

DAILY UPDATE October 30, 2018

MACROECONOMIC NEWS

US Bonds - Companies yanked back the reins on bond sales this month amid the widespread carnage in financial markets. Just USD 6 billion of new U.S. investment-grade bonds hit the market this week, short of the USD 15 billion to USD 20 billion estimate, according to data compiled by Bloomberg. It is the third time in four weeks issuance missed expectations and the worst week since August. October's supply looks likely to fall well below estimates of USD 110 billion and the USD 114 billion of volume seen in the same period a year earlier.

World Trade - President Donald Trump's administration could announce, by early December, tariffs on all remaining Chinese imports, if talks next month at the G20 Leader's Conference between Trump and Xi Jinping are not fruitful. The value of all goods from China not currently subject to U.S. duties is about USD 257 billion. However, a Bloomberg report that China is considering cutting a tax on most cars in half was credited with providing a lift to global equities in general and shares of auto makers in particular.

CORPORATE NEWS

WIKA – PT Wijaya Karya obtained Randuguing dam construction project in Central Java amounting to IDR 858.8 billion. The dam will have capacity of 10.4 million cubic meter.

WSKT – PT Waskita Karya obtained Jlantah dam construction project in Central Java amounting to IDR 965.2 billion. The dam will have capacity of 8.3 million cubic meter.

WEGE – PT Wijaya Karya Bangunan Gedung is optimistic on achieving 2018 net income and revenue target of IDR 443 billion and IDR 5.88 trillion respectively. WEGE reports IDR 3.86 trillion revenue and IDR 288.74 billion net income in 3Q 2018, up by 60.9% yoy and 65.3% yoy respectively.

BYAN – PT Bayan Resources reports USD 1.24 billion revenue and USD 388.05 million net income in 3Q 2018, up by 73.12% yoy and 80.12% yoy respectively. In addition, BYAN reports coal sales volume of 20.8 million tons up to 3Q 2018.

JSMR – PT Jasa Marga targets to increase the length of its operating toll roads to 964 km by FY18.

Equity Markets

	Closing	% Change
Dow Jones	24443	-0.99
NASDAQ	7050	-1.63
S&P 500	2641	-0.66
MSCI excl. Jap	571	-0.38
Nikkei	21308	0.75
Shanghai Comp	2542	-2.18
Hang Seng	24812	0.38
STI	2972	-0.33
JCI	5755	-0.52
Indo ETF (IDX)	19	-1.91
Indo ETF (EIDO)	21	-2.12

Currency

	Closing	Last Trade
US\$ - IDR	15223	15232
US\$ - Yen	112.37	112.59
Euro - US\$	1.1373	1.1377
US\$ - SG\$	1.3837	1.3831

Commodities

	Last	Price Chg	%Chg
Oil NYMEX	66.88	-1.0	-1.50
Oil Brent	76.92	-1.08	-1.38
Coal Newcastle	108		
Nickel	11755	-145	-1.2
Tin	19125	-175	-0.9
Gold	1227.3	-6.0	-0.48
CPO Rott	595	2.5	0.42
CPO Malay	2028	-10.5	-0.52

Indo Gov. Bond Yields

	Last	Yield Chg	%Chg
1 year	6.979	-0.02	-0.26
3 year	8.176	0.01	0.14
5 year	8.468	0.01	0.10
10 year	8.653	0.01	0.14
15 year	8.847	0.00	0.01
30 year	9.357	0.00	-0.01

CORPORATE NEWS – cont'd

ASII – PT Astra International disclosed its 9M18 financial results:

ASII (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	150,225	174,881	16.4%	52,194	56,732	62,327	19.4%	9.9%
Gross Profit	30,673	36,702	19.7%	10,999	11,906	13,446	22.2%	12.9%
Operating Profit	14,865	20,202	35.9%	5,578	6,461	7,737	38.7%	19.7%
Pretax Earnings	21,523	27,185	26.3%	7,586	8,690	10,551	39.1%	21.4%
Net Income	14,184	17,073	20.4%	4,827	5,404	6,689	38.6%	23.8%
EPS (IDR)	350	422	20.6%	119	133	166	39.6%	24.8%
<i>Gross Profit Margin</i>	20.4%	21.0%	0.6%	21.1%	21.0%	21.6%	0.5%	0.6%
<i>Operating Profit Margin</i>	9.9%	11.6%	1.7%	10.7%	11.4%	12.4%	1.7%	1.0%
<i>Net Profit Margin</i>	9.4%	9.8%	0.3%	9.2%	9.5%	10.7%	1.5%	1.2%

DOID – PT Delta Dunia Makmur disclosed its 9M2018 financial results:

DOID (USD mn)	9M 2017	9M 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	558	638	14.15%	198	203	253	27.89%	24.88%
Gross Profit	164	156	-5.07%	62	42	76	22.87%	80.69%
Operating Profit	127	120	-5.36%	47	31	64	34.07%	108.25%
Pretax Earnings	61	72	17.91%	34	12	44	30.55%	265.74%
Net Income	31	50	57.70%	23	8	31	37.85%	305.30%
EPS	0.0037	0.0058	57.70%	0.0027	0.0009	0.0037	37.85%	305.30%
<i>Gross Profit Margin</i>	29.4%	24.5%	-5.0%	31.4%	20.8%	30.1%	-1.2%	9.3%
<i>Operating Profit Margin</i>	22.8%	18.9%	-3.9%	24.0%	15.1%	25.1%	1.2%	10.1%
<i>Net Profit Margin</i>	5.6%	7.8%	2.1%	11.5%	3.8%	12.4%	0.9%	8.6%

BEST – PT Bekasi Fajar Industrial Estate announced its 3Q18 results:

BEST (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	639	521	-18.5%	214	191	119	-44.4%	-37.6%
Gross Profit	442	373	-15.6%	149	148	78	-47.6%	-47.0%
Operating Profit	355	291	-17.9%	111	115	51	-54.0%	-55.8%
Pretax Earnings	303	170	-44.1%	119	51	20	-83.0%	-60.2%
Net Income	283	153	-45.8%	111	44	16	-85.3%	-62.8%
EPS (IDR)	29.4	15.9	-45.8%	11.5	4.5	1.7	-85.3%	-62.8%
<i>Gross Profit Margin</i>	69.2%	71.7%	2.5%	69.8%	77.5%	65.8%	-4.0%	-11.7%
<i>Operating Profit Margin</i>	55.6%	56.0%	0.4%	51.8%	60.4%	42.8%	-9.0%	-17.6%
<i>Net Profit Margin</i>	44.3%	29.5%	-14.8%	51.8%	22.9%	13.7%	-38.1%	-9.2%

TLKM – PT Telekomunikasi Indonesia disclosed its 3Q18 financial results:

TLKM (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	97,003	99,203	2.3%	32,982	32,025	34,835	5.6%	8.8%
Operating Profit	35,374	29,442	-16.8%	9,719	7,269	11,430	17.6%	57.2%
EBITDA	50,128	44,123	-12.0%	16,849	12,201	15,779	-6.4%	29.3%
Pretax Earnings	34,641	27,672	-20.1%	11,386	6,657	10,483	-7.9%	57.5%
Net Income	17,922	14,232	-20.6%	5,818	2,964	5,534	-4.9%	86.7%
EPS (IDR)	181	144	-20.6%	60	29	55	-5.0%	87.1%
<i>Operating Profit Margin</i>	36.5%	29.7%	-6.8%	29.5%	22.7%	32.8%	3.3%	10.1%
<i>EBITDA Margin</i>	51.7%	44.5%	-7.2%	51.1%	38.1%	45.3%	-5.8%	7.2%
<i>Net Profit Margin</i>	18.5%	14.3%	-4.1%	17.6%	9.3%	15.9%	-1.8%	6.6%

CORPORATE NEWS – cont'd

AKRA – PT AKR Corporindo reported 9M18 results:

AKRA (IDR bn)	9M2017	9M2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	13,429	16,829	25.31%	4,208	5,381	5,614	33.41%	4.34%
Gross Profit	1,417	1,214	-14.37%	365	415	383	4.97%	-7.86%
Operating Profit	862	696	-19.22%	110	238	218	98.86%	-8.44%
Pretax Earnings	915	673	-26.47%	138	231	212	53.44%	-8.02%
Net Income	1,018	1,298	27.51%	429	192	177	-58.86%	-8.04%
EPS (IDR)	254.0	323.9	27.51%	107.1	47.9	44.1	-58.86%	-8.04%
<i>Gross Profit Margin</i>	<i>10.6%</i>	<i>7.2%</i>	<i>-3.3%</i>	<i>8.7%</i>	<i>7.7%</i>	<i>6.8%</i>	<i>-1.8%</i>	<i>-0.9%</i>
<i>Operating Profit Margin</i>	<i>6.4%</i>	<i>4.1%</i>	<i>-2.3%</i>	<i>2.6%</i>	<i>4.4%</i>	<i>3.9%</i>	<i>1.3%</i>	<i>-0.5%</i>
<i>Net Profit Margin</i>	<i>7.6%</i>	<i>7.7%</i>	<i>0.1%</i>	<i>10.2%</i>	<i>3.6%</i>	<i>3.1%</i>	<i>-7.1%</i>	<i>-0.4%</i>

ADHI – PT Adhi Karya disclosed its 9m18 financial results:

ADHI (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	8,715	9,432	8.2%	3,531	2,940	3,350	-5.1%	13.9%
Gross Profit	1,012	1,488	47.0%	414	491	565	36.5%	15.0%
Gross Profit with JV - net	1,131	1,560	37.9%	465	529	597	28.3%	12.9%
Operating Profit	765	1,103	44.2%	404	323	470	16.3%	45.5%
Pretax Earnings	461	674	46.1%	176	246	241	36.8%	-2.0%
Net Income	205	335	63.4%	74	140	122	64.7%	-12.7%
EPS (IDR)	58	94	63.6%	21	39	35	66.9%	-11.7%
<i>Gross Profit Margin</i>	<i>11.6%</i>	<i>15.8%</i>	<i>4.2%</i>	<i>11.7%</i>	<i>16.7%</i>	<i>16.9%</i>	<i>5.1%</i>	<i>0.2%</i>
<i>Operating Profit Margin</i>	<i>8.8%</i>	<i>11.7%</i>	<i>2.9%</i>	<i>11.4%</i>	<i>11.0%</i>	<i>14.0%</i>	<i>2.6%</i>	<i>3.0%</i>
<i>Net Profit Margin</i>	<i>2.4%</i>	<i>3.6%</i>	<i>1.2%</i>	<i>2.1%</i>	<i>4.8%</i>	<i>3.6%</i>	<i>1.5%</i>	<i>-1.1%</i>

WTON – PT Wijaya Karya Beton disclosed its 9m18 financial results:

WTON (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	3,425	4,105	19.8%	1,429	1,403	1,509	5.6%	7.6%
Gross Profit	433	544	25.5%	159	197	210	31.9%	6.6%
Operating Profit	346	429	24.0%	127	152	169	32.7%	10.9%
Pretax Earnings	287	363	26.3%	107	133	154	43.6%	16.0%
Net Income	220	280	27.0%	84	103	119	42.5%	15.1%
EPS (IDR)	25	32	26.9%	10	12	14	43.0%	16.2%
<i>Gross Profit Margin</i>	<i>12.7%</i>	<i>13.3%</i>	<i>0.6%</i>	<i>11.1%</i>	<i>14.0%</i>	<i>13.9%</i>	<i>2.8%</i>	<i>-0.1%</i>
<i>Operating Profit Margin</i>	<i>10.1%</i>	<i>10.5%</i>	<i>0.3%</i>	<i>8.9%</i>	<i>10.9%</i>	<i>11.2%</i>	<i>2.3%</i>	<i>0.3%</i>
<i>Net Profit Margin</i>	<i>6.4%</i>	<i>6.8%</i>	<i>0.4%</i>	<i>5.8%</i>	<i>7.4%</i>	<i>7.9%</i>	<i>2.0%</i>	<i>0.5%</i>

UNVR – PT Unilever Indonesia announce 2018 9m result.

UNVR (IDR bn)	9m 2017	9m 2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	31,214	31,531	1.0%	9,950	10,437	10,348	4.0%	-0.9%
Gross Profit	16,053	15,812	-1.5%	5,140	5,278	5,044	-1.9%	-4.4%
Operating Profit	7,086	7,013	-1.0%	2,183	2,286	2,216	1.5%	-3.1%
Pretax Earnings	6,993	9,768	39.7%	2,150	2,253	5,047	134.8%	124.0%
Net Income	5,229	7,303	39.7%	1,605	1,691	3,774	135.1%	123.2%
EPS (IDR)	685	957	39.7%	210	222	494	135.2%	122.5%
<i>Gross Profit Margin</i>	<i>51.4%</i>	<i>50.1%</i>	<i>-1.3%</i>	<i>51.7%</i>	<i>50.6%</i>	<i>48.7%</i>	<i>-2.9%</i>	<i>-1.8%</i>
<i>Operating Profit Margin</i>	<i>22.7%</i>	<i>22.2%</i>	<i>-0.5%</i>	<i>21.9%</i>	<i>21.9%</i>	<i>21.4%</i>	<i>-0.5%</i>	<i>-0.5%</i>
<i>Net Profit Margin</i>	<i>16.8%</i>	<i>23.2%</i>	<i>6.4%</i>	<i>16.1%</i>	<i>16.2%</i>	<i>36.5%</i>	<i>20.3%</i>	<i>20.3%</i>

CORPORATE NEWS – cont'd

BWPT – PT Eagle High Plantations reported 9M18 results:

BWPT (IDR Bn)	9M2017	9M2018	YoY	Q3 2017	Q2 2018	Q3 2018	YoY	QoQ
Revenue	2,237	2,364	5.7%	739	775	959	29.8%	23.9%
Gross Profit	515	467	-9.3%	198	374	63	-68.1%	-83.1%
Operating Profit	230	84	-63.5%	91	246	-91		
Pretax Earnings (Loss)	-178	-374		-29	94	-336		
Net Income (Loss)	-133	-266		-34	89	-279		
EPS (IDR)	-4	-8		-1	3	-9		
<i>Gross Profit Margin</i>	23.0%	19.8%	-3.3%	26.8%	48.3%	6.6%	-20.2%	-41.8%
<i>Operating Profit Margin</i>	10.3%	3.5%	-6.7%	12.3%	31.7%	-9.5%	-21.8%	-41.2%
<i>Net Profit Margin</i>	-5.9%	-11.2%	-5.3%	-4.6%	11.5%	-29.0%	-24.4%	-40.6%

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