

# **FROM EQUITY RESEARCH**

#### Strategy: The Trade Imbalance Persists

While the August trade deficit of USD1.0b was lower than July's, it was nonetheless still above our estimate (USD470m) and the consensus (USD674m). Exports were weaker in August. This is attributable, at least in part, to lower gas and coal exports. Going forward, various government policy initiatives can be expected to address the imbalance and we consequently expect the country's Current Account position to improve.

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# **Construction: Diversification into infrastructure investment** (Overweight)

Most SOE contractors are now diversifying their businesses into infrastructure investment. They are particularly targeting high-value infrastructure projects such as toll roads, power plants, property, railways, water treatment and tank storage. The 7M18 new contracts of the 4 SOE contractors grew by 8%yoy, supported by strong carry over contracts. The sector trades at an attractive valuation of below its -1SD 2019 PE of 10.0x. We are OVERWEIGHT on the sector and roll over our valuation to 2019 for each contractor.

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# **MARKET NEWS**

#### Macroeconomy

- Government global bonds up by 4.8%yoy in July 2018
- Government to offer USD 86.1bn of projects

#### Sector

- Healthcare: President to sign a regulation allowing cigarette tax to cover the BPJS Kesehatan deficit
- Telco: BRTI pessimistic on SIM card reregistration positives. **Corporate**
- Telkom strengthens Satellite Unit Telkomsat
- Telkom exploring digital business in Sharing Economy platform

	KEY INDEX	l l		
	Close	Chg	Ytd	Vol
	Close	(%)	(%)	(US\$ m)
Asean - 5				
Indonesia	5,824	(1.8)	(8.4)	281
Thailand	1,718	(0.2)	(2.0)	1,532
Philippines	7,414	0.0	(13.4)	65
Malaysia	1,804	0.6	0.4	622
Singapore	3,141	(0.6)	(7.7)	510
Regional				
China	2,652	(1.1)	(19.8)	21,316
Hong Kong	26,933	(1.3)	(10.0)	8,243
Japan	23,095	1.2	1.4	19,280
Korea	2,303	(0.7)	(6.7)	5,182
Taiwan	10,829	(0.4)	1.7	2,925
India	37,586	(1.3)	10.4	419
NASDAQ	7,896	(1.4)	14.4	114,316
Dow Jones	26,062	(0.4)	5.4	9,730

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

		Rate	w-w	m-m	ytd	
		Kale	(%)	(%)	(%)	
Rupiah	Rp/1US\$	14,880	(0.2)	(2.0)	(9.8)	
BI7DRRR	%	5.50	0.3	0.3	1.3	
10y Gov	Indo bond	8.42	(0.2)	0.4	2.1	

#### HARD COMMODITY

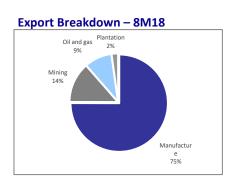
	Unit	Price	d-d	m-m	ytd
	Unit	Frice	(%)	(%)	(%)
Coal	US\$/ton	115	(0.7)	(2.9)	13.7
Gold	US\$/toz	1,199	(0.2)	1.1	(8.0)
Nickel	US\$/mt.ton	12,158	(3.3)	(9.2)	(4.3)
Tin	US\$/mt.ton	19,045	(0.0)	2.0	(5.2)

#### SOFT COMMODITY

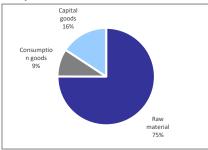
	Unit	Price	d-d	m-m	ytd
	onic	Flice	(%)	(%)	(%)
Cocoa	US\$/mt.ton	2,177	(3.2)	4.6	14.6
Corn	US\$/mt.ton	114	(2.0)	(11.6)	(8.8)
Oil (WTI)	US\$/barrel	69	(0.4)	4.2	13.6
Oil (Brent)	US\$/barrel	78	(0.1)	8.7	16.7
Palm oil	MYR/mt.ton	2,210	0.0	0.8	(7.5)
Rubber	USd/kg	132	(0.3)	(0.9)	(9.9)
Pulp	US\$/tonne	1,205	N/A	2.8	20.5
Coffee	US\$/60kgbag	75	(0.7)	0.1	(10.4)
Sugar	US\$/MT	330	(2.8)	7.3	(16.4)
Wheat	US\$/ton	138	(1.0)	(12.7)	5.0
Soy Oil	US\$/lb	27	(0.2)	(2.8)	(17.1)
Soy Bean	US\$/by	824	(0.8)	(6.6)	(13.5)



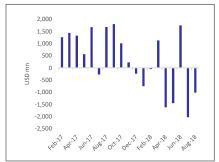
Tuesday, 18 September 2018



Import Breakdown - 8M18









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# Strategy

# The Trade Imbalance Persists

While the August trade deficit of USD1.0b was lower than July's, it was nonetheless still above our estimate (USD470m) and the consensus (USD674m). Exports were weaker in August. This is attributable, at least in part, to lower gas and coal exports. Going forward, various government policy initiatives can be expected to address the imbalance and we consequently expect the country's Current Account position to improve.

## Lower trade imbalance in Aug than July, yet still wider than expected

While imports declined in Aug 2018 (down 8% m-m) to USD16.8b, the deficit persisted due to a fall in exports, albeit at a lower level of USD1.0b in Aug vs USD2.0b in July. Even so, this figure is still well above our estimate (USD470m) and the consensus (USD674m), meaning that concerns on the Current Account outlook persist. As such, Sep's data will be highly significant, especially as the government took various policies in a bid to reduce the trade imbalance (implementation of the B20 mandate, import controls on 1,471 items, and the postponement of capital goods imports for 15k MW electricity projects). If these policies are not executed well, further IDR volatility might be on the cards.

**Exports down 2.9% m-m to USD15.8b** in Aug 18, with oil and gas exports down 3.3% m-m, mainly hit by 10% and 23% lower exports of processed oil and gas, respectively. For the latter, the decline was mostly attributable to lower gas volume exports (-24% m-m in Aug). Gas exports contribute nearly 60% of the total oil and gas exports which are 10% of Indonesia's total exports. Non-oil and gas exports also fell. They dipped 2.9% m-m in Aug to USD14.4b, mainly on the back of lower mineral fuel (coal) exports (-16% m-m). Coal exports are the largest component of non-oil and gas exports, with a 13% contribution, followed by CPO whose export value rose 3.5% in Aug. Aside from coal, metal ore exports also recorded a steep decline in Aug (-11.7% m-m). Overall exports reached USD120.1b in 8M18, up 10.4% y-y. With the implementation of the B20 mandate in September, CPO exports volume will initially decline, with the expectation of a stronger CPO price shoring up overall exports value going forward.

**Imports down 8.0% m-m to USD16.8b** in Aug 18, as non-oil and gas imports dropped 11.8% m-m on the normalisation of business activity, with imports of raw material goods down 7.6%, consumption goods (-9.2%) and capital goods (-9.0% m-m). By contrast, crude oil imports posted considerable growth in Aug (+75% m-m to USD1.8b). Imports of machinery, steel, plastics, auto-parts and chemicals recorded the biggest decline in Aug, while dairy and sugar imports soared 94% and 23.8% m-m, respectively.

**Expect the trade imbalance and CAD to moderate going forward.** While the lingering trade deficit in Aug means that concerns on the CAD will persist, we foresee a lower trade imbalance following the implementation of various government policies (*please refer to our Policies Panacea reports*). Based on our calculations, every USD1b of savings in the CAD will reduce the CAD to GDP ratio by 0.1%. As such, at least USD5b of savings in the CAD will be needed to bring the year-end CAD back to the safety level of 2.5% of GDP, of which the B20 mandate is expected to contribute USD2b. Better trade data is only one part of the equation to resolve the CAD issue, in our view, and a healthier services account is equally important (from developing tourism business, for example). We continue to like domestic consumption plays and commodities, especially CPO on the back of implementation of the B20 mandate.

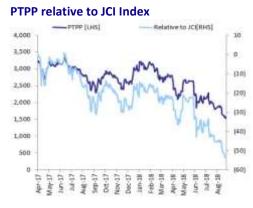


Tuesday,18 September 2018

**OVERWEIGHT** 







Source : Bloomberg



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# Construction

# **Diversification into infrastructure investment**

Most SOE contractors are now diversifying their businesses into infrastructure investment. They are particularly targeting high-value infrastructure projects such as toll roads, power plants, property, railways, water treatment and tank storage. The 7M18 new contracts of the 4 SOE contractors grew by 8%yoy, supported by strong carry over contracts. The sector trades at an attractive valuation of below its -1SD 2019 PE of 10.0x. We are OVERWEIGHT on the sector and roll over our valuation to 2019 for each contractor.

**Enlarging infrastructure investment business.** To enlarge its order book, now most of the contractors are diversifying its business into investment in infrastructure projects. Some of contractors are expanding its business including into power plant business. Recently, WIKA's consortium has bought a concession of a 120MW power plant in Aceh. WSKT owns 95% stake in Wado hydro power plant in Sumedang, West Java, which is still under construction. Meanwhile, others also enlarging its property business. Some of the company, plans to develop TOD business (ADHI), and some plans to build a new township or mix used development (WIKA, WSKT, PTPP).

**Delay on the development of 15GW.** Government has released new policy to reduce import to ease pressure on current account deficit (CAD) and currency stabilization. Furthermore, government has decided to delay the development ~15,000MW of power plants which is part of the development of 35,000MW program. Assuming cost for 1MW is USD1.0mn-1.5mn, this should translate to IDR222.0tn-333.0tn of delay in capital expenditure. Meanwhile, the turbine for the generator accounted for 50%-70% of the cost. This is translate to IDR111.0tn – IDR233.1tn (1USD = IDR14,800). However, government still continue the development of power plant which have been kick off.

**The 2019 infrastructure budget is set at IDR420.5tn**. Under the 2019 state budget draft, the infrastructure budget is set at IDR420.5tn, +2.4%yoy higher than 2018's budget at IDR410.7tn. This is indicating government's commitment in continuing the development of infrastructure.

**Order book grew 8%yoy as of Jul18**. Total order book of 4 SOE contractors as of Jul18 reached IDR321.7tn, grew +8.1%yoy (7M17: IDR297.7tn). The strong order book supported by massive carry over contracts which reached IDR256.7tn or 80% of the order book. New contracts booked by 4 SOE contractors as of Jul18 reached IDR65.0tn, -26.8%yoy lower than 2017's of IDR88.8tn. Consequently, the realization rate in 7M18 of 35.0%, lower than last year's realization rate of 54.5%.

**Valuation.** Our top pick is ADHI due to: 1) ADHI has the lowest equity risk in the sector, which is reflecting in positive operating cash flow, 2) ADHI is awaiting for the payment from the Jakarta LRT Project with receivable from the project as of Mar18 reached IDR4.4tn, and 3) ADHI is more likely to be appointed as the contractor for the stage 2 development of the Jakarta LRT. We roll over our valuation to 2019 for each companies under our coverage and shortening our PE Band period to catch better performance of the shares. Our new PE Band now is starting from early 2016 compared to 2013, previously. We maintain Overweight recommendation on the sector due to attractive valuation. The sector is traded below its -2SD 2019 PE of 7.1x.

			Target	Market					
			Price	Cap.	P/E (x	)	P/BV (x	<)	ROE (%)
Company	Ticker	Rec	(Rp)	(RpBn)	2018F	2019F	2018F	2019F	2019F
Adhi Karya	ADHI IJ	BUY	2,150	4,789.3	6.4	5.2	0.7	0.6	11.6
Pembangunan Perumahan	PTPP IJ	BUY	2,800	9,423.8	5.6	4.8	0.7	0.6	14.0
Wijaya Karya	WIKA IJ	BUY	2,200	12,782.2	7.6	5.7	0.9	0.8	15.0
Waskita Karya	WSKT IJ	BUY	2,300	23,347.1	5.4	6.8	1.3	1.2	18.1
Wika Beton	WTON IJ	BUY	600	3,101.9	7.3	6.3	1.0	0.9	15.5
Waskita Beton	WSBP IJ	BUY	500	8,776.7	8.4	7.6	1.2	1.1	14.5



# **MARKET NEWS**

## MACROECONOMY

#### Government global bonds up by 4.8% yoy in July 2018

Indonesia's global bonds increased by 4.8%yoy in July 2018, reaching USD 358bn. This increase is lower than the previous month's increase of 5.5%yoy. The country's global bonds consist of Government and Bank Indonesia loans of USD 180.8bn and SOE bonds of USD 177.1bn. (Investor Daily)

## Government to offer USD 86.1bn of projects

In an IMF and World Bank meeting, the government said it would offer 79 projects from 22 SOEs worth USD 86.1bn. 10 SOEs seek investment cooperation deals at the event. Most of the projects are related to infrastructure. (Bisnis Indonesia)

#### SECTOR

**Healthcare: President to sign a regulation allowing cigarette tax to cover the BPJS Kesehatan deficit** The government will issue a regulation to support the National Health Insurance program (JKN) by covering the BPJS Kesehatan deficit. This regulation permits the use of cigarette tax to finance the JKN program. Regional cigarette tax income will provide 50% of the source of the funds with 75% available for use in the JKN program. The government estimates that the tax income from cigarettes may reach IDR 13tn by the end of the year. Thus, IDR 6.5tn can be used for the JKN program, allowing the BPJS Kesehatan deficit to be covered. (CNN Indonesia)

## Telco: BRTI pessimistic on SIM card reregistration positives

A Commissioner of the Indonesian Telecommunications Regulatory Agency (BRTI), I Ketut Prihadi, said that the registration of prepaid SIM cards was expected to reduce the churn rate. But because starter packs are cheaper than top-up reloads, some consumers keep changing SIMs and thus SIM card reregistration has not yet led to a change in consumer behavior. XL Axiata does not have plans to reset starter pack prices. According to EXCL, the implementation of card registration is expected to reduce the churn rate. Going forward, it plans to gradually increase data tariffs until the end of the year. (Bisnis Indonesia)

*Comment: Affordability is a key issue for consumers who are willing to make the extra effort to benefit from cheaper starter packs. We will continue to monitor the process.* 

## CORPORATE

#### **Telkom strengthens Satellite Unit Telkomsat**

PT Telkom (TLKM) made a capital deposit in the form of assets to PT Telkom Satelit Indonesia (Telkomsat) of which Telkom owns 99.99%. This transaction is expected to strengthen the capital structure of Telkomsat and Telkomsat will own and operate the Merah Putih Satellite.

Merah Putih was launched on August 7, 2018 and it is currently tested for around 25 days from August 18, 2018. If it runs smoothly, the satellite can start to be used 3rd week of September. (IDX)

Comment: Satellite Merah Putih is meant to replace the old satellite no.1 with higher capacity and bandwidth and boost its wholesale business as well as improve its offerings to enterprises (Niko)

## Telkom exploring digital business in Sharing Economy platform

Government is exploring starting an online transportation application through PT Telkom, according to Transportation Minister Budi Karya Sumadi, the likes of Go-Jek and Grab. Discussions with Telkom are in early stages. Government is still studying the plan and there's no guarantee it will be implemented, Minister tells reporters in Jakarta on Monday. (Bloomberg)

*Comment: Potentially this should beneficial given Telkom's nationwide coverage and with no significant capex needed to be incurred. (Niko)* 



# **DANAREKSA VALUATION GUIDE**

Equity																				
Valuation	Rating	Price (Rp)	Price	Mkt Cap	Net prof			(Rp)	Core EPS		EPS G		PER		EV / EBIT		PBV ()		ROE	
Dahareksa			Target	Rp Bn	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Danareksa Universe Auto				3,614,918 281,361	222,974 19,727	249,643 21,517	221.7 396.7	248.2 432.7			11.9% 4.5%	12.0% 9.1%	16.2 14.3	14.5 13.1	17.5	16.1 9.8	2.6	2.4	17.1	17.2
Astra International	BUY	6,950	8,600	281,361	19,727	21,517	487	532	488	522	4.5%	9.1%	14.3	13.1	10.7	9.8	2.1	1.9	15.3	15.4
Banks				1,463,280	102,688	118,744	458.6	530.3			14.6%	15.6%	14.2	12.3			2.2	2.0	16.5	16.9
BCA	HOLD	23,925	22,700	589,871	26,257	29,958	1,065	1,215	1,065	1,215	12.6%	14.1%	22.5	19.7	N/A	N/A	3.9	3.3	18.5	18.0
BNI BRI	BUY	7,225	10,400	134,737	15,553	18,009	834	966	834	966	14.2%	15.8%	8.7	7.5	N/A	NA	1.2	1.1	14.8	15.2
BRI Bank Tabungan Negara	BUY	2,970 2,590	4,350 3,500	366,337 27,428	32,924 3.490	38,684 3,794	267 330	314 358	267 330	314 358	13.5% 15.4%	17.6% 8.5%	11.1 7.8	9.5 7.2	N/A N/A	N/A N/A	1.9 1.1	1.7	18.6 15.1	19.3 14.6
Bank Mandiri	BUY	6,450	8,500	301,000	24,463	28,299	524	606	524	606	18.5%	15.6%	12.3	10.6	N/A	NA	1.7	1.5	14.1	14.8
BTPN	HOLD	3,700	3,900	21,649	1,723	2,011	300	350	300	350	41.1%	16.7%	12.3	10.6	N/A	N/A	1.2	1.1	10.1	10.9
BTPS	BUY	1,645	2,100	12,673	906	1,174	118	152	118	152	21.6%	29.7%	14.0	10.8	N/A	N/A	3.3	2.7	29.4	27.3
BPD Jatim	BUY	640	830	9,585	1,259	1,350	84	90	84	90	8.6%	6.7%	7.6	7.1	N/A	N/A	1.1	1.1	15.5	15.5
Cigarettes Gudang Garam	BUY	72,975	80,800	583,582 140,410	21,454 8,282	23,492 9,133	181 4,304	199 4,747	4,304	4,747	5.0% 6.8%	9.5% 10.3%	27.2 17.0	24.8 15.4	<b>18.6</b> 11.0	17.2 10.0	7.0 2.9	6.4 2.6	26.9 18.3	26.9 17.7
HM Sampoerna	HOLD	3,810	3,800	443,172	13,173	14,359	113	123	113	123	4.0%	9.0%	33.6	30.9	24.8	22.7	12.7	12.2	38.2	40.4
Construction				94,517	11,919	14,048	160	188			12.5%	17.9%	7.9	6.7	7.0	6.37	1.2	1.0	16.1	16.5
Wijaya Karya	BUY	1,390	2,300	12,468	1,588	2,108	177	235	177	235	32.0%	32.7%	7.9	5.9	3.3	2.6	0.9	0.8	11.9	14.2
Pembangunan Perumah		1,520	2,800	9,424	1,741	2,140	281	345	281	345	19.8%	22.9%	5.4	4.4	3.0	2.5	0.7	0.6	14.2	15.2
Adhi Karya Waskita Karya	BUY BUY	1,345 1,720	2,900 3,000	4,789 23,347	753 4,369	920 5,038	212 322	258 371	212 322	258 371	46.1% 13.3%	22.2% 15.3%	6.4 5.3	5.2 4.6	5.4 7.4	4.8 6.5	0.7 1.3	0.6 1.1	11.6 27.6	11.6 25.5
Waskita Beton	BUY	356	580	9,385	4,369	1,524	53	62	53	62	37.5%	15.3%	5.3 6.7	4.6	5.8	5.2	1.3	1.1	17.2	25.5 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	4,390	5,300	31,862	1,742	1,825	240	251	240	251	-20.8%	4.8%	18.3	17.5	12.8	13.2	2.0	1.8	11.1	10.8
Consumer				572,586	17,984	19,716	347	380			7.9%	9.6%	31.8	29.0	17.9	16.5	8.0	7.3	26.4	26.4
Indofood CBP	BUY	8,825	9,400	102,916	3,979	4,230	341	363	341	363 548	4.8%	6.3%	25.9	24.3	15.2	14.2	4.8	4.3	19.3	18.6
Indofood Unilever	BUY HOLD	6,100 46,050	8,000 48,000	53,561 351,362	4,493 7,673	4,968 8,484	512 1,006	566 1,112	510 1,006	548 1,112	7.8% 9.5%	10.6% 10.6%	11.9 45.8	10.8 41.4	5.6 32.0	5.2 29.0	1.6 63.2	1.5 58.5	13.9 143.0	14.2 146.8
Kino Indonesia	BUY	1,500	2,100	2,143	93	142	65	99	65	99	-16.1%	53.3%	23.1	15.1	9.8	7.3	1.0	1.0	4.5	6.6
Mayora Indah	HOLD	2,800	2,790	62,604	1,747	1,892	78	85	76	85	9.5%	8.3%	35.8	33.1	19.4	17.8	7.5	6.5	22.4	21.0
Healthcare				70,184	2,806	3,083	102	121			-7.0%	18.5%	25.0	22.8	15.8	14.2	4.0	3.6	16.8	16.6
Kalbe Farma	BUY HOLD	1,220 2,340	1,500 2,170	57,188 12,996	2,538 268	2,733 350	54 48	58 63	54 48	58 63	5.6% -18.0%	7.7% 30.8%	22.5 48.5	20.9 37.1	14.1 28.6	13.0 20.4	3.8 4.8	3.5 4.3	18.0 10.2	17.4 12.2
Kimia Farma Heavy Equipment	HULD	2,340	2,170	12,996 119,924	8,783	350 9,714	48 2,355	53 2,604	48	63	-18.0% 18.6%	30.8% 10.6%	48.5 13.7	37.1 12.3	28.6 5.9	20.4 5.2	4.8 2.4	4.3	10.2	12.2
United Tractors	BUY	32,150	39,000	119,924	8,783	9,714	2,355	2,604	2,355	2,604	18.6%	10.6%	13.7	12.3	5.9	5.2	2.4	2.2	18.9	18.6
Industrial Estate				10,078	1,052	1,237	17	20	1		-54.6%	17.6%	9.6	8.1	6.4	5.8	0.7	0.6	7.0	7.9
Puradelta Lestari	BUY	126	240	6,073	645	594	13	12	13	12	-1.8%	-7.9%	9.4	10.2	7.6	8.0	0.8	0.8	9.1	8.1
Bekasi Fajar	BUY	182	300	1,756	498	581	52	60	52	60	3.0%	16.6%	3.5	3.0	4.3	3.9	0.4	0.4	12.2	12.7
Surya Semesta Media	HOLD	478	540	2,249 38,678	(91) 3,551	62 3,919	(19) 123	13 136	(19)	13	-107.7% 27.5%	168.5% 10.4%	(24.7) 10.9	36.1 9.9	8.0 7.1	5.7 6.4	0.6	0.6 2.3	(2.4) 25.5	1.7 24.5
Media Nusantara Citra	BUY	835	1,450	11,921	1,960	2,158	137	151	137	151	34.9%	10.4%	6.1	5.5	4.3	3.9	1.2	1.0	20.3	19.7
Surya Citra Media	BUY	1,830	2,700	26,758	1,591	1,761	107	119	107	119	19.5%	10.7%	17.0	15.4	11.3	10.0	5.8	4.9	37.4	35.0
Mining				192,848	18,825	19,111	212	215			24.1%	1.5%	10.2	10.1	4.5	4.5	1.5	1.4	14.7	14.1
Adaro Energy	BUY	1,715	2,800	54,856	7,376	6,806	231	213	231	213	17.4%	-7.7%	7.4	8.1	2.9	2.8	1.2	1.1	16.0	14.2
Timah Vale Indonesia	BUY BUY	710 3,250	1,400 5,900	5,288 32,293	603 1,117	689 1,708	81 112	93 172	81 112	93 172	19.9% -662.5%	14.4% 53.0%	8.8 28.9	7.7 18.9	4.7 9.2	4.1 7.2	0.8 1.4	0.8 1.3	9.6 4.7	10.2 7.1
Aneka Tambang	HOLD	790	1,000	18,984	428	501	18	21	18	21	213.7%	17.0%	44.3	37.9	11.5	11.4	1.4	1.0	2.3	2.6
Bukit Asam	BUY	3,930	5,000	45,276	4,735	5,028	436	463	436	463	5.8%	6.2%	9.0	8.5	5.9	5.7	2.7	2.2	31.2	27.2
Indo Tambangraya Mega		26,275	33,200	29,689	3,903	3,669	3,455	3,247	3,455	3,247	15.3%	-6.0%	7.6	8.1	3.6	4.0	2.1	1.9	28.9	24.9
Harum Energy	HOLD	2,390	3,100	6,462	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	BUY	12,750	16,500	38,257 24,540	2,811 1,639	3,094 1,874	264 851	<b>291</b> 973	851	973	<b>-8.2%</b> -18.5%	10.1% 14.3%	13.6 15.0	12.4 13.1	7.1 7.4	5.6 6.4	1.2 1.3	1.1 1.2	9.1 8.8	9.4 9.5
Astra Agro Lestari Sampoerna Agro	BUY	2,330	3,000	4,404	346	406	191	223	191	223	20.4%	14.3%	12.2	10.4	7.0	3.9	1.3	1.2	8.7	9.5
PP London Sumatra	BUY	1,365	2,000	9,313	826	815	121	119	121	119	8.2%	-1.4%	11.3	11.4	6.5	4.8	1.1	1.0	9.9	9.2
Poultry				107,509	5,847	6,722	39	45			65.0%	15.0%	18.4	16.0	11.0	9.8	3.5	3.0	20.3	20.3
Charoen Pokphand	HOLD	4,860	4,700	79,694	3,987	4,636	208	283	208	283	32.2%	36.1%	23.4	17.2	12.5	11.0	4.3	3.7	23.3	23.1
Japfa Comfeed Malindo Feedmill	BUY HOLD	2,140 1.215	2,600 1,150	25,095 2,720	1,739 121	1,947 139	152 54	171 62	152 54	171 62	74.4% 147.7%	12.0% 14.7%	14.0 22.5	12.5 19.6	8.5 8.9	7.6 8.2	2.4	2.1 1.4	17.6 6.9	17.3 7.5
Property	HOLD	1,213	1,150	76,963	8.327	7,912	69	66	34	02	-11.7%	-5.0%	9.2	9.7	7.2	7.1	1.5	1.4	12.3	10.5
Alam Sutera	HOLD	290	340	5,698	1,605	1,576	82	80	83	80	16.3%	-1.8%	3.6	3.6	5.3	5.4	0.6	0.5	17.5	15.0
Bumi Serpong Damai	BUY	1,150	1,930	22,134	2,842	2,126	148	110	147	110	-42.2%	-25.2%	7.8	10.4	6.2	7.3	0.8	0.7	10.7	7.4
Ciputra Development	BUY	790	1,220	14,663	1,171	1,216	63	66	63	66	30.9%	3.9%	12.5	12.1	9.2	8.5	1.0	0.9	8.4	8.1
Pakuw on Jati	BUY	515 670	710 1,000	24,802	2,327	2,652 343	48 27	55 24	49 27	55 24	24.2% 5.8%	14.0% -10.5%	10.7 25.2	9.4 28.2	7.3	6.2 9.2	2.0	1.7 1.3	20.5 5.7	19.5
Summarecon Retail	DUY	670	1,000	9,666 74,015	383 3,556	343 4,337	69	24	21	24	5.8% 62.9%	-10.5% 22.0%	25.2 20.8	28.2	9.1 11.8	9.2 9.4	1.4 4.7	1.3 4.2	5.7 23.3	4.9 25.8
Mitra Adi Perkasa	BUY	810	1,050	13,446	874	824	528	498	528	498	161.0%	-5.7%	1.5	1.6	7.4	6.2	3.0	2.6	20.0	17.1
Ramayana	HOLD	1,305	1,800	9,260	452	497	66	73	66	73	11.2%	9.9%	19.6	17.9	13.8	12.5	2.5	2.3	12.5	12.8
Matahari Department Sto		6,425	1,100	18,748	2,037	2,150	698	737	698	737	6.8%	5.6%	9.2	8.7	5.8	5.2	6.2	5.0	75.9	63.0
Matahari Putra Prima	SELL	220	200	1,656	(760)	(188)	(141)	(35)	(141)	(35)	-38.9%	75.3%	(1.6)	(6.3)	- 6.1	14.4	4.0	7.3	(95.7)	(58.7)
Ace Hardware	BUY	1,350	1,600	23,153	953 634	1,053 711	56	62	56	62	22.5%	10.6%	24.2 11.1	21.8 9.9	18.8 6.4	16.6	5.7	5.0 1.6	25.1 15.9	24.1
Erajaya Swasembada Telco	BUY	2,430	4,000	7,752 391,628	20,873	24,727	219 181	245 215	219	245	86.7%	12.1% 18.5%	11.1	9.9 15.8	5.2	6.0 4.7	1.8	1.6 2.8	15.9 16.0	15.6 18.1
Telekomunikasi Indonesi	a BUY	3,470	4,300	343,746	20,783	23,624	206	234	206	234	-6.2%	13.7%	16.8	14.8	5.6	5.0	3.5	3.3	21.9	23.4
Indosat	HOLD	2,970	3,300	16,139	(360)	73	(66)	13	(67)	13	-131.7%	120.2%	(44.9)	221.9	3.3	2.8	1.2	1.2	(2.7)	0.6
XL Axiata	BUY	2,970	3,800	31,743	450	1,031	42	96	66	96	19.8%	129.3%	70.6	30.8	5.1	4.5	1.4	1.4	2.1	4.6

Danareksa Sekuritas – Equity SNAPSHOT



# **COVERAGE PERFORMANCE**

# LEADERS

	Price as on										
	Code	17-Sep-18	14-Sep-18	Chg, %	w-w, %	m-m, %	YTD, %	Rating			
Surya Semesta	SSIA	478	466	2.6	1.7	(4.4)	(7.2)	HOLD			
Semen Baturaja	SMBR	2,600	2,580	0.8	(0.8)	(7.1)	(31.6)	SELL			
Mitra Adi Perkasa	MAPI	810	805	0.6	1.9	1.9	30.6	BUY			
BPD Jatim	BJTM	640	640	-	(0.8)	0.8	(9.9)	BUY			
Wika Beton	WTON	372	372	-	(1.1)	(3.6)	(25.6)	BUY			
Matahari Putra Prima	MPPA	220	220	-	31.7	8.9	(51.3)	SELL			
Sampoerna Agro	SGRO	2,330	2,330	-	1.7	(2.1)	(9.3)	BUY			
Bank Central Asia	BBCA	23,925	23,975	(0.2)	(3.7)	2.4	9.2	HOLD			
BTPN	BTPN	3,700	3,710	(0.3)	(4.9)	(5.9)	50.4	HOLD			
BTPS	BTPS	1,645	1,650	(0.3)	0.6	4.1	N/A	BUY			
Courses Plasmehour											

Sources: Bloomberg

## LAGGARDS

	Price as on											
	Code	17-Sep-18	14-Sep-18	Chg, %	w-w, %	m-m, %	YTD, %	Rating				
Indocement	INTP	16,000	17,025	(6.0)	(9.1)	10.9	(27.1)	SELL				
Bekasi Fajar	BEST	182	191	(4.7)	5.2	(20.2)	(27.2)	BUY				
Malindo Feedmill	MAIN	1,215	1,275	(4.7)	(3.6)	(9.3)	64.2	HOLD				
Bank Mandiri	BMRI	6,450	6,750	(4.4)	(2.6)	(3.7)	(19.4)	BUY				
Vale Indonesia	INCO	3,250	3,390	(4.1)	0.9	(14.2)	12.5	BUY				
Bank Negara Indonesia	BBNI	7,225	7,525	(4.0)	(1.7)	2.1	(27.0)	BUY				
Astra International	ASII	6,950	7,225	(3.8)	(3.1)	(2.1)	(16.3)	BUY				
Gudang Garam	GGRM	72,975	75,725	(3.6)	(0.5)	1.9	(12.9)	BUY				
Bank Tabungan Negara	BBTN	2,590	2,680	(3.4)	(1.1)	4.0	(27.5)	BUY				
Bank Rakyat Indonesia	BBRI	2,970	3,070	(3.3)	(2.0)	(2.6)	(18.4)	BUY				

Sources: Bloomberg



## **PREVIOUS REPORTS**

- Banking: Strong enough to weather the headwinds, Surya Semesta Internusa: So Close Yet So Far SnapShot20180917
- Prodia Widyahusada: Leveraging on increasing health awareness <u>SnapShot20180914</u>
- Plantation: Increase in Aug 18's inventory, Danareksa Research Institute: August Trade Outlook Slight improvement <u>SnapShot20180913</u>
- Pembangunan Perumahan: Energizing PTPP <u>SnapShot20180910</u>
- Consumer Retail: The good and the bad, Telco: Strong data volumes while pricing recovers, Telkom Indonesia: EBITDA margin recovery by 200-400bps in 2H18, XL Axiata: Biggest beneficiary in data price recovery, Indosat Ooredoo: Conservative as challenges may remain, 1H18 Result: Antam - Turnaround into profit <u>SnapShot20180907</u>



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