

FROM EQUITY RESEARCH

Plantation: Still Under Pressure in the Short-Term (Neutral)

We reduce our FY18 CPO price assumption to MYR2,450/ton (from MYR2,700/ton) as we expect CPO prices to remain under pressure until at least 3Q18 due to weak exports and high production combined with sluggish soy prices. We could see CPO prices rebound in Sep/Oct once the market starts pricing in the low crop cycle and following edible oil de-stocking in importer countries. Maintain neutral.

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MARKET NEWS

Macroeconomy

- Indonesia seeks more capital inflows
- Indonesia may post a trade surplus in June 2018 due to plummeting imports

Sector

- 2018 taxable value of land (NJOP) in Jakarta has been hiked by 19.54%

Corporate

- Ramayana Lestari Sentosa: Targeting IDR600bn of revenues in July 2018

KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
Asean - 5				
Indonesia	5,695	(0.8)	(10.4)	295
Thailand	1,615	0.8	(7.9)	1,991
Philippines	7,187	(0.6)	(16.0)	84
Malaysia	1,664	(1.6)	(7.4)	358
Singapore	3,192	(2.0)	(6.2)	1,474
Regional				
China	2,747	0.5	(16.9)	27,575
Hong Kong	28,316	0.5	(5.4)	12,588
Japan	21,788	1.1	(4.3)	12,620
Korea	2,273	0.7	(7.9)	4,630
Taiwan	10,609	(0.0)	(0.3)	5,220
India	35,658	0.2	4.7	349
NASDAQ	7,688	1.3	11.4	92,498
Dow Jones	24,456	0.4	(1.1)	8,160

CURRENCY AND INTEREST RATE

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	14,375	(0.3)	(3.8)	(6.0)
SBI rate %	5.25	0.5	0.8	1.0
10y Gov Indo bond	7.63	(0.2)	0.4	1.3

HARD COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	116	(0.4)	2.9	15.2
Gold	US\$/toz	1,256	0.1	(3.3)	(3.6)
Nickel	US\$/mt.ton	13,851	(1.8)	(11.0)	9.0
Tin	US\$/mt.ton	19,393	(0.5)	(7.9)	(3.5)

SOFT COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,451	0.5	5.8	29.1
Corn	US\$/mt.ton	127	2.5	(5.0)	1.3
Oil (WTI)	US\$/barrel	74	0.1	12.4	22.2
Oil (Brent)	US\$/barrel	77	0.0	0.9	15.3
Palm oil	MYR/mt.ton	2,279	(0.6)	(3.8)	(4.7)
Rubber	US\$/kg	129	(1.3)	(9.0)	(12.0)
Pulp	US\$/tonne	1,205	N/A	2.8	20.5
Coffee	US\$/60kgbag	85	(1.2)	(1.2)	(5.9)
Sugar	US\$/MT	341	(0.2)	(1.8)	(13.6)
Wheat	US\$/ton	140	1.9	(4.1)	10.6
Soy Oil	US\$/lb	29	1.5	(5.7)	(12.6)
Soy Bean	US\$/by	874	4.6	(12.1)	(8.2)

Source: Bloomberg

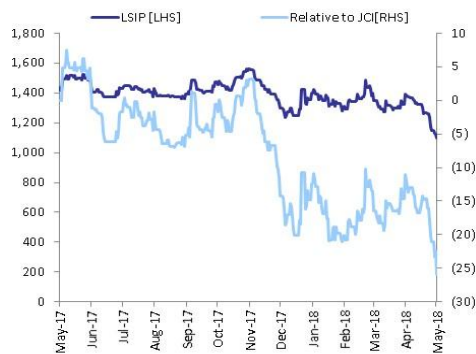
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NEUTRAL

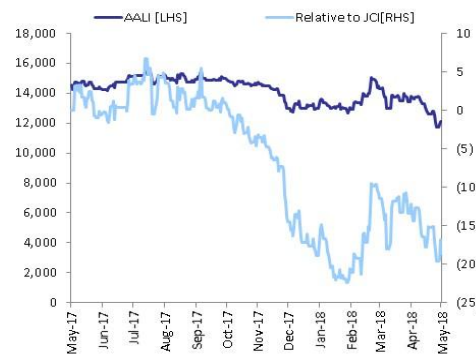
Plantation

Still Under Pressure in the Short-Term

LSIP relative to JCI Index



AALI relative to JCI Index



Source : Bloomberg

We reduce our FY18 CPO price assumption to MYR2,450/ton (from MYR2,700/ton) as we expect CPO prices to remain under pressure until at least 3Q18 due to weak exports and high production combined with sluggish soy prices. We could see CPO prices rebound in Sep/Oct once the market starts pricing in the low crop cycle and following edible oil de-stocking in importer countries. Maintain neutral.

Plagued by weak exports and higher production in 3Q18. We expect CPO prices to remain under pressure until at least the end of 3Q18 due to a combination of seasonally higher production and the likelihood of weak exports. With the exception of June, we foresee seasonally higher production until Sep/Oct. Also, palm oil exports are unlikely to pick up in 3Q18 due to a lack of catalysts, higher India edible oil import duty and re-stocking in Jan to Apr-18, taking advantage of Malaysia's temporary suspension of the CPO export duty. Looking at the two major palm oil importers (China and India), their edible oil inventory levels are normal-to-above-normal levels. As of the end of May 18, China's palm oil inventory level was close to normal at 0.64mn tons (vs. an average of 0.7mn tons), while India's edible oil inventory was above average at 2.66mn tons (vs. an average of 1.91mn tons).

Weakness in soy prices to limit CPO price gains. We suspect that the weakness in soy prices may continue in the short-term, hence limiting CPO price gains, a reflection of US-China trade tensions, which may cause China to switch to Brazilian soy for a while, and ample US soybean supplies in the coming harvesting season (Aug-Oct). As of the end of Jun-18, the soyoil-CPO price spread was still narrow at USD73/ton (vs. an average of USD134/ton). In addition, US farmers are expected to plant more soybean acreage than corn in the FY18 harvesting season. According to the USDA report, planting intentions acreage for soybean is at a record high of 89.6mn acres vs. corn at 89.1mn acres.

Higher crude oil price may support biodiesel demand. On a positive note, higher crude oil prices should support biodiesel demand as the two commodities are substitutes for each other in the energy field. As of end-Jun-18, gasoil traded at a USD107/ton premium to the CPO price (vs. an average discount of USD40/ton). However, palm-based biodiesel demand could be dampened due to the ongoing black campaign on palm oil and overhang in the regulation that will support expansion of Indonesia's biodiesel usage in the non-PSO sector.

FY18 CPO price assumption reduced to MYR2,450/ton; Maintain neutral. Given the ytd average CPO price of MYR2,420/ton and our expectation of depressed CPO prices until at least 3Q18 due to a combination of weak exports, rising production and soy price weakness, we reduce our FY18/FY19 CPO price assumption to MYR2,450/ton (from MYR2,700/ton) and MYR2,550/ton (from MYR2,700/ton). We also adjust our USD/MYR estimate to 4.00 (from 4.20) and our USD/IDR estimate to 13,600 (from 13,300). **We could see the CPO price rebound in Sep/Oct once the market starts pricing in the low crop cycle and following edible oil de-stocking in importer countries.** Maintain neutral with LSIP as our top pick. The plantation sector currently trades at 11.6x P/E (-1.5SD) and EV/Ha of USD6,716 (-2.0SD).



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Company	Ticker	Rec	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		P/BV (x)		ROE (%)
					2018F	2019F	2018F	2019F	2019F
London Sumatra	LSIP IJ	BUY	1,300	6,274.0	6.8	7.6	0.7	0.7	8.7
Astra Agro Lestari	AALI IJ	HOLD	11,800	20,498.0	12.7	11.1	1.1	1.0	9.5
Sampoerna Agro	SGRO IJ	HOLD	2,350	4,274.0	12.3	10.5	1.0	1.0	9.0

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BUY
Maintain

Last price (IDR) 915
Target Price (IDR) 1,300
Upside/Downside +42.1%
Previous Target Price (IDR) 1,700

Stock Statistics

Sector Plantation
Bloomberg Ticker LSIP IJ
No of Shrs (mn) 6,820
Mkt. Cap (IDRbn/USDmn) 6,240/434
Avg. daily T/O (IDRbn/USDmn) 19.2/1.3

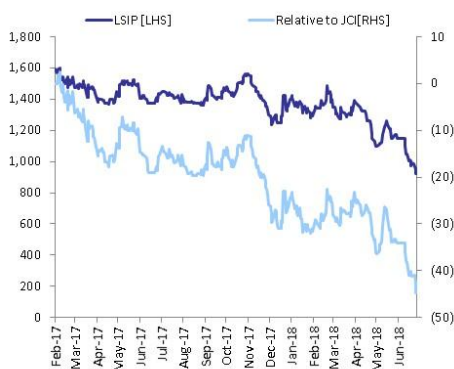
Major shareholders (%)

Salim Ivomas Pratama 59.5
Public 40.5
Estimated free float 40.4

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	134.1	120.1	124.0
Consensus	111.4	119.6	130.7
Danareksa/Cons	20.4	0.4	(5.2)

LSIP relative to JCI Index



Source : Bloomberg



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London Sumatra(LSIP IJ)

Still Undervalued

We adjust our FY18/FY19 net profit estimates by -9%/+5% to Rp915bn/Rp819bn (FY18/FY19 core profit at Rp686bn/Rp819bn), after lowering our FY18/FY19 CPO price assumptions to MYR2,450/ton and MYR2,550/ton (from MYR2,700/ton). Besides its clean balance sheet, the company's valuation also looks very attractive as the stock's share price has fallen the most on a ytd basis. Maintain BUY with a lower TP of Rp1,300.

Lower estimated earnings from lower CPO price assumptions. We adjust our FY18/FY19 net profit estimates by -9%/+5% to Rp915bn/Rp819bn, after lowering our FY18/FY19 CPO price assumptions to MYR2,450/ton (from MYR2,700/ton) and MYR2,550/ton (from MYR2,700/ton). Stripping out one-time gains from land sales to ICBP in FY18 from our forecast, our FY18/FY19 core profit estimates come down to Rp686bn/Rp819bn. We expect the CPO price to remain under pressure until at least 3Q18 due to a combination of seasonally higher production and the likelihood of weak exports as well as weakness in soy prices resulting from US-China trade tensions and expectations of ample US soybean supply during the FY18 harvesting cycle.

Debt-free balance sheet. Despite taking a hit from the downtrend in CPO prices, we continue to like LSIP for its strong financials. The absence of interest-bearing loans will provide a buffer against the likelihood of rising borrowing costs in an environment of interest rate hikes. At the end of Mar-18, LSIP remained in a net cash position, with cash of Rp1.95tn (an increase from Rp1.63tn at the end of Dec-17).

Maintaining a conservative approach. In the meantime, LSIP will remain conservative in its operational approach. Despite its ageing plantations, the company targets new planting and replanting of around 300-500 Ha and <1,000 Ha respectively. Meanwhile, we are also keeping our FY18 FFB and CPO growth guidance close to the company's guidance at 7% and 5%, respectively.

Maintain BUY; TP lowered to Rp1,300. As a result of our lower net profit forecasts, we reduce our TP to Rp1,300 (from Rp1,700) based on 13.0x sector P/E (-1SD) and FY18 core EPS. Other than its clean balance sheet, we think the stock is trading at an attractive valuation compared to its peers. Ytd, LSIP's share price is down the most – falling by 36% (vs. AALI's 18% decline and SGRO's 9% decline). LSIP is currently trading at 9.1x FY18 P/E and EV/Ha of USD3,503 (already below the cost of replanting).

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	3,848	4,738	4,316	4,597	4,684
EBITDA (IDRbn)	1,159	1,373	1,226	1,403	1,441
EBITDA Growth (%)	6.2	18.4	(10.7)	14.5	2.7
Net profit (IDRbn)	594	763	915	819	846
EPS (IDR)	87.1	111.9	134.1	120.1	124.0
EPS growth (%)	(4.7)	28.6	19.8	(10.4)	3.2
BVPS (IDR)	1,120.3	1,190.1	1,279.4	1,345.9	1,421.8
DPS (IDR)	37.0	35.1	44.8	53.6	48.0
PER (x)	10.5	8.2	6.8	7.6	7.4
PBV (x)	0.8	0.8	0.7	0.7	0.6
Dividend yield (%)	4.0	3.8	4.9	5.9	5.3
EV/EBITDA (x)	4.4	3.4	3.3	2.6	2.2

Source : LSIP, Danareksa Estimates

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HOLD
MAINTAIN

Last price (IDR) 10,775
Target Price (IDR) 11,800
Upside/Downside +9.5%
Previous Target Price (IDR) 14,800

Stock Statistics

Sector Plantation
Bloomberg Ticker AALI IJ
No of Shrs (mn) 1,925
Mkt. Cap (IDRbn/USDmn) 20,739/1,443
Avg. daily T/O (IDRbn/USDmn) 19.1/1.3

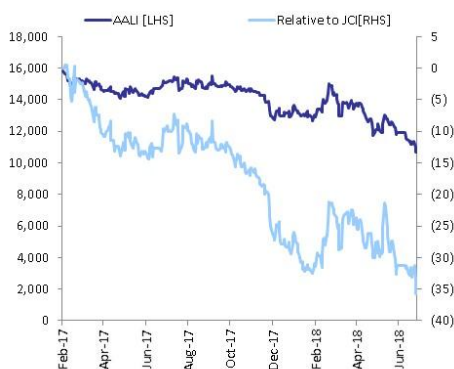
Major shareholders (%)

Astra International 79.7
Public 20.3
Estimated free float 20.3

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	851.3	973.4	916.8
Consensus	874.1	967.7	924.5
Danareksa/Cons	(2.6)	0.6	(0.8)

AALI relative to JCI Index



Source : Bloomberg



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Astra Agro Lestari(AALI IJ)

Imminent Margins Compression

We tone down our FY18/FY19 net profit estimates for AALI by -14%/-1% to Rp1.64tn/Rp1.88tn, after lowering our FY18/FY19 CPO price assumptions to MYR2,450/ton and MYR2,550/ton (from MYR2,700/ton). While earnings may be supported by higher volume, AALI's margins may be sacrificed as higher volume could be boosted by higher FFB purchases and CPO trading. Maintain HOLD with a lower TP of Rp11,800.

Lower earnings from lower CPO price assumptions. We adjust our FY18/FY19 net profit estimates for AALI by -14%/-1% to Rp1.64tn/Rp1.88tn, after lowering our FY18/FY19 CPO price assumptions to MYR2,450/ton (from MYR2,700/ton) and MYR2,550/ton (from MYR2,700/ton). We expect CPO prices to remain under pressure until at least 3Q18 due to a combination of seasonally higher production and the likelihood of weak exports as well as weakness in soy prices resulting from US-China trade tensions and expectations of ample US soybean harvests during the FY18 harvesting cycle.

Volume improvement seen in 2Q18... Despite the downtrend in CPO prices, we think AALI's earnings could get some support in the coming quarters on the improving production trend in 2Q18. As of 5M18, AALI's CPO production stood at 723.4k tons (+10.4% YoY). This compares to 3M18 CPO production of only 388.4k tons (+0.4% YoY). We maintain our FY18 FFB and CPO production growth guidance of 7% and 6%, respectively, for the time being.

... But potentially at the expense of lower margins. However, we believe AALI's margins may be sacrificed as the elevated production may be boosted by higher FFB purchase volume, which may put pressure on margins. In addition, margins may be further squeezed as the company began to engage in CPO trading which only yields a margin of ~2-3%. We think AALI's nucleus production is unlikely to grow significantly due to the zero new planting policy and ageing age profile of its plantations. In an effort to improve the age profile of its plantations, the company will undertake more aggressive replanting of 5,000 Ha/year (from 3,000-3,500 Ha/year).

Maintain HOLD; Lower TP of Rp11,800. As a result of our lower net profit forecasts, we reduce our TP to Rp11,800 (from 14,800) based on 14.0x sector P/E (-0.5SD). We gave the stock a slightly higher premium P/E target due to the perceived good corporate governance of the Astra Group. AALI is currently trading at 12.7x FY18P/E, and EV/Ha of USD7,947 (at the cost of new planting).

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	14,121	17,306	16,026	17,054	17,301
EBITDA (IDRbn)	3,662	4,178	3,763	4,135	3,980
EBITDA Growth (%)	34.6	14.1	(9.9)	9.9	(3.8)
Net profit (IDRbn)	2,007	2,010	1,639	1,874	1,765
EPS (IDR)	1,042.8	1,044.5	851.3	973.4	916.8
EPS growth (%)	165.2	0.2	(18.5)	14.3	(5.8)
BVPS (IDR)	8,902.9	9,386.4	9,924.4	10,642.4	11,267.2
DPS (IDR)	99.0	518.0	313.3	255.4	292.0
PER (x)	10.3	10.3	12.7	11.1	11.8
PBV (x)	1.2	1.1	1.1	1.0	1.0
Dividend yield (%)	0.9	4.8	2.9	2.4	2.7
EV/EBITDA (x)	6.6	5.9	6.4	5.5	5.4

Source : AALI, Danareksa Estimates

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HOLD
Maintain

Last price (IDR)	2,350
Target Price (IDR)	2,300
Upside/Downside	-2.1%
Previous Target Price (IDR)	2,700

Stock Statistics

Sector	Plantation
Bloomberg Ticker	SGRO IJ
No of Shrs (mn)	1,819
Mkt. Cap (IDRbn/USDmn)	4,274/297
Avg. daily T/O (IDRbn/USDmn)	0.2/0.0

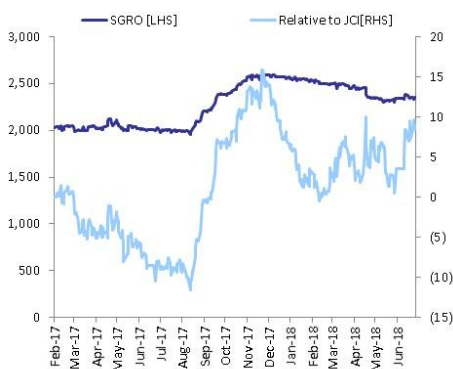
Major shareholders (%)

Sampoerna Agri Resources	67.1
Public	33.0
Estimated free float	27.2

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	190.5	223.1	227.5
Consensus	172.0	202.8	256.6
Danareksa/Cons	10.7	10.0	(11.3)

SGRO relative to JCI Index



Source : Bloomberg

Sampoerna Agro(SGRO IJ)

Supported by Strong Volume

We adjust our FY18/FY19 net profit estimates by -10%/+4% to Rp346bn/Rp406bn, after lowering our FY18/FY19 CPO price assumptions to MYR2,450/ton and MYR2,550/ton (from MYR2,700/ton). We think SGRO's earnings could also face pressure from higher borrowing costs. However, the favourable age profile of its plantations and strong FFB growth should cushion its earnings. Maintain HOLD with a lower TP of Rp2,300.

Lower estimated earnings from lower CPO price assumptions. We adjust our FY18/FY19 net profit estimates by -10%/+4% to Rp346bn/Rp406bn, after lowering our FY18/FY19 CPO price assumptions to MYR2,450/ton (from MYR2,700/ton) and MYR2,550/ton (from MYR2,700/ton). We expect the CPO price to remain under pressure until at least 3Q18 due to a combination of seasonally higher production and the likelihood of weak exports as well as weakness in soy prices resulting from US-China trade tensions and expectations of ample US soybean supply during the FY18 harvesting cycle.

Earnings could suffer from higher interest rates. Although still maintaining manageable net gearing of 67% as of the end of Mar'18 (from 63% as of the end of Dec'17), there may be some pressure on SGRO's earnings as a result of a rising trend in borrowing costs. Operationally, SGRO targets new planting and replanting of 4,000 Ha and 1,400 Ha in FY18 and could potentially maintain a similar plantings target and capex of around Rp800bn-Rp1.0tn/year. Hence, we think SGRO could remain dependent on external financing ahead to fund its capex needs.

Volume growth to cushion its earnings. Despite the downtrend in CPO prices and higher borrowing costs, we think SGRO's earnings should get some support from expectations of strong FFB growth in FY18 as the age profile of its plantations is at a peak. Among the three, the age profile of SGRO's plantations stands at 12 years vs. 15 years for AALI and LSIP's. We maintain our FY18 FFB growth assumption of 15% for the time being, in-line with the company's guidance of 15%-20%.

Maintain HOLD; Lower TP of Rp2,300. As a result of our lower net profit forecasts, we reduce our TP to Rp2,300 (from Rp2,700) based on 12.0x sector PE (-1.5SD). We gave a slight discount to SGRO's P/E target to account for its lack of liquidity. SGRO is currently trading at 12.3x FY18 P/E and EV/Ha of USD5,858.

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	2,915	3,616	3,633	3,916	4,050
EBITDA (IDRbn)	577	935	1,002	1,138	1,199
EBITDA Growth (%)	(17.9)	62.2	7.2	13.6	5.4
Net profit (IDRbn)	442	288	346	406	414
EPS (IDR)	242.7	158.2	190.5	223.1	227.5
EPS growth (%)	84.5	(34.8)	20.4	17.1	1.9
BVPS (IDR)	1,983.4	2,122.3	2,281.2	2,466.2	2,649.1
DPS (IDR)	25.0	25.0	31.6	38.1	44.6
PER (x)	9.7	14.9	12.3	10.5	10.3
PBV (x)	1.2	1.1	1.0	1.0	0.9
Dividend yield (%)	1.1	1.1	1.3	1.6	1.9
EV/EBITDA (x)	11.5	7.3	6.9	6.3	6.2

Source : SGRO, Danareksa Estimates



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S MARKET NEWS**MACRO****Indonesia seeks more capital inflows**

BI seeks to attract more capital inflows amidst tighter global liquidity in a bid to prevent further rupiah depreciation. At the same time, the central banks of emerging countries are competing against each other to have a higher spread over the US. BI is also taking other efforts to support the rupiah, such as intervention and rate hikes. By raising rates, BI hopes to lure foreign funds and create capital inflows. To lessen the negative impact on economic growth, BI has put in place several macro-prudential relaxation policies. (Investor Daily)

Indonesia may post a trade surplus in June 2018 due to plummeting imports

According to BI, Indonesia's imports in June have fallen significantly. This may give rise to a trade surplus. In addition to the impact from the Idul Fitri holidays, the fall in imports in June also owes to seasonal factors. Most of the imports are raw materials and business players tend to pile up raw materials months before Ramadan in preparation for an increase in demand. Nonetheless, the Coordinating Ministry of Economic Affairs says that the trade balance may not be in surplus considering that no efforts have been taken yet to suppress imports and boost exports. The Coordinating Ministry of Economic Affairs will form a task force to review this matter. (Kontan)

SECTOR**2018 taxable value of land (NJOP) in Jakarta has been hiked by 19.54%**

According to Governor Regulation No. 24/2018, the 2018 taxable value of land (NJOP) has been raised by an average of 19.54%. In addition, there are plans for further increases in areas with close proximity to the Mass Rapid Transit (MRT) system. (Kontan and Bisnis Indonesia)

CORPORATE**Ramayana Lestari Sentosa: Targeting IDR600bn of revenues in July 2018**

RALS is targeting IDR600bn of revenues in July 2018 (+6.5% yoy and -66.2% mom) and IDR1.8tn of revenues in June (-19.1% yoy and -29.5% mom). This will translate into flattish growth in 7M18 compared to the previous year. (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
Danareksa Universe					3,575,585	202,587	226,661	198.0	221.5			18.3%	11.9%	17.6	15.8	18.5	16.6	2.7	2.4	16.1	16.2
Auto					255,046	18,881	20,472	379.7	411.7			24.6%	8.4%	13.5	12.5	10.9	9.7	1.6	1.5	12.7	12.5
Astra International	BUY	6,300	9,100	255,046	18,881	20,472	466	506	466	506	24.6%	8.4%	13.5	12.5	10.9	9.7	1.6	1.5	12.7	12.5	
Banks					1,344,112	90,056	102,624	402.2	458.3			20.8%	14.0%	14.9	13.1			2.3	2.0	16.3	16.5
BCA	HOLD	20,925	22,700	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	
BN	BUY	6,950	10,400	129,608	13,616	15,743	730	844	730	844	20.1%	15.6%	9.5	8.2	N/A	N/A	1.3	1.2	14.7	15.0	
BRI	BUY	2,840	4,350	350,302	29,044	31,653	235	256	235	256	10.7%	8.9%	12.1	11.1	N/A	N/A	2.1	1.9	18.5	18.0	
Bank Tabungan Negara	BUY	2,150	4,200	22,769	3,135	3,658	296	346	296	346	19.7%	16.7%	7.3	6.2	N/A	N/A	1.1	0.9	15.4	15.8	
Bank Mandiri	BUY	6,300	8,500	294,000	20,640	24,502	442	525	442	525	49.5%	18.7%	14.2	12.0	N/A	N/A	1.8	1.6	13.0	14.1	
BTPN	HOLD	3,730	3,900	21,793	1,273	1,628	222	283	222	283	-27.3%	27.8%	16.8	13.2	N/A	N/A	1.3	1.2	7.8	9.4	
BPD Jatim	BUY	650	830	9,734	1,282	1,320	86	88	86	88	24.7%	3.0%	7.6	7.3	N/A	N/A	1.3	1.2	17.1	16.3	
Cement					125,001	4,000	4,196	205	215			-53.8%	4.9%	31.2	29.8	14.3	13.4	2.1	2.0	6.8	7.0
Indocement	SELL	13,800	14,700	50,801	1,887	1,937	512	526	507	521	-51.3%	2.7%	26.9	25.2	13.3	12.7	1.9	1.9	7.1	7.1	
Semen Indonesia	SELL	6,950	8,600	41,224	1,945	2,109	328	356	316	343	-57.0%	8.4%	21.2	19.5	9.3	8.7	1.4	1.4	6.7	7.1	
Semen Baturaja	SELL	3,320	460	32,976	169	150	17	15	17	15	-34.9%	-11.0%	194.8	219.9	86.4	69.4	10.2	9.8	5.3	4.5	
Cigarettes					558,591	20,956	22,795	174	193			5.9%	10.7%	27.1	24.5	18.7	16.8	7.3	6.6	27.4	28.3
Gudang Garam	BUY	68,450	80,800	131,704	7,498	8,487	3,887	4,411	3,897	4,411	12.3%	13.2%	17.6	15.5	11.3	10.1	3.1	2.7	18.4	18.8	
HM Sampoerna	BUY	3,670	3,800	426,887	13,097	14,307	113	123	113	123	2.6%	9.2%	32.6	29.8	24.2	21.7	12.3	11.8	38.0	40.3	
Construction					100,443	8,554	10,351	115	139			29.9%	21.0%	11.7	9.7	8.3	6.9	1.6	1.4	14.7	15.6
Wijaya Karya	BUY	1,295	2,300	11,616	1,225	1,783	137	199	137	199	21.0%	45.5%	9.5	6.5	2.8	1.9	0.9	0.8	10.4	13.7	
Pembangunan Perumahan	BUY	2,040	3,600	12,648	1,295	1,570	209	253	233	283	33.9%	21.2%	9.8	8.1	4.7	3.9	2.0	1.7	22.5	22.6	
Adhi Karya	BUY	1,575	2,900	5,608	451	619	127	174	149	187	43.9%	37.3%	12.4	9.1	7.3	6.2	0.9	0.8	7.8	9.2	
Waskita Karya	BUY	1,780	2,440	24,162	2,383	3,034	176	224	149	224	39.1%	27.4%	10.1	8.0	10.5	8.7	1.9	1.6	19.8	21.5	
Waskita Beton	BUY	362	580	9,543	1,104	1,319	42	50	42	50	73.9%	19.5%	8.6	7.2	8.6	4.2	1.2	1.0	14.2	15.2	
Wika Beton	BUY	366	730	3,190	349	420	42	50	42	50	28.3%	20.2%	8.7	7.3	5.9	5.0	1.2	1.1	13.7	14.8	
Jasa Marga	BUY	4,640	7,800	33,677	1,747	1,606	257	236	261	240	4.4%	-8.1%	18.1	19.6	11.4	10.5	2.5	2.3	14.0	11.6	
Consumer					573,357	16,992	19,025	328	367			8.4%	12.0%	33.7	30.1	19.4	17.4	8.7	7.9	27.2	27.5
Indofood CBP	BUY	8,700	9,400	101,459	3,894	4,296	334	368	334	368	8.2%	10.3%	26.1	23.6	16.4	14.9	5.2	4.6	20.9	20.6	
Indofood	BUY	6,200	8,000	54,439	4,381	4,847	499	552	504	550	5.7%	10.6%	12.4	11.2	6.1	5.4	1.7	1.6	14.5	14.8	
Unilever	HOLD	45,750	52,000	349,073	7,324	8,326	960	1,091	960	1,091	14.6%	13.7%	47.7	41.9	33.4	29.5	61.9	52.6	141.6	135.6	
Kino Indonesia	HOLD	1,700	2,100	2,429	115	145	81	101	81	101	-36.4%	25.8%	21.1	16.8	10.6	9.0	1.2	1.1	5.9	7.0	
Mayora Indah	HOLD	2,950	2,790	65,958	1,277	1,410	57	63	56	63	-5.8%	10.4%	51.7	46.8	25.9	22.9	9.4	8.2	19.5	18.8	
Healthcare					70,924	2,700	2,986	104	115			6.5%	11.5%	26.3	23.8	16.6	14.8	4.5	4.0	18.1	17.8
Kalbe Farma	HOLD	1,250	1,700	58,594	2,411	2,660	51	57	51	57	4.9%	10.3%	24.3	22.0	15.3	13.7	4.4	3.9	19.1	18.8	
Kimia Farma	SELL	2,220	1,910	12,330	289	326	52	59	52	59	8.1%	12.7%	42.6	37.8	25.9	22.4	5.0	4.5	12.4	12.6	
Heavy Equipment					125,239	7,463	8,439	2,001	2,262			49.2%	13.1%	16.8	14.8	7.4	6.2	2.8	2.5	18.0	18.1
United Tractors	BUY	33,575	39,000	125,239	7,463	8,439	2,001	2,262	2,001	2,262	49.2%	13.1%	16.8	14.8	7.4	6.2	2.8	2.5	18.0	18.1	
Industrial Estate					10,907	2,352	1,187	38	19			103.6%	-49.5%	4.6	9.2	7.6	6.9	0.7	0.7	16.3	7.7
Puradelta Lestari	BUY	129	240	6,218	733	746	15	15	14	14	-3.2%	1.8%	8.5	8.3	7.7	7.6	0.8	0.8	9.9	9.9	
Bekasi Fajar	BUY	230	320	2,219	488	543	51	56	50	56	45.4%	11.3%	4.5	4.1	5.5	4.9	0.6	0.5	13.5	13.2	
Surya Semesta	HOLD	525	540	2,470	1,131	(103)	240	(22)	(119)	(32)	171.1%	-109.1%	2.2	(24.1)	11.0	9.9	0.6	0.7	33.2	(2.8)	
Media					42,234	2,965	3,365	103	116			3.3%	13.5%	14.2	12.6	8.8	8.0	3.3	2.9	23.6	24.7
Media Nusantara Citra	BUY	2,000	3,100	29,243	1,491	1,605	102	110	102	110	-0.6%	7.6%	19.6	18.2	13.5	12.5	7.8	7.0	41.6	40.6	
Surya Citra Media	BUY	910	1,415	12,991	1,474	1,760	103	123	103	123	7.7%	19.5%	8.8	7.4	5.4	4.8	1.4	1.3	16.4	18.2	
Mining					202,253	14,754	17,040	166	192			68.4%	15.5%	13.7	11.9	5.8	5.2	1.6	1.6	12.3	13.4
Adaro Energy	BUY	1,785	2,800	57,095	6,283	7,376	196	231	198	231	40.1%	17.4%	9.1	7.7	3.5	3.0	1.3	1.2	14.4	16.0	
Timah	BUY	800	1,400	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	HOLD	4,060	3,300	40,342	(74)	233	(7)	23	(7)	23	-394.4%	-415.1%	(544.7)	172.8	31.7	18.0	1.7	1.7	(0.3)	1.0	
Aneka Tambang	HOLD	780	1,000	18,744	(254)	(68)	(11)	(3)	(11)	(3)	-507.2%	-74.4%	(71.0)	(277.3)	21.5	33.5	1.0	1.0	(1.4)	(0.4)	
Bukit Asam	BUY	3,850	3,600	45,507	4,476	4,823	412	425	412	425	123.1%	3.3%	9.6	9.3	6.4	6.0	3.3	2.7	37.3	30.5	
Indo Tambangraya Megah	BUY	24,575	33,200	27,768	3,384	3,903	2,985	3,455	3,322	3,617	93.2%	15.3%	8.2	7.1	3.8	2.9	2.2	2.0	27.1	28.9	
Harum Energy	HOLD	2,530	3,100	6,840	383	595	216	220	216	220	225.8%	2.1%	11.7	11.5	3.2	2.9	1.6	1.6	14.7	14.1	
Plantation					31,423	3,010	2,986	283	281			-1.1%	-0.8%	10.4	10.5	5.7	5.4	1.0	1.0	10.3	9.5
Astra Agro Lestari	HOLD	10,775	14,800	20,739	1,908	1,851	991	962	984	962	-4.9%	-3.0%	10.9	11.2	6.0	5.6	1.1	1.0	10.7	9.6	
Sampoerna Agro	HOLD	2,350	2,700	4,442	283	301	156	166	156												

COVERAGE PERFORMANCE
LEADERS

	Code	Price as on				Chg, %	w-w, %	m-m, %	YTD, %	Rating
		05-Jul-18	06-Jul-18							
Indo Tambangraya Megah	ITMG	24,575	23,250	5.7	9.8	(9.0)	18.7	BUY		
Malindo Feedmill	MAIN	680	660	3.0	(0.7)	(8.1)	(8.1)	HOLD		
Kimia Farma	KAEF	2,220	2,160	2.8	(5.9)	(16.2)	(17.8)	SELL		
Pakuwon Jati	PWON	560	545	2.8	5.7	(5.1)	(18.2)	HOLD		
Waskita Beton	WSBP	362	356	1.7	(1.1)	(11.3)	(11.3)	BUY		
Pembangunan Perumahan	PTPP	2,040	2,010	1.5	2.3	(22.7)	(22.7)	BUY		
Semen Indonesia	SMGR	6,950	6,850	1.5	(2.5)	(16.0)	(29.8)	SELL		
Kino Indonesia	KINO	1,700	1,680	1.2	(3.4)	(14.6)	(19.8)	HOLD		
Astra Agro Lestari	AALI	10,775	10,650	1.2	(3.8)	(9.5)	(18.1)	HOLD		
Jasa Marga	JSMR	4,640	4,590	1.1	11.0	0.7	(27.5)	BUY		

Sources: Bloomberg

LAGGARDS

	Code	Price as on				Chg, %	w-w, %	m-m, %	YTD, %	Rating
		05-Jul-18	06-Jul-18							
Wika Beton	WTON	366	386	(5.2)	(10.3)	(19.0)	(26.8)	BUY		
Bank Tabungan Negara	BBTN	2,150	2,250	(4.4)	(12.2)	(29.0)	(39.8)	BUY		
Matahari Putra Prima	MPPA	228	238	(4.2)	(3.4)	(19.7)	(49.6)	SELL		
Bank Mandiri	BMRI	6,300	6,525	(3.4)	(8.0)	(9.4)	(21.3)	BUY		
Vale Indonesia	INCO	4,060	4,180	(2.9)	0.5	(3.8)	40.5	HOLD		
Erajaya Swasembada	ERAA	2,410	2,480	(2.8)	(1.2)	(13.9)	227.9	BUY		
Aneka Tambang	ANTM	780	800	(2.5)	(12.4)	(13.8)	24.8	HOLD		
Bank Rakyat Indonesia	BBRI	2,840	2,910	(2.4)	-	(9.6)	(22.0)	BUY		
HM Sampoerna	HMSP	3,670	3,760	(2.4)	2.5	0.8	(22.4)	BUY		
Indofood CBP	ICBP	8,700	8,900	(2.2)	(1.7)	(1.7)	(2.2)	BUY		

Sources: Bloomberg

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