

**FROM EQUITY RESEARCH**
**Bank Tabungan Negara: A Mortgage-driven Bank**  
 (BBTN IJ. IDR 3,470. BUY. TP IDR 4,000)

We continue to like BBTN, noting its resilient business model on mortgages. Subsidized mortgages will remain the main growth driver with a IDR2.5trn government budget for next year's interest rate subsidy scheme. We believe this should be sufficient to finance around 225K house purchases. Meanwhile, the formation of BP-Tapera should reduce uncertainty in subsidized mortgages funding going forward. BBTN is one of top picks in our banking universe. Maintain BUY with a new GGM-derived TP of IDR4,000.

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**Cigarette: Benefiting from a more level playing field**  
 (NEUTRAL)

We see room for both HMSP and GGRM to grow since the 2018 excise tax regulation creates a more level playing field in the cigarette industry and because populist policies ahead of the elections in 2019 should bolster purchasing power at the grassroots level. Improved buying power and less intense competition should allow cigarette producers to increase their selling prices, in our view. However, with limited upside to our TPs, we downgrade our stance to neutral on the sector.

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**MARKET NEWS**
**Macroeconomy**

- Fitch: Upgrades Indonesia to BBB; Outlook Stable
- Ministry of Finance: Economic growth may reach 5.05% in 2017

**Corporate**

- Erajaya Swasembada: Xiaomi 5A launching and IoT concept growth
- Intiland allocates IDR2tn for capex
- PP Presisi: Targets twofold increase in revenues next year

**KEY INDEX**

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	6,109	(0.9)	15.3	418
Thailand	1,738	0.3	12.7	1,467
Philippines	8,363	(0.0)	22.2	75
Malaysia	1,747	0.6	6.4	714
Singapore	3,395	(0.3)	17.8	756
<b>Regional</b>				
China	3,288	(0.3)	5.9	27,857
Hong Kong	29,234	(0.1)	32.9	10,302
Japan	22,892	0.1	19.8	13,228
Korea	2,472	(0.2)	22.0	4,848
Taiwan	10,505	0.4	13.5	3,383
India	33,777	(0.2)	26.9	862
NASDAQ	6,961	(0.0)	29.3	86,329
Dow Jones	24,727	(0.1)	25.1	10,130

**CURRENCY AND INTEREST RATE**

		Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah	Rp/1US\$	13,579	0.1	(0.4)	(0.8)
SBI rate	%	5.90	-	-	(1.3)
10y Gov	Indo bond	6.48	(0.1)	(0.1)	(1.5)

**HARD COMMODITY**

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	100	(0.0)	4.2	13.4
Gold	US\$/toz	1,266	0.1	(1.1)	9.9
Nickel	US\$/mt.ton	11,698	(0.7)	1.6	17.4
Tin	US\$/mt.ton	19,390	0.1	(0.8)	(8.6)

**SOFT COMMODITY**

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	1,914	(1.1)	(10.9)	(10.9)
Corn	US\$/mt.ton	124	0.6	(0.3)	(4.3)
Oil (WTI)	US\$/barrel	58	(0.1)	2.1	8.0
Oil (Brent)	US\$/barrel	65	1.2	3.8	13.6
Palm oil	MYR/mt.ton	2,388	(0.4)	(10.2)	(25.3)
Rubber	US\$/kg	145	0.1	4.5	(24.9)
Pulp	US\$/tonne	1,000	N/A	4.2	23.6
Coffee	US\$/60kgbag	106	(0.0)	(2.2)	(27.1)
Sugar	US\$/MT	381	1.1	(1.9)	(27.3)
Wheat	US\$/ton	115	1.0	(3.4)	(11.4)
Soy Oil	US\$/lb	33	(0.8)	(2.9)	(4.2)
Soy Bean	US\$/by	954	(0.2)	(3.6)	(4.3)

Source: Bloomberg

Thursday, 21 December 2017

**BUY**  
**Maintain**

Last price (IDR)	3,470
Target Price (IDR)	4,000
Upside/Downside	+15.3%
Previous Target Price (IDR)	3,600

**Stock Statistics**

Sector	Banking
Bloomberg Ticker	BBTN IJ
No of Shrs (mn)	10,590
Mkt. Cap (IDRbn/USDmn)	36,747/2,706
Avg. daily T/O (IDRbn/USDmn)	72.0/5.3

**Major shareholders**

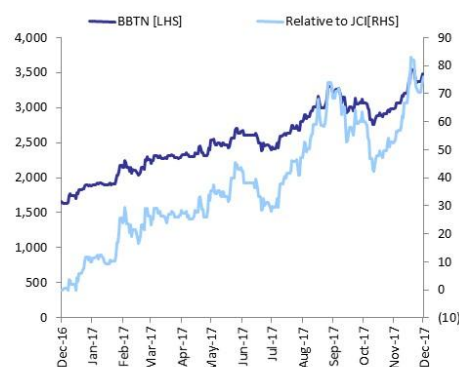
Government of Indonesia	60.0%
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Estimated free float (%)	40.0
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**EPS Consensus (IDR)**

	2017F	2018F	2019F
Danareksa	296.1	345.5	400.6
Consensus	287.1	337.3	382.7
Danareksa/Cons	3.1	2.4	4.7

**BBTN relative to JCI Index**



Source : Bloomberg

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# Bank Tabungan Negara (BBTN IJ)

## A Mortgage-driven Bank

We continue to like BBTN, noting its resilient business model on mortgages. Subsidized mortgages will remain the main growth driver with a IDR2.5trn government budget for next year's interest rate subsidy scheme. We believe this should be sufficient to finance around 225K house purchases. Meanwhile, the formation of BP-Tapera should reduce uncertainty in subsidized mortgages funding going forward. BBTN is one of top picks in our banking universe. **Maintain BUY with a new GGM-derived TP of IDR4,000.**

**Focusing on the housing-related segment.** The housing-related segment, i.e. mortgages for both subsidized and non-subsidized houses also house construction, will remain its bread and butter business amid a housing backlog of c.11mn units. Furthermore, IDR2.5trn in next year's budget for interest rate subsidies can finance c.225K houses. While, the formation of BP-Tapera should gradually replace the subsidized mortgage funding from the state budget going forward. We thus project 19.5% growth in subsidized mortgages, resulting in a 36.4% contribution to total loans book as of December 2018F.

**More predictable earnings growth.** Given its substantial mortgages exposure, we expect stable credit costs. This is because the mortgages are secured by the physical property themselves. While for construction loans, BBTN focuses more on providing loans for projects with working orders (Surat Perintah Kerja/SPK). All in all, with a stable NIM at 4.4% and 48bps credit costs, we expect 16.7% earnings growth to IDR3.7trn next year.

**More back up plans on capital.** With a 17.2% loans growth projection for next year, the bank's capital level will continue to fall to 15.2%. BBTN's management is also still waiting for a lower risk weight policy on subsidized mortgages as this sub-segment currently has a risk weight of 35%. Additionally, BBTN also aims to issue subordinated notes of IDR2trn to provide supplemental capital. While this amount will boost its CAR by c.200bps, we have not included it in our assumptions.

**BUY: new TP of IDR4,000.** Maintain BUY with a higher GGM-derived TP of IDR4,000 assuming a lower CoE at 10.7% (lower risk factor of 0.7% from 1%), 16.2% sustainable ROAE and 3% long-term growth. Our new TP implies 1.7x 2018F P/BV. BBTN is one of our top picks in our banking universe.

**Key Financials**

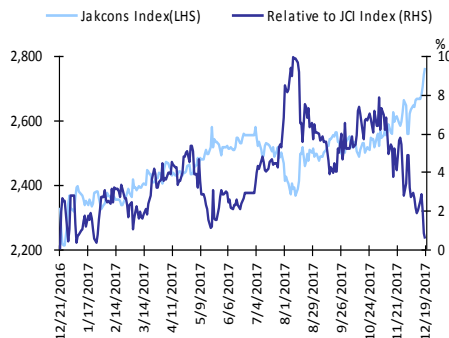
Year to 31 Dec	2015A	2016A	2017F	2018F	2019F
PPOP, (IDRbn)	3,427	4,060	4,770	5,652	6,474
Net profit (IDRbn)	1,851	2,619	3,135	3,658	4,241
EPS (IDR)	174.9	247.4	296.1	345.5	400.6
EPS growth (%)	61.3	41.5	19.7	16.7	15.9
BVPS, (IDR)	1,309.4	1,806.9	2,043.8	2,320.2	2,648.7
PER (x)	19.8	14.0	11.7	10.0	8.7
PBV (x)	2.7	1.9	1.7	1.5	1.3
Dividend yield (%)	1.0	1.4	1.7	2.0	2.1
ROAE (%)	14.2	15.9	15.4	15.8	16.1

Source : BBTN, Danareksa Estimates

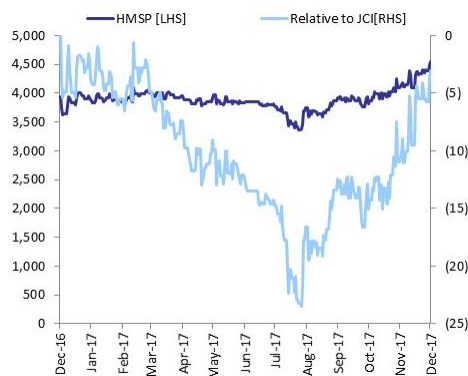
Thursday, 21 December 2017

**NEUTRAL**  
**Downgrade**

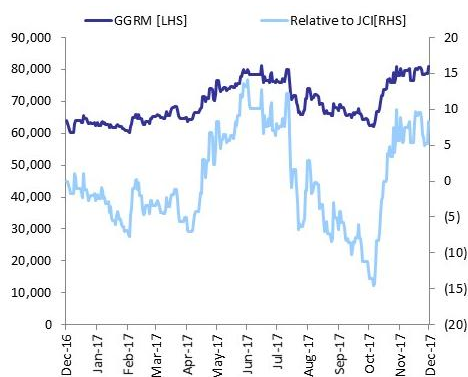
**Jakcons relative to JCI Index**



**HMSP relative to JCI Index**



**GGRM relative to JCI Index**



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# Cigarette

## Benefiting from a more level playing field

We see room for both HMSP and GGRM to grow since the 2018 excise tax regulation creates a more level playing field in the cigarette industry and because populist policies ahead of the elections in 2019 should bolster purchasing power at the grassroots level. Improved buying power and less intense competition should allow cigarette producers to increase their selling prices, in our view. However, with limited upside to our TPs, we downgrade our stance to neutral on the sector.

**2018: a more level playing field.** There are two key points in the 2018 excise tax regulation that will create a more level playing field in the cigarette industry. This will reduce the competition from cheaper cigarettes and benefit the major cigarette players including HMSP and GGRM. The first point relates to tier simplification which will push more producers into the higher tax bracket. The second point concerns pricing. The government lowered minimum selling prices for the end-retailers to 85% (from 90% previously), accelerating the hike of banderol prices and pushing for higher tax revenues. As a result, it is more difficult to offer cheap cigarettes to consumers. It is also worth noting that the government will allow a 2-month payment delay for the purchase of excise in the period from 15-31 Dec 2018.

**Positive outlook for 2018.** Following the better 3Q17 sales volume with ASP hikes and a supportive outlook from 2018 excise, we are optimistic on the prospects for both HMSP and GGRM next year. For HMSP, the company should also benefit from additional regulations that will combine the total production of SKM and SPM for the volume threshold of excise tax, starting in 2019. Therefore, we expect both companies to book positive volume growth ranging from 1-2% in 2018. Combined with higher selling prices, we estimate the sector to maintain an operating margin of 15.8%. Earnings growth should reach 10.1%.

**Downgrade to Neutral.** Based on our monthly survey of cigarette retail selling prices, we learnt that most products reported flat growth on a monthly basis. Nonetheless, the Ytd selling price adjustments to cheaper cigarettes (offered at around Rp1,000/stick) were greater, as producers attempted to gradually pass on higher excise tax whilst seeking to comply with the 2018 regulation on minimum retail selling prices. With a closer gap between the retail selling prices of competing products, we believe big cigarette players will benefit. Our preference is still for HMSP given its strong product portfolio, which allows the company to tap the low to high segments. For GGRM, the uncertainty on the airport project poses downside risk in spite of its success in maintaining positive sales volume growth. Nonetheless, we believe all the good news already priced in, resulting in limited upside to our TPs. As such, we downgrade our recommendation on HMSP and GGRM to HOLD. We also downgrade our sector call to neutral from overweight.

Company	Ticker	Rec	Target	Market	P/E (x)		P/BV (x)		ROE (%)
			Price (Rp)	Cap. (RpBn)	2017F	2018F	2017F	2018F	2018F
HM SAMPOERNA	HMSP IJ	HOLD	4,400	517,615	39.5	36.2	14.9	14.3	40.3
GUDANG GARAM	GGRM IJ	HOLD	83,800	152,147	20.3	17.9	3.6	3.1	18.8

## MARKET NEWS

### MACROECONOMY

#### **Fitch: Upgrades Indonesia to BBB; Outlook Stable**

Fitch has upgraded Indonesia from BBB- to BBB with a stable outlook. Fitch cited Indonesia's economic resilience which has strengthened thanks to external developments in previous years and the credibility of the budget assumptions. Nonetheless, there remain potential challenges on the global front – normalization of the US Federal Reserve's policy, for example. And on the domestic front, political risks may heighten in relation to the presidential elections which will take place in 2019. Fitch expects Indonesia's GDP growth to improve to 5.4% in 2018 and 5.5% in 2019. (Reuters)

#### **Ministry of Finance: Economic growth may reach 5.05% in 2017**

The Minister of Finance said that economic growth in 4Q17 would reach around 5.15-5.17%, or higher than the growth pace in the previous quarter. If this is the case, then economic growth in 2017 would reach 5.05%. Inflation in November 2017 reached 3.3% YoY or below the government's revised target (APBN-P) of 4.3%. Meanwhile, the tax shortfall is expected to reach IDR 110-130tn by the end of the year. As such, the Ministry of Finance said that it would take several measures in a bid to collect more tax. This would include monitoring the tax pool for individual and corporate taxpayers, overseeing commodity prices to ascertain which ones were increasing as well as looking to raise more tax revenues by reviewing tax amnesty data. (Investor Daily)

### CORPORATE

#### **Erajaya Swasembada: Xiaomi 5A launching and IoT concept growth**

ERAA has recently launched the Xiaomi 5A handset at a low price of just IDR999,999. The Redmi 5A is equipped with a 5-inch screen (HD), Snapdragon 425 chip, 2 GB of RAM, and 16 GB internal media with a micro SD expansion slot, 3,000 mAh battery, dual SIM support, and 13 megapixel and 5 megapixel cameras. Going forward, Xiaomi will not only produce smartphones but also develop an IoT (Internet of Things) ecosystem as a way to bring smart television products to the Indonesian market in 2018. Xiaomi said that it would comply with the government's regulation concerning TKDN matters in Indonesia. (CNN, Kompas)

#### **Exhibit 1. Redmi 5A**



Source: Kompas

#### **Intiland allocates IDR2tn for capex**

Intiland Development (DILD) has earmarked IDR2tn for next year's capex, or similar to this year's figure of IDR1.8-2.0tn. The capex will be spent on developing existing projects including mixed-use projects in Praxis and Spatio, as well as two projects in CBD Surabaya. The company has almost completed the construction of the Praxis project, with the handover expected to take place in 2H18. Up to November, DILD sold 202 of 295 units available in Praxis. (Bisnis Indonesia)

**PP Presisi: Targets twofold increase in revenues next year**

PP Presisi (PPRE) is eyeing 2018 revenues of IDR4.9tn, more than double the target for this year of IDR2.3tn. As such, 2018 earnings are targeted to reach IDR434bn. The company expects the 2018 order book to reach IDR16.5tn, supported by IDR9.0tn of carry over contracts. The capex allocated for 2018 is IDR1.6tn, lower than the IDR1.8tn allocated for 2017. Around 80% of the capex is allocated to purchase heavy equipment with the remainder to acquire land and for its subsidiary. The capex will be financed from IPO proceeds amounting to IDR700bn as well as from bank loans. (Kontan)

## DANAREKSA VALUATION GUIDE

Equity Valuation		Rating	Price (Rp)	Price Target	Mkt Cap Rp Bn	Net profit, Rp bn		EPS (Rp)		Core EPS (Rp)		EPS Growth		PER (x)		EV / EBITDA (x)		PBV (x)		ROE	
						2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
<b>Danareksa Universe</b>					<b>4,000,857</b>	<b>198,639</b>	<b>221,430</b>	<b>197.1</b>	<b>219.7</b>			<b>16.0%</b>	<b>11.5%</b>	<b>20.1</b>	<b>18.1</b>	<b>20.6</b>	<b>18.8</b>	<b>3.0</b>	<b>2.7</b>	<b>15.7</b>	<b>15.8</b>
<b>Auto</b>					<b>323,868</b>	<b>18,895</b>	<b>20,981</b>	<b>380.0</b>	<b>421.9</b>			<b>24.7%</b>	<b>11.0%</b>	<b>17.1</b>	<b>15.4</b>	<b>12.5</b>	<b>10.8</b>	<b>2.1</b>	<b>1.9</b>	<b>12.8</b>	<b>12.8</b>
Astra International	ASII	BUY	8,000	9,200	323,868	18,895	20,981	467	518	467	518	24.7%	11.0%	17.1	15.4	12.5	10.8	2.1	1.9	12.8	12.8
<b>Banks</b>					<b>1,511,341</b>	<b>86,921</b>	<b>100,877</b>	<b>388.2</b>	<b>450.5</b>			<b>16.6%</b>	<b>16.1%</b>	<b>17.4</b>	<b>15.0</b>			<b>2.6</b>	<b>2.3</b>	<b>15.9</b>	<b>16.5</b>
BCA	BBCA	HOLD	20,925	21,000	515,906	23,620	27,068	958	1,098	958	1,098	14.6%	14.6%	21.8	19.1	N/A	N/A	3.9	3.3	19.3	18.8
BNI	BBNI	BUY	9,525	8,500	177,628	13,089	14,997	702	804	702	804	15.4%	14.6%	13.6	11.8	N/A	N/A	1.8	1.6	14.2	14.6
BRI	BBRI	BUY	3,400	3,900	419,376	27,521	31,563	223	256	223	256	5.1%	14.7%	15.2	13.3	N/A	N/A	2.6	2.3	17.8	18.2
Bank Tabungan Negara	BBTN	BUY	3,470	3,600	36,747	3,135	3,658	296	346	296	346	19.7%	16.7%	11.7	10.0	N/A	N/A	1.7	1.5	15.4	15.8
Bank Mandiri	BMRI	HOLD	7,450	7,700	347,667	19,555	23,590	419	505	419	505	41.6%	20.6%	17.8	14.7	N/A	N/A	2.2	2.0	12.6	14.0
BTPN	BTPN	BUY	2,400	2,800	14,017	1,273	1,628	222	283	222	283	-27.3%	27.8%	10.8	8.5	N/A	N/A	0.8	0.8	7.8	9.4
BPD.Jatim	BJTM	BUY	690	830	10,332	1,282	1,320	86	88	86	88	24.7%	3.0%	8.0	7.8	N/A	N/A	1.3	1.2	17.1	16.3
<b>Cement</b>					<b>160,913</b>	<b>4,206</b>	<b>4,376</b>	<b>215</b>	<b>224</b>			<b>-51.4%</b>	<b>4.0%</b>	<b>38.3</b>	<b>36.8</b>	<b>17.7</b>	<b>16.9</b>	<b>2.7</b>	<b>2.6</b>	<b>7.1</b>	<b>7.2</b>
Indocement	INTP	SELL	19,400	14,700	71,416	1,887	1,937	512	526	507	521	-51.3%	2.7%	37.9	36.9	19.9	19.0	2.7	2.6	7.1	7.1
Semen Indonesia	SMGR	HOLD	9,550	9,100	56,646	2,150	2,289	363	386	351	374	-52.4%	6.4%	26.3	24.8	11.5	11.1	1.9	1.8	7.4	7.6
Semen Baturaja	SMBR	SELL	3,310	460	32,851	169	150	17	15	17	15	-34.9%	-11.0%	194.2	218.3	86.1	69.2	10.1	9.8	5.3	4.5
<b>Cigarettes</b>					<b>669,763</b>	<b>20,595</b>	<b>22,795</b>	<b>174</b>	<b>193</b>			<b>5.9%</b>	<b>10.7%</b>	<b>32.5</b>	<b>29.4</b>	<b>22.4</b>	<b>20.2</b>	<b>8.7</b>	<b>7.9</b>	<b>27.4</b>	<b>28.3</b>
Gudang Garam	GGRM	BUY	79,075	83,800	152,147	7,498	8,487	3,897	4,411	3,897	4,411	12.3%	13.2%	20.3	17.9	12.9	11.6	3.6	3.1	18.4	18.8
HM Sampoerna	HMSB	BUY	4,450	4,400	517,616	13,097	14,307	113	123	113	123	2.6%	9.2%	39.5	36.2	29.5	26.2	14.9	14.3	38.0	40.3
<b>Construction</b>					<b>126,403</b>	<b>8,554</b>	<b>10,351</b>	<b>115</b>	<b>139</b>			<b>29.9%</b>	<b>21.0%</b>	<b>14.8</b>	<b>12.2</b>	<b>9.7</b>	<b>8.0</b>	<b>2.0</b>	<b>1.8</b>	<b>14.7</b>	<b>15.6</b>
Wijaya Karya	WIKA	BUY	1,580	2,800	14,173	1,225	1,783	137	199	137	199	21.0%	45.5%	11.6	8.0	3.7	2.6	1.2	1.0	10.4	13.7
Pembangunan Perumahan	PTPP	BUY	2,590	3,900	16,058	1,295	1,570	209	253	233	283	33.9%	21.2%	12.4	10.2	6.1	5.0	2.5	2.1	22.5	22.6
Adhi Karya	ADHI	BUY	1,900	2,800	6,766	451	619	127	174	149	187	43.9%	37.3%	15.0	10.9	8.3	6.9	1.1	0.9	7.8	9.2
Waskita Karya	WSKT	BUY	2,210	2,700	29,998	2,383	3,034	176	224	176	224	39.1%	27.4%	12.6	9.9	11.7	9.6	2.3	2.0	19.8	21.5
Waskita Beton	WSBP	BUY	382	630	10,070	1,104	1,319	42	50	42	50	73.9%	19.5%	9.1	7.6	8.9	4.5	1.2	1.1	14.2	15.2
Wika Beton	WTON	BUY	498	800	4,340	349	420	42	50	42	50	28.3%	20.2%	11.9	9.9	7.8	6.5	1.6	1.4	13.7	14.8
Jasa Marga	JSMR	BUY	6,200	7,800	44,999	1,747	1,606	257	236	261	240	4.4%	-8.1%	24.1	26.3	13.8	12.4	3.4	3.1	14.0	11.6
<b>Consumer</b>					<b>627,510</b>	<b>16,992</b>	<b>19,025</b>	<b>328</b>	<b>367</b>			<b>8.4%</b>	<b>12.0%</b>	<b>36.9</b>	<b>33.0</b>	<b>21.2</b>	<b>19.0</b>	<b>9.6</b>	<b>8.6</b>	<b>27.2</b>	<b>27.5</b>
Indofood CBP	ICBP	BUY	8,925	9,700	104,083	3,894	4,296	334	368	334	368	8.2%	10.3%	26.7	24.2	16.9	15.3	4.7	4.7	20.9	20.6
Indofood	INDF	BUY	7,550	9,100	66,292	4,381	4,847	499	552	501	550	5.7%	10.6%	15.1	13.7	7.2	6.4	2.1	2.0	14.5	14.8
Unilever	UNVR	HOLD	53,000	52,000	404,390	7,324	8,326	960	1,091	960	1,091	14.6%	13.7%	38.7	34.2	71.7	60.9	141.6	135.6		
Kino Indonesia	KINO	HOLD	2,020	2,100	2,886	115	145	81	101	81	101	-36.4%	25.8%	25.0	19.9	12.5	10.7	1.4	1.4	5.9	7.0
Mayora Indah	MYOR	HOLD	2,230	1,960	49,860	1,277	1,410	57	63	56	63	-5.8%	10.4%	39.1	35.4	19.8	17.4	7.1	6.2	19.5	18.8
<b>Healthcare</b>					<b>92,734</b>	<b>2,700</b>	<b>2,986</b>	<b>104</b>	<b>115</b>			<b>6.5%</b>	<b>11.5%</b>	<b>34.3</b>	<b>31.1</b>	<b>21.8</b>	<b>19.5</b>	<b>5.9</b>	<b>5.2</b>	<b>18.1</b>	<b>17.8</b>
Kalbe Farma	KLBF	HOLD	1,675	1,700	78,516	2,411	2,660	51	57	51	57	4.9%	10.3%	32.6	29.5	20.8	18.7	5.9	5.2	19.1	18.8
Kimia Farma	KAFF	SELL	2,560	1,940	14,218	289	326	52	59	52	59	8.1%	12.7%	49.2	43.6	29.7	25.6	5.8	5.2	12.4	12.6
<b>Heavy Equipment</b>					<b>122,442</b>	<b>7,463</b>	<b>8,439</b>	<b>2,001</b>	<b>2,262</b>			<b>49.2%</b>	<b>13.1%</b>	<b>16.4</b>	<b>14.5</b>	<b>7.2</b>	<b>6.1</b>	<b>2.8</b>	<b>2.5</b>	<b>18.0</b>	<b>18.1</b>
United Tractors	UNTR	BUY	32,825	38,000	122,442	7,463	8,439	2,001	2,262	2,001	2,262	49.2%	13.1%	16.4	14.5	7.2	6.1	2.8	2.5	18.0	18.1
<b>Industrial Estate</b>					<b>12,644</b>	<b>2,415</b>	<b>1,291</b>	<b>39</b>	<b>21</b>			<b>108.9%</b>	<b>-46.5%</b>	<b>5.2</b>	<b>9.8</b>	<b>8.3</b>	<b>7.4</b>	<b>0.8</b>	<b>0.8</b>	<b>16.8</b>	<b>8.4</b>
Puradelta Lestari	DWAS	BUY	167	240	8,049	796	849	17	18	15	16	5.1%	6.7%	10.2	9.5	9.2	8.5	1.1	1.0	10.7	11.1
Bekasi Fajar	BEST	BUY	250	340	2,412	488	543	51	56	50	56	45.4%	11.3%	4.9	4.4	5.9	5.1	0.6	0.6	13.5	13.2
Surya Semesta	SSIA	HOLD	464	540	2,183	1,130	(101)	241	(111)	240	(22)	1716.1%	-104.5%	1.9	(43.2)	10.8	9.4	0.6	0.7	33.7	(2.9)
<b>Mining</b>					<b>163,770</b>	<b>13,615</b>	<b>13,100</b>	<b>153</b>	<b>148</b>			<b>55.4%</b>	<b>-3.8%</b>	<b>12.0</b>	<b>12.5</b>	<b>4.7</b>	<b>4.9</b>	<b>1.3</b>	<b>1.3</b>	<b>11.3</b>	<b>10.5</b>
Adaro Energy	ADRO	BUY	1,800	2,200	57,575	6,489	5,928	203	185	203	185	44.7%	-8.6%	8.9	9.7	3.1	3.1	1.3	1.3	14.9	13.1
Timah	TINS	BUY	800	1,100	5,958	366	377	49	51	49	51	45.2%	3.0%	16.3	15.8	6.8	6.5	1.0	1.0	6.3	6.2
Vale Indonesia	INCO	HOLD	2,850	3,100	28,319	(74)	233	(7)	23	(7)	23	-394.4%	-415.1%	(382.3)	121.3	14.8	12.2	1.2	1.2	(0.3)	1.0
Aneka Tambang	ANTM	HOLD	630	700	15,139	(264)	(68)	(11)	(3)	(11)	(3)	-507.2%	-74.4%	(57.4)	(224.0)	26.6	28.9	0.8	0.8	(1.4)	(0.4)
Bukit Asam	PTBA	BUY	2,460	2,900	28,341	3,332	3,317	307	305	307	305	66.1%	-0.5%	8.0	8.1	5.5	5.7	2.2	1.9	28.4	23.5
Indo Tambangraya Megah	ITMG	HOLD	20,000	17,000	22,599	3,183	2,717	2,817	2,404	2,936	2,561	81.7%	-14.6%	7.1	8.3	3.0	3.3	1.7	1.6	25.1	20.1
Harum Energy	HRUM	HOLD	2,160	2,200	5,840	583	595	216	220	216	220	225.8%	2.1%	10.0	9.8	2.2	1.9	1.4	1.4	14.7	14.1
<b>Plantation</b>					<b>38,605</b>	<b>3,010</b>	<b>2,986</b>	<b>283</b>	<b>281</b>			<b>-1.1%</b>	<b>-0.8%</b>	<b>12.8</b>	<b>12.9</b>	<b>6.9</b>	<b>6.5</b>	<b>1.3</b>	<b>1.2</b>	<b>10.3</b>	<b>9.5</b>
Astra Agro Lestari	AALI	HOLD	13,050	15,000	25,117	1,908	1,851	991	962	984	962	-4.9%	-3.0%	13.2	13.6	7.1	6.7	1.4	1.3	10.7	9.6
Sampoerna Agro	SGRO	HOLD	2,570	2,320	4,857	283	301	156	166	156	166	-35.8%	6.4%	16.5	15.5	9.1	8.8	1.3	1.2	8.0	8.0
PP London Sumatra	LSIP	BUY	1,265	1,830	8,631	819	833	120	122	823	833	37.9%	1.7%	10.5	10.4	4.9	4.6	1.0	1.0	10.3	9.8
<b>Poultry</b>					<b>67,4</b>																

## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		20-Dec-17	19-Dec-17					
Summarecon Agung	SMRA	860	845	1.8	3.6	(1.7)	(35.1)	BUY
Adhi Karya	ADHI	1,900	1,885	0.8	8.6	(14.4)	(8.7)	BUY
Indofood CBP	ICBP	8,925	8,875	0.6	1.7	0.3	4.1	BUY
Waskita Beton	WSBP	382	380	0.5	4.4	(6.8)	(31.2)	BUY
Semen Baturaja	SMBR	3,310	3,300	0.3	16.1	22.6	18.6	SELL
Bank Negara Indonesia	BBNI	9,525	9,525	-	4.7	20.2	72.4	BUY
Timah	TINS	800	800	-	4.6	(9.1)	(25.6)	BUY
Bukit Asam	PTBA	2,460	2,460	-	9.8	14.2	(1.6)	BUY
Bank Tabungan Negara	BBTN	3,470	3,480	(0.3)	3.3	16.1	99.4	BUY
Bank Mandiri	BMRI	7,450	7,475	(0.3)	(0.3)	0.7	28.7	HOLD

Sources: Bloomberg

### LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		20-Dec-17	19-Dec-17					
Charoen Pokphand	CPIN	3,110	3,270	(4.9)	(8.0)	3.0	0.6	HOLD
Mayora Indah	MYOR	2,230	2,340	(4.7)	2.3	6.7	35.6	HOLD
Ramayana	RALS	1,015	1,055	(3.8)	(3.8)	9.7	(15.1)	BUY
Bumi Serpong Damai	BSDE	1,660	1,720	(3.5)	3.1	2.2	(5.4)	BUY
Matahari Department Store	LPPF	10,600	10,975	(3.4)	3.4	(6.2)	(29.9)	BUY
Surya Semesta	SSIA	464	480	(3.3)	(1.3)	(12.5)	6.9	HOLD
Astra Agro Lestari	AALI	13,050	13,475	(3.2)	2.6	(8.9)	(22.2)	HOLD
Mitra Adi Perkasa	MAPI	6,200	6,400	(3.1)	(5.3)	0.8	14.8	BUY
Indocement	INTP	19,400	20,025	(3.1)	(1.1)	(3.2)	26.0	SELL
Semen Indonesia	SMGR	9,550	9,850	(3.0)	(1.8)	(4.3)	4.1	HOLD

Sources: Bloomberg

**PREVIOUS REPORTS**

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- Adhi Karya: Signed at last, Consumer: Bright outlook but a bit pricey, Property: Cherry picks [SnapShot20171220](#)
- Marketing Feedback: Betting on consumption, Waskita Karya: Still growing [SnapShot20171219](#)
- Automotive: Higher monthly car sales in November 2017, BPD Jatim: A Dividend Play, Waskita Beton Precast: Waiting for the 1st payment of the Becakayu project [SnapShot20171218](#)
- Coal Mining: Consolidation is on the cards [SnapShot20171215](#)
- Bank Mandiri: All Fairly Priced-in, Ramayana Lestari Sentosa: Improvements on the horizon [SnapShot20171214](#)
- Cement: Driven higher by bulk cement sales, Plantation: Nov 17 Stockpile Nears a 2-Year High, Unilever Indonesia Tbk: Limited upside [SnapShot20171213](#)



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