

## Economic Data

	Latest	2019F
7-DRRR (%), eop	6.00	6.25
Inflation (YoY %)	2.57	3.80
US\$ 1 = Rp, period avg	14,273	14,450

## Stock Market Data (14 Mar 2019)

JCI Index	6,413.3	0.56%
Trading T/O ( Rp bn )	6,565.5	
Market Cap ( Rp tn )	7,292.8	

## Market Data Summary\*

	2019F	2020F
P/E (x)	17.1	15.7
P/BV (x)	2.5	2.3
EV/EBITDA (x)	13.7	13.0
Div. Yield (%)	2.4	2.6
Net Gearing (%)	14.5	0.0
ROE (%)	15.5	15.5
EPS growth (%)	10.6	8.9
EBITDA growth (%)	6.8	5.1
Earnings Yield (%)	5.8	6.3

\* Aggregate of 75 companies in MS research universe, representing 64.3% of JCI's market capitalization

## HIGHLIGHT

- *Jan19 Liquidity Trail: Seeing Improvement in the Following Months*
- *Pembangunan Perumahan: FY18 Earnings In-Line Due to Non-Core Income (PTPP; Rp2,090; Buy; TP: Rp3,085)*
- *Market Recap March 14<sup>th</sup> 2019; JCI 6,413.27 points +35.69 pts (+0.56%); Valued \$463mn; Mkt Cap \$498bn; USD/IDR 14,273*

## ECONOMY

### Jan19 Liquidity Trail: Seeing Improvement in the Following Months

- Money supply development has become one of the important macro indicators to follow, especially amid the currently recovering domestic demand and lingering global headwinds. In this report, we want to shed some light on the liquidity condition and its outlook ahead while taking a deeper look on factors affecting money supply dynamics. The *Liquidity Trail* report series will be released regularly on a monthly basis.
- **Money supply (M2) growth has decelerated since 4Q18.** It eased to 5.5% YoY in Jan19 (the lowest growth figure since two years ago) from 6.3% YoY in Dec18. Does this directly suggest that domestic demand is lackluster? Not necessarily. If we look into the M2 composition, which is narrow money (M1) and quasi-money, there are some interesting facts. M1 did ease to 3.8% YoY from 4.8% in Dec18, yet it was owing to the deceleration of rupiah demand deposits (0.3% YoY vs. 3.4% YoY), while the currency circulation actually increased to 9.1% YoY from 6.6% in the same period. This suggests private consumption in the low-middle class income remains solid, as there is a strong correlation between currency and same store sales growth data. The largest contributor to the M2 slowdown was the quasi-money (saving + time deposit), as it eased to 6.0% in Jan19 from 6.8% in Dec18. The fact that rupiah & FX demand deposits are slowing indicate liquidity has been quite tight in the corporate level.
- **What are the factors affecting the slower money supply growth in Jan19?** The money supply is affected by two factors: the net foreign assets (NFA) and net domestic assets (NDA), which includes the net claims on the Central Government. Both factors caused M2 to decelerate. First, the growth of NDA has not moved. Bank loan slightly ticked up to 11.9% YoY (vs. 11.7% in Dec18), yet net claims on the central government declined by -14.1% YoY in Jan19 (vs. -3.3% in Dec18). This was caused by the rise in BI's liabilities to the central government at 61.8% YoY in Jan19 (vs. 13.6% in Dec18), or in other words, government money account in the central bank is larger in early 2019 compared to Jan18 (for more details on the cause, see our [Fiscal Watch report](#)). We think, however, this trend will be temporary owing to the different cycle between fiscal financing and spending. Second, annual growth of NFA has contracted since Jul18, reflected from lower FX reserves.

- Will the liquidity situation change?** Yes. The liquidity condition should improve in the following months on the back of several factors. First, the NDA growth is expected to pick up. Besides the better economic condition, the degree of the Government's frontloading on financing would soften, followed by larger fiscal spending, especially in 2H19. One of the signs could be seen in the last three Rupiah bond auctions, where the amount won by the government was smaller than Jan19 (from Rp28.3tn in early Jan19 to Rp18.1tn in Mar19). In fact, our Fixed Income team calculated the average issuance for the rest of the auction this year (18 auctions left) is only Rp16.7tn as the government has secured 33.4% of full year target. Better liquidity will also be sourced from the matured government rupiah bonds, reaching Rp169.4tn in Mar – May19 (vs. Rp100.8tn in the same period last year). Second, NFA contraction should narrow, as the trade balance will improve ahead, in our opinion. The liquidity condition might tighten again in Jun19; however, it would mostly be a consequence of seasonality (Eid al-Fitr period).
- Policy makers will continue to ensure sufficient liquidity in the system.** Bank Indonesia stated that the macro prudential stance will be "accommodative", especially in context of liquidity. The central bank could support the liquidity in several ways: i) Narrowing the spread between long and short term tenors of the monetary instruments, ii) More frequent repo auctions, iii) Lowering the indicative absorption target on its open market operations, iv) Relaxing the current macro prudential measures (including the average reserve requirement), and v) If needed, BI could lower the reserve requirement. Potential relaxation on the macro prudential instruments is possible in the next one to two months. On the fiscal side, aside from the larger expenditure being in the pipeline, we think further tax incentives will be introduced to support business activities going forward.

#### THE COMPOSITION OF MONEY SUPPLY (M2) AND ITS TREND

No.	Items (Rp bn)	Oct-18	Nov-18	Dec-18	Jan-19
	<b>Broad Money (M2)</b>	<b>5,667,512</b>	<b>5,670,975</b>	<b>5,760,046</b>	<b>5,645,800</b>
1	Narrow Money (M1)	1,410,578	1,405,264	1,457,150	1,377,600
1.a	Currency Outside Commercial and Rural Banks	581,592	586,236	625,370	580,800
1.b	Rupiah Demand Deposits	828,986	819,028	831,779	796,800
2	Quasi Money	4,237,684	4,246,310	4,282,364	4,247,900
2.a	Time Deposits	2,237,552	2,221,315	2,233,782	2,265,600
2.ai	Rupiah	1,945,979	1,943,315	1,934,018	1,973,500
2.aii	Foreign Currency	291,572	278,000	299,763	292,100
2.b	Savings Deposits	1,684,284	1,686,549	1,769,299	1,709,200
2.bi	Rupiah	1,558,084	1,566,067	1,644,863	1,590,400
2.bii	Foreign Currency	126,200	120,482	124,436	118,800
2.c	Foreign Currency Demand Deposits	315,847	338,445	279,284	273,100
3	Securities Other Than Shares	19,251	19,401	20,533	20,300
No.	Items (YoY%)	Oct-18	Nov-18	Dec-18	Jan-19
	<b>Broad Money (M2)</b>	<b>7.3</b>	<b>6.6</b>	<b>6.3</b>	<b>5.5</b>
1	Narrow Money (M1)	6.4	5.0	4.8	3.8
1.a	Currency Outside Commercial and Rural Banks	11.9	9.1	6.6	9.1
1.b	Rupiah Demand Deposits	2.9	2.3	3.4	0.3
2	Quasi Money	7.6	7.1	6.8	6.0
2.a	Time Deposits	3.9	3.5	5.2	5.5
2.ai	Rupiah	3.2	3.1	4.5	4.9
2.aii	Foreign Currency	9.0	6.1	9.7	9.7
2.b	Savings Deposits	10.0	7.4	8.0	6.5
2.bi	Rupiah	10.4	8.2	8.2	6.9
2.bii	Foreign Currency	4.4	(1.2)	5.2	0.9
2.c	Foreign Currency Demand Deposits	24.5	36.7	12.9	7.5
3	Securities Other Than Shares	(0.5)	3.3	11.8	10.5

Sources: Bank Indonesia, CEIC

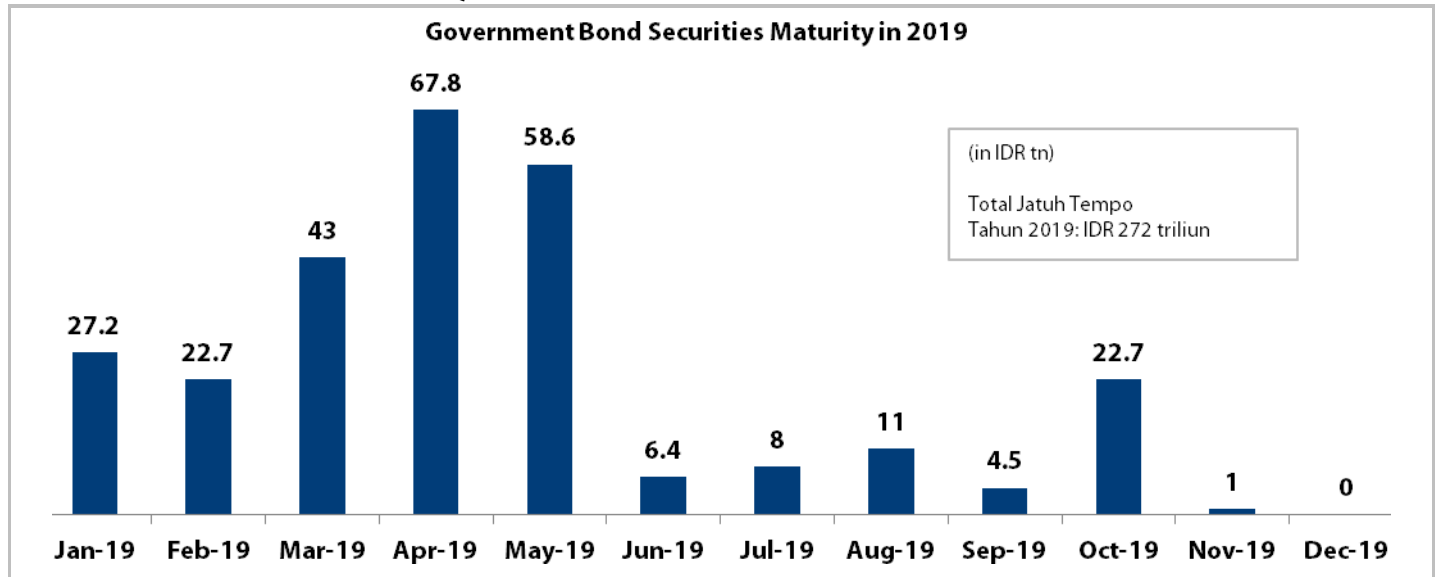
#### FACTORS AFFECTING MONEY SUPPLY GROWTH AND ITS TREND

No.	Items (YoY%)	Oct-18	Nov-18	Dec-18	Jan-19
	<b>Factors-factors affecting broad money</b>	<b>5,667,512</b>	<b>5,670,975</b>	<b>5,760,046</b>	<b>5,645,800</b>
1	Net Foreign Assets	1,494,443	1,444,270	1,442,602	1,391,200
2	Net Domestic Assets	4,173,069	4,226,705	4,317,444	4,254,600
2.a	Net Claims on Central Government	486,943	500,608	472,729	453,900
2.ai	Claims on Central Government	893,436	885,964	893,041	928,100
2.aii	Liabilities to Central Government	406,493	385,356	420,312	474,200
2.b	Claims on Other Sector	5,597,568	5,585,994	5,725,267	5,626,100

No.	Items (YoY%)	Oct-18	Nov-18	Dec-18	Jan-19
	Factors-factors affecting broad money	7.3	6.6	6.3	5.5
1	Net Foreign Assets	-0.7	-2.4	-6.4	-9.3
2	Net Domestic Assets	10.4	10.0	11.4	11.4
2.a	Net Claims on Central Government	-3.3	-3.5	-3.3	-14.1
2.ai	Claims on Central Government	3.6	3.0	4.0	13.0
2.aii	Liabilities to Central Government	13.3	12.8	13.6	61.8
2.b	Claims on Other Sector	14.1	12.4	12.5	12.4

Sources: Bank Indonesia, CEIC

#### RUPIAH BONDS MATURITY WILL BE LARGE IN 2Q19



Sources: Mandiri, Ministry of Finance Debt Management Office

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## CORPORATE

### Pembangunan Perumahan: FY18 Earnings In-Line Due to Non-Core Income (PTPP; Rp2,090; Buy; TP: Rp3,085)

- PTPP's net profit of Rp1.5tn (+3.4% yoy) was largely in line with our/consensus estimate by 102%/94%, mainly supported by non-core income of Rp515bn (FY18 earnings excl. non-core: -16.7% yoy). Margins' deterioration was mainly due to construction and EPC services' higher-than-expected material expense. Balance sheet-wise, PTPP's net gearing stood at 25% with positive OCF at Rp715bn.
- Earnings largely in-line due to non-core income.** PTPP recorded 4Q18 net profit of Rp627bn (+35.4% yoy; 58.8% qoq), translating to FY18 earnings of Rp1.5tn (+3.4% yoy) or accounting for 102%/94% of our/consensus' target—in line. The company's bottom-line was supported by non-core income, as other income jumped by 106% yoy, while core profit dropped by 16.7% yoy to Rp1.0tn. Breaking down into the company's non-core income, the company conducted asset revaluation for 4 of its assets, accounting for Rp290.0bn.
- Meanwhile, PTPP also booked a provision for A/R impairment losses of Rp236.0bn (FY17: Rp135.2bn; 9M18: Rp69.3bn). Note that the spike in impairment losses in 4Q18 partly came from PP Energi's subsidiary.
- Subsided margins despite on-track revenues delivery:** PTPP booked 4Q18 revenues of Rp10.3tn (+33.5% yoy; +95.7% yoy), leading to a FY18 result of Rp25.1tn (+16.8% yoy), 102%/99% of our/consensus full-year estimate, in-line. On the details, construction service grew by 18% yoy to Rp17.8tn and EPC rose by 25% yoy to Rp4.0tn, while real estate decelerated by 2% yoy to Rp2.7tn. However, the company's margin in 4Q18 GPM deteriorated to 12.8% (4Q17: 16.2%), as we suspect most of the bills have been paid to vendors, while the installment would only be done after the closing year-

end book. We expect PTPP's GPM, especially in construction and EPC services, to improve in 1Q19. Furthermore, the company's OPM dropped to 12.1% (FY17: 13.4%) due to higher opex to sales at 3.7% (FY17: 3.4%) with higher depreciation expense. Lastly, PTPP's NPM stood at 6.0% (FY17: 6.8%) due to higher minority interest, as PPRE recorded 73% yoy earnings growth.

- **Steady balance sheet and cash flow.** Balance sheet-wise, the company's net gearing stood at 25.3% (3Q18: 42.4%), driven by higher cash at Rp8.6tn (3Q18: Rp6.2tn), while debt remained flat at Rp12.8tn (3Q18: Rp12.7tn). As a results of zero turnkey projects in the pipeline, PTPP's A/R days were maintained at 79 days (FY18: 73days) with positive operating cash flow at Rp716bn.
- **Maintain BUY.** We retain our BUY recommendation with price target of Rp3,085. PTPP is currently trading at 7.5x PER 2019F, -1.5x stdev in 5-year average. Key risks to our call are slower-than-expected new contracts achievement and lower-than-expected order book to revenues translation.

#### PTPP 4Q18 RESULTS

Rpbn	12M18	12M17	%yoy	4Q18	3Q18	%qoq	4Q17	%yoy	FY18F	% of ours	FY18C	% of cons.
Revenue	25,120	21,502	16.8%	10,333	5,280	95.7	7,741	33.5	24,657	101.9	25,295	99.3
Gross profit	3,546	3,251	9.1%	1,318	765	72.3	1,257	4.9	3,780	93.8	3,844	92.3
Operating profit	2,628	2,887	-8.9%	1,001	550	82.1	1,186	-15.6	3,156	83.3	3,064	85.8
Pretax profit	2,813	2,436	15.5%	1,203	662	81.6	862	39.6	2,678	105.0	2,656	105.9
Net profit	1,502	1,453	3.4%	627	395	58.8	463	35.4	1,475	101.9	1,591	94.4
Gross margin (%)	14.1	15.1		12.8	14.5		16.2		15.3		15.2	
Operating margin (%)	10.5	13.4		9.7	10.4		15.3		12.8		12.1	
Pretax margin (%)	11.2	11.3		11.6	12.5		11.1		10.9		10.5	
Net margin (%)	6.0	6.8		6.1	7.5		6.0		6.0		6.3	

Source: Company, Bloomberg, Mandiri Sekuritas Estimates

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## MARKET

**Market Recap March 14<sup>th</sup> 2019; JCI 6,413.27 points +35.69 pts (+0.56%); Valued \$463mn; Mkt Cap \$498bn; USD/IDR 14,273**

- TOP TURNOVER: BBRI JPFA TLKM BBKA ASII BMRI UNTR INKP ADRO LPPF BBNI WSKT WIKA BTPS PGAS (35%)
- ADVANCING SECTOR: auto+3%; cement+1%; financial+0.9%; mining+0.6%; construction+0.5%; plantation & property+0.2%
- DECLINING SECTOR: telco-1.1%; consumer-0.5%
- Indo shares barely budged as investors reacted cautiously to mixed data from China, while the pound hovered near nine-month highs as the risk of a no-deal Brexit receded following a late-night vote. Chinese shares were in the red after data showed the country's industrial output expanded at the slowest pace in 17 years, although retail sales and fixed asset investment grew by more than expected. Shanghai's SSE Composite index stumbled 1.2% while the blue-chip CSI 300 eased 0.4%. Investors were watching the data for clues about the health of China's economy after growth cooled to 6.6% last year. Despite China's slowing growth, Asian markets have had an impressive rally this year, with the MSCI index climbing about 10% largely after the US Fed all but abandoned its rate hike plans. Toward the afternoon session and right after Fitch Ratings affirms Indonesia's country rating at BBB with stable outlook, the JCI took off and strengthened by 0.6% to 6413 level, led by big banks: BBRI+1.8% BBKA-0.3% BMRI+3% BBNI+1.7%. Fitch says in a statement that Indonesia's ratings balance a favorable GDP growth outlook and a small govt debt burden. Fitch further adds that growth outlook continues to be strong relative to its peers and the rating agency sees "slight deceleration" from 5.2% in 2018 to

5% in 2019. Market turnover (excluding \$61.1MN JPFA; \$15MN GAMA; \$10.7MN ASMI; \$8MN RIMO crossing) was better at \$463MN. Foreign participants at 33% came up slightly better seller. Gainers beat losers by 12 to 10.

- In currency market, most of the action overnight was in sterling after the British parliament rejected leaving the EU without a deal, paving the way for a vote that could delay Brexit until at least the end of June. The rejection of a no-deal Brexit sent the cable rallying to \$1.3380, the highest since June 2018. It jumped 2.1% for its best one-day percentage gain since April 2017 and was last at \$1.3315. Analysts said the real test for sterling was yet to come as lawmakers still need to agree a way forward before an extension on Britain's exit could be obtained from the European Union. The euro extended gains for a fifth day in a row to the highest since March 5<sup>th</sup>. It was last at \$1.1329. Wed vote boosted investor optimism in European equities too, with the pan-European STOXX 600 index climbing 0.6% while London's FTSE 100 added 0.1% as sterling extended gains. The DXY hovered near a seven-day trough hit after the inflation data. The DXY was up 0.1%t at 96.633. It shed 0.4% overnight, at one point brushing a nine-day trough of 96.385. The IDR maintained presence at 14273 level. Oil prices extended overnight gains with US crude up 15 cents per barrel at \$58.41 and Brent adding 22 cents to \$67.77.

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## FROM THE PRESS

### **AEol discovered undeclared assets worth Rp1,300tn overseas**

Directorate General of Tax has sent financial information to 54 countries and received from 66 countries through the Automatic Exchange of Information (AEol). The result from these exchange is that there are Rp1,300tn worth of assets that are still undeclared to the tax office. According to the MoF regulation, undeclared assets in tax amnesty program will be subject to income tax (PPH) along with administration sanction of 200% from the income tax that is not declared (Kontan)

### **Fitch maintains investment grade for Indonesia**

Fitch maintains Indonesia sovereign credit rating at BBB level with a stable outlook in 14 March 2019, from previously the same grade and outlook in Sep18. Fitch sees good economic growth prospects with low government debt. Domestically, private consumption is expected to be resilient amid the limited exports. (Kontan)

### **LPS to guarantee funds deposited in e-money and e-wallet**

LPS is currently reviewing the plan to guarantee funds deposited in e-money and e-wallet. LPS' secretary, Samsu Adi Nugroho states that they may need to revise existing regulation on deposit guarantee. He also notes the reviewing process also include e-wallet and e-money that are issued by fintech companies. (Tempo)

### **Telco players asked for regional retribution relaxation**

Telco players in Indonesia asked the government for regional retribution relaxation. To note, several cities in Indonesia posted retribution up to Rp2,500/m/mo for developing fiber optics. In order to create one homepass, telco players generally need up to 40m of cable. Setyardi Widodo, Commissioner of BRTI, stated that both BRTI and Ministry of Telecommunication have discussed several issues such as telecommunication infrastructure fee, formula for the fee, enforcement issue, and impact of retribution to telco operators. (Bisnis)

### **Alipay and LinkAja target a different market**

Handayani, consumer director of BRI (BBRI) states that is in the process of developing their digital platform. Other than LinkAja, BBRI also preparing for BRI Mobile. She notes that LinkAja will not clash with Alipay, as these two platforms have a different target market. Later, LinkAja is targeted for day-to-day transactions while Alipay is targeted for tourists that shop in merchants in popular tourist destinations. (Kontan)

**Bank CIMB Niaga (BNGA) to hold annual shareholder meeting on 15 Apr 2019**

The following is the agenda for BNGA's annual shareholder meeting: approval of the company's annual reported and consolidated financial statements, determining the use of FY18's net income, appointment of public accountant for 2019, determining compensation and bonus for BoD and BoC, approval of recovery plan process, approval for share buyback, and etc. BNGA plans to buyback 20mn shares which is equivalent to Rp25bn. The buyback will take place 18 months after the plan has been approved from OJK. The share buyback will be used for management's remuneration during a three year period (2019-2021). (Bisnis Indonesia)

**New Avanza's vehicle order receipt (SPK) reached 18.3k in 2M19**

Until Feb'19, New Avanza vehicle order receipt (SPK) reached 18.3k, while the wholesales delivery is only 11.2k units. Toyota-Astra Motor (TAM)'s Executive General Manager, Fransiscus Soerjopranoto stated there were issues surrounding New Avanza's wholesales and plan to solve these issues in the next three months before Eid Mubarak (Lebaran) holiday in Jun'19. Moreover, New Avanza's supply currently stood at around 5k units/month despite targeting 7-7.5k units sales/month. (Bisnis Indonesia)

Indices and Fund Flows				Currencies and Bonds				Major Commodities			
Indices	Last	Chg (%)	YTD Chg (%)	Currency	Last	Chg (%)	YTD Chg (%)		Last	Chg (%)	YTD Chg (%)
JCI	6,413.3	+0.6	+3.5	Rp/US\$	14,264	+0.20	+1.1	Oil spot (US\$/bl)	58.61	+0.6	+29.1
Dow Jones	25,709.9	+0.0	+10.2	US\$/EUR	1.130	-0.20	+1.4	Nickel spot (US\$/mt)	12,799	-2.4	+20.7
Nikkei	21,287.0	-0.0	+6.4	YEN/US\$	111.70	+0.48	-1.8	Gold spot (US\$/oz)	1,296	-1.0	+1.1
Hang Seng	28,851.4	+0.2	+11.6	SGD/US\$	1.356	+0.25	+0.5	Tin 3-month (US\$/mt)	21,170	+0.1	+8.7
STI	3,197.9	+0.1	+4.2					CPO futures (Ringgit/ton)	2,063	-1.3	-2.7
Ishares indo	25.2	+0.3	+1.6					Coal (US\$/ton)	94.6	+0.1	-7.3
								Rubber forward (US\$/kg)	172.9	+0.6	+16.4
Foreign Fund Flows (US\$mn)	Last Chg	YTD Chg		Gov. Bond Yield	Last	Chg (bps)	YTD Chg (bps)		Last	Chg (%)	YTD Chg (%)
Equity Flow	-22.0	+658		5Yr	7.42	-3	-48	Soybean oil (US\$/100gallons)	29.40	-1.0	+6.7
Bonds Flow	-235.7	+2,887		10Yr	7.83	-3	-20	Baltic Dry Index	677.0	+4.0	-46.7



## Equity Valuation

Code	Rating	Price	Price	% of	Mkt Cap	Net Profit		PER (x)		P/BV (x)		EV/EBITDA (x)		EPS Growth		Div.Yield	
		(Rp)	Target			PT	(Rp Bn)	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
<b>MANSEK universe</b>		<b>6,413</b>	<b>7,000</b>	<b>9.1</b>	<b>4,690,626</b>	<b>273,274</b>	<b>297,726</b>	<b>17.1</b>	<b>15.7</b>	<b>2.5</b>	<b>2.3</b>	<b>13.7</b>	<b>13.0</b>	<b>10.6%</b>	<b>8.9%</b>	<b>2.4%</b>	<b>2.6%</b>
<b>Financials</b>					<b>1,587,586</b>	<b>108,997</b>	<b>122,912</b>	<b>14.6</b>	<b>12.9</b>	<b>2.2</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>15.0%</b>	<b>12.8%</b>	<b>2.1%</b>	<b>2.4%</b>
BBCA	Neutral	27,400	24,500	(10.6)	675,547	28,938	33,056	23.3	20.4	4.0	3.5	N.A.	N.A.	14.2%	14.2%	1.0%	1.3%
BBNI	Neutral	8,850	8,000	(9.6)	165,041	17,418	19,587	9.5	8.4	1.4	1.3	N.A.	N.A.	11.1%	12.5%	2.9%	3.3%
BBRI	Buy	3,870	4,300	11.1	477,165	36,812	42,560	13.0	11.2	2.3	2.2	N.A.	N.A.	13.8%	15.6%	3.4%	3.9%
BBTN	Buy	2,400	3,250	35.4	25,416	4,088	4,882	6.2	5.2	0.9	0.8	N.A.	N.A.	23.9%	19.4%	2.6%	2.6%
BDMN	Neutral	7,625	9,000	18.0	73,082	5,804	4,758	12.6	15.4	1.6	1.5	N.A.	N.A.	43.3%	-18.0%	1.7%	1.7%
BJBR	Neutral	1,995	1,900	(4.8)	20,062	1,627	1,749	12.3	11.5	1.5	1.5	N.A.	N.A.	-3.5%	7.5%	4.5%	4.5%
BJTM	Neutral	635	655	3.1	9,473	1,275	1,302	7.4	7.3	1.1	1.0	N.A.	N.A.	3.5%	2.1%	7.2%	7.4%
BNGA	Neutral	1,125	1,350	20.0	28,273	3,946	4,261	7.2	6.6	0.7	0.6	N.A.	N.A.	13.3%	8.0%	2.5%	2.8%
BNLI	Neutral	1,100	465	(57.7)	30,847	1,081	1,409	28.5	21.9	1.3	1.3	N.A.	N.A.	69.0%	30.3%	0.0%	0.0%
BTPN	Neutral	3,680	4,000	8.7	21,492	2,426	2,787	8.9	7.7	1.1	1.0	N.A.	N.A.	15.3%	14.9%	3.4%	4.0%
PNBN	Buy	1,480	1,500	1.4	35,650	2,914	3,358	12.2	10.6	0.9	0.8	N.A.	N.A.	8.8%	15.3%	0.0%	0.0%
BTPS	Buy	2,130	2,250	5.6	16,409	1,224	1,547	13.4	10.6	3.2	2.5	N.A.	N.A.	31.0%	26.4%	0.0%	1.5%
BFIN	Buy	610	1,000	63.9	9,128	1,445	1,655	6.3	5.5	1.5	1.3	N.A.	N.A.	7.3%	14.5%	8.1%	8.7%
<b>Construction &amp; materials</b>					<b>259,624</b>	<b>15,612</b>	<b>18,861</b>	<b>16.6</b>	<b>13.8</b>	<b>1.8</b>	<b>1.6</b>	<b>9.8</b>	<b>9.2</b>	<b>0.2%</b>	<b>20.8%</b>	<b>1.5%</b>	<b>1.7%</b>
INTP	Buy	18,625	23,500	26.2	68,563	1,868	2,478	36.7	27.7	2.8	2.6	19.1	15.2	65.5%	32.7%	0.6%	1.0%
SMGR	Buy	13,000	16,800	29.2	77,110	2,459	4,767	31.4	16.2	2.4	2.1	12.1	8.7	-6.0%	93.9%	1.0%	1.4%
ADHI	Buy	1,560	2,035	30.4	5,555	800	741	6.9	7.5	0.8	0.7	4.6	4.2	19.6%	-7.3%	2.4%	2.9%
PTPP	Buy	2,090	3,085	47.6	12,958	1,733	2,126	7.5	6.1	0.9	0.8	4.3	3.8	17.5%	22.7%	3.4%	4.0%
WIKA	Buy	1,920	2,455	27.9	17,204	1,873	1,999	9.2	8.6	1.1	1.0	6.0	5.9	19.6%	6.7%	2.2%	2.3%
WSKT	Buy	1,950	2,280	16.92	26,093	3,504	3,051	7.4	8.6	1.3	1.1	9.5	10.4	-24.8%	-12.9%	2.7%	2.3%
WTON	Buy	595	700	17.6	5,186	525	608	9.9	8.5	1.5	1.3	5.4	4.7	8.0%	15.7%	2.8%	3.0%
WSBP	Buy	384	480	25.0	10,123	1,268	1,409	8.0	7.2	1.2	1.1	4.9	4.3	15.1%	11.1%	5.4%	6.3%
JSMR	Buy	5,075	5,600	10.3	36,834	1,583	1,683	23.3	21.9	2.1	1.9	13.2	14.7	-15.9%	6.3%	1.0%	0.9%
<b>Consumer staples</b>					<b>1,325,340</b>	<b>46,276</b>	<b>50,135</b>	<b>28.6</b>	<b>26.4</b>	<b>7.1</b>	<b>6.5</b>	<b>18.2</b>	<b>16.9</b>	<b>7.1%</b>	<b>8.3%</b>	<b>2.3%</b>	<b>2.4%</b>
ICBP	Buy	10,400	10,550	1.4	121,284	4,512	4,613	26.9	26.3	5.0	4.5	17.2	17.0	5.9%	2.2%	1.8%	1.9%
INDF	Buy	7,075	9,950	40.6	62,118	4,005	3,958	15.5	15.7	1.8	1.7	7.6	7.6	4.2%	-1.2%	3.1%	3.2%
MYOR	Neutral	2,620	2,550	(2.7)	58,581	1,882	2,061	31.1	28.4	6.1	5.3	16.0	14.5	13.9%	9.5%	1.0%	1.1%
UNVR	Neutral	49,900	43,100	(13.6)	380,737	7,560	8,123	50.4	46.9	63.2	57.8	34.9	32.3	-17.0%	7.4%	2.4%	2.0%
GGRM	Buy	90,825	94,050	3.6	174,755	9,609	10,519	18.2	16.6	3.2	2.8	12.0	10.8	18.5%	9.5%	1.3%	1.3%
HMSP	Buy	3,800	4,000	5.3	442,009	15,337	17,177	28.8	25.7	11.9	11.2	21.3	19.0	16.9%	12.0%	2.9%	3.4%
KLBF	Neutral	1,510	1,700	12.6	70,781	2,631	2,856	26.9	24.8	4.4	4.0	16.9	15.5	7.5%	8.6%	1.7%	1.8%
SIDO	Buy	1,005	1,050	4.5	15,075	739	827	20.4	18.2	4.6	4.1	14.7	13.0	11.4%	11.9%	3.9%	4.3%
<b>Healthcare</b>					<b>43,504</b>	<b>911</b>	<b>1,018</b>	<b>47.8</b>	<b>42.7</b>	<b>3.5</b>	<b>3.4</b>	<b>15.9</b>	<b>13.8</b>	<b>6.5%</b>	<b>11.8%</b>	<b>0.2%</b>	<b>0.2%</b>
MIKA	Buy	1,940	2,200	13.4	28,228	703	743	40.2	38.0	7.0	6.4	28.4	26.5	3.6%	5.8%	0.0%	0.0%
SILO	Buy	3,290	4,300	30.7	5,346	39	46	137.0	116.2	0.8	0.8	5.0	4.3	41.1%	18.0%	0.0%	0.0%
HEAL	Buy	3,340	4,500	34.7	9,930	169	228	58.8	43.5	5.3	4.9	15.4	12.3	13.6%	35.1%	0.8%	0.9%
<b>Consumer discretionary</b>					<b>410,498</b>	<b>31,826</b>	<b>32,463</b>	<b>12.9</b>	<b>12.6</b>	<b>2.2</b>	<b>2.0</b>	<b>9.3</b>	<b>9.4</b>	<b>12.8%</b>	<b>2.0%</b>	<b>3.3%</b>	<b>3.7%</b>
ACES	Buy	1,810	1,700	(6.1)	31,042	1,113	1,232	27.9	25.2	6.3	5.5	21.5	19.3	14.8%	10.6%	1.2%	1.4%
LPPF	Buy	3,700	7,500	102.7	10,796	2,092	2,278	5.2	4.7	3.1	2.5	2.5	2.0	48.9%	8.9%	9.1%	13.6%
MAPI	Buy	1,065	1,100	3.3	17,679	815	815	21.7	21.7	3.4	3.1	8.7	8.6	13.4%	0.0%	0.6%	0.7%
MPPA	Sell	268	250	(6.7)	1,441	-335	-462	-4.3	-3.1	0.8	1.0	19.1	47.0	-20.3%	-37.9%	-5.8%	-7.0%
RALS	Buy	1,830	1,700	(7.1)	12,986	558	626	23.3	20.7	3.2	3.0	15.7	14.2	9.2%	12.2%	2.4%	2.6%
ASII	Buy	7,275	8,650	18.9	294,518	23,941	24,095	12.3	12.2	1.9	1.8	9.7	10.0	10.5%	0.6%	3.3%	3.7%
SCMA	Buy	1,795	2,200	22.6	26,245	1,628	1,773	16.1	14.8	5.8	5.4	11.4	10.5	8.5%	8.9%	5.0%	5.4%
MNCN	Buy	830	1,250	50.6	10,643	1,586	1,610	6.7	6.6	1.0	0.9	4.4	4.2	15.3%	1.5%	6.0%	6.1%
MSIN	Buy	310	570	83.9	1,613	229	257	7.0	6.3	1.2	1.1	3.7	3.1	27.2%	12.1%	7.1%	8.0%
PZZA	Buy	1,170	1,400	19.7	3,536	199	239	17.8	14.8	2.7	2.3	8.4	7.4	24.2%	20.0%	0.0%	0.0%
<b>Commodities</b>					<b>346,574</b>	<b>34,601</b>	<b>34,131</b>	<b>9.9</b>	<b>10.1</b>	<b>1.3</b>	<b>1.2</b>	<b>4.6</b>	<b>4.3</b>	<b>2.3%</b>	<b>-1.5%</b>	<b>4.0%</b>	<b>3.9%</b>
AALI	Buy	12,500	14,200	13.6	24,059	1,817	1,968	13.2	12.2	1.2	1.1	5.2	4.4	16.6%	8.3%	2.6%	3.0%
LSIP	Buy	1,245	1,450	16.5	8,495	650	665	13.1	12.8	1.0	0.9	4.8	4.4	11.4%	2.3%	2.8%	3.1%
SSMS	Neutral	1,075	1,300	20.9	10,239	1,158	1,263	8.8	8.1	1.8	1.6	5.5	4.8	27.0%	9.1%	2.7%	3.4%
BWPT	Neutral	162	195	20.4	5,107	-67	-189	-75.7	-27.0	0.9	0.9	7.9	7.0	70.0%	-180.3%	0.0%	0.0%
UNTR	Buy	26,175	35,000	33.7	97,636	11,287	10,698	8.7	9.1	1.6	1.4	4.3	4.3	1.4%	-5.2%	3.5%	3.3%



Code	Rating	Price	Price	% of	Mkt Cap (Rp Bn)	Net Profit		PER (x)		P/BV (x)		EV/EBITDA (x)		EPS Growth		Div.Yield	
		(Rp)	Target	PT		2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
ADRO*	Neutral	1,455	1,540	5.9	46,540	395	370	8.1	8.7	0.8	0.8	3.8	3.5	-5.4%	-6.5%	4.9%	4.3%
HRUM*	Neutral	1,485	2,000	34.7	3,814	32	26	8.2	10.1	0.8	0.7	0.2	0.0	-9.9%	-19.0%	6.7%	5.4%
INDY*	Neutral	2,110	2,100	(0.5)	10,994	122	115	6.2	6.5	0.6	0.6	2.1	1.8	-13.5%	-5.6%	4.0%	3.8%
ITMG*	Buy	22,800	33,400	46.5	25,001	225	224	7.6	7.7	1.7	1.6	3.1	3.1	-13.7%	-0.6%	11.1%	11.1%
PTBA	Neutral	4,020	4,000	(0.5)	46,320	4,194	3,665	10.1	11.6	2.6	2.4	7.8	8.0	-16.5%	-12.6%	4.5%	4.0%
ANTM	Buy	965	1,200	24.3	23,190	1,230	1,423	18.9	16.3	1.1	1.1	9.9	8.9	40.7%	15.7%	1.9%	2.1%
INCO*	Buy	3,580	5,000	39.7	35,572	124	169	19.8	14.5	1.3	1.2	6.7	5.4	76.9%	36.5%	1.5%	2.1%
TINS	Buy	1,290	2,200	70.5	9,608	1,262	1,492	7.6	6.4	1.3	1.1	4.4	3.9	137.4%	18.3%	4.6%	5.4%
<b>Property &amp; Industrial Estate</b>					<b>114,199</b>	<b>8,720</b>	<b>9,656</b>	<b>13.1</b>	<b>11.8</b>	<b>1.2</b>	<b>1.1</b>	<b>10.1</b>	<b>9.7</b>	<b>3.8%</b>	<b>10.7%</b>	<b>1.1%</b>	<b>1.0%</b>
ASRI	Sell	308	280	(9.1)	6,052	997	1,578	6.1	3.8	0.6	0.5	7.0	5.5	5.8%	58.3%	0.6%	0.6%
BSDE	Neutral	1,355	1,450	7.0	26,079	1,972	2,043	13.2	12.8	0.9	0.8	11.5	11.9	10.0%	3.6%	0.0%	0.0%
CTRA	Buy	890	1,450	62.9	16,519	981	1,039	16.8	15.9	1.1	1.0	11.0	10.7	-14.0%	5.9%	1.1%	1.0%
JRPT	Buy	600	980	63.3	8,250	1,005	919	8.2	9.0	1.2	1.1	7.2	7.7	5.7%	-8.6%	3.4%	2.4%
PWON	Neutral	640	680	6.3	30,822	2,399	2,426	12.8	12.7	2.1	1.9	9.5	9.6	4.8%	1.2%	0.9%	0.9%
SMRA	Buy	885	1,200	35.6	12,768	313	486	40.8	26.3	1.8	1.7	12.8	11.0	-1.8%	55.3%	0.6%	0.6%
DMAS	Buy	236	250	5.9	11,375	631	650	18.0	17.5	1.5	1.4	17.0	16.5	12.0%	3.0%	2.8%	2.9%
BEST	Buy	242	320	32.2	2,335	422	516	5.5	4.5	0.5	0.5	6.1	5.4	3.9%	22.3%	3.7%	4.4%
<b>Telco</b>					<b>483,118</b>	<b>20,644</b>	<b>22,516</b>	<b>23.4</b>	<b>21.5</b>	<b>3.3</b>	<b>3.2</b>	<b>6.7</b>	<b>6.3</b>	<b>19.3%</b>	<b>9.1%</b>	<b>3.5%</b>	<b>3.6%</b>
EXCL	Buy	2,550	3,100	21.6	27,254	25	335	1,091.3	81.4	1.5	1.5	5.4	4.9	N/M	1240.2%	0.0%	0.0%
TLKM	Neutral	3,730	3,800	1.9	369,502	18,948	19,871	19.5	18.6	3.6	3.5	6.6	6.3	3.5%	4.9%	3.8%	4.0%
ISAT	Neutral	2,710	2,800	3.3	14,726	-2,810	-2,598	-5.2	-5.7	1.7	2.4	5.4	5.0	-37.5%	7.6%	0.0%	0.0%
LINK	Buy	4,260	6,200	45.5	12,591	1,209	1,328	10.4	9.5	2.3	2.1	5.0	4.5	9.7%	9.9%	4.8%	5.3%
TBIG	Buy	3,760	5,700	51.6	16,703	908	1,113	18.4	15.0	4.9	4.5	9.9	9.3	1.8%	22.5%	4.5%	4.5%
TOWR	Buy	830	950	14.5	42,342	2,364	2,467	17.9	17.2	4.5	4.0	9.5	9.0	0.7%	4.4%	2.8%	2.8%
<b>Chemical</b>					<b>45,737</b>	<b>1,993</b>	<b>1,957</b>	<b>22.9</b>	<b>23.4</b>	<b>2.3</b>	<b>2.1</b>	<b>7.0</b>	<b>6.8</b>	<b>25.7%</b>	<b>-1.8%</b>	<b>0.0%</b>	<b>0.0%</b>
AGII	Buy	575	770	33.9	1,763	110	138	16.0	12.8	0.5	0.5	6.2	5.7	13.2%	25.0%	0.0%	0.0%
BRPT*	Neutral	3,150	2,640	(16.2)	43,973	129	125	23.3	24.2	2.7	2.4	7.0	6.9	25.4%	-3.4%	0.0%	0.0%
<b>Airlines</b>					<b>8,301</b>	<b>516</b>	<b>652</b>	<b>16.1</b>	<b>12.7</b>	<b>1.6</b>	<b>1.4</b>	<b>8.9</b>	<b>7.3</b>	<b>17.2%</b>	<b>26.4%</b>	<b>0.0%</b>	<b>0.0%</b>
GMFI*	Buy	294	310	5.6	8,301	35	45	16.1	12.7	1.6	1.4	8.9	7.3	16.2%	26.4%	0.0%	0.0%
<b>Oil and Gas</b>					<b>58,664</b>	<b>2,618</b>	<b>2,797</b>	<b>22.4</b>	<b>21.0</b>	<b>1.2</b>	<b>1.2</b>	<b>6.9</b>	<b>6.5</b>	<b>14.7%</b>	<b>6.8%</b>	<b>1.6%</b>	<b>1.8%</b>
PGAS*	Buy	2,420	3,150	30.2	58,664	180	192	22.4	21.0	1.2	1.2	6.9	6.5	13.7%	6.8%	1.6%	1.8%
<b>Transportation</b>					<b>7,481</b>	<b>560</b>	<b>630</b>	<b>13.4</b>	<b>11.9</b>	<b>1.3</b>	<b>1.2</b>	<b>5.7</b>	<b>5.3</b>	<b>17.0%</b>	<b>12.6%</b>	<b>2.2%</b>	<b>2.5%</b>
BIRD	Buy	2,990	3,700	23.7	7,481	560	630	13.4	11.9	1.3	1.2	5.7	5.3	17.0%	12.6%	2.2%	2.5%

**Note:**

- \*) net profit in USD mn
- U/R means Under Review
- n/a means Not Available
- N/M means Not Meaningful
- N.A means Not Applicable

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**INVESTMENT RATINGS:** Indicators of expected total return (price appreciation plus dividend yield) within the 12-month period from the date of the last published report, are: Buy (15% or higher), Neutral (-15% to 15%) and Sell (-15% or lower).

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