

FLASH NOTES

Indo Tambangraya Megah: Better prices boosted profits in 4Q16 (ITMG IJ. IDR16,700. BUY. TP IDR15,800)

Vale Indonesia: The weak nickel price dragged down net profits (INCO IJ. IDR2,590. HOLD. TP IDR2,800)

MARKET NEWS
Sector

- Consumer: Government launches non-cash food vouchers worth Rp110,000/month

Corporate

- Ace Hardware Indonesia: plans 13 new store openings in 2017
- Bank Mandiri is trying to clean up its nonperforming loans
- Japfa Comfeed Indonesia: to supply chickens to McDonald's
- Mega Manunggal Property eyes Rp307.69bn rights issue
- Surya Semesta Internusa to acquire 500ha of land bank in Subang

KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
Asean - 5				
Indonesia	5,373	0.3	1.4	473
Thailand	1,567	(0.3)	1.6	1,344
Philippines	7,336	0.4	7.2	136
Malaysia	1,704	(0.2)	3.8	626
Singapore	3,138	0.5	8.9	1,178
Regional				
China	3,251	(0.3)	4.8	39,298
Hong Kong	24,115	(0.4)	9.6	10,601
Japan	19,243	(0.7)	0.7	1,114
Korea	2,107	(0.0)	4.0	4,054
Taiwan	9,769	(0.1)	5.6	3,230
India	28,893	0.1	8.5	491
NASDAQ	5,836	(0.4)	8.4	77,538
Dow Jones	20,810	0.2	5.3	7,720

CURRENCY AND INTEREST RATE

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,351	(0.2)	0.1	0.9
SBI rate %	5.90	-	-	(1.3)
10y Gov Indo bond	7.57	0.0	0.1	(0.4)

HARD COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	80	0.1	(4.6)	(9.7)
Gold	US\$/toz	1,250	(0.0)	3.4	8.5
Nickel	US\$/mt.ton	10,526	(2.1)	9.0	5.6
Tin	US\$/mt.ton	18,753	(2.8)	(6.7)	(11.6)

SOFT COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,025	(0.3)	(6.5)	(5.7)
Corn	US\$/mt.ton	138	(1.3)	0.7	6.6
Oil (WTI)	US\$/barrel	54	(0.2)	2.2	1.2
Oil (Brent)	US\$/barrel	57	1.3	2.4	(0.4)
Palm oil	MYR/mt.ton	3,066	(3.3)	(7.0)	(4.1)
Rubber	US\$/kg	208	(3.9)	(0.9)	7.2
Pulp	US\$/tonne	818	N/A	1.1	1.1
Coffee	US\$/60kgbag	138	0.6	(12.2)	(11.7)
Sugar	US\$/MT	549	(2.1)	1.4	4.7
Wheat	US\$/ton	123	(0.5)	1.5	7.8

FLASH NOTES
Indo Tambangraya Megah: Better prices boosted profits in 4Q16

(ITMG IJ. IDR16,700. HOLD. TP IDR15,800)

- Indo Tambangraya Megah (ITMG) reported net profits of USD131mn (+107% yoy, +85% qoq) in 2016. While the revenues were within our expectation, the net profits were above our forecast of USD102mn and the consensus of USD95mn. The better result mainly owed to a higher gross margin thanks to lower-than-expected COGS and operating expenses.
- Solid 4Q16 result thanks to strong coal prices.** Quarterly net profits jumped 85% qoq to USD61mn in 4Q16. This was mainly due to: a) 17% qoq higher revenues owing to strong ASP of around USD63/tonne (+26% qoq) in 4Q16 despite weak coal sales volume, and b) flat growth in COGS. Thanks to the better ASP, the company managed to improve its gross margin to 33.5% in 4Q16 from 22.1% in 3Q16.
- Lower costs and tax rate helped to improve net profits.** On a cumulative basis, the company managed to report higher net profits by 107% yoy to USD131mn in 2016 thanks to: a) a decline in COGS by 16% yoy on lower mining costs (due to a lower stripping ratio and fuel prices) and lower operating expenses by 22% yoy and b) normalization in the effective tax rate at 31.9% in 2016 from 54.7% in 2015. These factors mitigated the 14% yoy decline in revenues, which, we believe, was due to a decline in ASP and coal sales volume. Based on data from Banpu Thailand, the holding company of ITMG, the ASP from Indonesian operations reached US\$51.5/tonne (-8.7% yoy), while the sales volume declined by 6% yoy.
- Expect coal production to be at least maintained in 2017.** While ITMG has not yet provided production guidelines for 2017, the management indicated that the company will at least maintain its coal production in 2017. We expect ITMG to increase coal production by around 3.1% yoy to 27.0mn tons in 2017.
- Maintain HOLD.** With better net profits, we expect ITMG to make generous dividend payments. However, as we still have concerns on the reserves that are sustainable for only about 7.8 years, we maintain our HOLD recommendation.

Exhibit 1. 4Q16 earnings – above expectation

Financial performance	3Q16	4Q16	QoQ,%	2015	2016	YoY,%	2016F	A/F,%
Net sales, USDmn	349	409	17	1,589	1,367	(14)	1,345	102
COGS, USDmn	(272)	(272)	0	(1,239)	(1,037)	(16)	(1,071)	97
Gross profit, USDmn	77	137	77	350	331	(6)	274	121
Opex, USDmn	(31)	(34)	9	(157)	(122)	(22)	(132)	93
Operating profit, USDmn	47	104	122	194	209	8	142	147
Net profit, USDmn	33	61	85	63	131	107	102	128
Gross margin, %	22.1	33.5	11.4	22.0	24.2	2.1	20.4	
Operating margin, %	13.3	25.3	12.0	12.2	15.3	3.1	10.6	
Net margin, %	9.5	14.9	5.5	4.0	9.6	5.6	7.6	

Source: Danareksa, ITMG

Stefanus Darmagiri

stefanus.darmagiri@danareksa.com

(62-21) 29555 831

FLASH NOTES
Vale Indonesia: The weak nickel price dragged down net profits

(INCO IJ. IDR2,590. HOLD. TP IDR2,800)

- INCO reported 96.2% yoy lower net profits of USD2mn in 2016. The result was below our estimate and the consensus. The poor result mainly owed to: a) lower-than-expected ASP, and b) transformer failure which caused the company to miss the nickel-in-matte production target of 80,000 tonnes.
- 4Q16: despite better quarterly EBITDA, net profits declined.** EBITDA rose 3.1% qoq thanks to: a) 7.1% qoq higher ASP and b) better sales volume (+5.2% qoq). Nonetheless, the company posted 31.4% qoq lower net profits of USD9mn in 4Q16, down from USD13mn in 3Q16. This stemmed from forex losses of USD2.3mn in 4Q16 vs. forex gains of US\$5.1mn in 3Q16.
- 2016 Lower nickel prices and production dragged down net profits.** The sharp decline in net profits to USD2mn in 2016 was mainly due to: a) 22.4% yoy lower ASP to USD7,396/tonne mainly on the weak nickel price in 1H16, b) weak nickel-in-matte production (down by 4.4% yoy). This was mainly attributable to transformer failure at one of the electric furnaces in 4Q16, which was reflected in 9.9% qoq lower production in 4Q16 and c) a higher effective tax rate of 63.1% in 2016 vs. 27.7% in 2015.
- Efficiencies to help mitigate further declines in net profits.** The company managed to lower COGS per tonne by 14.0% yoy to US\$6,964/tonne thanks to: a) efficiency in fuel consumption with the company able to lower the usage of HSFO per tonne to 20.1bbl/tonne in 2016 from 21.3bbl/tonne in 2015 and b) the decline in crude oil prices which resulted lower the HSFO price by 34.1 yoy to US\$38.5/bbl in 2016. However, the impact of weak ASP resulted in a weak gross margin and operating margin of 5.8% and 3.8% in 2016, down from 15.0% and 13.5% in 2015.
- Recovery in nickel-in-matte production to 80,000 tonnes in 2017.** With the transformer replaced, the company is expecting a recovery in nickel-in-matte production by 3.1% yoy to 80,000 tonnes in 2017.
- Maintain HOLD** given: a) the expectation of muted global nickel demand to persist and the high global nickel inventory level (the combination of the London Metal Exchange (LME) and Shanghai Futures Exchange (SFE)) and b) limited upside to our current target price.

Exhibit 1. 4Q16 earnings – below expectation

Operational performance	3Q16	4Q16	QoQ,%	2015	2016	YoY, %	2016F	A/F, %
in metric tonnes								
Production	21,744	19,581	(10)	81,178	77,581	(4)	80,000	97
Sales	20,615	21,689	5	82,907	78,976	(5)	80,000	99
in USD/tonne								
ASP	7,694	8,238	7	9,526	7,396	(22)	7,800	95
Financial performance	3Q16	4Q16	QoQ,%	2015	2016	YoY, %	2016F	A/F, %
Revenue, USDmn	159	179	13	790	584	(26)	624	94
COGS, USDmn	(135)	(155)	15	(671)	(550)	(18)	(564)	97
Gross profit, USDmn	24	24	(1)	118	34	(71)	60	57
Operating profit, USDmn	21	20	(4)	107	22	(79)	47	47
EBITDA, USDmn	49	51	3	215	135	(37)	167	81
Net profit, USDmn	13	9	(31)	51	2	(96)	17	11
Gross margin, %	15.0	13.2	(1.8)	15.0	5.8	(9.1)	9.5	
Operating margin, %	13.3	11.4	(1.9)	13.5	3.8	(9.8)	7.6	
EBITDA margin, %	31.0	28.3	(2.6)	27.2	23.1	(4.1)	26.8	
Net margin, %	8.2	5.0	(3.2)	6.4	0.3	(6.1)	2.7	

Source: Danareksa, Vale Indonesia

Stefanus Darmagiri

stefanus.darmagiri@danareksa.com

(62-21) 29555 831

MARKET NEWS

SECTOR

Consumer: Government launches non-cash food vouchers worth Rp110,000/month

The government has officially launched non-cash food vouchers worth IDR110,000/month for 1,286 low income families in 44 cities with a total budget of IDR1.7tn. At this stage, families may only use these vouchers to purchase rice and sugar. Going forward, the vouchers will be able to be used to buy other food items including eggs and cooking oil. To ensure the availability of rice and sugar, Bulog will supply the foodstuffs to all the shops that support the government program. In 2018, the government plans to increase the coverage of the vouchers to 10mn families from a total targeted of 15.5mn. (Kontan)

CORPORATE

Ace Hardware Indonesia: plans 13 new store openings in 2017

Ace Hardware Indonesia (ACES) plans to open 13 new stores in 2017 (in 2016 the target was 12 new store openings), most of which will be in Java. In terms of SSSG, the management estimates SSSG to reach around 2-3% at the end of the year (Jan 2017 SSSG: 2%). Overall, the management targets revenues to grow by 6% yoy this year. In terms of capex, the management expects to spend around IDR300bn, with most of the funds coming from internal cash. (Bisnis Indonesia)

***Comment:** We currently forecast revenues to grow by around 4.8% yoy in 2017. SELL with a TP of IDR750 (Adeline).*

Bank Mandiri is trying to clean up its nonperforming loans

As of March 2017, regional offices of BMRI will only approve a maximum IDR10bn loan per customer, down from IDR250bn previously. BMRI targets 0% commercial loans growth this year, with lending subdued because the segment had the highest NPLs last year. BMRI will also pay close attention to loans disbursed to the commodity and mining sectors. (Kontan)

Japfa Comfeed Indonesia: to supply chickens to McDonald's

Cahaya Gunung Food, a joint venture between Cargill Protein Southeast Asia, a global supplier of food and agriculture products, and So Good food (JPFA's subsidiary), has been appointed by Rekso National Food (the McDonald's licensee holder in Indonesia) to provide processed chickens for 'Chicken McNuggets', 'McChicken', and 'MsSpicy' in all McDonald's restaurants in Indonesia. (Kontan)

Mega Manunggal Property eyes Rp307.69bn rights issue

Mega Manunggal Property (MMLP) plans to issue a maximum of 3.076bn shares at a nominal Rp100/share. The dilution rate will be 35%. The company will conduct an Extraordinary General Meeting on 3 April 2017. The proceeds from the rights issue will be used to build new warehouses and acquire new land bank. The company plans to build built-to-suit warehouses that are tailor made to the clients' needs in the Greater Jakarta area. The company claims that it has received many inquiries from clients (particularly from FMCG) to develop this type of warehouse. The company has allocated Rp2tn for the capex this year. (Kontan)

Surya Semesta Internusa to acquire 500ha of land bank in Subang

Surya Semesta Internusa (SSIA) hopes to acquire 500ha of land bank in Subang this year. In 2016, the company acquired 513 ha of land bank in the area. The company has allocated Rp1.5tn for capex this year. This includes Rp750bn for the Subang land bank acquisition. The company plans to start launching industrial estates in the area by 2019. (Bisnis Indonesia)

DANAREKSA VALUATION GUIDE

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		ROE	
					2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Danareksa Universe				3,130,826	155,389	181,612	249.7	291.9			6%	17%	20.1	17.2	23.2	20.3	2.9	2.6			15.5	16.0
Auto				325,893	15,508	18,375	311.9	369.5			7%	18%	21.0	17.7	15.3	13.0	2.4	2.2			11.7	12.7
Astra International	ASII	HOLD	8,050	8,400	325,893	15,508	18,375	383	454	360	435	7%	18%	21.0	17.7	15.3	13.0	2.4	2.2	27.1	11.7	12.7
Banks				1,077,856	77,027	91,748	755.9	900.4			3%	19%	14.0	11.7			2.1	1.9			16.7	16.8
BCA	BBCA	BUY	15,500	17,900	382,153	18,931	20,806	768	844	768	844	5%	10%	20.2	18.4	N/A	N/A	3.7	3.2	N/A	19.6	18.7
BNI	BBDN	BUY	6,325	6,700	117,953	10,994	14,036	590	753	590	753	21%	28%	10.7	8.4	N/A	N/A	1.3	1.2	N/A	13.3	14.7
BRI	BBDN	BUY	11,925	15,000	294,180	26,092	31,100	1,058	1,261	1,058	1,261	3%	19%	11.3	9.5	N/A	N/A	2.0	1.8	N/A	20.1	19.8
Bank Tabungan Negara	BBTN	BUY	2,210	2,400	23,404	2,200	2,572	208	243	208	243	19%	17%	10.6	9.1	N/A	N/A	1.3	1.0	N/A	13.6	12.3
Bank Mandiri	BMRJ	HOLD	11,150	11,500	260,167	18,811	23,234	612	756	612	756	-30%	24%	18.2	14.7	N/A	N/A	1.7	1.5	N/A	13.8	14.3
Cement				135,590	7,993	5,498	411	283			-13%	-31%	17.0	24.7	11.0	12.8	2.4	2.3			14.5	9.5
Indocement	INTP	SELL	15,675	13,000	57,703	3,863	2,561	1,049	696	1,042	690	-11%	-34%	14.9	22.5	10.4	11.8	2.3	2.2	net cash	15.8	10.0
Semen Indonesia	SMGR	SELL	9,250	8,000	54,867	3,885	2,787	655	470	649	463	-14%	-28%	14.1	19.7	8.5	10.3	1.9	1.8	5.7	14.2	9.6
Semen Baturaja	SMBR	SELL	2,340	390	23,020	245	150	25	15	25	15	-31%	-39%	94.0	153.4	57.7	50.9	7.3	7.1	16.0	8.1	4.7
Cigarettes				573,935	18,145	19,608	153	166			8%	8%	31.6	29.3	21.4	19.7	7.9	7.3			25.4	25.9
Gudang Garam	GGRM	BUY	63,125	79,500	121,458	6,342	6,860	3,296	3,565	3,296	3,565	-1%	8%	19.2	17.7	12.0	11.1	3.1	2.7	46.6	16.4	16.4
HM Sampoerna	HMSP	HOLD	3,890	3,850	452,477	11,803	12,749	101	110	101	109	14%	8%	38.3	35.5	28.4	25.9	13.5	13.2	net cash	36.1	37.6
Construction				143,939	6,753	8,712	90	117			39%	29%	21.3	16.5	11.4	9.4	2.6	2.3			14.6	14.7
Wijaya Karya	WIKA	BUY	2,530	3,900	22,694	906	1,190	101	133	101	133	45%	31%	25.0	19.1	9.3	7.0	2.0	1.8	net cash	11.6	10.1
Pembangunan Perumahan	PTPP	BUY	3,510	5,700	21,762	967	1,295	200	267	211	298	31%	34%	17.6	13.1	10.7	8.2	4.2	3.5	net cash	20.2	22.5
Adhi Karya	ADHI	BUY	2,210	3,500	7,869	703	986	208	292	216	303	52%	40%	10.6	7.6	5.8	4.5	1.2	1.0	net cash	12.2	13.7
Wasita Karya	WSKT	BUY	2,480	3,700	33,663	1,688	2,344	124	173	124	173	61%	39%	19.9	14.4	14.4	10.2	3.1	2.6	20.2	16.4	19.5
Wasita Beton	WSBP	BUY	560	770	14,762	547	788	21	30	21	30	64%	44%	27.0	18.7	15.9	12.1	2.1	1.9	net cash	13.1	10.7
Wika Beton	WTON	BUY	825	1,300	7,190	268	362	31	42	31	42	54%	35%	26.8	19.9	14.5	10.5	2.9	2.6	net cash	11.5	13.9
Jasa Marga	JSMR	BUY	4,960	6,300	35,999	1,674	1,747	246	257	250	261	14%	4%	20.1	19.3	11.4	11.9	3.1	2.7	115.0	15.1	14.0
Consumer				423,318	10,394	11,517	502	556			14%	11%	40.7	36.8	28.9	26.0	17.9	17.4			44.5	48.0
Indofood	INDF	BUY	8,075	9,650	70,902	4,141	4,712	472	537	463	532	40%	14%	17.1	15.0	8.0	7.4	2.4	2.2	25.8	14.6	15.3
Indofood CBP	ICBP	BUY	8,300	10,850	96,794	3,714	4,293	319	368	319	368	24%	16%	26.1	22.5	18.3	15.9	5.8	5.8	net cash	22.5	25.7
Unilever	UNVR	BUY	42,250	47,000	322,368	6,490	7,026	851	921	851	921	11%	8%	49.7	45.9	35.3	32.5	62.2	58.9	31.6	129.7	131.8
Kino Indonesia	KINO	SELL	2,910	2,800	4,157	190	198	133	138	131	137	-43%	4%	21.9	21.0	13.9	12.4	2.2	2.0	3.2	10.3	9.9
Healthcare				80,298	2,490	2,743	97	106			11%	9%	32.3	29.3	20.7	18.5	5.8	5.1			19.0	18.6
Kalbe Farma	KLBF	SELL	1,495	1,400	70,078	2,210	2,441	47	52	47	52	10%	10%	31.7	28.7	20.2	18.1	6.0	5.3	net cash	19.9	19.4
Kimia Farma	KAEF	SELL	1,840	1,510	10,219	279	302	50	54	48	52	12%	8%	36.6	33.8	25.2	21.0	4.9	4.4	33.7	14.3	13.8
Heavy Equipment				91,948	4,481	5,676	1,201	1,522			16%	27%	20.5	16.2	7.5	5.9	2.4	2.2			12.0	14.0
United Tractors	UNTR	HOLD	24,650	23,500	91,948	4,481	5,676	1,201	1,522	1,231	1,556	16%	27%	20.5	16.2	7.5	5.9	2.4	2.2	net cash	12.0	14.0
Mining				157,358	6,767	9,532	85	120			70%	41%	23.3	16.5	7.6	6.2	1.4	1.3			6.0	8.2
Adaro Energy	ADRO	BUY	1,715	1,900	54,856	3,615	4,282	113	134	113	134	76%	18%	15.2	12.8	5.4	4.4	1.3	1.3	14.2	9.1	10.3
Timah	TINS	BUY	990	1,250	7,373	177	371	24	50	24	50	74%	110%	41.6	19.9	11.6	8.5	1.3	1.2	26.6	3.2	6.4
Vale Indonesia	INCO	HOLD	2,590	2,800	25,735	222	480	22	48	22	48	-67%	116%	115.8	53.6	10.6	9.1	1.1	1.1	net cash	0.9	2.0
Aneka Tambang	ANTM	HOLD	785	900	18,864	(307)	(147)	(13)	(6)	(13)	(6)	-79%	-52%	(61.5)	(128.1)	25.0	22.1	1.0	1.1	18.0	(1.7)	(0.8)
Bukit Asam	PTBA	BUY	11,300	14,500	26,037	1,446	2,498	665	1,149	665	1,149	-29%	23%	17.0	9.8	11.8	6.7	2.6	2.2	net cash	15.2	22.9
Indo Tambangraya Megah	ITMG	HOLD	16,700	15,800	18,870	1,363	1,661	1,207	1,470	1,207	1,470	64%	22%	13.8	11.4	4.9	4.2	1.6	1.6	net cash	12.0	14.1
Harum Energy	HRUM	SELL	2,080	2,000	5,624	249	388	92	144	92	144	-196%	56%	22.6	14.5	6.4	4.1	1.5	1.4	net cash	6.6	9.9
Property				119,082	4,954	7,104	41	59			-19%	43%	24.0	16.8	14.0	11.6	2.3	2.0			10.1	12.7
Alam Sutera	ASRI	HOLD	380	380	7,467	822	1,360	42	69	52	77	38%	65%	9.1	5.5	9.8	6.8	1.0	0.9	88.9	12.1	17.6
Bumi Serpong Damai	BSDI	BUY	1,910	2,200	36,761	1,669	2,702	87	140	128	188	-22%	62%	22.0	13.6	14.0	9.9	1.8	1.6	12.8	8.5	12.5
Ciputra Development	CTRA	BUY	1,375	1,530	25,520	631	917	41	49	36	42	-41%	21%	33.6	27.8	15.8	15.5	2.9	2.0	43.6	7.3	8.5
Pakuon Jati	PWON	BUY	605	700	29,137	1,757	2,036	36	42	34	40	39%	16%	16.6	14.3	12.2	11.1	3.3	2.7	29.6	21.8	20.8
Summarecon	SMRA	HOLD	1,400	1,300	20,197	74	89	5	6	14	17	-91%	20%	271.2	226.7	19.2	19.0	3.4	3.4	92.8	1.2	1.5
Retail				81,906	3,367	3,844	98	112			14%	14%	24.3	21.3	14.1	12.7	5.7	5.3			24.8	25.9
Mitra Adi Perkasa	MADI	HOLD	5,675	5,000	9,421	174	267	108	166	107	165	370%	54%	52.5	34.2	10.0	9.7	3.1	3.0	99.8	5.8	8.6
Ramayana	RALS	BUY	1,295	1,700	9,189	396	482	56	68	54	68	18%	22%	23.0	19.0	18.4	16.2	2.6				

COVERAGE PERFORMANCE
LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		23-Feb-17	22-Feb-17					
Jasa Marga	JSMR	4,960	4,730	4.9	4.2	18.4	14.8	BUY
Adhi Karya	ADHI	2,210	2,160	2.3	(1.3)	3.8	6.3	BUY
Indo Tambangraya Megah	ITMG	16,700	16,325	2.3	9.2	12.8	(1.0)	HOLD
Mitra Adi Perkasa	MAPI	5,675	5,550	2.3	(1.3)	7.1	5.1	HOLD
Wijaya Karya	WIKA	2,530	2,480	2.0	0.8	2.4	7.2	BUY
Pakuwon Jati	PWON	605	595	1.7	4.3	6.1	7.1	BUY
Matahari Department Store	LPPF	14,975	14,750	1.5	1.2	(0.3)	(1.0)	SELL
Gudang Garam	GGRM	63,125	62,200	1.5	3.5	(1.0)	(1.2)	BUY
United Tractors	UNTR	24,650	24,375	1.1	3.5	8.1	16.0	HOLD
Kimia Farma	KAEF	1,840	1,820	1.1	(10.2)	(16.4)	(33.1)	SELL

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		23-Feb-17	22-Feb-17					
Timah	TINS	990	1,030	(3.9)	(7.0)	1.5	(7.9)	BUY
Vale Indonesia	INCO	2,590	2,670	(3.0)	(5.8)	13.6	(8.2)	HOLD
Ace Hardware	ACES	765	785	(2.5)	(1.9)	1.3	(8.4)	SELL
Summarecon Agung	SMRA	1,400	1,425	(1.8)	(0.4)	0.4	5.7	HOLD
Ramayana	RALS	1,295	1,315	(1.5)	(2.6)	4.4	8.4	BUY
Unilever	UNVR	42,250	42,875	(1.5)	(0.8)	0.6	8.9	BUY
Bank Tabungan Negara	BBTN	2,210	2,240	(1.3)	5.7	16.0	27.0	BUY
Bank Mandiri	BMRI	11,150	11,300	(1.3)	(0.4)	1.4	(3.7)	HOLD
Matahari Putra Prima	MPPA	1,205	1,220	(1.2)	(2.8)	(12.0)	(18.6)	HOLD
Pembangunan Perumahan	PTPP	3,510	3,540	(0.8)	(4.6)	0.3	(7.9)	BUY

Sources: Bloomberg

PREVIOUS REPORTS

- Wijaya Karya: 2016 net income up by 62%yoy [Snapshot20170223](#)
- Sido Muncul: Getting Better [Snapshot20170222](#)
- Semen Indonesia: Maintain Tax benefits boost profits [Snapshot20170221](#)
- Automotive Sector: 2016: Better car sales, but lower motorcycle sales volume [Snapshot20170220](#)
- Market Outlook: Jakarta gubernatorial Election, Mitra Adiperkasa: Maintain Shaping up for a better future [Snapshot20170216](#)

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
Head of Research, Strategy, Banking

Stefanus Darmagiri

stefanus.darmagiri@danareksa.com
(62-21) 2955 888 ext. 3530
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 888 ext. 3511
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

Ehrliech 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

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 there from which might otherwise arise is hereby expressly disclaimed.

The information contained in this report is not 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.