

FROM EQUITY RESEARCH
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KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
Asean - 5				
Indonesia	6.178	1,0	(2,8)	540
Thailand	1.615	(1,2)	(7,9)	1.619
Philippines	7.523	0,5	(12,1)	109
Malaysia	1.676	0,8	(6,7)	463
Singapore	3.111	0,4	(8,6)	633
Regional				
China	2.634	1,2	(20,4)	19.522
Hong Kong	26.524	1,3	(11,3)	10.174
Japan	21.707	(0,5)	(4,6)	6.830
Korea	2.089	(0,3)	(15,3)	7.048
Taiwan	9.859	0,4	(7,4)	3.641
India	35.930	0,4	5,5	421
NASDAQ	7.070	(0,4)	2,4	105.395
Dow Jones	24.597	0,3	(0,5)	11.220

CURRENCY AND INTEREST RATE

		Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah	Rp/1US\$	14.497	0,2	2,1	(6,9)
SBI rate	%	6,00	0,3	0,3	1,8
10y Gov	Indo bond	8,21	0,2	0,0	1,9

HARD COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	102	0,5	(3,2)	1,3
Gold	US\$/toz	1.242	0,0	2,6	(4,7)
Nickel	US\$/mt.ton	10.781	0,5	(4,3)	(15,2)
Tin	US\$/mt.ton	19.434	0,4	0,7	(3,3)

SOFT COMMODITY

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	2.131	2,5	(2,5)	12,2
Corn	US\$/mt.ton	134	(1,4)	1,8	6,9
Oil (WTI)	US\$/barrel	53	0,3	(6,2)	(12,7)
Oil (Brent)	US\$/barrel	61	2,2	(6,1)	(8,1)
Palm oil	MYR/mt.ton	1.755	0,9	(6,1)	(26,6)
Rubber	US\$/kg	125	0,6	1,2	(14,9)
Pulp	US\$/tonne	1.205	N/A	2,8	20,5
Coffee	US\$/60kgbag	77	(0,7)	(7,8)	(14,0)
Sugar	US\$/MT	345	0,6	1,1	(12,5)
Wheat	US\$/ton	146	1,8	3,5	8,7
Soy Oil	US\$/lb	29	(0,6)	4,0	(13,4)
Soy Bean	US\$/by	907	(1,4)	4,6	(4,7)

MARKET NEWS

MACROECONOMY

Tax office upbeat on tax collection in 2018

The tax office has expressed optimism in reaching its tax revenues target for this year despite lower-than-expected realization as of November and is confident about posting strong performance in 2019. The Finance Ministry's Director General Robert Pakpahan recently said that the tax office projected tax revenues for 2018 to reach IDR1.35quadrillion, 94.87% of the 2018 state budget, which is lower than the budget target of IDR1.42quadrillion. However, as of November, the tax authority only recorded IDR1.14quadrillion of tax revenues. (Jakarta Post)

Distribution of the Special Allocation Fund is being accelerated

The government is accelerating the distribution of the Special Allocation Fund (DAK) that includes regional transfers and village funds. As of Dec 3, 2018, the absorption of DAK reached IDR 48tn or 78.5% of the full year budget with 492 areas which have not received DAK. DAK can be distributed if the documentation and report from the regional government shows progress in specific areas. The central government is currently issuing an appeal memo to regional governments to push for more progress. (Bisnis Indonesia)

CORPORATE

Alibaba rumored to be interested in buying industrial land from DMAS

According to the local news, DMAS is rumored to have received inquiries from 2 big buyers each inquiring for 30-40Ha of industrial land. One buyer is rumored to be Alibaba while the other is a large automotive company. (Kontan)

Comment: Based on our checks, DMAS has confirmed such inquiries, but even if this is the case, they are unlikely to be booked as marketing sales in FY18. If they materialize, the transactions would likely be booked in FY19's marketing sales. Also, the amount of the land is still subject to change. Meanwhile, DMAS has managed to book 8 Ha of industrial land sales in 4Q18, resulting in YTD land sales of 33Ha. (Yudha)

EXCL partners with Indian content aggregator for "XL Home"

XL Axiata has partnered with EROS Eros that has a library of over 11,000 films, original shows, television programs, music videos and on demand services. This will help XL Axiata to offer an attractive home entertainment option with its XL Home services in fixed home broadband. Eros Now specializes in Indian content worldwide and is listed on the NYSE. With this collaboration, Eros Now will be able to expand its reach to a larger consumer base in Indonesia which will be able to enjoy their favorite Indian entertainment content on XL Home. XL Axiata has recently launched XL Home, a home broadband entertainment service. It targets 500,000 home passes in 2019 according to the press. (business wire)

PP Presisi: Targets revenues growth of 33%yoy in 2019

PP Presisi (PPRE) targets revenues growth of 29-33% in 2019 to IDR4.0-4.5tn from IDR3.0-3.5tn targeted in 2018. This growth should be supported by IDR5.5-6.0tn of new contracts targeted in 2019. The capex allocated for 2019 is IDR1.0-1.5tn of which 70% will be used to acquire heavy equipment and 30% to support inorganic growth. PPRE plans to acquire a company engaged in soil improvement and foundations. PPRE has cut its new contracts target to IDR5.0tn from IDR7.0-7.5tn set at the beginning of the year. (Bisnis Indonesia)

COVERAGE PERFORMANCE
LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		13-Des-18	12-Des-18					
Kimia Farma	KAEF	2.850	2.550	11,8	14,9	11,3	5,6	HOLD
Puradelta Lestari	DMAS	163	151	7,9	11,6	27,3	(4,7)	BUY
Charoen Pokphand	CPIN	6.950	6.500	6,9	0,4	26,9	131,7	HOLD
Bekasi Fajar	BEST	208	195	6,7	7,8	51,8	(16,8)	BUY
Bukit Asam	PTBA	4.500	4.310	4,4	10,3	(7,8)	82,9	BUY
Vale Indonesia	INCO	3.170	3.040	4,3	3,3	2,3	9,7	BUY
BTPS	BTPS	1.880	1.805	4,2	10,3	10,6	N/A	BUY
Summarecon Agung	SMRA	880	845	4,1	6,0	44,3	(6,9)	BUY
Surya Semesta	SSIA	474	456	3,9	(2,1)	8,7	(8,0)	HOLD
Harum Energy	HRUM	1.525	1.470	3,7	1,3	(16,2)	(25,6)	HOLD

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		13-Des-18	12-Des-18					
Ramayana	RALS	1.355	1.380	(1,8)	4,2	1,5	12,9	HOLD
Surya Citra Media	SCMA	1.940	1.960	(1,0)	5,4	6,6	(21,8)	BUY
Waskita Karya	WSKT	1.840	1.855	(0,8)	6,7	29,6	(16,7)	BUY
HM Sampoerna	HMSP	3.740	3.770	(0,8)	1,1	11,0	(20,9)	BUY
Wika Beton	WTON	374	376	(0,5)	(2,1)	17,6	(25,2)	BUY
Indocement	INTP	19.675	19.750	(0,4)	(1,9)	4,8	(10,4)	SELL
Ace Hardware	ACES	1.520	1.525	(0,3)	2,0	9,0	31,6	BUY
Astra Agro Lestari	AALI	11.850	11.875	(0,2)	3,3	17,3	(9,9)	BUY
Bank Central Asia	BBCA	25.825	25.825	-	(1,8)	7,4	17,9	HOLD
Semen Indonesia	SMGR	11.600	11.600	-	(2,3)	16,0	17,2	SELL

Sources: Bloomberg

PREVIOUS REPORTS

- BPD Jatim: A sound dividend play, SIDO MUNCUL: Healthy growth ahead [SnapShot20181213](#)
- Indo Tambangraya: A dividend play [SnapShot20181212](#)
- Plantation: Nov 18 Inventory: Reaching a Record High [SnapShot20181211](#)
- Pembangunan Perumahan: Imminent change in status [SnapShot20181210](#)
- Gudang Garam: More growth to come, Property: BCA Standpoint - Assessment of Property Demand [SnapShot20181207](#)
- Bank Central Asia: Fully valued [SnapShot20181206](#)

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