

Premier Insight

4 August 2017

Selamat Sempurna (SMSM IJ; Buy)

Early anticipation

- Gradual shift towards heavy equipment filter
- Weaker 2Q17 is expected
- Outstanding growth record
- Upgrade to Buy, TP Rp1,350

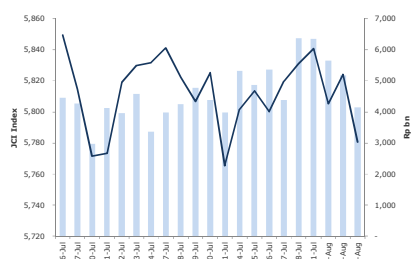
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Soft 2Q17 performance. Selamat Sempurna posted a relatively weaker 2Q17 for two reasons: 1) exceptionally high 1Q17 revenue due to carry over from 4Q16 2) seasonality due to Ramadhan holidays which affected logistics and shipment. Nevertheless we expect normalized revenue in 3Q and 4Q. Topline was able to grow +11.6% yoy in 1H17, but negated by increase of COGS and other costs, leaving the net profit only inched up +2.0% yoy. Revenue and net income was down -2.7% qoq and -10.6% qoq in 2Q17, respectively.

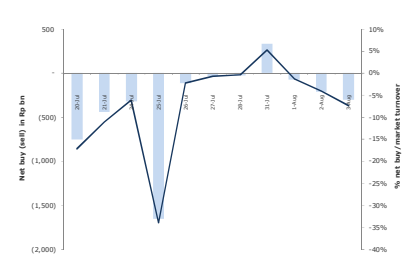
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JCI Index



Foreign net buy (sell)



Key Indexes

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Year To 31 Dec	2015A	2016A	2017F	2018F	2019F
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Dividend Yield (%)	1.2	3.4	3.4	3.7	4.3
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ADRO: Adaro Indonesia (ADRO IJ; Rp1,845; Buy) recorded 1H17 operational performance as follow

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- Coal sales volumes in 2Q17 reached 13.2m tons (+10% qoq, -3% yoy), bringing 1H17 sales volumes to 25.3m tons (-7% yoy), accounting for 48% of our estimate in FY17F (inline)
- SR dropped to 4.3x in 2Q17 (vs. 4.6x in 1Q17 and 4.4x in 2Q16) due to heavy rain in the period, bringing 1H17 SR at 4.44x. We forecast higher SR in 2H17 as we expect lower rainfall in the period. (Company)

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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.

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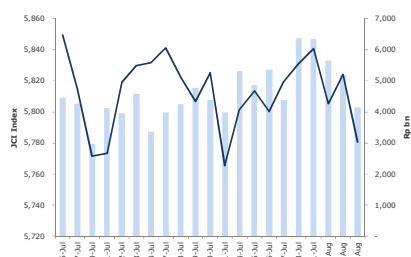
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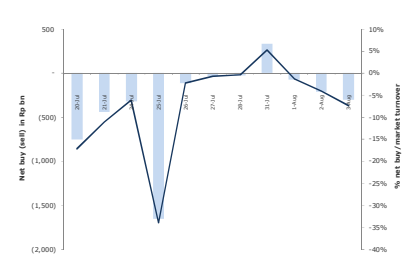
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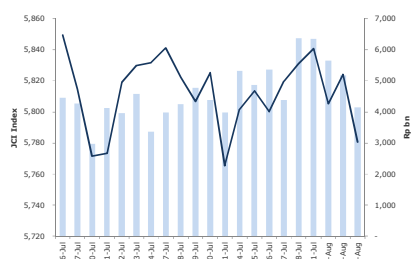
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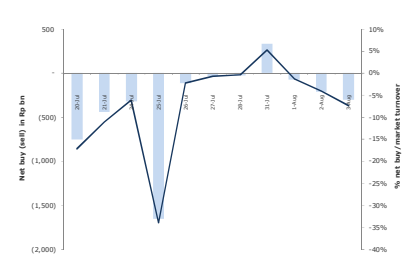
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4 August 2017

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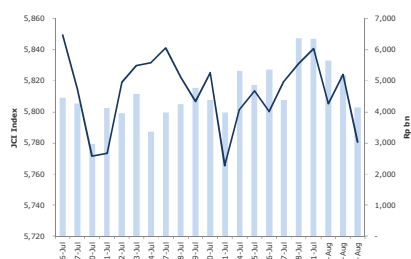
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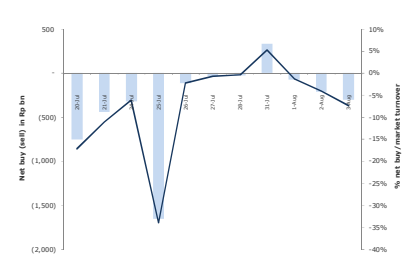
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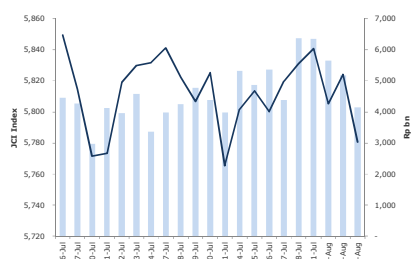
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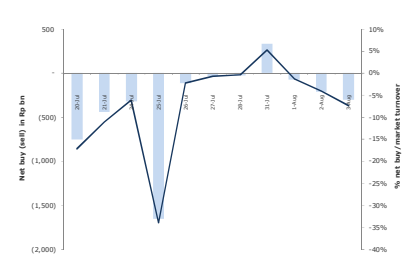
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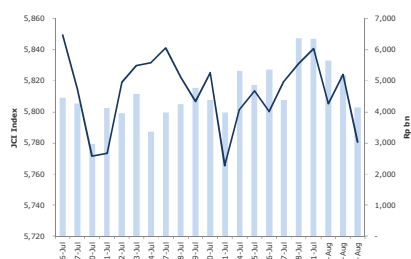
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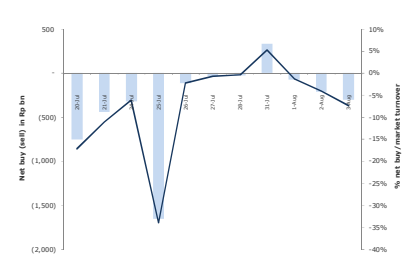
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Foreign net buy (sell)



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Premier Insight

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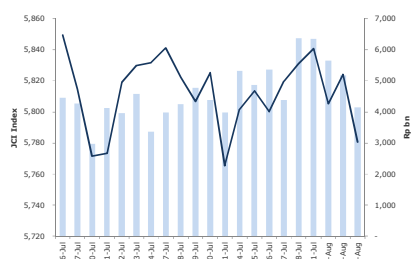
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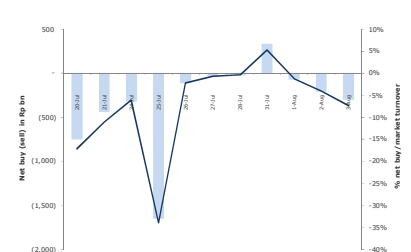
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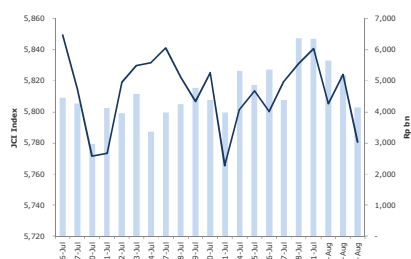
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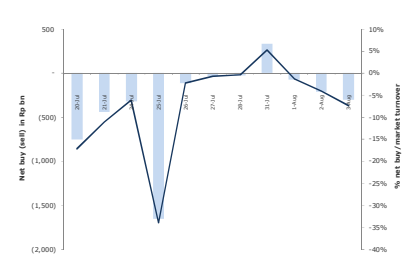
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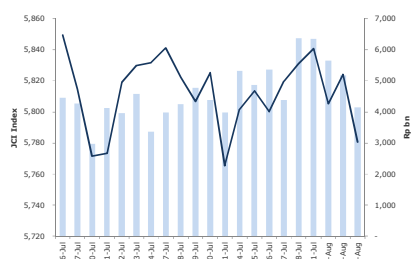
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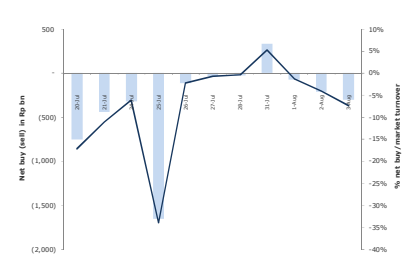
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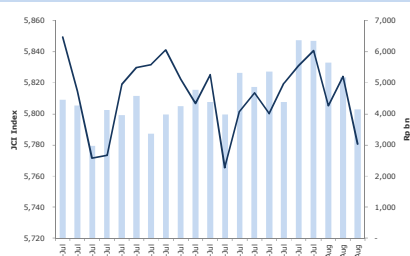
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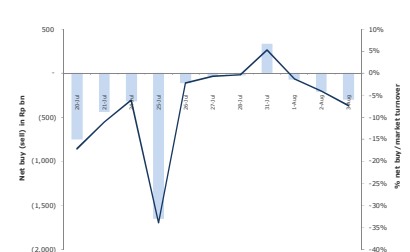
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