

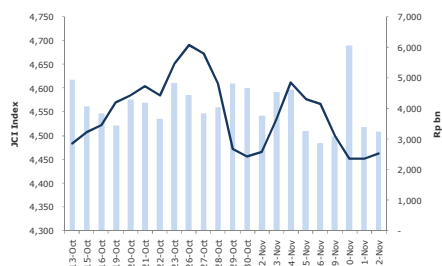
Premier Insight

13 November 2015

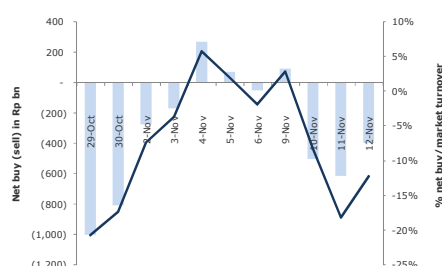
News & Analysis

Corporates

JCI Index



Foreign net buy (sell)



Index	Closing	1 day	1 year	YTD
JCI	4,462	0.2%	-11.6%	-14.6%
LQ45	759	0.3%	-12.2%	-15.5%
DJI	17,448	-1.4%	-1.2%	-2.1%
SET	1,384	-0.4%	-12.2%	-7.6%
HSI	22,889	2.4%	-4.7%	-3.0%
NKY	19,698	0.0%	13.3%	11.6%
FTSE	6,179	-1.9%	-6.9%	-5.9%
FSSTI	2,959	-0.8%	-10.5%	-12.1%
EIDO	20	-1.1%	-25.1%	-26.5%

Commodity price

Commodities	Last price	Ret 1 day	Ret 1 year
(in USD)			
Oil/barrel (WTI)	41.8	-2.7%	-45.9%
CPO/tonne	532.4	0.0%	4.6%
Soy/bushel	8.6	-1.2%	-15.5%
Rubber/kg	1.3	0.0%	-17.9%
Nickel/tonne	9,376	-2.6%	-39.7%
Tins/tonne	14,634	-1.3%	-27.3%
Copper/tonne	4,836	-2.4%	-28.3%
Gold/try.oz (Spot)	1,085	-0.1%	-6.6%
Coal/tonne*	52.2	-0.4%	-17.5%
Corn/bushel	3.5	-2.2%	1.4%
Wheat/bushel**	173.1	-3.7%	-29.0%

*: 1 week change

**: 1 month change

Source : Bloomberg

ACST: Acset Indonesia (ACST IJ; Rp4,000; Not rated) targets FY16 new contracts of Rp3.4tn, +10% yoy, supported by Rp100-120bn capex. In 2016, the company plans to develop toll roads and power plants, following its plan to increase the contribution of infrastructure division. ACST is aiming to obtain 10% of its holding company's (ASII IJ; Rp6,600; Buy) contract value in power plant business. (Kontan)

GGRM: Gudang Garam (GGRM IJ; Rp49,000; Not rated) reported to have lower than expected capex this year. Company has realized approximately Rp 2.3tn for machine maintenance and expects capex to stay low (~Rp 2tn) for next years due to no expansion plan. Overall volume has been down by 1.4% until 9M15 due to weak consumer sentiment. SKM FF successfully increased its market share from 31% to 34% with volume increased 6.5% YoY. meanwhile SKM LTLN's volume decline slightly by 2% and SKT fell 9.7% YoY in 9M15. The declining volume is caused by fasting season in 1H15, therefore company believes better volume growth in 2H15.(Company)

Comment: lower capex this year could help to strengthen free cash flow, of which GGRM has recorded negative FCF in recent years.

SGRO: PT Sampoerna Agro (SGRO IJ; Rp1,300; Not rated) plans to add one CPO factory (PKS) at Kalimantan next year, using Rp100bn (10%) from total FY2016F CAPEX of Rp1tn. 70% of CAPEX will be used for capitalizing the development of immature CPO plants, while the rest of 20% is used for developing rubber plants. Relating to SGRO subsidiary's (NSP) law suit, currently NSP is requesting an appeal in Supreme Court to process its litigation. (Bisnis Indonesia)

TOTL: Total Bangun Persada (TOTL IJ; Rp700; Not rated) targets FY16 revenue and bottom line of Rp2.6tn (+13% yoy) and Rp210bn (+11% yoy), respectively, with budgeted capex of Rp150bn (+50% yoy). By end of October 2015, the company reported Rp2tn new contracts, or 67% of its internal FY15 target of Rp3tn. In 2016, the company expects flat new contracts. (Bisnis Indonesia).

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INVESTMENT RATINGS

BUY : Expected total return of 10% or more within a 12-month period
HOLD : Expected total return between -10% and 10% within a 12-month period
SELL : Expected total return of -10% or worse within a 12-month period

ANALYSTS CERTIFICATION.

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