

WORLD EQUITY INDICES

	Last	%1Day	%1Week	%1Month	%1Year
JCI	4,431	4.6	(0.3)	(7.1)	(14.4)
LQ45	755	6.2	0.9	(6.6)	(14.2)
HSI	21,839	3.6	(4.0)	(10.3)	(11.8)
DJIA	16,655	2.3	(2.0)	(4.5)	(2.6)
NASDAQ	4,813	2.5	(1.3)	(4.5)	5.1
KLCI	1,602	1.3	1.5	(6.3)	(14.2)
KOSPI	1,908	0.7	(0.3)	(6.4)	(7.7)
NKY	18,574	1.1	(7.3)	(8.7)	20.0
PCOMP	7,022	2.2	(3.5)	(7.0)	(0.9)
SET	1,358	0.1	(1.1)	(3.9)	(13.2)
STI	2,945	2.5	(2.1)	(11.1)	(11.1)
TWSE	7,825	1.4	(2.6)	(8.6)	(17.7)
FTSE 100	6,192	3.6	(2.8)	(4.8)	(9.3)

INDONESIA STOCK EXCHANGE

	Last	Prev	%Chg
Volume (m shares)	4,699	3,689	27.4
Value (Rpbn)	5,736	4,613	24.3
Market Cap (Rptr)	4,562	4,374	4.3
Market P/E '14 (x)	14.6	14.5	0.8
Market Div. Yield '14 (%)	2.3	2.3	(0.9)

COMMODITY SPOT PRICES

	Last	Prev	%Chg	Source
Crude Oil (US\$/b)	43	39	10.3	Western Texas I.
CPO (US\$/ton)	1,868	1,800	3.8	Rotterdam
Nickel (US\$/ton)	10,031	9,538	5.2	LME Spot
Tin (US\$/ton)	14,000	14,015	(0.1)	LME Spot
Gold (US\$/t.oz)	1,124	1,126	(0.2)	US
Rubber (US\$/ton)	164	163	0.4	Tokyo Commodity
Coal (US\$/ton)	53	52	2.4	ARA

EXCHANGE RATES

	Last	Prev	1Month	1Year
IDR / US\$	13,990	14,133	13,463	11,690
SG\$ / US\$	1.40	1.41	1.37	1.25
HK\$ / US\$	7.75	7.75	7.75	7.75
JPY / US\$	121.03	119.92	123.25	104.09
EUR / US\$	1.12	1.13	1.11	1.31

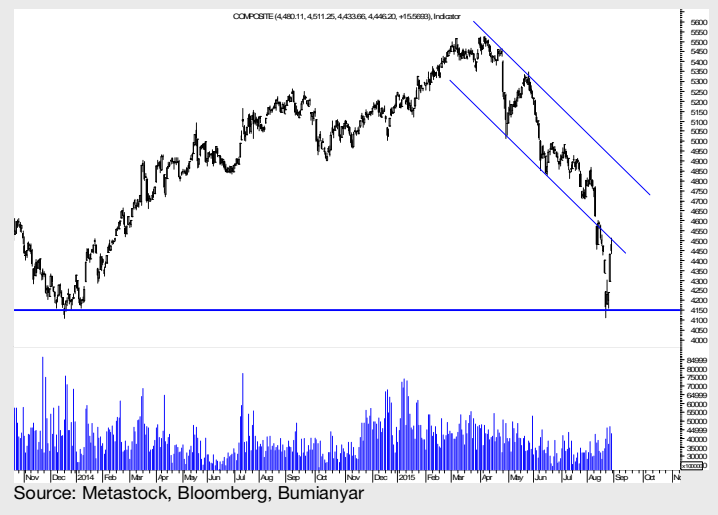
MONEY MARKET RATES

	Last	Prev	1Month	1Year
BI Rate (%)	7.50	7.50	7.75	7.50
ATD 1M (%)	7.10	7.08	7.15	7.21

Date	Comp	Title	TP (Rp)
2/Apr	KLBF	FY14 In Line With our Expectation	2,075
6/Apr	MAPI	Optimistic Growth	6,800
9/Apr	BSDE	Inline FY14, future outlook remains buoyant	2,400
10/Apr	ASRI	Acceptable underperformance in FY14	710
13/Apr	SMRA	In Line FY14, Solid future expansion	2,150
29/Apr	BMRI	Challenging Business Model	11,200

MARKET UPDATE

Global equity markets traded mixed on Friday: Asian and EU bourses gained by 1.8% (131.1) and 0.3% (363.3), while the U.S. nipped down by 0.1% (16,643). China's Shanghai Index led Asian markets' positive momentum, as it rebounded from massive sell-offs throughout the week (up by 4.9% to 3,234.6). Meanwhile, EU bourses traded positive in the last trading day of the week, driven by a positive Asian market rally. Across the ocean, U.S. markets nipped up amid a sharp rebound in crude oil price. Moving to our domestic market, JCI gained by 0.3% (4,446.2), driven by regional stock market rallies. Thus, having considered all above sentiments, today we project the JCI to trade within 4,420-4,510.


HEADLINE NEWS

- Economy: The Fed may drop inflation as benchmark to adjust interest rate
- Economy: Government will launch new policy
- Smelter industry under threat of raw materials scarcity
- ELSA target seismic tender in Malaysia and India
- SSIA to review S\$100.0m bonds
- RIMO Rp.8.1tr rights issue
- ISAT to review Rp4.4tr bonds

NEWS

Economy: The Fed may drop inflation as benchmark to adjust interest rate

Fed Vice President Stanley Fischer has stated that the Fed could raise interest rate without waiting inflation to reach 2.0%. However, it will consider impact of its policy on other global economies. At the moment, inflation in US is recorded at 0.2% YoY in Jul15, held in check by low oil price and strengthening US\$. Source: Investor Daily

Economy: Government will launch new policy

Indonesia will launch new economic policy to boost capital inflow, including tax holiday, tax deregulation, and tax allowance. In prior Ministry regulation 156/PMK.010/2015, a pioneer industry could have 5-15 years tax reduction of 10%-100% from first production and this could be extended up to 20 years. According to government, pioneer industries are metal upstream, oil refineries, basic petrochemical industries, machinery for industry, agriculture processing, information technology, shipping, and processing industries in economic zone. Source: Investor Daily

Smelter industry under threat of raw materials scarcity

Smelter business is under threat of lack in raw materials if government rule number 4 2009 about minerals and coal mining is canceled. The rule states that every holder of mining license (IUP or IUPK) must build smelters but in real life many did not, choosing instead to hoard raw materials. Currently, Indonesia investment in smelter has reached US\$30.0m for 21. 11 smelters are currently operating and 9 are under construction. Source: Investor Daily.

SSIA to review S\$100.0m bonds

After delaying the release of a US\$200.0mn obligation, Surya Semesta Internusa (SSIA) is reviewing whether to issue S\$100.0mn in the next month. Furthermore, the firm is examining the issuance of Rp1.0tr as an alternative in the scenario where the market for Singapore dollars becomes uncondusive; if it happens, the firm plans to issue by the end of year. Other than its obligations, SSIA is also probing whether to obtain a Rp500.0bn bank loan. All financing obtained will be used to acquire industrial land in Subang and Karawang. Source: Bisnis Indonesia

RIMO Rp.8.1tr rights issue

Rimo Internasional Lestari (RIMO) plans a rights issue, issuing 30.6bn new shares with a nominal of Rp.250. Haven Capital Pte Ltd., as the standby buyer, is willing to buy up remaining shares. From the rights issue proceeds, the existing shareholder will be exposed to a maximum of 98.9% dilution. Out of Rp.8.1tr, 75.2% will be used to acquire PT Hokindo Mediatama (HM) and the remainder for HM working capital. Source: Bisnis Indonesia

ISAT to review Rp4.4tr bonds

Indonesia Satelit (ISAT) is reviewing a Rp4.4tr serial bonds offering to refinance its US\$ debt and to finance its capex, quoting a high interest level as a hurdle. The Rp4.4tr bonds initially planned for 4Q15, are to be postponed till FY16. Investor Relations has revealed the company still has a strong cash position of Rp9.4tr to finance its FY15 capex, has Rp3.4tr and US\$160.0m loan facilities in case of shortfall. Source: Investor Daily

MORNING BRIEF

Monday, August 31, 2015



PUBLIC EXPOSE

Day	Date	Events
Saturday	1	
Sunday	2	
Monday	3	
Tuesday	4	
Wednesday	5	
Thursday	6	
Friday	7	
Saturday	8	
Sunday	9	
Monday	10	
Tuesday	11	
Wednesday	12	
Thursday	13	
Friday	14	
Saturday	15	
Sunday	16	
Monday	17	
Tuesday	18	
Wednesday	19	
Thursday	20	
Friday	21	
Saturday	22	
Sunday	23	
Monday	24	
Tuesday	25	
Wednesday	26	
Thursday	27	
Friday	28	
Saturday	29	
Sunday	30	
Monday	31	

Source: IQ Plus and Bloomberg

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MORNING BRIEF

Monday, August 31, 2015



IMPORTANT EVENTS: August 2015

Day	Date	Events
Saturday	1	
Sunday	2	
Monday	3	
Tuesday	4	AGM:, EGM: RIMO
Wednesday	5	AGM:, EGM: TRAM
Thursday	6	
Friday	7	
Saturday	8	
Sunday	9	
Monday	10	AGM:, EGM: HMSP
Tuesday	11	
Wednesday	12	AGM:, EGM: BBRI
Thursday	13	AGM: BUMI, EGM: BUMI
Friday	14	AGM: ITMA, EGM: ITMA
Saturday	15	
Sunday	16	
Monday	17	
Tuesday	18	
Wednesday	19	AGM: BRAU, CMNP, EGM: BRAU, CMNP, PGLI
Thursday	20	AGM:, EGM: MLBI, STAR, SUPR
Friday	21	AGM: SQMI, EGM: SQMI
Saturday	22	
Sunday	23	
Monday	24	AGM:, EGM: BNII, SRAJ
Tuesday	25	AGM:, EGM: DNET
Wednesday	26	
Thursday	27	AGM:, EGM: ADHI
Friday	28	AGM:, EGM: BSWD
Saturday	29	
Sunday	30	
Monday	31	AGM:, EGM: INVS
Saturday	31	AGM: AKRA, LSIP, SIMP; EGM: BMTR, MNCN

Source: IQ Plus and Bloomberg

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HOLD	= stock return -10% to 10% over the next 12 months (exclude dividend)
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