

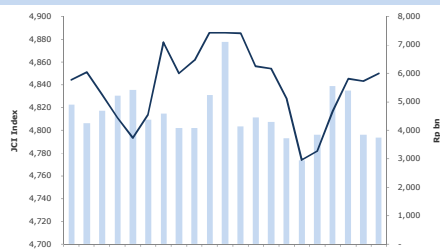
## Premier Insight

5 April 2016

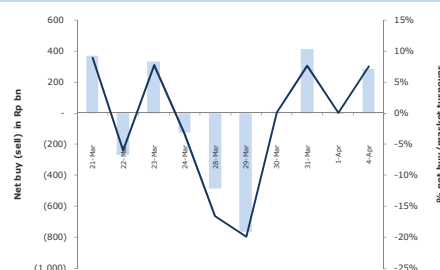
## News &amp; Analysis

## Corporates

## JCI Index



## Foreign net buy (sell)



## Key Indexes

Index	Closing	1 day	1 year	YTD
JCI	4,850	0.1%	-11.1%	5.6%
LQ45	843	0.3%	-11.2%	6.4%
DJI	17,737	-0.3%	-0.1%	1.8%
SET	1,400	0.0%	-8.8%	8.7%
HSI	20,499	-1.3%	-18.9%	-6.5%
NKY	16,123	-0.3%	-17.0%	-16.6%
FTSE	6,165	0.3%	-9.8%	-1.2%
FSSTI	2,811	-0.9%	-18.6%	-2.5%
EIDO	24	-0.4%	-14.4%	13.3%

## Commodity price

Commodities (in USD)	Last price	Ret 1 day	Ret 1 year
Oil/barrel (WTI)	35.7	-3.0%	-27.4%
CPO/tonne	615.8	0.8%	10.0%
Soy/bushel	9.1	-0.5%	-6.7%
Rubber/kg	1.6	0.9%	-3.7%
Nickel/tonne	8,324	0.5%	-35.9%
Tins/tonne	16,664	-0.5%	-0.5%
Copper/tonne	4,779	-1.7%	-20.4%
Gold/try.oz (Spot)	1,216	-0.6%	1.1%
Coal/tonne*	50.1	-2.0%	-10.0%
Corn/bushel	3.5	0.0%	-9.1%
Wheat/bushel**	159.3	-3.2%	-21.1%

\*: 1 week change

\*\*: 1 month change

Source : Bloomberg

**INAF:** PT Indofarma (INAF IJ; Rp415; Not Rated) to allocate Rp252bn for new product launch in 2016. The investment will be also utilized to increase the production capacity. In 2016, INAF sets earnings to grow 212.65% yoy. (Bisnis Indonesia)

**JSMR:** Jasa Marga's (JSMR IJ; Rp5,500; Buy) proposal to develop an elevated toll road Jakarta-Cikampek has been accepted by the Government and is in the process of auction. Jasa Marga as the initiator will have the right to match in this auction. The company has indicated to form joint venture with Waskita (WSKT IJ; Rp2,100; Buy) or other state-owned construction company. Total investment is estimated to reach Rp11tn for 37km elevated toll road from Jakarta to West Karawang. Moreover, Jasa Marga has also proposed two other toll roads Jakarta-Cikampek II and Kediri-Kertasono. (Bisnis Indonesia)

*Comment: To win this toll road will be good for Jasa Marga since traffic volume has been growing very fast for this toll road. Nevertheless, capital constrain will be the major obstacle for Jasa Marga. Forming a JV with other construction company could reduce the pressure on capital.*

**MDLN:** Modernland Realty (MDLN IJ; Rp396; Not Rated) aimed marketing sales of Rp3tn this year. Company will launch four residential cluster in 2Q16. Most of sales will be supported by Jakarta Garden City of 370ha. MDLN will also develop food and beverage facilities and AEON mall to attract customers. Overall marketing sales target is set at Rp4.2tn with Rp3tn from residential sales and industrial Rp1.2tn. (Investor Daily)

## Markets &amp; Sectors

**Automotive sector:** The auto component association expects demand growth of 5% to Rp89.3tn in FY16 despite weaker sales in 4W and 2W. The growth will be supported from demand of OEM products. Domestic auto components will compete with legal and illegal imports with sensitivity against price. Foreign investors. (Investor Daily)

**Property Sector:** Governor of Jakarta said reclamation project must go on ahead. Ahok argues the land reclamation project was mandated by Presidential Regulation no.52/1995 on Jakarta north coast land reclamation and therefore halting the project would be against the law. (Jakarta post)

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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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