2	6.1			net cash	22.5	25.7
Unilever	BUY	40,150	47,000	306,345	6,490	7,026	851	921	851	921		11%	8%	47.2	43.6	33.6	30.9	59.1	55.9			31.6	129.7	131.8
Kino Indonesia	BUY	2,910	4,500	4,157	229	262	160	183	160	183		-32%	14%	18.2	15.9	10.5	9.6	2.1	1.9			3.9	12.3	12.7
<b>Healthcare</b>				<b>86,961</b>	<b>2,490</b>	<b>2,743</b>	<b>97</b>	<b>106</b>				<b>11%</b>	<b>9%</b>	<b>34.9</b>	<b>31.7</b>	<b>22.5</b>	<b>20.1</b>	<b>6.3</b>	<b>5.6</b>			<b>19.0</b>	<b>18.6</b>	
Kalbe Farma	SELL	1,540	1,400	72,188	2,210	2,441	47	52	47	52		10%	10%	32.7	29.6	20.8	18.7	6.1	5.4			net cash	19.9	19.4
Kimia Farma	SELL	2,660	1,510	14,774	279	302	50	54	48	52		12%	8%	52.9	48.9	35.7	29.8	7.2	6.4			33.7	14.3	13.8
<b>Heavy Equipment</b>				<b>81,690</b>	<b>4,481</b>	<b>5,676</b>	<b>1,201</b>	<b>1,522</b>				<b>16%</b>	<b>27%</b>	<b>18.2</b>	<b>14.4</b>	<b>6.5</b>	<b>5.1</b>	<b>2.1</b>	<b>1.9</b>			<b>12.0</b>	<b>14.0</b>	
Hexindo Adiperkasa																								
United Tractors	HOLD	21,900	23,500	81,690	4,481	5,676	1,201	1,522	1,231	1,556		16%	27%	18.2	14.4	6.5	5.1	2.1	1.9			net cash	12.0	14.0
<b>Mining</b>				<b>163,727</b>	<b>6,767</b>	<b>9,532</b>	<b>85</b>	<b>120</b>				<b>70%</b>	<b>41%</b>	<b>24.2</b>	<b>17.2</b>	<b>8.0</b>	<b>6.4</b>	<b>1.4</b>	<b>1.4</b>			<b>6.0</b>	<b>8.2</b>	
Adaro Energy	BUY	1,720	1,900	55,016	3,615	4,282	113	134	113	134		76%	18%	15.2	12.8	5.4	4.5	1.3	1.3			14.2	9.1	10.3
Timah	BUY	1,095	1,250	8,155	177	371	24	50	24	50		74%	110%	46.1	22.0	12.6	9.2	1.4	1.4			26.6	3.2	6.4
Vale Indonesia	HOLD	2,850	2,800	28,319	222	480	22	48	22	48		-67%	116%	127.4	59.0	11.7	10.1	1.2	1.2			net cash	0.9	2.0
Aneka Tambang	HOLD	855	900	20,546	(307)	(147)	(13)	(6)	(13)	(6)		-79%	-52%	(67.0)	(139.5)	26.9	23.7	1.1	1.2			18.0	(1.7)	(0.8)
Bukit Asam	BUY	12,025	14,500	27,707	1,446	2,498	665	1,149	665	1,149		-29%	73%	18.1	10.5	12.6	7.1	2.8	2.3			net cash	15.2	22.9
Indo Tambangraya Megah	HOLD	16,225	15,800	18,333	1,363	1,661	1,207	1,470	1,207	1,470		64%	22%	13.4	11.0	4.8	4.1	1.6	1.5			net cash	12.0	14.1
Harum Energy	SELL	2,090	2,000	5,651	249	388	92	144	92	144		-196%	56%	22.7	14.6	6.5	4.2	1.5	1.4			net cash	6.6	9.9
<b>Property</b>				<b>109,960</b>	<b>5,068</b>	<b>6,273</b>	<b>43</b>	<b>54</b>				<b>-17%</b>	<b>24%</b>	<b>21.7</b>	<b>17.5</b>	<b>12.9</b>	<b>11.8</b>	<b>2.2</b>	<b>1.8</b>			<b>10.3</b>	<b>11.3</b>	
Alam Sutera	HOLD	374	380	7,349	742	1,262	38	64	47	71		24%	70%	9.9	5.8	10.6	7.3	1.0	0.9			93.4	11.0	16.6
Bumi Serpong Damai	BUY	1,795	2,500	34,548	1,859	2,009	97	104	139	146		-13%	8%	18.6	17.2	12.1	11.9	1.7	1.5			11.5	9.5	9.4
Ciputra Development	BUY	1,300	1,530	20,053	634	888	41	48	36	41		-41%	16%	31.6	27.2	12.9	12.9	2.3	1.6			43.9	7.4	8.2
Pakuw on Jati	BUY	585	700	28,173	1,757	2,019	36	42	34	39		39%	15%	16.0	14.0	11.9	10.8	3.2	2.6			29.6	21.8	20.6
Summarecon	BUY	1,375	1,600	19,837	75	95	5	7	14	19		-91%	27%	263.6	208.4	18.9	18.0	3.4	3.3			92.8	1.3	1.6
<b>Retail</b>				<b>84,388</b>	<b>3,433</b>	<b>3,894</b>	<b>100</b>	<b>114</b>				<b>17%</b>	<b>13%</b>	<b>24.6</b>	<b>21.7</b>	<b>14.3</b>	<b>12.8</b>	<b>5.8</b>	<b>5.4</b>			<b>25.2</b>	<b>25.9</b>	
Mitra Adi Perkasa	HOLD	5,275	5,000	8,757	174	267	108	166	107	165		370%	54%	48.8	31.8	10.1	9.2							

**COVERAGE PERFORMANCE**
**LEADERS**

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		9-Jan-17	6-Jan-17					
Indofood CBP	ICBP	8,800	8,525	3.2	2.6	(0.6)	2.6	BUY
Matahari Putra Prima	MPPA	1,460	1,435	1.7	(1.4)	(14.1)	(1.4)	HOLD
Ramayana	RALS	1,250	1,230	1.6	4.6	4.6	4.6	BUY
Summarecon Agung	SMRA	1,375	1,355	1.5	3.8	(7.1)	3.8	BUY
Adaro Energy	ADRO	1,720	1,695	1.5	1.5	2.4	1.5	BUY
Adhi Karya	ADHI	2,160	2,130	1.4	3.8	(0.9)	3.8	BUY
United Tractors	UNTR	21,900	21,700	0.9	3.1	(3.9)	3.1	HOLD
Wijaya Karya	WIKA	2,420	2,400	0.8	2.5	(3.6)	2.5	BUY
Kino Indonesia	KINO	2,910	2,900	0.3	(4.0)	3.9	(4.0)	BUY
Kimia Farma	KAEF	2,660	2,660	-	(3.3)	(4.0)	(3.3)	SELL

Sources: Bloomberg

**LAGGARDS**

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		6-Jan-17	6-Jan-17					
Pakuwon Jati	PWON	585	605	(3.3)	3.5	(9.3)	3.5	BUY
Semen Indonesia	SMGR	9,125	9,400	(2.9)	(0.5)	(1.9)	(0.5)	SELL
Bank Rakyat Indonesia	BBRI	11,750	12,100	(2.9)	0.6	2.4	0.6	BUY
Indocement	INTP	15,450	15,900	(2.8)	0.3	(4.9)	0.3	SELL
Mitra Adi Perkasa	MAPI	5,275	5,425	(2.8)	(2.3)	2.4	(2.3)	HOLD
Vale Indonesia	INCO	2,850	2,930	(2.7)	1.1	(13.9)	1.1	HOLD
Bumi Serpong Damai	BSDE	1,795	1,845	(2.7)	2.3	(1.1)	2.3	BUY
Indo Tambangraya Megah	ITMG	16,225	16,600	(2.3)	(3.9)	(2.0)	(3.9)	HOLD
Bukit Asam	PTBA	12,025	12,275	(2.0)	(3.8)	(5.3)	(3.8)	BUY
Semen Baturaja	SMBR	2,370	2,410	(1.7)	(15.1)	(10.9)	(15.1)	SELL

Sources: Bloomberg

**PREVIOUS REPORTS**

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- ASRI: beats our marketing sales target [Snapshot20170109](#)
- Strategy: Market Outlook 2017 [Snapshot20170109](#)
- CTRA: Outperforming the sector [Snapshot20170105](#)
- TINS: Outlook for 2017: Further earnings enhancement [Snapshot20170104](#)
- CTRA: Merger approved [Snapshot20161228](#)
- UNTR: Flat Komatsu sales volume in 11M16, LPPF: Rp 165bn Funds Injection in the First Tranche [Snapshot20161227](#)
- Matahari Putra Prima: Why has the stock price fallen significantly? [Snapshot20161223](#)
- PWON: Correction creates upside, Cigarette: Additional tax may lead to higher selling prices [Snapshot20161222](#)
- AUTO: November 2016: The highest monthly car sales in 2016 [Snapshot20161219](#)
- WIKA: Ending the year on a high note, Ace Hardware Indonesia: In-line 11M16 revenues [Snapshot20161216](#)

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