



# **FROM EQUITY RESEARCH**

# Bumi Serpong Damai: Indications of a strong first quarter

(BSDE IJ. IDR 1,760. BUY. TP 2,000)

We reiterate our BUY call on BSDE with a target price of IDR2,000. The stock still has upside potential, we believe, given expectations of encouraging marketing sales in 1Q18 which are expected to reach IDR1.6tn, equivalent to 22.2% of this year's targeted marketing sales (IDR7.2tn, -0.5%yoy compared to 2017's achievement). The marketing sales in 1Q18 should be driven by commercial land plot sales and the proceeds from three product launches in January and February 2018. BSDE currently trades at a 71.4% discount to NAV, higher than its historical +1SD discount of 70.0%.

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# Puradelta Lestari: Cautiously optimistic

(DMAS IJ. IDR 188. BUY. TP 240)

DMAS yesterday said that it targeted marketing sales of IDR1.25tn in 2018. The marketing sales will still be mostly contributed by the industrial estates segment. In terms of area, however, DMAS only expects to record 40ha of land sales, lower than 2017's achievement of 59.1ha. Nonetheless, we retain our industrial land sales target of 60ha as we expect the company to beat its target considering: (i) plenty of inquiries remaining (100-130ha), (ii) marketing sales in January 2018 of 14ha. Maintain BUY.

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# Plantation: Jan 18 Stockpile Down From a 2-Year High (Neutral)

Malaysia's palm oil inventory declined unexpectedly to 2.55mn tons in Jan-18 (+65.3% YoY, -6.7% MoM), way below the consensus figure of 2.73mn tons, due to stronger-than-expected exports. We may see short-term strength in CPO prices on: 1) seasonality factors and 2) the temporary suspension of CPO export duty in Malaysia. Maintain neutral.

To see the full version of this report, please click here

# **MARKET NEWS**

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 Government: 2019 state budget will focus on five national priorities

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- Automotive: 2W domestic sales in January 2018 reached 428,879 units, +1.8%yoy
- Energy: ESDM to reduce number of regulations from 51 to 29
  Industrial estate: Jakarta's governor to revise the zonation
  - regulation

## Corporate

- Erajaya Swasembada: Receives fresh bank loans of IDR1.47tn
- Waskita Realty acquired 350ha of land bank
- Wijaya Karya: Targets 2018 earnings to reach IDR1,96tn

	KEY INDE	(		
	Close	Chg	Ytd	Vol
	Close	(%)	(%)	(US\$ m)
Asean - 5				
Indonesia	6,523	0.3	2.6	437
Thailand	1,799	0.7	2.6	1,614
Philippines	8,488	(0.2)	(0.8)	112
Malaysia	1,830	0.6	1.9	679
Singapore	3,385	0.2	(0.5)	1,210
Regional				
China	3,154	0.8	(4.6)	35,190
Hong Kong	29,460	(0.2)	(1.5)	17,320
Japan	21,383	(2.3)	(6.1)	23,199
Korea	2,385	0.9	(3.3)	7,860
Taiwan	10,421	0.5	(2.1)	3,643
India	34,300	0.9	0.7	734
NASDAQ	6,982	1.6	1.1	129,427
Dow Jones	24,601	1.7	(0.5)	14,850

#### **CURRENCY AND INTEREST RATE**

		Rate	w-w	m-m	ytd
		Rale	(%)	(%)	(%)
Rupiah	Rp/1US\$	13,639	(0.9)	(2.1)	(0.6)
BI7DRRR	%	4.25	-	-	-
10y Gov	Indo bond	6.38	0.0	0.2	0.1

#### HARD COMMODITY

	Unit	Price	d-d	m-m	ytd
	onit	Frice	(%)	(%)	(%)
Coal	US\$/ton	102	0.5	(4.0)	0.8
Gold	US\$/toz	1,323	0.0	(1.1)	1.5
Nickel	US\$/mt.ton	12,933	(1.3)	2.3	1.8
Tin	US\$/mt.ton	21,125	(1.4)	5.8	5.1

#### SOFT COMMODITY

	Unit	Price	d-d	m-m	ytd
	onit	FILLE	(%)	(%)	(%)
Cocoa	US\$/mt.ton	2,064	0.0	8.2	8.7
Corn	US\$/mt.ton	132	(0.9)	5.0	5.7
Oil (WTI)	US\$/barrel	59	0.3	(7.6)	(1.6)
Oil (Brent)	US\$/barrel	63	(0.3)	(10.4)	(6.4)
Palm oil	MYR/mt.ton	2,473	0.2	(2.6)	3.5
Rubber	USd/kg	145	0.4	(3.9)	(1.4)
Pulp	US\$/tonne	1,052	N/A	4.9	5.3
Coffee	US\$/60kgbag	94	0.3	(9.8)	(10.5)
Sugar	US\$/MT	356	0.4	(5.0)	(9.8)
Wheat	US\$/ton	130	3.3	9.6	8.1
Soy Oil	US\$/lb	32	(0.3)	(3.3)	(3.7)
Soy Bean	US\$/by	1,002	1.9	6.1	5.3



# Tuesday,13 February 2018 BUY Maintain

Last price (IDR)			1,760
Target Price (IDR)			2,000
Upside/Downside			+13.6%
Previous Target Price	e (IDR)		2,000
Stock Statistics			
Sector			Property
Bloomberg Ticker			BSDE IJ
No of Shrs (mn)			19,247
Mkt. Cap (IDRbn/US	Dmn)	33,8	74/2,484
Avg. daily T/O (IDRb	n/USDmn)		25.8/1.9
Major shareholders	(%)		
Paraga Artamida			26.6
Ekacentra Usahamaj	u		25.0
Estimated free float			39.0
EPS Consensus (IDR	)		
	2017F	2018F	2019F
Danareksa	203.5	146.1	85.8
Consensus	154.3	149.3	151.8
Danareksa/Cons	31.9	(2.2)	(43.5)

#### **BSDE relative to JCI Index**



Source : Bloomberg



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# Bumi Serpong Damai(BSDE IJ)

# Indications of a strong first quarter

We reiterate our BUY call on BSDE with target price of IDR2,000. We believe upside for BSDE to remain considering expectation of encouraging marketing sales up to 1Q18 that is expected to reach IDR1.6tn, equivalent to 22.2% of the targeted marketing sales this year (IDR7.2tn, -0.5%yoy compared to achievement in 2017), thanks to commercial land plot sales as well as strong proceed from three products launching in January and February 2018. At the moment, BSDE is trading at 71.4% discount to our NAV, higher than its historical +1SD discount of 70.0%.

Aims for IDR7.2tn marketing sales. This year, BSDE aims to record marketing sales of IDR7.2tn, which still will be mainly contributed from the residential land sales in BSD City (26.4%), commercial land plot sales in BSD City (25.0%). Should we exclude the commercial land plot sales transaction in 2017, land sales to JV in 2017 as well as targeted commercial land plot sales in 2018, we notice that BSDE aims for 64.4%yoy marketing sales growth. To achieve this target, the company includes marketing sales target from new project launchings, including (i) The Zora (landed residential project, JV with Mitsubishi) amounted to IDR200bn, (ii) Klaska apartment in Surabaya worth IDR400bn, and (iii) Southgate apartment worth IDR500bn. The management's marketing sales target was inline with ours of IDR7.2tn.

**Expecting a stellar marketing sales achievement in 1Q18.** The company indicates that it will record strong marketing sales performance in 1Q18 of at least IDR1.6tn, flat on yoy basis. This performance accounts for 22.2% of the management's and our marketing sales target. The strong performance will be mainly contributed from (i) launching of The Zora in end January 2018 (84 units available for sale, 32.1% take up rate, price ticket of IDR3.8-7.1bn/unit, total proceed of IDR120bn, (ii) launching of Jadeite cluster in early Feb 2018 (67 units available for sale, 89.6% take up rate, price ticket of IDR4.2-11.7bn/unit, and total proceed of IDR280bn), (iii) launching of Klaska apartment in early Feb 2018 (1,043 units available for sale, 76.7% take up rate, price ticket of IDR470-2,395mn/unit, total proceed of IDR10bn), (iv) marketing sales recognition from Southgate launching in November 2017 (300 units available, 43.3% take up rate, price ticket of IDR200bn), (v) commercial land plot sales of IDR600bn.

**Reiterate our BUY call.** We reiterate our BUY call on BSDE with unchanged target price of IDR2,000 (SOTP based valuation with WACC of 13.3%, terminal growth of 4.0%, and 68% target discount to NAV). Our target discount to NAV was nears to the historical +1SD discount to NAV of 70%. At the moment, BSDE is trading at 71.4% discount to our NAV. We believe the upside remains considering expected stellar marketing sales achievement in 1Q18.

#### Key Financials

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Year to 31 Dec	2015A	2016A	2017F	2018F	2019F
Revenue (IDRbn)	6,210	6,522	9,418	7,844	6,170
EBITDA (IDRbn)	3,103	3,060	5,238	4,026	2,802
EBITDA Growth (%)	11.1	(1.4)	71.2	(23.1)	(30.4)
Net profit (IDRbn)	2,139	1,796	3,916	2,812	1,651
EPS (IDR)	111.2	93.3	203.5	146.1	85.8
EPS growth (%)	(46.5)	(16.0)	118.0	(28.2)	(41.3)
BVPS (IDR)	979.4	1,069.3	1,263.3	1,388.7	1,459.6
DPS (IDR)	19.9	11.3	9.5	20.7	14.8
PER (x)	14.6	17.4	8.0	11.1	18.9
PBV (x)	1.7	1.5	1.3	1.2	1.1
Dividend yield (%)	1.2	0.7	0.6	1.3	0.9
EV/EBITDA (x)	10.7	11.6	6.6	8.9	12.9

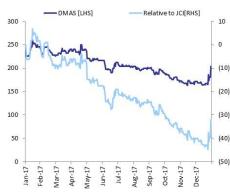
Source : BSDE, Danareksa Estimates



# Tuesday,13 February 2018 BUY Maintain

Last price (IDR)			188			
Target Price (IDR)			240			
Upside/Downside			+27.7%			
Previous Target Price	(IDR)		240			
Stock Statistics						
Sector		Industri	al Estate			
Bloomberg Ticker			DMAS IJ			
No of Shrs (mn)			48,198			
Mkt. Cap (IDRbn/USD	mn)	9,061/664				
Avg. daily T/O (IDRbn	/USDmn)		3.3/0.2			
Major shareholders (	%)					
Sumber Arusmulia			57.3			
Sojitz Corporation			25.0			
Estimated free float			17.7			
EPS Consensus (IDR)						
	2017F	2018F	2019F			
Danareksa	15.2	15.5	15.3			
Consensus	14.5	17.7	19.3			
Danareksa/Cons	4.6	(12.8)	(20.5)			

#### **DMAS relative to JCI Index**



Source : Bloomberg



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# Puradelta Lestari(DMAS IJ)

# **Cautiously optimistic**

DMAS yesterday said that it targeted marketing sales of IDR1.25tn in 2018. The marketing sales will still be mostly contributed by the industrial estates segment. In terms of area, however, DMAS only expects to record 40ha of land sales, lower than 2017's achievement of 59.1ha. Nonetheless, we retain our industrial land sales target of 60ha as we expect the company to beat its target considering: (i) plenty of inquiries remaining (100-130ha), (ii) marketing sales in January 2018 of 14ha. Maintain BUY.

**Setting a conservative marketing sales target, both in rupiah terms...** DMAS announced a marketing sales target of IDR1.25tn in 2018, down by 11.2%yoy. Nonetheless, should we exclude the one-off land sales to JV Panahome Deltamas Indonesia of IDR213bn, the target implies 0.8%yoy growth. The company still expects the majority of its marketing sales to come from industrial land sales.

... and in terms of industrial estates sales area. In terms of area, the company expects to record land sales of 40ha, or lower than 2017's land sales achievement of 59.1ha. Nonetheless, we retain our industrial land sales target at 60ha as we expect the company to beat its target considering (i) plenty of inquiries remaining (100-130ha), (ii) marketing sales in January 2018 of 14ha.

**To raise prices slightly.** This year, DMAS targets more sales of smaller land plots. This should help lift ASP, we believe. The company targets 5-10% higher blended ASP in 2018 from IDR1.7mn/sqm in 2017. From existing inquiries, the company claims that 30-40% of its total inquiries of 100ha are from more than 5 potential smaller-land size inquiries. In our forecast, we use a more conservative assumption of 3% higher ASP in 2018.

**Minimal capex allocation in 2018.** The company has earmarked IDR200-300bn on its 2018 capex, which will mainly be used to build infrastructure in existing areas. With abundant cash remaining of IDR541bn in addition to strong operational cash flow that may reach more than IDR300bn/pa, we believe DMAS can finance its planned capex from internal financing.

**Maintain BUY.** We reiterate our BUY call on DMAS with an unchanged target price of IDR240 (NAV based valuation with 65% target discount to NAV). DMAS currently trades at a 72.6% discount to NAV, slightly lower than the historical +1SD discount of 71.9%.

Key Financials					
Year to 31 Dec	2015A	2016A	2017F	2018F	2019F
Revenue (IDRbn)	2,286	1,594	1,291	1,304	1,287
EBITDA (IDRbn)	1,303	800	699	702	690
EBITDA Growth (%)	29.4	(38.6)	(12.6)	0.5	(1.7)
Net profit (IDRbn)	1,368	757	733	746	739
EPS (IDR)	28.4	15.7	15.2	15.5	15.3
EPS growth (%)	27.7	(44.6)	(3.2)	1.8	(0.9)
BVPS (IDR)	148.5	153.2	153.4	159.8	165.8
DPS (IDR)	32.7	11.0	15.0	9.1	9.3
PER (x)	7.0	12.6	13.0	12.8	12.9
PBV (x)	1.3	1.3	1.3	1.2	1.2
Dividend yield (%)	16.5	5.6	7.6	4.6	4.7
EV/EBITDA (x)	6.4	10.4	12.4	12.4	12.6

Source : DMAS, Danareksa Estimates

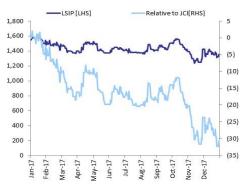
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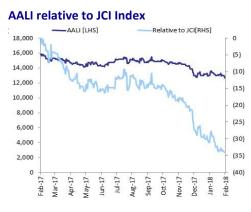


# Tuesday, 13 February 2018

**NEUTRAL** 

#### LSIP relative to JCI Index





Source : Bloomberg



# Plantation

# Jan 18 Stockpile Down From a 2-Year High

Malaysia's palm oil inventory declined unexpectedly to 2.55mn tons in Jan-18 (+65.3% YoY, -6.7% MoM), way below the consensus figure of 2.73mn tons, due to stronger-than-expected exports. We may see short-term strength in CPO prices on: 1) seasonality factors and 2) the temporary suspension of CPO export duty in Malaysia. Maintain neutral.

**Malaysia's palm oil inventory falls more than expected in Jan-18.** Based on the latest MPOB data, Malaysia's palm oil inventory fell to 2.55mn tons in Jan-18 (+65.3% YoY, -6.7% MoM). This figure is way below the consensus expectation of 2.73mn tons, primarily because of stronger-than-expected exports in Jan-18 (+17.5% YoY, +6.3% MoM). Inventory may continue to trend downwards until Feb/Mar, thus providing a short-term positive catalyst for the CPO price, supported by the current low crop season and temporary suspension of Malaysia's CPO export duty.

**Jan-18 palm oil output is slightly above the consensus.** Palm oil output reached 1.59mn tons in Jan-18 (+24.3% YoY, -13.5% MoM), or slightly above consensus estimates of 1.57mn tons. Nevertheless, the declining MoM trend in output is in-line with the seasonality. Growth in Peninsula Malaysia and Sabah/Sarawak reached +30.3% YoY/-17.1% MoM and +18.4% YoY/-9.2% MoM respectively. We expect the seasonal decline in palm oil production to last up to Feb/Mar.

**Jan-18 palm oil exports surpass consensus estimates.** Palm oil exports unexpectedly reached 1.51mn tons in Jan-18 (+17.5% YoY, +6.3% MoM), beating consensus estimates of 1.32mn tons. Higher exports were boosted by palm oil sales to India (+44.6% YoY, +88.1% MoM), Pakistan (+112.9% YoY, +19.9% MoM) and Turkey (+37.8% YoY, +25.8% MoM). We believe the strong January exports were supported by Malaysia's decision to temporarily suspend the CPO export duty, effective for 3 months starting in January. We may see strong exports in the next couple of months as Malaysian exporters are likely to take advantage of the duty-free ruling and that it would temporarily make Malaysian CPO more competitively priced compared to Indonesian CPO. According to the latest Intertek survey, Malaysia's palm oil shipments rose by 14.7% MoM to 412.2k tons in the first 10 days of Feb.

**The soyoil-CPO price spread narrowed further to USD80/ton** at the end of Jan-18 (from USD125/ton in Dec-17). During the period, CPO and soyoil prices remained flat at MYR2,479/ton and US cents 33.07/lb, respectively. However, the 2.7% appreciation in the MYR/USD exchange rate in January was the main factor behind the narrowing discount between soyoil and CPO prices.

**Maintain neutral.** We maintain our neutral call on the plantation sector with LSIP as our top pick. We may see a short-term boost in CPO prices in 1Q18 due to: 1) seasonality and 2) the temporary suspension of CPO export duty. However, this may potentially be negated by: 1) the MYR/USD strengthening trend and 2) the narrowing gap between soyoil and CPO prices. Beyond 1Q18, we believe that CPO prices might come under pressure as output will start to pick up and because Malaysia's progressive CPO export duty will be imposed again. We estimate an average CPO price of MYR2,700/ton in FY18.

			Target Price	Market Cap.	P/E (x	)	P/BV (>	<)	ROE (%)
Company	Ticker	Rec	(Rp)	(RpBn)	2017F	2018F	2017F	2018F	2018
London Sumatra	LSIP IJ	BUY	1,770	9,104.7	11.1	10.9	1.1	1.0	9.8
Astra Agro Lestari	AALI IJ	HOLD	14,300	24,347.3	12.8	13.2	1.3	1.2	9.7
Sampoerna Agro	SGRO IJ	SELL	2,240	4,637.5	16.4	15.4	1.3	1.2	8.0

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# MARKET NEWS

#### MACROECONOMY

## Government: 2019 state budget to focus on five national priorities

The Ministry of National Development Planning stated that the 2019 state budget will focus on five national priorities. Those priorities will cover human development, the reduction of regional disparity, energy and food security, value added in the agricultural sector, manufacturing and services, and national security stability and election security. Recently the government has focused on infrastructure development. To achieve the government's goals, the President of Indonesia has sought more infrastructure development and the completion of national strategic projects to increase national competitiveness. (Investor Daily)

#### **SECTOR**

#### Automotive: 2W domestic sales in January 2018 reached 428,879 units, +1.8%yoy

2W domestic sales in January 2018 reached 428,879 units, +1.8%yoy. Meanwhile, 2W export sales reached 38,021 units, +33%yoy. Thus, on an aggregate basis, total 2W sales reached 502,285 units, +14.48%yoy. The Indonesian Motorcycle Association (AISI) has attributed the good sales to better economic conditions and higher commodity prices. The association expects domestic 2W sales to record positive sales growth this year to 6-6.1mn units after sales slipped by 0.7%yoy in 2017. In terms of market share, Honda remains the market leader with 67.7% market share, slightly lower than its market share in December 2017 of 71%. Yamaha was ranked in second place with sales of 146,019 units and 28.05% market share (up from 25% in December). Suzuki sold 10,496 units (2.02% market share), Kawasaki 8,446 units (1.62%), and TVS 3,359 units (0.65%).

#### Energy: ESDM to reduce the number of regulations from 51 to 29

The Ministry of Energy and Mineral Resources (ESDM) seeks to reduce the number of regulations covering the country's energy business. This move is expected to boost investment in energy to USD 50bn – or almost double 2017's target. The oil and gas regulations to be revoked cover implementation and technical instructions. In addition, several ESDM and Special Task Force permits for Upstream Oil and Gas Business Activities (SKK Migas) will also be scrapped. For renewable energy, the number of regulations will be reduced from 6 to 2. The aim is to encourage investors to invest in Indonesia's energy sector. (Investor Daily)

#### Industrial estates: Jakarta's governor to revise the zonation regulation

Jakarta's vice governor is committed to revising the zonation regulation to allow small-medium enterprises to allow business activities in residential areas. In the existing zonation regulation (Regional Regulation No. 1/2014), no business activities can be conducted in residential areas. Nonetheless, the Vice Governor stated that the revision of the current zonation regulation will be conducted in 2019 after the existing regulation ends. This year, the vice governor will hold discussions with related stakeholders regarding the main points of the regulation. (Bisnis Indonesia)

#### CORPORATE

## Erajaya Swasembada: To receive fresh bank loans of IDR1.47tn

Erajaya Swasembada (ERAA) will receive fresh bank loans from Bank Central Asia (BBCA) of up to IDR1.47tn that will be used mainly to expand its network of retail stores. The majority of the expansion will take place in outer Java. The management still sees opportunities for growth given improving purchasing power. (Kontan)

#### Waskita Realty acquired 350ha of land bank

Waskita Realty, a subsidiary of Waskita Karya, plans to acquire 350ha of land bank in Bekasi and develop it into a township. The project launch will be conducted in 4Q19. In addition, the company also aims to develop aero-cities nearby several airports. (Bisnis Indonesia)



## Wijaya Karya: Targets 2018 earnings to reach IDR1.96tn

Wijaya Karya (WIKA) targets 2018 earnings of IDR1.96tn on the back of IDR39.4tn of revenues. Furthermore, its order book in 2018 is expected to reach IDR130.9tn (+22.8%yoy from IDR106.6tn in 2017). The 2018 order book will include IDR57.2tn (+35.0%yoy FY17: IDR42.4tn) of new contracts and IDR73.7tn of carry over contracts. (Investor Daily)

*Comment: For 2017, the revenues target is set at IDR25.8tn (+64.6%yoy) and net income is targeted to reach IDR1.6tn (+35.7%yoy). The net income target is before minority interests. Hence, the management's 2018 earnings target of IDR1.96tn implies 25.9%yoy growth. We have more conservative targets than the management. Our 2017 and 2018 earnings targets are 19% and 16% lower than the management's targets. We have a BUY call on WIKA with a TP of IDR2,100. (Maria Renata)* 



# **DANAREKSA VALUATION GUIDE**

Equity																				
Danageksa Valuation	Rating	Price (Rp)	Price	Mkt Cap Rp Bn	Net profi 2017	it, Rp bn 2018	EPS 2017	i (Rp) 2018	Core EPS 2017	(Rp) 2018	EPS G 2017	rowth 2018	PER ( 2017	x) 2018	EV / EBIT 2017	DA (x) 2018	PBV (x 2017	) 2018	ROE 2017	2018
Danareksa Universe			Target	4,354,372	199,849	2016	198.3	2018	2017	2016	16.7%	10.9%	2017 21.8	19.7	2017	2018	3.3	3.0	15.9	16.0
Auto				331,965	18,895	20,981	380.0	421.9			24.7%	11.0%	17.6	15.8	12.8	11.0	2.1	1.9	12.8	12.8
Astra International	BUY	8,200	9,200	331,965	18,895	20,981	467	518	467	518	24.7%	11.0%	17.6	15.8	12.8	11.0	2.1	1.9	12.8	12.8
Banks BCA	HOLD	23,500	21,000	1,678,142 579,393	88,444 23,620	100,966 27,068	395.0 958	450.9 1,098	958	1,098	18.6% 14.6%	14.2% 14.6%	19.0 24.5	16.6 21.4	N/A	N/A	2.9 4.4	2.6 3.7	16.2 19.3	16.5 18.8
BNI	HOLD	9.525	8,500	177.628	13,089	14,997	702	804	702	804	14.0 %	14.6%	13.6	11.8	NA	N/A	1.8	1.6	19.3	14.6
BRI	BUY	3,800	4,350	468,714	29,044	31,653	235	256	235	256	10.7%	8.9%	16.2	14.8	N/A	N/A	2.8	2.6	18.5	18.0
Bank Tabungan Negara	BUY	3,720	4,000	39,395	3,135	3,658	296	346	296	346	19.7%	16.7%	12.6	10.8	N/A	N/A	1.8	1.6	15.4	15.8
Bank Mandiri	HOLD	8,200	7,700	382,667	19,555	23,590	419	505	419	505	41.6%	20.6%	19.6	16.2	N/A	N/A	2.4	2.2	12.6	14.0
BTPN BPD Jatim	HOLD BUY	3,260 755	3,900 830	19,039 11,305	1,273 1,282	1,628 1,320	222 86	283 88	222 86	283 88	-27.3% 24.7%	27.8% 3.0%	14.7 8.8	11.5 8.5	N/A N/A	N/A N/A	1.1 1.5	1.1 1.3	7.8 17.1	9.4 16.3
Cement	BUT	755	830	168,629	4,000	4.196	205	215	80	00	-53.8%	3.0 % 4.9%	42.2	40.2	19.4	18.2	2.8	2.8	6.8	7.0
Indocement	SELL	20,975	14,700	77,214	1,887	1,937	512	526	507	521	-51.3%	2.7%	40.9	39.9	21.7	20.7	2.9	2.8	7.1	7.1
Semen Indonesia	SELL	10,275	8,600	60,946	1,945	2,109	328	356	316	343	-57.0%	8.4%	31.3	28.9	13.3	12.4	2.1	2.0	6.7	7.1
Semen Baturaja	SELL	3,070	460	30,469	169	150	17	15	17	15	-34.9%	-11.0%	180.1	202.5	79.9	64.3	9.4	9.1	5.3	4.5
Cigarettes Gudang Garam	BUY	79,550	83,800	713,714 153,061	20,595 7,498	22,795 8,487	174 3,897	<b>193</b> 4,411	3,897	4,411	5.9% 12.3%	10.7% 13.2%	34.7 20.4	31.3 18.0	23.9 13.0	21.5 11.6	9.3 3.6	8.4 3.2	27.4 18.4	28.3 18.8
HM Sampoerna	HOLD	4,820	4,400	560,653	13,097	14,307	113	123	3,897	123	2.6%	9.2%	42.8	39.2	31.9	28.6	16.1	15.5	38.0	40.3
Construction	HOLD	1,020	1,100	142,578	8,554	10,351	115	139	110	120	29.9%	21.0%	16.7	13.8	10.6	8.7	2.3	2.0	14.7	15.6
Wijaya Karya	BUY	1,980	2,100	17,761	1,225	1,783	137	199	137	199	21.0%	45.5%	14.5	10.0	5.1	3.6	1.4	1.3	10.4	13.7
Pembangunan Perumahan	BUY	2,980	4,000	18,476	1,295	1,570	209	253	233	283	33.9%	21.2%	14.3	11.8	7.0	5.8	2.9	2.4	22.5	22.6
Adhi Karya	BUY BUY	2,420 2,900	2,800 3,000	8,617 39,364	451 2,383	619 3,034	127 176	174 224	149 176	187 224	43.9% 39.1%	37.3% 27.4%	19.1 16.5	13.9 13.0	9.9 13.6	8.0 11.1	1.4 3.0	1.2 2.6	7.8 19.8	9.2 21.5
Waskita Karya Waskita Beton	BUY	2,900	520	12,073	2,363	1,319	42	224 50	42	224 50	39.1% 73.9%	27.4%	10.9	9.2	10.2	5.5	1.5	1.3	19.6	15.2
Wika Beton	BUY	585	800	5.099	349	420	42	50	42	50	28.3%	20.2%	14.0	11.6	9.0	7.6	1.9	1.7	13.7	14.8
Jasa Marga	BUY	5,675	7,800	41,188	1,747	1,606	257	236	261	240	4.4%	-8.1%	22.1	24.0	13.0	11.8	3.1	2.8	14.0	11.6
Consumer				646,662	16,992	19,025	328	367			8.4%	12.0%	38.1	34.0	21.8	19.6	9.9	8.9	27.2	27.5
Indofood CBP	BUY	8,900	9,700	103,791	3,894	4,296	334	368	334	368	8.2%	10.3%	26.7	24.2	16.8	15.3	5.3	4.7	20.9	20.6
Indofood Unilever	BUY HOLD	7,775 55,000	9,100 52,000	68,268 419,650	4,381 7,324	4,847 8,326	499 960	552 1,091	501 960	550 1,091	5.7% 14.6%	10.6% 13.7%	15.6 57.3	14.1 50.4	7.4 40.1	6.6 35.5	2.2 74.4	2.0 63.2	14.5 141.6	14.8 135.6
Kino Indonesia	HOLD	2.000	2,100	2,857	115	145	81	101	81	1,091	-36.4%	25.8%	24.8	19.7	12.4	10.6	1.4	1.3	5.9	7.0
Mayora Indah	HOLD	2,330	1,960	52,096	1,277	1,410	57	63	56	63	-5.8%	10.4%	40.8	37.0	20.6	18.2	7.5	6.5	19.5	18.8
Healthcare				89,792	2,700	2,986	104	115			6.5%	11.5%	33.3	30.1	21.1	18.9	5.7	5.1	18.1	17.8
Kalbe Farma	HOLD	1,630	1,700	76,406	2,411	2,660	51	57	51	57	4.9%	10.3%	31.7	28.7	20.2	18.1	5.7	5.1	19.1	18.8
Kimia Farma	SELL	2,410	1,910	13,385 140,440	289	326 8,439	52 2,001	59 2,262	52	59	8.1% 49.2%	12.7% 13.1%	46.3 18.8	41.1 16.6	28.0 8.4	24.2 7.2	5.4 3.2	4.9 2.8	12.4 18.0	12.6 18.1
Heavy Equipment United Tractors	BUY	37,650	38,000	140,440	7,463 7.463	8,439 8,439	2,001	2,262	2,001	2,262	49.2% 49.2%	13.1% 13.1%	18.8	16.6 16.6	8.4 8.4	7.2	3.2 3.2	2.8	18.0	18.1 18.1
Industrial Estate		.,		14,517	2,352	1,187	38	19	_,	-)	103.6%	-49.5%	6.2	12.2	9.7	9.0	1.0	0.9	16.3	7.7
Puradelta Lestari	BUY	188	240	9,061	733	746	15	15	14	14	-3.2%	1.8%	12.4	12.1	11.7	11.7	1.2	1.2	9.9	9.9
Bekasi Fajar	BUY	290	320	2,798	488	543	51	56	50	56	45.4%	11.3%	5.7	5.1	6.5	5.7	0.7	0.6	13.5	13.2
Surya Semesta Media	HOLD	565	540	2,658 61,249	1,131 2,965	(103) 3,365	240 103	(22)	(119)	(32)	1711.1% 3.3%	-109.1% 13.5%	2.3 20.7	(25.9) 18.2	11.6 12.5	10.6 11.4	0.7	0.8 4.3	33.2 23.6	(2.8)
Media Nusantara Citra	BUY	2,700	2,800	39,478	2,965	1,605	103	110	102	110	-0.6%	7.6%	26.5	24.6	18.3	11.4	4.7	<b>4.3</b> 9.5	<b>23.0</b> 41.6	40.6
Surya Citra Media	BUY	1,525	1,750	21,771	1,474	1,760	103	123	103	123	7.7%	19.5%	14.8	12.4	8.3	7.5	2.4	2.1	16.4	18.2
Mining				214,477	13,615	13,100	153	148			55.4%	-3.8%	15.8	16.4	6.2	6.5	1.7	1.7	11.3	10.5
Adaro Energy	BUY	2,350	2,200	75,167	6,489	5,928	203	185	203	185	44.7%	-8.6%	11.6	12.7	4.1	4.2	1.7	1.6	14.9	13.1
Timah Vale Indonesia	BUY HOLD	995 3,540	1,100 3,100	7,411 35,175	366 (74)	377 233	49 (7)	51 23	49 (7)	51 23	45.2% -394.4%	3.0% -415.1%	20.3 (474.9)	19.7 150.7	8.0 18.7	7.6 15.5	1.2 1.5	1.2 1.5	6.3 (0.3)	6.2 1.0
Aneka Tambang	HOLD	855	700	20,546	(264)	(68)	(1)	(3)	(11)	(3)	-507.2%	-74.4%	(474.9)	(303.9)	34.0	35.8	1.5	1.1	(0.3)	(0.4)
Bukit Asam	BUY	3,090	2,900	35,599	3,332	3,317	307	305	307	305	66.1%	-0.5%	10.1	10.1	7.1	7.2	2.7	2.3	28.4	23.5
Indo Tambangraya Megah	HOLD	28,400	21,100	32,090	3,183	2,717	2,817	2,404	2,936	2,561	81.7%	-14.6%	10.1	11.8	4.6	5.2	2.4	2.3	25.1	20.1
Harum Energy	HOLD	3,140	2,200	8,489	583	595	216 283	220	216	220	225.8%	2.1%	14.6	14.3	4.8	4.5	2.0	2.0	14.7	14.1
Plantation Astra Agro Lestari	HOLD	13,325	14,300	39,571 25,646	3,010 1,908	2,986 1,851	283 991	281 962	984	962	-1.1% -4.9%	<b>-0.8%</b> -3.0%	13.1 13.4	<b>13.3</b> 13.9	7.1 7.3	6.7 6.8	1.3 1.4	1.2 1.3	<b>10.3</b> 10.7	9.5 9.6
Sampoerna Agro	SELL	2,530	2,240	4,782	283	301	156	166	156	166	-35.8%	6.4%	16.2	15.3	9.0	8.7	1.4	1.3	8.0	8.0
PP London Sumatra	BUY	1,340	1,770	9,143	819	833	120	122	823	833	37.9%	1.7%	11.2	11.0	5.3	5.0	1.1	1.0	10.3	9.8
Poultry				74,011	4,078	5,292	27	35			-10.9%	29.8%	18.1	14.0	9.7	8.3	2.6	2.2	15.2	16.8
Charoen Pokphand	HOLD	3,310	3,100	54,277	2,576	3,405	157	208	182	216	16.0%	32.2%	21.1	15.9	11.1	9.5	3.2	2.7	16.7	18.6
Japfa Comfeed Malindo Feedmill	BUY HOLD	1,595 685	1,650 800	18,200 1,534	1,463 39	1,811 75	128 18	159 34	128 80	159 110	-29.2% -86.4%	23.8% 91.5%	12.4 38.9	10.0 20.3	7.7 5.7	6.6 5.2	1.8 0.8	1.5 0.7	15.4 2.0	16.4 3.5
Property	HOLD	085	800	112,064	8,450	8,432	70	70	80	110	56.5%	-0.2%	13.3	13.3	9.9	10.1	1.8	1.6	14.3	12.6
Alam Sutera	HOLD	378	400	7,427	1,379	1,435	70	73	70	75	171.1%	4.1%	5.4	5.2	7.7	6.8	0.9	0.8	17.9	16.2
Bumi Serpong Damai	BUY	1,760	2,000	33,874	3,909	2,755	203	143	244	182	117.6%	-29.5%	8.7	12.3	7.1	9.7	1.4	1.3	17.4	10.8
Ciputra Development	BUY	1,245	1,350	23,108	940	1,493	51	80	35	67	-29.7%	58.8%	24.6	15.5	14.3	11.5	1.7	1.5	7.1	10.4
Pakuw on Jati	HOLD BUY	660 1,100	720 1,100	31,785 15,869	1,937 284	2,384 364	40 20	49 25	40 31	50 35	14.5% -8.9%	24.0% 28.3%	16.6 55.9	13.4 43.6	11.4 13.9	9.9 13.1	3.1 2.4	2.6 2.3	20.4 4.5	21.0
Summarecon Retail	DUT	1,100	1,100	15,869 77,603	284 3,402	364	20 99	25 112	31	35	-8.9%	28.3% 12.4%	22.8	43.6 20.3	13.9	13.1 10.5	2.4 5.1	2.3 4.6	4.5 23.4	5.5 23.9
Mitra Adi Perkasa	BUY	7,150	8,100	11,869	347	509	210	308	210	308	66.5%	46.8%	34.1	23.2	8.3	7.1	3.6	3.6	10.7	15.6
Ramayana	HOLD	1,170	1,400	8,302	431	462	67	70	67	70	10.9%	4.9%	17.6	16.8	12.8	11.7	2.3	2.1	12.5	12.4
Matahari Department Store	BUY	10,225	12,500	29,836	1,928	2,029	661	696	719	777	-4.5%	5.3%	15.5	14.7	9.5	8.6	11.8	8.9	87.8	69.1
Matahari Putra Prima	SELL BUY	450 1,320	350 1,450	2,420 22.638	109 588	112 711	17 43	17 47	17 43	17 47	183.4% 3.2%	2.7% 9.3%	26.9 30.7	26.2 28.1	3.4 28.8	3.4 27.4	1.0 6.6	1.0 6.0	4.4 18.2	4.5 19.7
Ace Hardware Erajaya Swasembada	BUY	1,320	1,450	22,638	588 303	339	43 105	47	43 105	47	3.2% 14.9%	9.3% 11.8%	30.7	28.1	28.8	3.5	6.6 0.7	6.0 0.6	18.2 8.6	9.0
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# **COVERAGE PERFORMANCE**

# LEADERS

		Price	as on					
	Code	12-Feb-18	09-Feb-18	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Japfa Comfeed	JPFA	1,595	1,465	8.9	2.2	17.3	22.7	BUY
Harum Energy	HRUM	3,140	3,010	4.3	(2.8)	33.1	53.2	HOLD
PP London Sumatra	LSIP	1,340	1,290	3.9	2.3	(3.6)	(5.6)	BUY
Adhi Karya	ADHI	2,420	2,330	3.9	10.5	19.2	28.4	BUY
Charoen Pokphand	CPIN	3,310	3,200	3.4	1.8	3.1	10.3	HOLD
Bank Tabungan Negara	BBTN	3,720	3,600	3.3	1.9	2.5	4.2	BUY
Astra Agro Lestari	AALI	13,325	12,900	3.3	3.7	-	1.3	HOLD
Aneka Tambang	ANTM	855	830	3.0	(1.7)	28.6	36.8	HOLD
Erajaya Swasembada	ERAA	875	850	2.9	5.4	24.1	19.0	BUY
Bank Rakyat Indonesia	BBRI	3,800	3,710	2.4	0.5	7.3	4.4	BUY
Sources: Bloomberg								

# LAGGARDS

		Price	as on					
	Code	12-Feb-17	09-Feb-18	Chg, %	w-w, %	m-m, %	YTD, %	Rating
Indocement	INTP	20,975	21,800	(3.8)	2.1	(7.6)	(4.4)	SELL
Summarecon Agung	SMRA	1,100	1,135	(3.1)	(6.8)	7.8	16.4	BUY
United Tractors	UNTR	37,650	38,600	(2.5)	(2.4)	1.7	6.4	BUY
Gudang Garam	GGRM	79,550	81,200	(2.0)	(2.6)	(4.2)	(5.1)	BUY
Ace Hardware	ACES	1,320	1,345	(1.9)	0.8	2.3	14.3	BUY
Kalbe Farma	KLBF	1,630	1,645	(0.9)	(1.5)	(3.8)	(3.6)	HOLD
Mayora Indah	MYOR	2,330	2,350	(0.9)	1.3	3.6	15.3	HOLD
Unilever	UNVR	55,000	55,400	(0.7)	1.6	1.4	(1.6)	HOLD
BPD Jatim	BJTM	755	760	(0.7)	(1.9)	2.7	6.3	BUY
Semen Baturaja	SMBR	3,070	3,090	(0.6)	(4.1)	(1.9)	(19.2)	SELL

Sources: Bloomberg



## **PREVIOUS REPORTS**

- Jasa Marga: Flattish growth, Pakuwon Jati: Wait for a better entry point <u>SnapShot20180213</u>
- Ace Hardware Indonesia: A good start to 2018, HM Sampoerna: Lower market share but better outlook, Poultry: Jan-18: Solid DOC and Broiler ASP <u>SnapShot20180209</u>
- Adaro Energy: Strong earnings expected in 2017, Summarecon Agung: The good news is already priced in SnapShot20180208
- Bank Mandiri: Steadily Recovering <u>SnapShot20180207</u>
- Plantation: Lukewarm outlook for CPO, Semen Baturaja: Sluggish performance <u>SnapShot20180206</u>



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