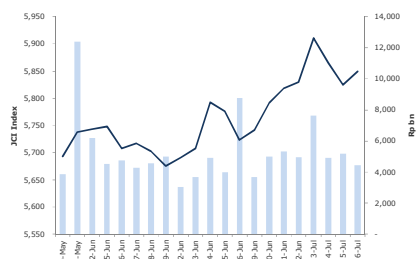


## Premier Insight

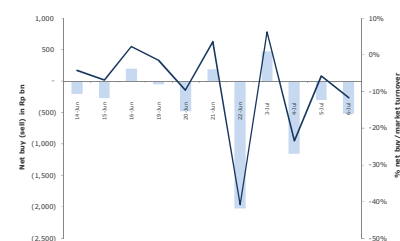
7 July 2017

News & Analysis  
Corporates

## JCI Index



## Foreign net buy (sell)



## Key Indexes

Index	Closing	1 day	1 year	YTD
JCI	5,850	0.4%	17.7%	10.4%
LQ45	983	0.4%	15.6%	11.1%
DJI	21,320	-0.7%	19.1%	7.9%
SET	1,570	-0.3%	7.8%	1.7%
HSI	25,465	-0.2%	23.0%	15.7%
NKY	19,994	-0.4%	30.9%	4.2%
FTSE	7,337	-0.4%	12.3%	2.7%
FSSTI	3,226	-0.7%	12.7%	12.0%
EIDO	27	-0.9%	11.5%	11.6%

## Commodity price

Commodities	Last price	Ret 1 day	Ret 1 year
(in USD)			
Oil/barrel (WTI)	45.5	0.9%	-4.0%
CPO/tonne	595.9	0.9%	8.7%
Soy/bushel	9.6	0.4%	-12.6%
Rubber/kg	1.7	-1.3%	-1.9%
Nickel/tonne	9,037	-0.9%	-9.1%
Tins/tonne	20,090	1.3%	12.2%
Copper/tonne	5,824	0.2%	23.1%
Gold/try.oz (Spot)	1,225	-0.1%	-9.9%
Coal/tonne	83.2	0.2%	42.5%
Corn/bushel	3.6	-0.5%	9.3%
Wheat/bushel*	146.5	5.8%	-7.0%

\* : 1 month change

Source : Bloomberg

**DILD:** We met with Intiland development (DILD IJ; Rp408; Not rated) yesterday and here are some key takeaways:

- 1H17 marketing sales reached 45% of FY17 target of Rp2.3tn, largely helped by 20ha industrial land sales to Toyota Astra amounting to Rp386bn in April 2017 and increase in occupancy rate in office rental. Company also managed to reduce debt in its South Quarter (SQ) project due to help from Singapore's sovereign wealth fund (GIC) who invested in the project. As such, current DILD's ownership in SQ stands at 60% with SQ to be debt-free.
- Company will launch apartment in Kebon Melati and Surabaya in 2H17. Kebon Melati's price tag will vary from Rp1-2bn/unit with size 39-55sqm. Meanwhile, company will launch small unit apartment in Surabaya with details will soon follow.
- Company stay cautious to launch new product as it saw weak property demand from last year to continue. But company is optimistic to reach its FY17 target from new launches in 2H17.

**MDRN:** PT Modern Internasional (MDRN IJ; Rp50; Not rated) has announced its bankruptcy over 7-Eleven business and in the midst of closing all of its stores in Jakarta. To date, the Company still has two other businesses: digital business and healthcare equipment distribution business, which contributes 10%/13%, respectively, to total sales in FY16. (Bisnis Indonesia)

**SILO:** Siloam International Hospital (SILO IJ; Rp10,900; Hold) announced opening of Siloam hospital Bangka Belitung (SHBB) which is the 27<sup>th</sup> hospital under SILO's management. Bed capacity reaches around 310 beds and equipped with CT scan. Going forward, SILO plans to register the hospital to serve BPJS Kesehatan patients. (Company)

*Comment: the opening of new hospital is well within our expectation, however might not impact much to SILO's profitability. We think upside for SILO may come from more hospital opening this year. In the meantime, reiterate HOLD at TP of Rp11,950.*

## Markets &amp; Sector

**Consumer Sector:** The utilization of cacao processing facilities only stands at 50% out of 800,000 tones available capacity due to a shortage of national cacao beans. The imported cacao beans will cost \$100 more per tones due to import tariff and VAT. (Kontan)

*Comment: if the condition persists, this will hurt consumer companies such as MYOR with cacao as their main materials after sugar. At this stage, maintain SELL on MYOR.*

## Economic

**Revised state budget:** The government has officially submitted the proposal for 2017 revised state budget along with key following changes:

- Growth revision from 5.1% to 5.2%, to be supported from private consumption and net export;
- Inflation revision from 4% to be 4.3%;

Refer to Important disclosures in the last page of this report

- Exchange rate from 13,300 to be 13,400
- ICP from US\$45 to US\$50 per barrel
- Total revenue downward revision of Rp36tn to be at Rp1714tn, in which tax revenue is revised down by Rp48tn to be at Rp1450.9tn – revision emerges mostly from non-oil and tax;
- Total spending increase by Rp31tn from, in which spending increase for central government will be Rp36tn;
- Subsidy spending upward revision for energy subsidy of Rp26tn and downward revision for non-energy subsidy of Rp3.7tn;
- Increase in budget deficit by Rp67tn or stipulated as 2.92% of GDP in the revised budget.

(House of Representatives, Ministry of Finance)

**Head Office****PT INDO PREMIER SEKURITAS**

Wisma GKBI 7/F Suite 718

Jl. Jend. Sudirman No.28

Jakarta 10210 - Indonesia

p +62.21.5793.1168

f +62.21.5793.1167

---

**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.**

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

**DISCLAIMERS**

This research is based on information obtained from sources believed to be reliable, but we do not make any representation or warranty nor accept any responsibility or liability as to its accuracy, completeness or correctness. Opinions expressed are subject to change without notice. This document is prepared for general circulation. Any recommendations contained in this document do not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is not and should not be construed as an offer or a solicitation of an offer to purchase or subscribe or sell any securities. PT. Indo Premier Sekuritas or its affiliates may seek or will seek investment banking or other business relationships with the companies in this report.