

FROM EQUITY RESEARCH
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KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
Asean - 5				
Indonesia	5,884	(1.8)	(7.4)	779
Thailand	1,664	1.5	(5.1)	1,828
Philippines	7,262	(0.7)	(15.2)	94
Malaysia	1,710	(0.3)	(4.8)	664
Singapore	3,316	0.4	(2.6)	859
Regional				
China	2,916	0.3	(11.8)	36,009
Hong Kong	29,696	0.8	(0.7)	14,055
Japan	22,555	1.2	(0.9)	14,287
Korea	2,364	1.0	(4.2)	7,234
Taiwan	10,927	0.2	2.7	5,936
India	35,547	0.7	4.4	344
NASDAQ	7,782	0.7	12.7	123,494
Dow Jones	24,658	(0.2)	(0.2)	8,980

CURRENCY AND INTEREST RATE

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,932	(0.4)	0.3	(2.8)
BI7DRRR %	4.75	0.3	0.5	0.5
10y Gov Indo bond	7.30	0.0	(0.1)	1.0

HARD COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	114	(0.8)	9.7	13.5
Gold	US\$/toz	1,269	0.1	(1.8)	(2.6)
Nickel	US\$/mt.ton	14,893	2.2	1.4	17.2
Tin	US\$/mt.ton	20,745	1.4	(0.4)	3.2

SOFT COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,421	(0.5)	(8.2)	27.5
Corn	US\$/mt.ton	126	0.9	(12.8)	0.3
Oil (WTI)	US\$/barrel	65	(0.4)	(9.4)	8.4
Oil (Brent)	US\$/barrel	75	(0.5)	(4.8)	11.8
Palm oil	MYR/mt.ton	2,231	(3.3)	(8.1)	(6.7)
Rubber	US\$/kg	133	(0.2)	(7.3)	(9.8)
Pulp	US\$/tonne	1,200	N/A	2.6	20.0
Coffee	US\$/60kgbag	86	(0.2)	(0.5)	(6.6)
Sugar	US\$/MT	342	1.0	3.6	(13.3)
Wheat	US\$/ton	136	2.0	(6.5)	7.2
Soy Oil	US\$/lb	29	1.8	(5.2)	(11.2)
Soy Bean	US\$/by	890	0.1	(10.9)	(6.5)

Source: Bloomberg

MARKET NEWS

MACROECONOMICS

Tax incentives for SMEs to be applied on July 1 2018

Tax incentives will soon be provided to SMEs and micro industries. The tax rate will be reduced from 1% to 0.5% when the program commences on 1 July 2018. The period for which the incentives will be given shall depend upon the type of taxpayer (individual taxpayer: 7 years, enterprise taxpayer: 4 years, incorporated company: 3 years). Enterprises that seek this incentive are required to report to the Directorate General of Taxation. (Kontan)

Disbursement of village funds reaches IDR 26.7tn

The Ministry of Finance stated that the disbursement of village funds had already reached IDR 26.7tn or 45% of the total target (IDR60tn). In the first phase, IDR12tn was disbursed to 74,958 villages and in the second phase IDR14.7tn was distributed to 46,286 villages. (Investor Daily)

CORPORATE

SMRA: IDR5tn sales backlog to be booked as revenues

Summarecon will recognize around a IDR5tn sales backlog as revenues within the next 2-3 years. At present, the company offers its products with selling prices below IDR2bn/unit for which demand is strongest with flexible payment terms (down payment of up to 18 months). The company will also launch a new project with targeted marketing sales of IDR4tn this year. (Bisnis Indonesia)

Wijaya Karya: To develop a new toll road project with CMNP

Wikaya Karya (WIKA) and Citra Marga Nusaphala Persada (CMNP) plan to form a consortium to develop a new toll road. The toll road will connect the Harbour Road Ancol and Tanjung Priok Port. The equity portion for each company in the consortium has not yet been determined and the project still awaits approval from the government. The toll road is expected to be elevated and cover a length of 7km. The required investment is IDR11.0tn. Previously, CMNP partnered WIKA in the development of the Soreang – Pasir Koja toll road project. (Kontan)

COVERAGE PERFORMANCE
LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		20-Jun-18	08-Jun-18					
Charoen Pokphand	CPIN	3,800	3,460	9.8	3.8	10.8	26.7	HOLD
Bukit Asam	PTBA	4,240	4,070	4.2	7.1	10.7	72.4	BUY
Surya Semesta	SSIA	580	560	3.6	3.6	11.5	12.6	HOLD
Adaro Energy	ADRO	2,000	1,935	3.4	1.5	2.6	7.5	BUY
Japfa Comfeed	JPFA	1,650	1,630	1.2	2.8	5.4	26.9	BUY
Astra International	ASII	6,950	6,900	0.7	(0.7)	6.5	(16.3)	BUY
Sampoerna Agro	SGRO	2,330	2,340	(0.4)	-	1.3	(9.3)	HOLD
BPD Jatim	BJTM	700	705	(0.7)	(0.7)	0.7	(1.4)	BUY
Semen Baturaja	SMBR	3,290	3,320	(0.9)	(3.5)	(8.6)	(13.4)	SELL
Kino Indonesia	KINO	1,970	1,990	(1.0)	(1.0)	(3.4)	(7.1)	HOLD

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		20-Jun-18	08-Jun-18					
Media Nusantara Citra	MNCN	1,070	1,180	(9.3)	(8.5)	(13.0)	(16.7)	BUY
Summarecon Agung	SMRA	920	995	(7.5)	(5.2)	12.2	(2.6)	BUY
Pembangunan Perumahan	PTPP	2,450	2,640	(7.2)	(5.4)	5.2	(7.2)	BUY
Waskita Karya	WSKT	2,190	2,350	(6.8)	(6.8)	3.3	(0.9)	BUY
Pakuwon Jati	PWON	550	590	(6.8)	(2.7)	10.0	(19.7)	HOLD
Indocement	INTP	15,050	16,125	(6.7)	(12.5)	(12.8)	(31.4)	SELL
Bank Negara Indonesia	BBNI	7,525	8,050	(6.5)	(11.2)	3.1	(24.0)	BUY
Bank Rakyat Indonesia	BBRI	2,960	3,140	(5.7)	(5.4)	7.2	(18.7)	BUY
Ramayana	RALS	1,405	1,490	(5.7)	0.7	(0.4)	17.1	HOLD
Bank Tabungan Negara	BBTN	2,860	3,030	(5.6)	(7.7)	3.2	(19.9)	BUY

Sources: Bloomberg

PREVIOUS REPORTS

- Plantation: May Inventory Hits A 9-Month Low [SnapShot20180620](#)
- Bumi Serpong Damai: Right on Track, Perusahaan Gas Negara: Acquisition options, Pakuwon Jati: Support from Recurring Income, Waskita Karya: Trying to remain healthy [SnapShot20180608](#)
- Media: May 18: RCTI's audience share improves further, Danareksa Institute: Money Development – Modest growth, Danareksa Institute: Trade Outlook – Fairly stable [SnapShot20180607](#)
- Kino Indonesia: Cautiously optimistic [SnapShot20180605](#)
- Alam Sutra Realty: Modest 1Q18 results, Jasa Marga: Providing positive clarification, Danareksa Research Institute: Consumers Confidence Strengthened in May [SnapShot20180604](#)

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