

FROM EQUITY RESEARCH

Plantation: Increase in Aug 18's inventory (Overweight)

Malaysia's palm oil inventory rose to 2.49mn tons in August 18 (+28.2% YoY, +12.4% MoM), higher than the consensus number of 2.41mn tons, due to weaker-than-expected exports. Looking ahead, however, we remain upbeat on the sector's prospects and believe that positive catalysts could come from: 1) lower-than-projected Malaysia palm oil output in FY18 as a result of declining CPO yields and a YoY decline in output and 2) higher palm oil exports from Malaysia given lower expected exports from Indonesia.

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Danareksa Research Institute: August Trade Outlook – Slight improvement

Indonesia's foreign trade rebounded in July 2018 following the end of Idul Fitri. Both exports and imports rose sharply on a monthly and yearly basis. Exports reached US\$ 16.2 bn (+25.2% mom, +19.3% yoy) while imports totalled US\$ 18.2bn (+62.2% mom, +31.6% yoy). In view of the latest developments, we expect Indonesia's exports to reach US\$ 15.6 bn in August 2018, with imports reaching US\$ 16.1 bn. This will translate into a trade deficit of US\$ 470.5 mn in August 2018.

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MARKET NEWS

Macroeconomy

- Government: Allocation of village funds to increase to IDR 73tn in 2019
- Government: Postponing the issuance of Government Global Bonds in 2018

Sector

- Consumer, Retail: Packaging industry to book slower growth of 5-6% in 2018

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- ACES: Strong August 2018 Revenues and SSSG in-line with expectations
- Adhi Karya: Allocates IDR5.0tn for investment on infrastructure projects
- Bukit Asam: Investment in coal gasification rises to USD1.0 – 1.5bn from USD1.0bn previously
- XL Axiata announces Rp2 tn of debt offerings

KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
Asean - 5				
Indonesia	5,798	(0.6)	(8.8)	372
Thailand	1,679	0.4	(4.2)	1,835
Philippines	7,449	(0.9)	(13.0)	102
Malaysia	1,785	(0.8)	(0.6)	395
Singapore	3,125	0.5	(8.2)	709
Regional				
China	2,656	(0.3)	(19.7)	19,098
Hong Kong	26,345	(0.3)	(11.9)	12,058
Japan	22,605	(0.3)	(0.7)	12,531
Korea	2,283	(0.0)	(7.5)	5,484
Taiwan	10,723	(0.3)	0.7	4,019
India	37,718	0.8	10.8	413
NASDAQ	7,954	(0.2)	15.2	125,243
Dow Jones	25,999	0.1	5.2	10,810

CURRENCY AND INTEREST RATE

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	14,833	0.7	(1.5)	(9.4)
BI7DRRR %	5.50	0.3	0.3	1.3
10y Gov Indo bond	8.61	0.0	0.7	2.3

HARD COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	115	(0.5)	(1.4)	14.1
Gold	US\$/toz	1,207	0.0	1.1	(7.4)
Nickel	US\$/mt.ton	12,543	3.3	(8.7)	(1.3)
Tin	US\$/mt.ton	19,070	0.1	(2.2)	(5.1)

SOFT COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2,233	(0.6)	7.3	17.6
Corn	US\$/mt.ton	118	(4.5)	(4.2)	(6.0)
Oil (WTI)	US\$/barrel	70	(0.2)	4.5	16.2
Oil (Brent)	US\$/barrel	80	0.9	9.5	19.2
Palm oil	MYR/mt.ton	2,211	(0.3)	1.2	(7.5)
Rubber	US\$/kg	133	1.1	(1.1)	(9.7)
Pulp	US\$/tonne	1,205	N/A	2.8	20.5
Coffee	US\$/60kgbag	75	(0.5)	0.1	(10.1)
Sugar	US\$/MT	335	2.0	6.2	(15.1)
Wheat	US\$/ton	138	(2.3)	(11.0)	5.1
Soy Oil	US\$/lb	28	(0.4)	(1.3)	(16.5)
Soy Bean	US\$/by	829	1.1	(2.0)	(12.9)

Source: Bloomberg

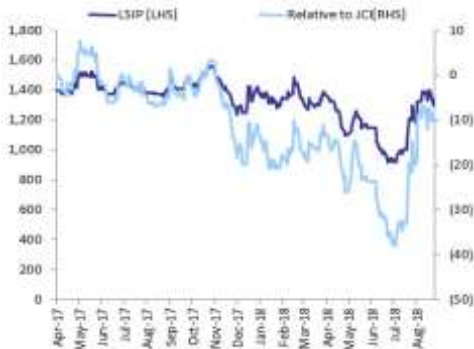
Thursday, 13 September 2018

OVERWEIGHT

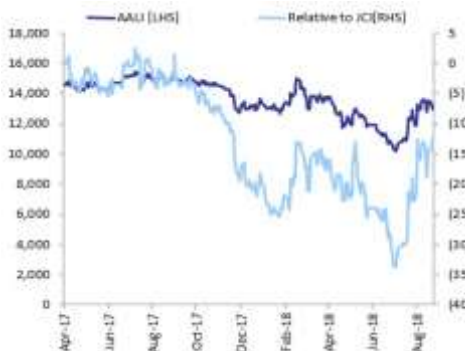
Plantation

Increase in Aug 18's inventory

LSIP relative to JCI Index



AALI relative to JCI Index



Source : Bloomberg

Malaysia's palm oil inventory rose to 2.49mn tons in August 18 (+28.2% YoY, +12.4% MoM), higher than the consensus number of 2.41mn tons, due to weaker-than-expected exports. Looking ahead, however, we remain upbeat on the sector's prospects and believe that positive catalysts could come from: 1) lower-than-projected Malaysia palm oil output in FY18 as a result of declining CPO yields and a YoY decline in output and 2) higher palm oil exports from Malaysia given lower expected exports from Indonesia.

Malaysia's palm oil inventory increased in Aug 18. According to the latest data released by MPOB, Malaysia's palm oil inventory climbed to 2.49mn tons in Aug 18 (+28.2% YoY, +12.4% MoM). The 2.49mn tons figure is above the consensus estimate of 2.41mn tons and mainly reflects weaker-than-expected exports in Aug 18.

Aug 18 output slightly missed estimates. Palm oil output was reported at 1.62mn tons (-10.4% YoY, +7.9% MoM), lower than consensus estimates of 1.65mn tons. Peninsula Malaysia's growth was weaker at -14.2% YoY/+6.3% MoM compared to that in Sabah/Sarawak at -5.9% YoY/+9.7% MoM. Despite posting MoM growth, Aug 18's output again showed a YoY decline. In Aug 18, the annualized CPO yield also recorded a decline to 3.36tons/Ha (vs. 3.84ton/Ha in Aug 17). If these trends continue, we could see lower-than-projected FY18 Malaysia palm oil output. As of 8M18, palm oil output stood at 12.05mn tons (-2.5% YoY).

Aug 18's exports disappointed. Palm oil exports were recorded at 1.10mn tons in Aug 18 (-26.1% YoY, -8.1% MoM), way behind the consensus figure of 1.24mn tons. This mainly owed to lower exports to China (-42.5% YoY, +0.0% MoM), the EU (-54.6% YoY, -49.0% MoM) and India (-24.1% YoY, +5.4% MoM). Going forward, however, we may see an improvement in exports driven by low CPO prices which may stimulate re-stocking by importing countries. In addition, Malaysia's palm oil exports may benefit from lower export supplies from Indonesia on expectations of higher biodiesel demand post the full implementation of the B20 mandate effective on 1 Sep 18. As of 8M18, Malaysia's palm oil exports totaled 10.53mn tons (-1.8% YoY).

The soyoil-CPO price gap narrowed to USD90/ton at the end of Aug 18 (compared to USD103/ton at the end of Jul 18). This mainly reflects the downward pressure on soy prices resulting from the escalation of the US-China trade war and expectations of a bumper US soybean crop.

Maintain overweight. We maintain our overweight call on the plantation sector with LSIP as our top pick. The possible near-term positive catalysts are: 1) lower-than-projected Malaysia palm oil output in FY18 as a result of declining CPO yields and a YoY decline in output and 2) higher palm oil exports from Malaysia given lower export supplies from Indonesia as a result of higher domestic demand post the full implementation of the B20 mandate. We maintain our CPO price estimates of MYR2,450/ton and MYR2,550/ton in FY18 and FY19, respectively. The YTD CPO price averages MYR2,356/ton.



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Company	Ticker	Rec	Target	Market	P/E (x)		P/BV (x)		ROE (%)
			Price (Rp)	Cap. (RpBn)	2018F	2019F	2018F	2019F	2019F
London Sumatra	LSIP IJ	BUY	2,000	9,138.8	11.1	11.2	1.1	1.0	9.2
Astra Agro Lestari	AALI IJ	BUY	16,500	25,309.7	15.4	13.5	1.3	1.2	9.5
Sampoerna Agro	SGRO IJ	BUY	3,000	4,164.6	12.0	10.3	1.0	0.9	9.4

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See important disclosure at the back of this report

September 2018

TRADE OUTLOOK

August Outlook: Slight Improvement

- ❑ Indonesia's foreign trade rebounded in July 2018 following the end of Idul Fitri. Both exports and imports rose sharply on a monthly and yearly basis. Exports reached US\$ 16.2 bn (+25.2% mom, +19.3% yoy) while imports totalled US\$ 18.2 bn (+62.2% mom, +31.6% yoy). As a result, Indonesia recorded a sizeable trade deficit of US\$ 2.03 bn, stemming from a US\$ 1.18 bn oil and gas deficit and a US\$ 0.84 bn non oil and gas deficit. July's deficit is a five-year high. Year-to-date, Indonesia's foreign trade deficit has soared to US\$ 3.09 bn. This compares to a surplus of US\$ 7.39 bn in the same period last year.
- ❑ Oil and gas exports (-15.1% mom) reached US\$ 1.4 bn, while non oil and gas exports (+31.2% mom) amounted to US\$ 14.8 bn. The higher exports value stemmed from both higher volume (+8.6% mom, +19.6% yoy) and higher average prices (+15.2% mom, -0.2% yoy). By product type, the exports of Indonesia's top non oil and gas products such as mineral fuel (HS 27), animal or vegetables fats, oil (HS 15), and machinery and electrical appliances (HS 85) increased. By destination country, the value of non oil and gas exports to China, Japan and the U.S rose by 6.9%, 29.5%, and 37.9% mom, respectively.
- ❑ Oil and gas imports (+22.2% mom) and non oil and gas imports (+71.5% mom) skyrocketed to US\$ 2.6 bn and US\$ 15.6 bn, respectively. Rising imports reflects higher average prices (+7.4% mom, +14.2% yoy) and higher volume shipments (+51.0% mom, +15.2% yoy). By product type, Indonesia's main non oil and gas imports increased. Imports of machinery and mechanical appliances (HS 84), machinery and electrical appliances (HS 85) and iron and steel (HS 72) were higher on a monthly basis. By country of origin, the imports of non oil and gas products from China, Japan and Thailand rose by 93.4% mom, 75.8% mom, and 33.2% mom, respectively.
- ❑ By type of use, the imports of raw materials, capital goods, and consumption goods rose by 59.3% mom, 71.9% mom, and 70.5% mom in July 2018. In the first 7 months of 2018, raw materials accounted for 75 percent of the non oil and gas imports, followed by capital goods (15.7%) and consumption goods (9.2%).
- ❑ Recent data indicates signs of moderating economic growth in Indonesia's main trading partners. While the U.S. has posted outstanding economic performance, economic activity in Japan and China is stabilizing. Notably, in August 2018, the average prices of Indonesia's major commodity exports rebounded by 0.6% mom (-2.7% mom in July). Meanwhile, global oil prices jumped by 3.5% mom.
- ❑ The U.S. economy expanded by 2.9 percent yoy in Q2 2018, or faster than in both Q2 2017 (+2.1% yoy) and Q4 2017 (+2.5% yoy). Compared to Q2 2017, growth in the following components accelerated: personal consumption-PCE (+2.6% yoy), gross private domestic investment (+4.8% yoy), exports (+5.7% yoy), and government expenditure (+1.3% yoy). Meanwhile, the growth in imports eased (+4.2% yoy). On the manufacturing side, expansion continued in August. The August ISM Manufacturing Index rose from 58.1 to 61.3 thanks to higher new orders and production. On the consumer side, U.S. household optimism strengthened. The consumer confidence index rose from 127.9 to 133.4 in July 2018. Consumer expectations toward current business and labour market conditions improved further. Consumer spending also picked up. Following a 0.2% mom (+6.6% yoy)

Forecast for August 2018

Exports	US\$ 15.6 bn
Imports	US\$ 16.1 bn
Trade Deficit	US\$ (0.5 bn)

Forecast for 2018

Exports	US\$ 180.3 bn
Imports	US\$ 184.2 bn
Trade balance	US\$ (3.8) bn

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MARKET NEWS

MACROECONOMY

Government: Allocation of village funds to increase to IDR 73tn in 2019

The Ministry of Villages, the Development of Disadvantaged Regions and Transmigration (Kemendes) stated that the village funds budgeted in the 2019 state budget will reach IDR 73tn. This is higher than the IDR 60tn allocated in 2018. The increase in funds is expected to allow villages to develop more rapidly. (Investor Daily)

Government: Postponing the issuance of Government Global Bonds in 2018

The government plans to postpone prefunding using government global bonds this year due to the heightened global economic uncertainty. The government is still awaiting US Fed policy developments in the second half of 2018 since further currency depreciation would make global bonds more costly. Previously, prefunding was conducted at the end of 2016 and 2017. This raised USD 3.5bn and USD 4bn in the respective years. (Kontan)

SECTOR

Consumer, Retail: The packaging industry to book slower growth of 5-6% in 2018

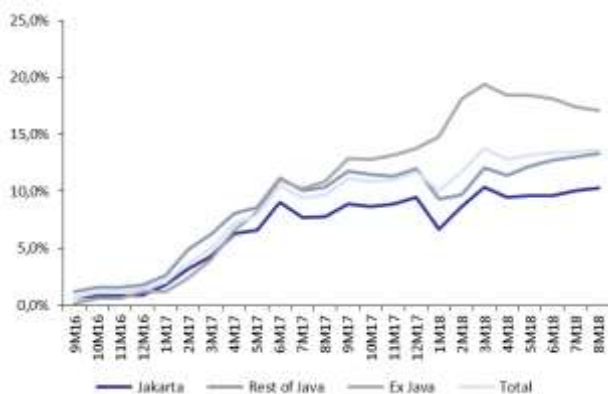
Growth in Indonesia’s packaging industry is estimated to reach 5-6% by the end of the year with a total market size of around IDR90tn. Over the past 3 years, growth in the packaging industry has decelerated from 10% to single digits following lifestyle changes according to Hengky Wibawa, the Chief of the Packaging Federation in Indonesia. At present, flexible packaging (i.e. for instant noodles) accounts for 45% of the total packaging market, followed by paperboard/printing/carton boxes (28%) and rigid plastic for beverages (15-16%). Around 50% of the raw materials are imported. In separate news, the government plans to impose excise tax on packaging. This will weigh on the growth in the packaging industry in 2019. (Investor Daily, Bisnis Indonesia)

CORPORATE

ACES: Strong August 2018 Revenues and SSSG in-line with expectations

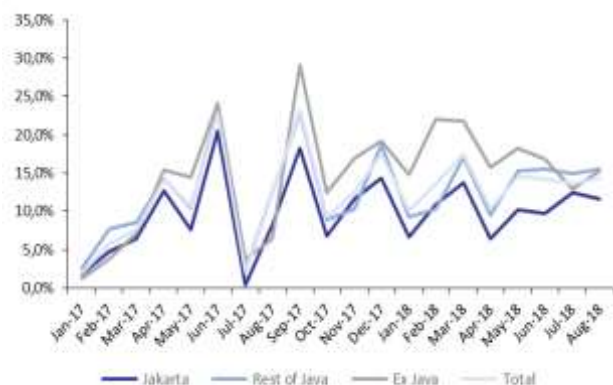
ACES booked IDR558bn of revenues in August 2018, +25.1% yoy, despite -5.6% mom, translating into 8M18 revenues of IDR4.4tn, +21.4% yoy. This figure is 61.7% of our full year forecast – i.e. in-line. The 8M18 SSSG YTD remained solid at 13.6% in total (8M17: 9.7%), mainly driven by ex Java at 17.1% (8M17: 10.9%), the rest of Java at 13.3% (8M17: 10.4%), and greater Jakarta at 10.3% (8M17: 7.8%). In August 2018, the company opened 2 new stores in Cilegon (1,950sqm) and in Jakarta (1,400sqm). (Company)

Exhibit 1. ACES SSSG YTD, August 2018



Source: Company

Exhibit 2. ACES SSSG YoY, August 2018



Source: Company

Adhi Karya: Allocates IDR5.0tn for investment on infrastructure projects

Adhi Karya (ADHI) has allocated IDR5.0tn for investment in infrastructure projects up to 2019. ADHI's planned investments include: 1) water treatment in the Karian dam, Banten, 2) a loop line train railway in Jakarta, and 3) the Solo – Yogyakarta – Kulon Progo toll road with a length of 22km. For each project, around 65% of the investment will be financed from debt with the remaining 35% from internal funds. ADHI is eyeing majority stakes in the projects. Furthermore, new contracts as of Aug 18 reached IDR8.5tn or 36.4% of the full year target of IDR23.3tn. Some of the new contracts booked in Aug 18 are: the Mui-Ureka Tower worth IDR400bn, the Solo Manahan stadium worth IDR274bn, and the Biak Papua airport worth IDR207bn. (Bisnis Indonesia)

Comment: ADHI's cash as of Mar 18 reached IDR4.3tn, while the DER reached 1.12x. Since the maximum stipulated DER is 2.5x, ADHI should still be able to raise around IDR8.2tn of debts (based on Mar 18's total equity of IDR5.9tn). (Maria Renata)

Bukit Asam: Investment in coal gasification rises to USD1.0 – 1.5bn from USD1.0bn previously

Bukit Asam (PTBA) expects the total investment in coal gasification to increase to USD 1.0 – 1.5bn from USD1.0bn previously. Together with Chandra Asri Petrochemical, Pupuk Indonesia and Pertamina, PTBA has formed a joint venture with equal ownership (25% each). PTBA is still conducting a feasibility study for coal gasification. PTBA expects groundbreaking to commence by the end of the year with construction taking around 2.5 – 3.0 years. The facility will have annual capacity of 400k tonnes of DME, 570k tonnes of urea and 450k tonnes of polypropylene with an annual coal requirement of around 9mn tonnes (including the coal requirement for the power plant). (Investor Daily)

XL Axiata announces Rp2 tn of debt offerings

XL Axiata has prepared two debt facilities of Rp5 tn each, namely shelf registration 1 debt obligation (5 tranches) with Rp1 tn expected to be issued in the first tranche by 5th October and shelf registered Sukuk Ijarah (Rp5 tn in 5 series) with Rp1 tn expected to be issued in the first series. The new facilities are rated AAAidn (triple A) by Fitch Ratings Indonesia and are guaranteed (fully committed by 5 institutions).

Comment: Net debt / EBITDA and Net debt / Equity were 1.5x and 0.6x in FY17, respectively, and 1.3x and 0.5x in 1H18 after debt repayment of Rp1.5 tn in the first half. With the addition of new debt, we expect these ratios to rise to 1.6x and 0.6x, respectively.

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
						2018 2019	2018 2019	2018 2019	2018 2019	2018 2019	2018 2019	2018 2019	2018 2019
Danareksa Universe					3,617,078	222,974 249,643	221.7 248.2		11.9% 12.0%	16.2 14.5	17.5 16.1	2.6 2.4	17.1 17.2
Auto					288,445	19,727 21,517	396.7 432.7		4.5% 9.1%	14.6 13.4	11.0 10.0	2.2 2.0	15.3 15.4
	Astra International	BUY	7,125	8,600	288,445	19,727 21,517	487 532	488 522	4.5% 9.1%	14.6 13.4	11.0 10.0	2.2 2.0	15.3 15.4
Banks					1,449,600	102,688 118,744	458.6 530.3		14.6% 15.6%	14.1 12.2		2.2 1.9	16.5 16.9
	BCA	HOLD	23,900	22,700	589,255	26,257 29,958	1,065 1,215	1,065 1,215	12.6% 14.1%	22.4 19.7	NA NA	3.9 3.3	18.5 18.0
	BNI	BUY	7,125	10,400	132,872	15,553 18,009	834 966	834 966	14.2% 15.8%	8.5 7.4	NA NA	1.2 1.1	14.8 15.2
	BRI	BUY	2,910	4,350	358,936	32,924 38,684	267 314	267 314	13.5% 17.6%	10.9 9.3	NA NA	1.1 1.0	18.6 19.3
	Bank Tabungan Negara	BUY	2,530	3,500	26,793	3,490 3,794	330 358	330 358	15.4% 8.5%	7.7 7.1	NA NA	1.1 1.0	15.1 14.6
	Bank Mandiri	BUY	6,375	8,500	297,500	24,463 28,239	524 606	524 606	18.5% 15.6%	12.2 10.5	NA NA	1.6 1.5	14.1 14.8
	BTPN	HOLD	3,790	3,900	22,176	1,723 2,011	300 350	300 350	41.1% 16.7%	12.6 10.8	NA NA	1.3 1.2	10.1 10.9
	BTPS	BUY	1,640	2,100	12,634	906 1,174	118 152	118 152	21.6% 29.7%	14.0 10.8	NA NA	3.2 2.7	29.4 27.3
	BPD_Jatim	BUY	630	830	9,435	1,259 1,350	84 90	84 90	8.6% 6.7%	7.5 7.0	NA NA	1.1 1.0	15.5 15.5
Cigarettes					586,718	21,454 23,492	181 199		5.0% 9.5%	27.3 25.0	18.7 17.3	7.1 6.4	26.9 26.9
	Gudang Garam	BUY	74,000	80,800	142,383	8,282 9,133	4,304 4,747	4,304 4,747	6.8% 10.3%	17.2 15.6	11.1 10.2	2.9 2.6	18.3 17.7
	HM Sampoerna	HOLD	3,820	3,800	444,335	13,173 14,359	113 123	113 123	4.0% 9.0%	33.7 30.9	24.8 22.8	12.8 12.2	38.2 40.4
Construction					95,760	11,919 14,048	160 188		12.5% 17.9%	8.0 6.8	7.1 6.4	1.2 1.1	16.1 16.5
	Wijaya Karya	BUY	1,425	2,300	12,782	1,588 2,108	177 235	177 235	32.0% 32.7%	8.0 6.1	3.3 2.7	0.9 0.8	11.9 14.2
	Pembangunan Perumahan	BUY	1,580	2,800	9,796	1,741 2,140	281 345	281 345	19.8% 22.9%	5.6 4.6	3.2 2.6	0.7 0.6	14.2 15.2
	Adhi Karya	BUY	1,360	2,900	4,843	753 920	212 258	212 258	46.1% 22.2%	6.4 5.3	5.4 4.8	0.7 0.6	11.6 11.6
	Waskita Karya	BUY	1,725	3,000	23,415	4,369 5,038	322 371	322 371	13.3% 15.3%	5.4 4.6	7.4 6.5	1.3 1.1	27.6 25.5
	Waskita Beton	BUY	356	580	9,385	1,302 1,524	53 62	53 62	37.5% 17.0%	6.7 5.7	5.8 5.2	1.2 1.1	17.2 18.4
	Wika Beton	BUY	372	730	3,242	423 493	51 59	51 59	25.5% 16.6%	7.3 6.3	4.7 4.2	1.1 0.9	14.5 15.2
	Jasa Marga	BUY	4,450	5,300	32,298	1,742 1,825	240 251	240 251	-20.8% 4.8%	18.5 17.7	12.9 13.3	2.0 1.8	11.1 10.8
Consumer					573,542	17,984 19,716	347 380		7.9% 9.6%	31.9 29.1	18.0 16.5	8.0 7.3	26.4 26.4
	Indofood CBP	BUY	8,875	9,400	103,499	3,979 4,230	341 363	341 363	4.8% 6.3%	26.0 24.5	15.3 14.3	4.8 4.3	19.3 18.6
	Indofood	BUY	6,125	8,000	53,780	4,493 4,968	512 566	510 548	7.8% 10.6%	12.0 10.8	5.6 5.2	1.6 1.5	13.9 14.2
	Unilever	HOLD	46,125	48,000	351,934	7,673 8,484	1,006 1,112	1,006 1,112	9.5% 10.6%	45.9 41.5	32.1 29.0	63.3 58.6	143.0 146.8
	Kino Indonesia	BUY	1,520	2,100	2,171	93 142	65 99	65 99	-16.1% 53.3%	23.4 15.3	9.9 7.4	1.0 1.0	4.5 6.6
	Mayora Indah	HOLD	2,780	2,790	62,157	1,747 1,892	78 85	76 85	9.5% 8.3%	35.6 32.9	19.3 17.7	7.4 6.4	22.4 21.0
Healthcare					68,524	2,806 3,083	102 121		-7.0% 18.5%	24.4 22.2	15.5 13.8	3.9 3.5	16.8 16.6
	Kalbe Farma	BUY	1,200	1,500	56,250	2,538 2,733	54 58	54 58	5.6% 7.7%	22.2 20.6	13.8 12.8	3.8 3.4	18.0 17.4
	Kimia Farma	HOLD	2,210	2,170	12,274	268 350	46 63	48 63	-18.0% 30.8%	45.8 35.0	27.3 19.4	4.5 4.1	10.2 12.2
Heavy Equipment					119,831	8,783 9,714	2,355 2,604		18.6% 10.6%	13.6 12.3	5.9 5.2	2.4 2.2	18.9 18.6
	United Tractors	BUY	32,125	39,000	119,831	8,783 9,714	2,355 2,604	2,355 2,604	18.6% 10.6%	13.6 12.3	5.9 5.2	2.4 2.2	18.9 18.6
Industrial Estate					10,251	1,052 1,237	17 20		-54.6% 17.6%	9.7 8.3	6.5 5.8	0.7 0.6	7.0 7.9
	Puradelta Lestari	BUY	130	240	6,266	645 594	13 12	13 12	-1.8% -7.9%	9.7 10.5	7.9 8.3	0.9 0.8	9.1 8.1
	Bekasi Fajar	BUY	180	300	1,737	498 581	52 60	52 60	3.0% 16.6%	3.5 3.0	4.3 3.8	0.4 0.4	12.2 12.7
	Surya Semesta	HOLD	478	540	2,249	(91) 62	(19) 13	(19) 13	-107.7% 168.5%	(24.7) 36.1	8.0 5.7	0.6 0.6	(2.4) 1.7
Media					38,166	3,551 3,919	123 136		27.5% 10.4%	10.7 9.7	7.0 6.3	2.6 2.2	25.5 24.5
	Media Nusantara Citra	BUY	835	1,450	11,921	1,960 2,158	137 151	137 151	34.9% 10.1%	6.1 5.5	4.3 3.9	1.2 1.0	20.3 19.7
	Surya Citra Media	BUY	1,795	2,700	26,246	1,591 1,761	107 119	107 119	19.5% 10.7%	16.7 15.1	11.1 9.8	5.7 4.8	37.4 35.0
Mining					194,355	18,825 19,111	212 215		24.1% 1.5%	10.3 10.2	4.6 4.5	1.5 1.4	14.7 14.1
	Adaro Energy	BUY	1,760	2,800	56,295	7,376 6,806	231 213	231 213	17.4% -7.7%	7.6 8.3	3.0 2.9	1.2 1.2	16.0 14.2
	Timah	BUY	705	1,400	5,251	603 689	81 93	81 93	19.9% 14.4%	8.7 7.6	4.6 4.1	0.8 0.8	9.6 10.2
	Vale Indonesia	BUY	3,330	5,900	33,088	1,117 1,708	112 172	112 172	-662.5% 53.0%	29.6 19.4	9.4 7.4	1.4 1.4	4.7 7.1
	Aneka Tambang	HOLD	780	1,000	18,744	428 501	18 21	18 21	213.7% 17.0%	43.8 37.4	11.4 11.2	1.0 1.0	2.3 2.6
	Bukit Asam	BUY	3,940	5,000	45,391	4,735 5,028	436 463	436 463	5.8% 6.2%	9.0 8.5	5.9 5.7	2.7 2.3	31.2 27.2
	Indo Tambangraya Megah	BUY	25,775	33,200	29,124	3,903 3,669	3,455 3,247	3,455 3,247	15.3% -6.0%	7.5 7.9	3.5 3.9	2.1 1.9	28.9 24.9
	Harum Energy	HOLD	2,390	3,100	4,662	663 709	245 262	245 262	12.7% 6.9%	9.7 9.1	2.1 1.6	1.5 1.4	15.8 16.1
Plantation					40,089	2,811 3,094	264 291		-8.2% 10.1%	14.3 13.0	7.5 5.9	1.3 1.2	9.1 9.4
	Astra Agro Lestari	BUY	13,525	16,500	26,031	1,639 1,874	851 973	851 973	-18.5% 14.3%	15.9 13.9	7.8 6.8	1.4 1.3	8.8 9.5
	Sampoerna Agro	BUY	2,330	3,000	4,404	346 406	191 223	191 223	20.4% 17.1%	12.2 10.4	7.0 3.9	1.1 1.0	8.7 9.4
	PP London Sumatra	BUY	1,415	2,000	9,654	826 815	121 119	121 119	8.2% -1.4%	11.7 11.8	6.8 5.1	1.1 1.1	9.9 9.2
Poultry					109,260	5,847 6,722	39 45		65.0% 15.0%	18.7 16.3	11.2 9.9	3.5 3.1	20.3 20.3
	Charoen Pokphand	HOLD	4,980	4,700	81,662	3,987 4,636	208 283	208 283	32.2% 36.1%	24.0 17.6	12.8 11.3	4.4 3.8	23.3 23.1
	Japfa Comfeed	BUY	2,110	2,600	24,743	1,739 1,947	152 171	152 171	74.4% 12.0%	13.8 12.4	8.4 7.5	2.3 2.1	17.6 17.3
	Malindo Feedmill	HOLD	1,275	1,150	2,854	121 139	54 62	54 62	147.7% 14.7%	23.6 20.6	9.1 8.5	1.6 1.5	6.9 7.5
Property					76,400	8,327 7,912	69 66		-11.7% -5.0%	9.2 9.7	7.4 7.1	1.1 1.0	12.3 10.5
	Alam Sutera	HOLD	282	340	5,541	1,605 1,576	82 80	83 80	-16.3% -1.8%	3.5 3.5	5.3 5.3	0.6 0.5	17.5 15.0
	Bumi Serpong Damai	BUY	1,170	1,930	22,519	2,842 2,128	148 110	147 110	-42.2% -25.2%	7.9 10.6	6.3 7.4	0.8 0.8	10.7 7.4
	Ciputra Development	BUY	750	1,220	13,920	1,171 1,216	63 66	63 66	30.9% 3.9%	11.9 11.4	8.8 8.1	1.0 0.9	8.4 8.1
	Paku on Jati	BUY	520	710	25,043	2,327 2,652	48 55	49 55	24.2% 14.0%	10.8 9.4	7.3 6.2	2.0 1.7	20.5 19.5
	Summarecon	BUY	650	1,000	9,377	383 343	27 24	27 24	5.8% -10.5%	24.5 27.4	8.9 9.0	1.4 1.3	5.7 4.9
Retail					72,827	3,556 4,337	69 85		62.9% 22.0%	20.5 16.8	11.6 9.2	4.6 4.1	23.3 25.8
	Mtra Adi Perkasa	BUY	800	1,050	13,280	874 824	528 498	528 498	161.0% -5.7%	1.5 1.6	7.3 6.2	3.0 2.6	20.0 17.1
	Ramayana	HOLD	1,280	1,800	9,083	452 497	66 73	66 73	11.2% 9.9%	19.3 17.5	13.5 12.2	2.4 2.3	12.5 12.8
	Matahari Department Store	BUY	6,550	1,100	19,112	2,037 2,150	698 737	698 737	6.8% 5.6%	9.4 8.9	5.9 5.3	6.3 5.1	75.9 63.0
	Matahari Putra Prima	SELL	172	200	1,295	(760) (188)	(141) (35)	(141) (35)	-38.9% 75.3%	(1.2) (4.9)	5.4 12.6	3.1 5.7	(95.7) (58.7)
	Ace Hardware	BUY	1,295	1,600	22,209	953 1,							

COVERAGE PERFORMANCE

LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		12-Sep-18	10-Sep-18					
Puradelta Lestari	DMAS	130	122	6.6	3.2	(11.6)	(24.0)	BUY
PP London Sumatra	LSIP	1,415	1,335	6.0	6.8	19.9	(0.4)	BUY
Bukit Asam	PTBA	3,940	3,720	5.9	(1.5)	(18.8)	60.2	BUY
Erajaya Swasembada	ERAA	2,460	2,350	4.7	(2.0)	(9.2)	234.7	BUY
Bekasi Fajar	BEST	180	172	4.7	(8.2)	(25.0)	(28.0)	BUY
Japfa Comfeed	JPFA	2,110	2,040	3.4	(1.4)	5.0	62.3	BUY
Ace Hardware	ACES	1,295	1,255	3.2	(4.1)	(8.8)	12.1	BUY
Astra Agro Lestari	AALI	13,525	13,200	2.5	2.1	13.9	2.9	BUY
Jasa Marga	JSMR	4,450	4,350	2.3	(2.0)	(4.3)	(30.5)	BUY
Indo Tambangraya Megah	ITMG	25,775	25,200	2.3	(5.3)	(2.4)	24.5	BUY

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		12-Sep-18	10-Sep-18					
Surya Citra Media	SCMA	1,795	1,875	(4.3)	(12.0)	(8.2)	(27.6)	BUY
Media Nusantara Citra	MNCN	835	870	(4.0)	(5.1)	(10.7)	(35.0)	BUY
Indocement	INTP	16,600	17,200	(3.5)	(0.2)	16.9	(24.4)	SELL
Bank Central Asia	BBCA	23,900	24,750	(3.4)	(3.4)	2.5	9.1	HOLD
Bank Mandiri	BMRI	6,375	6,575	(3.0)	(3.0)	(7.9)	(20.3)	BUY
Matahari Department Store	LPPF	6,550	6,725	(2.6)	(7.4)	2.7	(34.5)	BUY
Waskita Karya	WSKT	1,725	1,770	(2.5)	(7.5)	(12.2)	(21.9)	BUY
Bank Negara Indonesia	BBNI	7,125	7,275	(2.1)	(5.0)	(3.7)	(28.0)	BUY
Kalbe Farma	KLBF	1,200	1,225	(2.0)	(5.5)	(4.8)	(29.0)	BUY
Bank Rakyat Indonesia	BBRI	2,910	2,970	(2.0)	(6.4)	(7.3)	(20.1)	BUY

Sources: Bloomberg

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