

# Indonesia

# Daily Focus

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## Market Index

	Last Trade	Chg (%)	MoM	YoY
JCI	6,328.7	0.9	3.2	-1.8
MSCI Indonesia	26.7	1.8	7.4	-9.0
MSCI EM	998.7	0.4	3.1	-16.9
HANG SENG	26,521.4	0.2	2.7	-15.0
KOSPI	2,063.3	0.2	0.5	-17.1
FTSE	6,942.9	1	1.5	-11.0
DJIA	24,001.9	0.5	-2.0	-6.6
NASDAQ	6,986.1	0.4	-1.1	-3.5

## Valuation

2018F	P/E (x)	P/B (x)	ROE (%)
JCI	15.0	2.3	17.5

## Key Rates

	Last Trade	Chg (bps)	MoM	YoY
BI 7-Day RR	6.00	0	25	-100
3yr	7.75	-5	-15	209
10yr	7.94	-2	-35	169

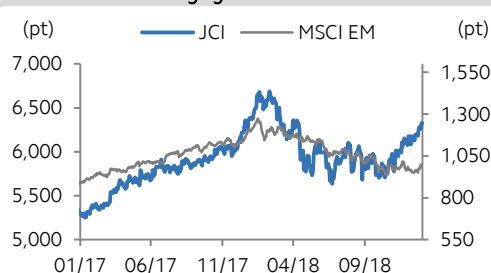
## FX

	Last Trade	Chg (%)	MoM	YoY
USD/IDR	14,053	-0.5	-2.9	5.2
USD/KRW	1,119	-0.3	-1.0	4.3
USD/JPY	108	0.2	-4.4	-2.5
USD/CNY	7	-0.5	-1.4	4.7

## Commodities

	Last Trade	Chg (%)	MoM	YoY
WTI	52.6	0.4	1.8	0.3
Gold	1,286.7	-0.5	3.5	-2.7
Coal	97.9	-0.3	-4.7	-8.2
Palm Oil	2,087.0	-0.8	13.7	-16.8
Rubber	127.3	0.9	11.1	4.0
Nickel	11,250.0	0.0	4.2	-10.9
Copper	5,958.0	0.9	-2.2	-16.7
Tin	20,140.0	0.4	5.9	0.0

## JCI Index VS MSCI Emerging Markets



## Market commentary

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We expect JCI to trade mixed to higher today on the back of optimism on strengthening Rupiah, strong domestic retail sales, and US interest rate hike outlook. Foreign Investor keeps booking net buy for the ninth consecutive days. Strengthening Rupiah has reached IDR14,061 per USD, the strongest level since June 2018. We expect Rupiah to continue to strengthen as Mirae Asset Sekuritas Indonesia has a contrarian view against the consensus on Rupiah (Mirae's FY19 forex: IDR13,920 per USD). ACES booked strong same-store sales growth of 19% YoY in December (vs. 11%YoY in November).

On Thursday, US Indices traded lower during early session due to disappointing holiday sales numbers from retailers, but US Indices closed higher after the Federal Reserve Chairman Jerome Powell reiterated his statement that the Fed can be patient before adjusting interest rates again as it waits to see how global risks impact the US economy.

## [Trend Focus] - Big-screen industry trends and opportunities

**Emma A. Fauni ([emma.fauni@miraeeasset.co.id](mailto:emma.fauni@miraeeasset.co.id))**

Indonesia's movie theaters have witnessed increasing demand in recent years. With conventional independent theaters subsiding, the industry landscape is now entering a new phase of competition.

### Number of moviegoers has increased rapidly in recent years

The number of moviegoers in Indonesia has grown rapidly. While the rise of online streaming services had raised concerns about the future of the physical cinema industry, the threat has turned out to be insignificant. In 2016, attendance at movie theaters surged 129.8% to 37.2mn people. We think the surge in demand is also being fueled by the strength of the film industry and the growing number of screens.

### The emergence of new challengers

The competitive landscape of Indonesia's movie theater industry has experienced two phases of change: 1) the transition to digitization and 2) the battle for market share between big chains. Cinema XXI retains its throne as the market leader, operating more than 50% of all screens in Indonesia. CGV (formerly Blitz Megaplex) grew rapidly after being purchased by the Korean cinema operator CJ CGV Co Ltd (currently holds a 23% stake). Cinemaxx, established by Lippo Group in 2014, had replaced several theaters owned by Cinema XXI in Lippo Malls. We think the rise of new players has helped boost the number of screens in Indonesia—from 609 in 2012 to 1,412 in 2017—which, in turn, has spiked the public's interest in moviegoing.

### The future of the movie theater industry

The ratio of the number of screens to population in Indonesia stood at 0.4/100,000 people in 2016, much lower than that of other countries such as Malaysia (3.9) and Thailand (1.2). There is ample room for further growth. It should be noted, however, that theater growth may be constrained by the growth of shopping malls. Thus, more opportunities may be found by penetrating into big cities outside Jakarta. Currently, among the aforementioned cinema operators, only CGV is publicly listed, under PT Graha Layar Prima (BLTZ /Not Rated).

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## Local flash

**SMGR: Semen Indonesia (SMGR) market share this year is projected to be relatively stagnant.** Amid the condition of the cement industry that is still over supply, PT Semen Indonesia Tbk (SMGR) still sees national market consumption still growing moderately. However, the state-owned cement company has not seen any increase in market share. Agung Wiharto, Corporate Secretary of SMGR, explained that cement consumption in Indonesia could increase by 2% -3%. This is driven by the demand of the infrastructure sector which is still stretching plus the property sector. "For that we target Semen Indonesia's market share of 39.5% in the national cement market or the same as last year," Agung said, Wednesday (10/1). (Kontan)

**MYTX: The purpose is to pay the debt, MYTX's rights issue is still lacking in interest.** Plans to increase authorized capital through the mechanism of issuing shares with preemptive rights (HMETD) or rights issues conducted by PT Asia Pacific Investama Tbk (MYTX) do not bear sweet fruit. Based on the information disclosure on the old Indonesian Stock Exchange on Wednesday (9/1), until the end of the trading and implementation of MYTX Rights from December 31, 2018 to January 8, 2018, the number of newly converted shares was 5.43 billion shares. As a result there are still 1.53 billion shares that have not been converted. (Kontan)

**IMJS: Looking for debt repayment funds, Indomobil (IMJS) Rights issue is lonely.** Plans to increase authorized capital through the mechanism of issuing shares with pre-emptive rights (Rights) or rights issues conducted by PT Indomobil Multi Jasa Tbk (IMJS) are still lonely interested. In accordance with the IDX's information disclosure published yesterday (9/1), of the 752.55 million shares offered, only 801 shares were absorbed. Then the unconverted remains amounted to 752.54 million shares. (Kontan)

**BBTN: Bank BTN targets the cash management business to grow 15.3% in 2019, along with its strategy.** PT Bank Tabungan Negara Tbk (BTN) will continue to encourage an increase in non-interest income (fee based income) through cash management of corporate customers or cash management. To achieve this year's cash management target, BTN will develop strategic alliance cooperation with third parties as well as institutional customers such as government, educational institutions, and national companies. (Kontan)

**BMRI: Bank Mandiri targets toll road funding.** PT Bank Mandiri (Persero) Tbk (BMRI) this year will still pour out a lot of funding for toll road construction. On the other hand, the Toll Road Regulatory Agency (BPJT) is ready to auction off six toll roads in the first quarter of 2019. Bank Mandiri Corporate Banking Director Royke Tumilaar said toll road funding was one of Bank Mandiri's financing targets. (Kontan)

**GJTL: Gajah Tunggal provides corporate guarantees as a series of affiliate transactions.** PT Gajah Tunggal Tbk (GJTL) conducts a series of affiliate transactions in the form of documents providing corporate guarantees by PT Filamendo Sakti (PTFS) to the Trustee. Quoting the information disclosure released by the Indonesia Stock Exchange (BEI), Thursday (10/1), based on indenture provisions as long as the company's debt obtained from debt securities has not been repaid in the case of taking over another company into a subsidiary, the subsidiary must provide company guarantee. (Kontan)

# Technical analysis

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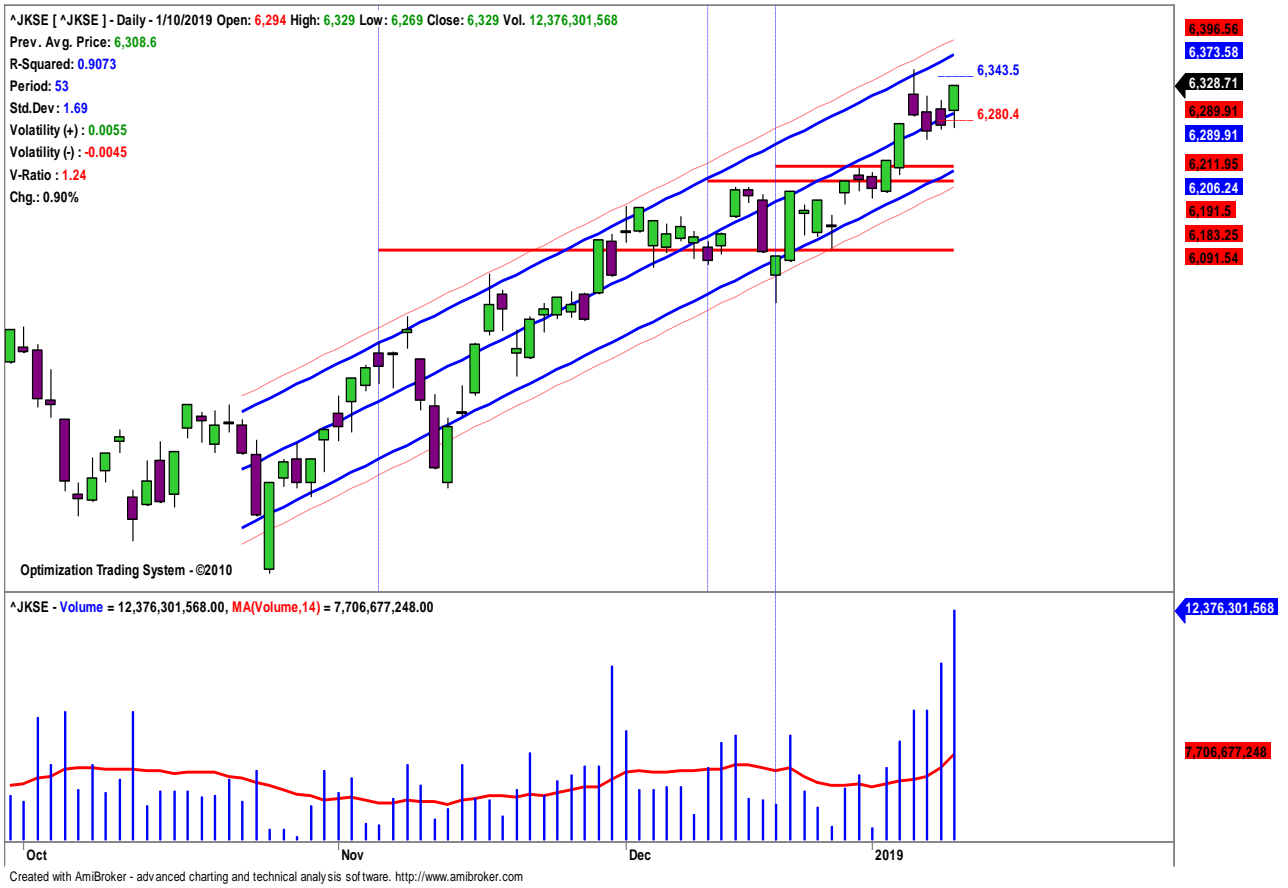
## Jakarta Composite Index (JCI) – Test Resistance at 6,344

### Summary

Item	Data	Item	Data
Close (Jan 10, 2019)	6,328.70(+0.90%)	Trading range	6,280 - 6,344
8Average index performance (%)	4.71	Target	
Period	53 - Daily		6,344
r-squared	0.9073 - Weekly		6,392
Volatility (+/-, %)	+0.55/ -0.45 - Monthly		6,440
Volatility (+/-, point)	+34.81/ -28.48	Stop loss	6,192

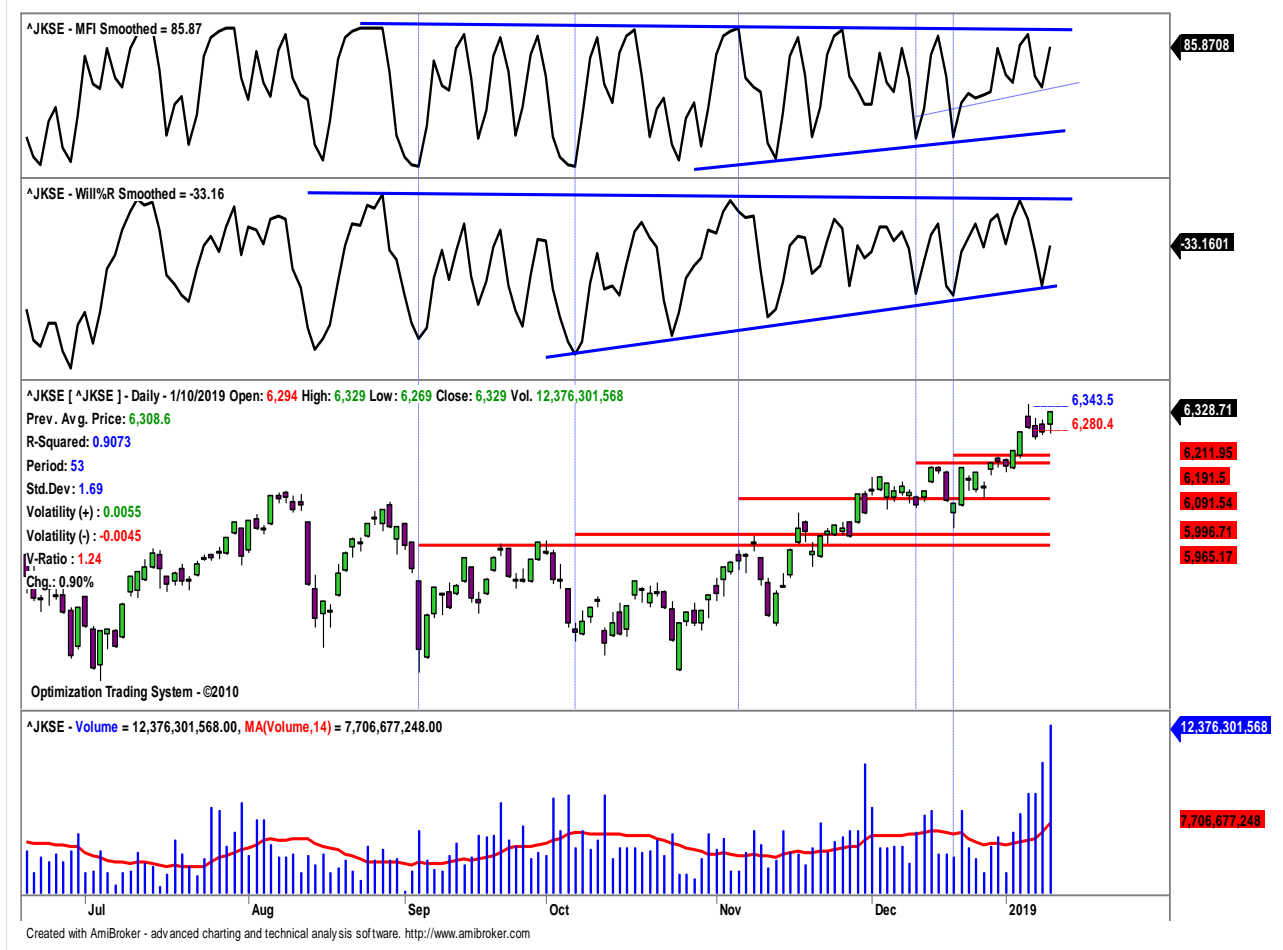
031 Source: Mirae Asset Sekuritas Indonesia Research

Figure 1. Daily, Short term trend – Uptrend



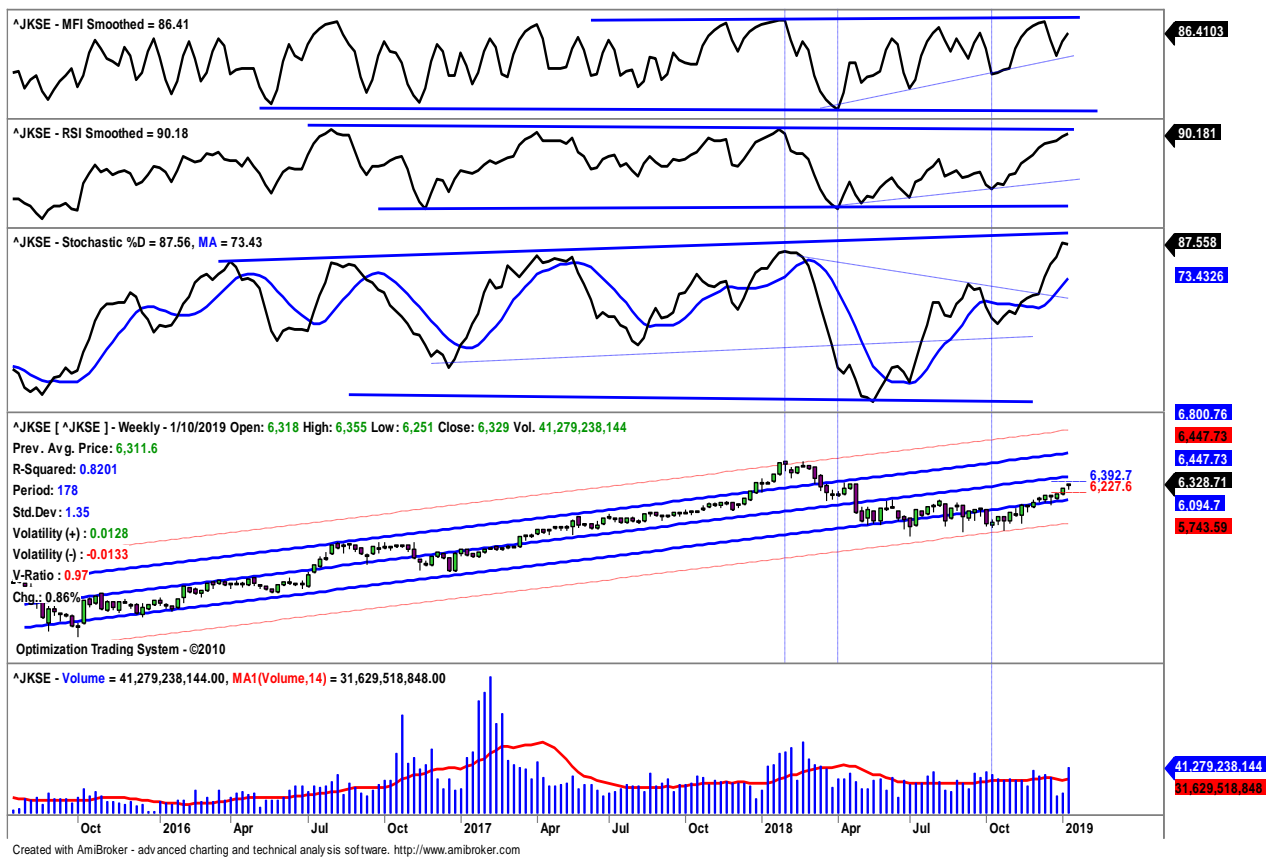
Source: Mirae Asset Sekuritas Indonesia Research

Figure 2. Daily, Short term trend, MFI optimized & W%R optimized



Source: Mirae Asset Sekuritas Indonesia Research

Figure 3. Weekly Trend – Uptrend, MFI optimized, RSI optimized & Stochastic %D optimized



Source: Mirae Asset Sekuritas Indonesia Research

Figure 4. Daily : 6,280 – 6,344



Source: Mirae Asset Sekuritas Indonesia Research

Figure 5. Weekly : 6,228 – 6,392



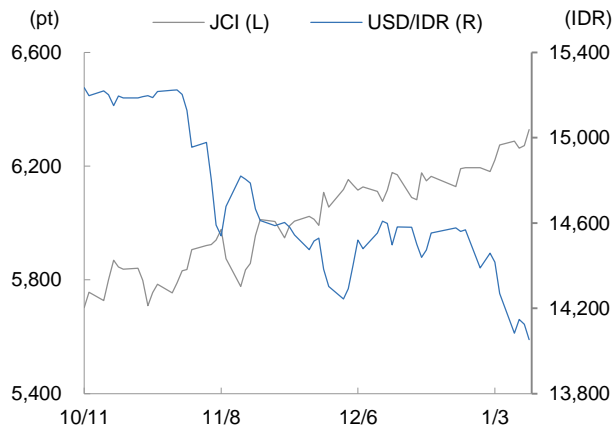
Source: Mirae Asset Sekuritas Indonesia Research

Figure 6. Monthly : 6,095 – 6,440



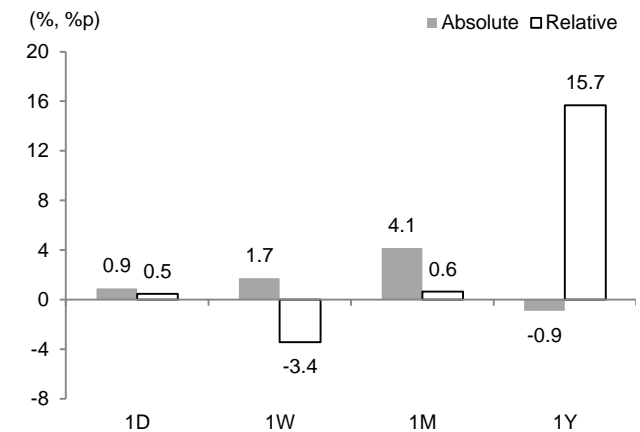
Source: Mirae Asset Sekuritas Indonesia Research

Chart 7. JCI Vs. USD/IDR



Source: Bloomberg, Mirae Asset Sekuritas Indonesia

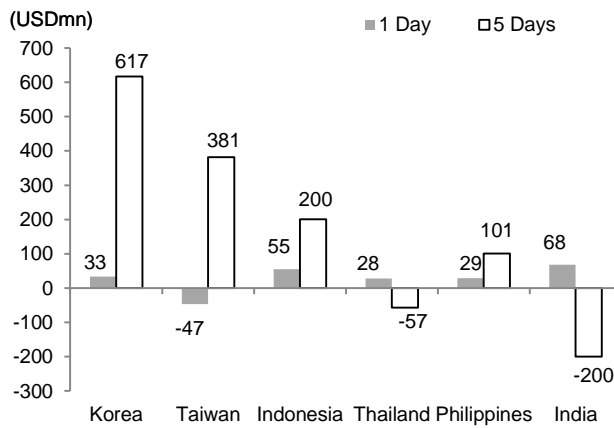
Chart 8. JCI performance (absolute vs. relative)



Note: Relative to MSCI EM Index

Source: Bloomberg, Mirae Asset Sekuritas Indonesia

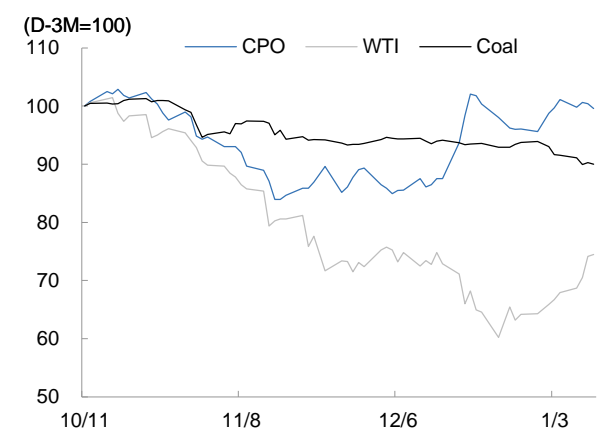
Chart 9. Foreigner's net purchase (EM)



Note: The latest figure for India are Jan 8<sup>th</sup>, 2019

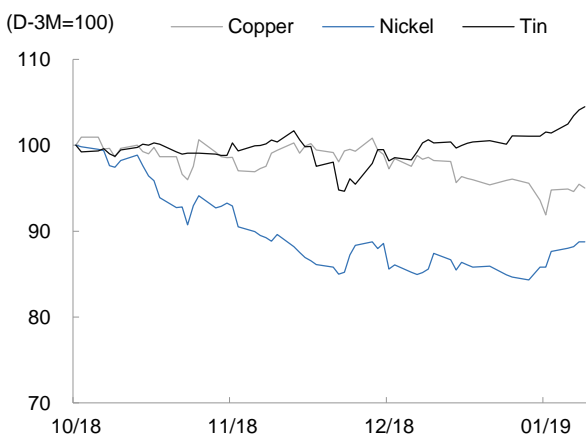
Source: Bloomberg, Mirae Asset Sekuritas Indonesia

Chart 10. Energy price



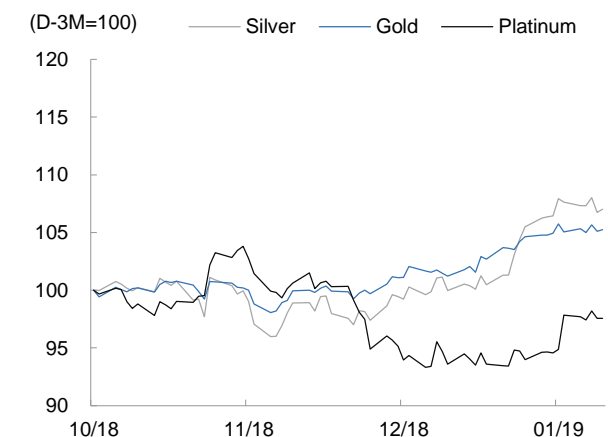
Source: Bloomberg, Mirae Asset Sekuritas Indonesia

Chart 11. Non-ferrous metal price



Source: Bloomberg, Mirae Asset Sekuritas Indonesia

Chart 12. Precious metal price



Source: Bloomberg, Mirae Asset Sekuritas Indonesia

Table. Key valuation metrics

Company Name	Ticker	Price (IDR)	Market Cap (IDRbn)	Price Performance (%)				P/E(X)*		P/B(X)*		ROE(%)*	
				1D	1W	1M	1Y	FY18	FY19	FY18	FY19	FY18	FY19
Jakarta Composite Index	JCI	6,329	7,203,581	0.9	1.7	4.1	-0.9	15.0	13.5	2.3	2.1	17.5	1.6
<b>FINANCIALS</b>													
Bank Central Asia	BBCA	26,275	647,810	0.0	1.4	1.8	15.7	25.2	22.1	4.3	3.8	18.2	18.1
Bank Mandiri Persero	BMRI	7,700	359,333	1.7	7.3	3.4	-4.6	15.0	12.8	2.0	1.8	13.9	14.7
Bank Rakyat Indonesia Persero	BBRI	3,750	462,547	0.8	3.6	3.6	5.9	14.2	12.6	2.5	2.2	18.4	18.4
Bank Negara Indonesia Persero	BBNI	8,850	165,041	0.0	1.4	4.7	-4.6	10.7	9.5	1.5	1.4	14.8	15.0
Bank Tabungan Negara Persero	BBTN	2,680	28,381	0.0	5.9	0.0	-26.0	18.9	17.0	1.9	1.8	10.6	11.0
<b>CONSUMER</b>													
HM Sampoerna	HMSP	3,850	447,825	1.0	-1.0	2.9	-20.8	34.0	30.7	12.8	12.0	38.1	40.3
Gudang Garam	GGRM	82,350	158,449	1.8	-0.9	1.6	-0.6	19.2	16.7	3.5	3.1	18.6	19.2
Indofood CBP Sukses Makmur	ICBP	10,150	118,368	-1.0	-4.0	4.6	16.3	27.3	25.1	5.4	4.9	20.7	20.4
Indofood Sukses Makmur	INDF	7,450	65,414	1.7	-0.3	13.3	-5.4	15.9	14.4	1.9	1.8	12.3	12.6
Kalbe Farma	KLBF	1,600	75,000	3.9	3.9	6.3	-8.6	30.5	29.0	5.2	4.7	17.8	16.9
Unilever Indonesia	UNVR	48,325	368,720	5.1	1.7	10.6	-11.1	46.7	48.5	58.9	57.7	136.8	122.2
<b>AGRICULTURAL</b>													
Astra Agro Lestari	AALI	12,425	23,914	0.6	1.6	4.4	-8.1	16.0	13.6	1.3	1.2	7.8	8.7
PP London Sumatera Indonesia	LSIP	1,350	9,211	-0.7	4.2	9.8	-4.3	17.2	14.2	1.1	1.0	6.0	7.0
Sawit Sumbermas Sarana	SSMS	1,205	11,478	-0.4	0.8	-1.2	-15.4	13.7	10.0	2.5	2.1	16.1	15.1
<b>INFRASTRUCTURE</b>													
XL Axiata	EXCL	2,250	24,048	0.0	11.4	19.7	-31.6	218.9	39.2	1.1	1.1	0.4	2.5
Jasa Marga	JSMR	4,920	35,709	-0.2	7.7	10.6	-21.0	16.1	17.4	2.0	1.9	12.1	10.5
Perusahaan Gas Negara	PGAS	2,290	55,513	1.3	4.1	11.2	27.2	16.3	14.8	1.2	1.2	7.9	8.0
Tower Bersama Infrastructure	TBIG	4,500	20,391	4.9	25.3	16.3	-30.2	21.7	18.2	6.3	5.9	29.1	31.1
Telekomunikasi Indonesia	TLKM	3,800	376,436	1.9	1.6	5.0	-8.0	19.0	16.8	3.8	3.3	19.8	21.0
Soechi Lines	SOCI	146	1,031	-3.3	12.3	8.1	-42.5	N/A	N/A	N/A	N/A	N/A	N/A
Garuda Indonesia	GIAA	320	8,284	0.6	1.9	46.8	6.7	N/A	N/A	0.8	0.9	-10.4	-11.3
<b>BASIC-INDUSTRIES</b>													
Semen Indonesia	SMGR	11,925	70,733	6.5	3.5	2.8	9.9	29.6	26.4	2.3	2.2	7.9	8.5
Charoen Pokphand Indonesia	CPIN	7,700	126,265	1.3	6.6	22.2	141.4	28.4	25.9	6.6	5.7	24.7	22.8
Indocement Tunggul Prakarsa	INTP	17,150	63,133	-0.1	-7.5	-12.8	-25.4	55.8	42.9	2.8	2.8	5.5	7.0
Japfa Comfeed Indonesia	JPFA	2,200	25,798	-1.3	-0.5	-1.8	62.4	10.9	9.9	2.3	2.0	20.6	19.6
<b>MINING</b>													
Indo Tambangraya Megah	ITMG	22,000	24,858	-2.0	10.6	9.5	-7.2	6.6	6.8	1.8	1.7	27.1	25.9
Adaro Energy	ADRO	1,405	44,940	0.7	14.2	9.3	-35.6	7.1	7.1	0.9	0.8	11.9	11.4
Aneka Tambang	ANTM	790	18,984	1.3	5.3	4.6	21.5	24.8	16.3	1.0	1.0	3.9	6.1
Vale Indonesia	INCO	3,440	34,181	5.2	12.1	12.1	8.5	30.6	18.8	1.3	1.2	4.2	6.5
Tambang Batubara Bukit Asam	PTBA	4,290	49,424	-0.9	3.1	0.2	53.2	9.3	9.0	2.9	2.6	35.5	31.2
<b>TRADE</b>													
United Tractors	UNTR	28,225	105,283	0.4	2.4	-2.9	-23.4	9.5	8.5	2.0	1.7	21.9	21.3
AKR Corporindo	AKRA	4,530	18,187	-0.4	6.3	6.3	-27.8	20.9	18.4	2.2	2.1	12.3	12.5
Global Mediacom	BMTR	324	4,600	10.2	20.0	2.5	-49.4	N/A	N/A	N/A	N/A	N/A	N/A
Matahari Department Store	LPPF	6,150	17,945	7.0	6.5	11.8	-45.9	10.0	8.8	5.3	4.4	67.6	60.8
Media Nusantara Citra	MNCN	760	10,850	0.7	4.8	0.7	-43.5	7.5	6.6	1.1	1.0	15.0	15.6
Matahari Putra Prima	MPPA	168	1,265	0.0	7.7	0.6	-61.5	N/A	N/A	N/A	N/A	N/A	N/A
Surya Citra Media	SCMA	1,950	28,512	5.7	3.2	1.3	-18.1	18.8	17.2	5.9	5.3	34.2	32.5
Siloam International Hospital	SILO	3,500	5,690	1.4	-0.3	0.0	-60.1	139.3	112.7	0.9	0.8	0.7	0.8
<b>PROPERTY</b>													
Bumi Serpong Damai	BSDE	1,460	28,100	3.5	10.6	13.2	-12.6	14.2	11.9	1.0	0.9	7.0	8.1
Adhi Karya	ADHI	1,745	6,214	-1.4	2.9	11.5	-14.5	7.9	6.0	1.0	0.8	12.0	13.7
Alam Sutera Relaty	ASRI	346	6,799	1.2	4.8	1.2	-8.5	5.9	5.0	0.7	0.6	11.7	13.6
Ciputra Development	CTRA	1,055	19,581	1.4	1.0	3.4	-10.6	19.0	17.7	1.3	1.2	7.0	7.1
Lippo Karawaci	LPKR	260	6,003	-2.3	-3.0	0.0	-46.7	5.7	7.1	0.3	0.3	5.3	4.6
Pembangunan Perumahan	PTPP	2,220	13,764	1.4	12.4	16.8	-26.2	8.6	7.3	1.1	1.0	12.3	12.8
Pakuwon Jati	PWON	655	31,545	-0.8	2.3	10.1	-6.4	14.1	12.7	2.6	2.1	19.2	17.8
Summarecon Agung	SMRA	950	13,705	8.0	13.1	15.9	-5.0	37.3	33.0	1.9	1.8	5.6	6.0
Wijaya Karya	WIKA	1,860	16,684	0.3	3.6	17.7	3.3	11.1	9.1	1.2	1.0	10.8	11.7
Waskita Karya	WSKT	1,985	26,944	-1.2	5.3	10.6	-22.5	6.0	6.1	1.4	1.1	22.6	18.6
<b>MISCELLANEOUS</b>													
Astra International	ASII	8,200	331,965	0.0	-2.1	0.6	-0.6	15.0	13.6	2.4	2.2	16.5	16.3

Source: Bloomberg, Mirae Asset Sekuritas Indonesia

\*Note: Valuation metrics based on Bloomberg consensus estimates

## Sector performance

Name	Index	Chg (%)
Agricultural	1,606.6	-0.4
Mining	1,812.7	0.5
Basic-Industry	868.8	1.8
Miscellaneous Industry	1,392.1	0.2
Consumer Goods	2,617.9	2.0
Property & Construction	468.5	0.4
Infrastructure	1,101.8	0.8
Finance	1,201.4	0.5
Trade	797.6	0.4
Composite	6,328.7	0.9

Source: Bloomberg

## Top 10 market cap performance

Ticker	Price	Market Cap (IDRbn)	Chg (%)
CITA IJ	1845	6,219	14.60
INKP IJ	12575	68,798	8.6
IMAS IJ	2410	6,664	8.1
SMRA IJ	950	13,705	7.95
LPPF IJ	6150	17,945	6.96
SMGR IJ	11925	70,733	6.47
TKIM IJ	12400	38,604	5.98
RALS IJ	1595	11,318	5.98
MSKY IJ	825	7,479	5.77
SCMA IJ	1950	28,512	5.69

## Top 5 leading movers

Name	Chg (%)	Close
UNVR IJ	5.1	48,325
TLKM IJ	1.9	3,800
BMRI IJ	1.7	7,700
INKP IJ	8.6	12,575
HMSP IJ	1.1	3,850

Source: Bloomberg

## Top 5 lagging movers

Name	Chg (%)	Close
AMRT IJ	-4.4	870
ISAT IJ	-13.6	1,945
POLL IJ	-8.1	1,700
ICBP IJ	-1.0	10,150
FREN IJ	-6.3	89

## Economic Calendar

Time	Currency	Detail	Forecast	Previous
12:00am	JPY	Economy Watchers Sentiment	50.5	51.0
4:00am	EUR	Italian Industrial Production m/m	-0.3%	0.1%
4:30am	GBP	GDP m/m	0.1%	0.1%
4:30am	GBP	Manufacturing Production m/m	0.4%	-0.9%
4:30am	GBP	Construction Output m/m	0.2%	-0.2%
4:30am	GBP	Goods Trade Balance	-11.4B	-11.9B
4:30am	GBP	Index of Services 3m/3m	0.2%	0.3%
4:30am	GBP	Industrial Production m/m	0.3%	-0.6%
Tentative	GBP	NIESR GDP Estimate		0.3%
8:30am	USD	CPI m/m	-0.1%	0.0%
8:30am	USD	Core CPI m/m	0.2%	0.2%
2:00pm	USD	Federal Budget Balance	-8.0B	-204.9B

Note: Time is based on Indonesian local time

Source: Forex Factory

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