

IDX 3,834.2

Change :	-0.26%
Transaction Volume (m) :	4,054.7
Transaction Value (Rpbn) :	3,328.1
Mkt Cap (Rptr) :	3,425.6
Market P/E (x) :	16.5
Market Div. Yield (%) :	2.4

Global Indices		Chg	(%)
Dow Jones	12,090.0	-61.3	-0.5
Nasdaq	2,702.6	-30.2	-1.1
Nikkei	9,380.4	-111.9	-1.2
ST Times	3,113.7	-31.9	-1.0
FTSE	5,863.2	8.1	0.1
Hang Seng	22,949.6	0.0	0.0

Dual Listing (NYSE)		Chg	(%)
ISAT	30.2 5,135.0	-0.2	-0.6
TLKM	35.2 7,487.2	-0.5	-1.5

Commodity Price		Chg	(%)
Crude OIL (NYMEX)	99.0	-1.2	-1.2
Gold (LME Spot)	1,547	4.8	0.3
Nickel (LME 3M)	22,630	-170	-0.7
Tins (LME 3M)	26,005	-395	-1.5
CPO (Rotterdam CIF)	1,155	-25.0	-2.1
Rubber (Tokyo 1M)	5,285	24.5	0.5
Coal (Weekly 27/5)	119	0.0	0.0

Market Movers		Chg	(%)
BUMI	3,450	100	3.0
BYAN	18,550	400	2.2
INTP	17,000	350	2.0
GGRM	45,400	800	1.8
ASII	59,300	350	0.6
TLKM	7,600	-50	-0.7
BMRI	7,000	-100	-1.4
BBNI	3,775	-75	-1.9
BBRI	6,350	-150	-2.3
PGAS	3,975	-100	-2.5

Exchange Rate		
BI Rate	-	6.75%
US\$	IDR	8,513.00
Yen	IDR	106.28
SGD	IDR	6,918.33
EUR	IDR	12,408.55

Corporate Action		
APLN	AGM	7-Jun-10
JKON	AGM	7-Jun-10
ARGO	AGM	8-Jun-10
ASBI	AGM	9-Jun-10
AMRT	AGM	9-Jun-10

Daily Wrap

US and EU resume their weakness, JCI slightly fell yesterday, ID bonds unchanged and will held auction today. Commodities fell on growing concern of weak economic growth.

US -1.1% EU -0.6%

- ❑ U.S. stocks fell for a fourth day amid concern economic growth is slowing and the Federal Reserve will boost capital requirements for the nation's largest banks. The S&P 500 fell 1.1% to 1286 at close in New York.
- ❑ Bank of America and Citigroup led the slump in NYSE with the decline of 3.9%, Wells Fargo also fell 2.2%. The markets are getting concerned that economic growth is not sustainable.
- ❑ EU Stoxx 600 Index declined 0.6% to 272.16, its 10-week low. Amid growing concern the global economy is weakening.
- ❑ The European Union and IMF last week agreed to pay the next installment to Greece under last year's bailout, paving the way for an upgraded aid package that includes a "voluntary" role for investors.

Asia -0.2%

- ❑ Asian stocks declined, MSCI Asia Pacific Index slipped 0.2% yesterday, it has slid 2.7% this year. Stocks in the Asian benchmark were valued at 13.5 times estimated earnings on average, compared with 13.1 times S&P 500 and 11 times the Stoxx 600.
- ❑ MSCI Asia Pacific fell 0.1% this morning in Tokyo, with Sony Corp lost 2% and Canon Inc lost 3.3% in Tokyo.

ID stocks -0.3%

- ❑ Jakarta Composite Index declined 9.82 points, or 0.3 % to 3,834.20 JCI falling for the first time in four days .
- ❑ BUMI +2.9%, GGRM +1.7%, ASII +0.5%, BBRI-2.3%, AALI -1.1%, INCO -1.1%,

ID Bonds Flat

- ❑ 5Y government bonds yield fell 2bps to 6.84%, 10Y yield fell 1bps to 7.35% and 20Y yield unchanged at 8.64%.
- ❑ ID government plans to sell Rp5.0tr of bonds and bills (SUN) in an auction today. The series is SPN20110608, FR0053, FR0056 and FR0054.
- ❑ Foreign ownership in Government securities increased to Rp225.65 as of 3 Jun'11.

Commodities -0.9%

- ❑ Oil dropped for a third day in New York amid speculatin OPEC may increase output quotas when it meets in Vienna tomorrow. Crude for July delivery slid 36 cents to \$98.65 a barrel in electronic trading on the NYME.
- ❑ Copper in London declined for the first time in three days, joining a drop in global equities and other commodities including oil. The metal for three-month delivery fell as much as 0.4% to \$9,100 a metric ton.

Daily News

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- ❑ Infrastructure: Update on LCA laws

JCI (IHSG) 3,834.2 -9.8 -0.26%

YTD (Rp)	3.5%	Volume (m) :	4,055
YTD (USD)	9.5%	Nilai (Rpbn) :	3,328
Moving Avg 20day	3,820	Mkt Cap (Rptr) :	3,426
Moving Avg 50day	3,768	Market P/E (x) :	16.5
Moving Avg 200day	3,570	Market Div. Yield (%) :	2.4

Indonesia & Sectors		+/-	(%)	YTD (%)
MSCI Indonesia	4,748.4	-15.4	-0.32	4.44
JII	531.5	-0.8	-0.14	-0.27
LQ45	681.7	-2.8	-0.41	3.07
JAKFIN Index	497.2	-5.2	-0.01	6.55
JAKINFR Index	780.6	-6.0	-0.01	-4.72
JAKMINE Index	3,298.6	33.0	0.01	0.75
JAKCONS Index	1,133.6	1.2	0.00	3.56
JAKTRAD Index	509.3	-2.4	-0.00	7.43
JAKMIND Index	1,073.1	5.9	0.01	10.97
JAKBIND Index	404.7	-0.1	-0.00	4.51
JAKPROP Index	210.2	-1.1	-0.01	3.51
JAKAGRI Index	2,377.5	-23.0	-0.01	4.08

Commodities +/- (%) YTD (%)

CRB Index	345.39	-3.2	-0.92	3.78
Oil & Gas				
Crude Oil	99.01	-1.2	-1.21	8.35
Natural Gas	4.83	0.1	2.55	9.58
COAL (Rotterdam)	124.00	1.2	0.98	-5.63
COAL (Amsterdam)	123.17	0.2	0.13	-2.21
COAL (Australia,wk)	118.65	0.3	0.21	-3.06
Industrial Metals				
Aluminium	2,652.8	25.0	0.95	7.87
Nickel	22,630	-170	-0.75	-8.57
Tin	26,005	-395	-1.50	-3.33
Precious Metal				
Gold	1,547.20	4.8	0.31	8.85
Silver	36.78	0.6	1.63	19.00
Soft Commodities				
CPO (Malaysia)	3,404.00	-44.0	-1.28	-10.75
CPO (Netherland)	1,155.00	-25.0	-2.12	-10.12
Rubber	5,284.64	24.5	0.47	5.82
Corn	732.00	-22.0	-2.92	16.38
Wheat	744.00	-29.8	-3.84	-6.33
Soybeans	1,383.25	-31.3	-2.21	-0.75
Rice (Indonesia)	6,750.00	0.0	0.00	-4.93

Winners

Stock	Price	(%)	Stock	Price	(%)
BHIT	240	6.67	SMAR	7,500	-2.60
BUMI	3,450	2.99	PGAS	3,975	-2.45
BYAN	18,550	2.20	BBRI	6,350	-2.31
INTP	17,550	2.03	BBNI	3,775	-1.95
BRAU	550	1.85	INDF	5,400	-1.82
GGRM	45,400	1.79	BDMN	6,100	-1.61
BORN	1,540	1.32	BMRI	7,000	-1.41
ADRO	2,475	1.02	UNTR	22,750	-1.09
ITMG	47,100	0.86	SMGR	9,550	-1.04
ASII	59,300	0.59	TLKM	7,600	-0.65

Losers

Stock	Price	(%)	Stock	Price	(%)
BHIT	240	6.67	SMAR	7,500	-2.60
BUMI	3,450	2.99	PGAS	3,975	-2.45
BYAN	18,550	2.20	BBRI	6,350	-2.31
INTP	17,550	2.03	BBNI	3,775	-1.95
BRAU	550	1.85	INDF	5,400	-1.82
GGRM	45,400	1.79	BDMN	6,100	-1.61
BORN	1,540	1.32	BMRI	7,000	-1.41
ADRO	2,475	1.02	UNTR	22,750	-1.09
ITMG	47,100	0.86	SMGR	9,550	-1.04
ASII	59,300	0.59	TLKM	7,600	-0.65

Regional Indices +/- (%) YTD (%)

MXWO	MSCI Word	1,309.8	-10.3	-0.78	2.32
SPX	S&P 500	1,286.2	-14.0	-1.08	2.27
US					
Dow Jones Industrial		12,090.0	-61.3	-0.50	4.43
Nasdaq	US	2,702.6	-30.2	-1.11	1.87
Europe					
EURO 50	Europe	272.2	-1.5	-0.55	-1.32
FTSE	London	5,863.2	8.1	0.14	-0.62
DAX	German	7,084.6	-24.5	-0.34	2.46
CAC	France	3,863.4	-27.3	-0.70	1.54
SMI	Swiss	6,370.1	-37.3	-0.58	-1.03
BRIC					
BOVESPA	Brazil	63,067.7	-1,272.8	-1.98	-9.00
MICEX	Russia	1,633.5	0.5	0.03	-3.23
SENSEX	India	18,420.1	43.6	0.24	-10.19
NIFTY	India	5,532.1	15.3	0.28	-9.82
SHCOMP	China	2,728.0	0.0	0.00	-2.85
SZCOMP	China	1,124.3	0.0	0.00	-12.90

Developed ASIA

Nikkei	Japan	9,380.4	-111.9	-1.18	-8.30
TPX	Japan	808.0	-8.6	-1.05	-10.10
HIS	Hong kong	22,949.6	0.0	0.00	-0.37
KOSPI	S.Korea	2,113.5	0.0	0.00	3.05
TAIEX	Taiwan	9,046.3	0.0	0.00	0.82
FSSTI	Singapore	3,113.7	-31.9	-1.02	-2.39
ASEAN					
SET	Thailand	1,046.2	-11.7	-1.11	1.30
PCOMP	Philippines	4,258.9	-38.7	-0.90	1.37
KLCI	Malaysia	1,552.1	-7.7	-0.49	2.19
VNINDEX	Vietnam	433.8	-9.6	-2.17	-10.49

Currency +/- (%) YTD (%)

EURUSD	Euro	1.458	-0.006	-0.40	8.91
GBPUSD	United Kingdom	1.636	-0.007	-0.42	4.77
USDCHF	Switzerland	0.835	0.001	0.13	-10.76
USDCAD	Canada	0.981	0.003	0.32	-1.71
AUDUSD	Australia	1.071	-0.000	-0.03	4.69
NZDUSD	New Zealand	0.815	-0.001	-0.15	4.40
USDJPY	Japan	80.1	-0.240	-0.30	-1.26
USDCNY	China	6.475	-0.005	-0.08	-2.01
USDHKD	Hongkong	7.779	0.002	0.02	0.08
USDSGD	Singapore	1.231	0.001	0.10	-4.12
Rupiah	Indonesia	8,513.0	-15.000	-0.18	-5.37

Value

Value	(Rpbn)	Volume	(Lot)	Freq	(x)
BUMI	444,800	ENRG	910,700	BHIT	4,227
ADRO	204,946	DEWA	758,912	BUMI	3,347
TLKM	138,200	BNBR	674,677	MNCN	3,295
PGAS	122,829	ELTY	490,659	SMDM	2,725
BMRI	110,779	BHIT	342,653	ENRG	2,539
BBRI	110,583	BUMI	260,317	BORN	2,152
ENRG	96,324	BULL	234,749	ELTY	1,878
BORN	86,092	BKSL	217,166	BULL	1,869
ASII	75,009	MIRA	199,721	DEWA	1,604
BBNI	70,162	TRUB	199,081	PGAS	1,587

Economy: Surge in Subsidized Fuel Consumption

In 1Q11, subsidized fuel consumption recorded 7% above last year consumption. Nevertheless, Ministry of Finance has ensured subsidized fuel quota would not be added, he asking Pertamina, BPH Migas and Ministry of energy and mineral resources together maintain the quota so as not to exceed the set target 38.6mn kilolitre. *Source: Bisnis Indonesia*

Market: World Economic Forum

Asia as an emerging world leader is just a remedy of 476-1000 according Stewart Gordon, history guru from University of Michigan. Asian economic growth reaches 8.2% avg. on 2008-2010 vs. -0.01% avg. of developed economies. *Source: Investor Daily*

Bank: Transfer Limit at Rp100mn

Bank Indonesia and Financial Analysis Bureau (PPATK) agrees the cash transaction should be limited at Rp100mn/transaction. The cash transaction limit will inhibit the money laundering and bribery act. *Source: Investor Daily*

Bank: Rural Banks on Money Laundering

80% of suspicious transaction occurs in banking sector with rural banks as the most vulnerable section. It's lack of IT infrastructure lead to vulnerability on money laundering transaction. *Source: Investor Daily*

Bank: E-Money Transaction Impact to Inflation

E-money growing popularity might push inflation. E-money providers, whom give Rp25k discount on Rp100k e-money to push sales, might lead to money over-supply. *Source: Investor Daily*

Infrastructure: Urged to Re-tender Pemasang Power Plant

After announced the winner, which is JPower-Adaro, there is an issue about the pricing that there is a cheaper price rather than ADRO had given. Due to this problem, PLN urged to re-tender this project by DPR. *Source: Kontan Online*

Infrastructure: Today 8 Investor Toll Sign PPJT Amendment

There are 7 from JSMR and 1 from CMNP and these 8 projects already get support from bank. The Cikampek-Palimanan road is still in bank valuation process and targeted finish in mid-June. *Source: Investor Daily*

Infrastructure: Update on LCA laws

There will be a delay on LCA laws that targeted finish this month. The problem is in the National Land Agency and several organizations toward the LCA laws. If the dispute continues, it will not finish at the end of this year. Further, government is asked to fasten and coordinate the law. *Source: Bisnis Indonesia*

BBTN: Rp1tr Securitization

BBTN plans to securitize Rp1tr of its mortgage on 2H11 to further expand its business. Sarana Multigriya Finance usually acts as a standby buyer of such securitization. *Source: Investor Daily*

BISI: Rp12bn for Green House

BISI will complete the construction of green house area of 30 ha to be planted 12-15 tones of chili seeds. With an additional 30 hectares until the middle of this year, the production of chili that was 6 tons per hectare per year could increase to 10 tons per hectare at the end of 2011. *Source: kontan.co.id*

DOID: Right Issue in Rp1200/shr

DOID right issue is estimated at Rp1200/shr, peak from the range price which is Rp850-1200. Company will get Rp1.83tr fund from this corporate action. *Source: Investor Daily*

EXCL: Delay the Debt Payment Acceleration

EXCL delay Rp500bn debt accelerating payment which scheduled in 2Q11 previously. This delay is due to company's limited fund. This year company plan to accelerate of Rp2tr debt or Rp500bn for every quarter. *Source: Bisnis Indonesia*

KRAS: Need High Calories Coal

KRAS is still having open hand toward hard coking coal supplier instead of BORN. This coking coal will be used for blast furnace in Cilegon. This hard coking coal will be used for long term supply. Further, this coking coal will be used in 2014 when the factory finished. *Source: Detik Finance*

KRAS: Dividend payment of 0.5% yield

KRAS announced to give dividend 67% DPR from 2010 profit or Rp6/share. Thus KRAS looking for Rp4.2tr loan to build blast furnace factory. The loan will be got from export credit agency (ECA) and will be in consortium mode. *Source: Detik Finance*

LPKR: Fitch Increase Ratings

The rating increased from BBB+ to A with stable outlook. Then it also set B+ rating for senior unsecured Lippo Karawaci and B+ for Sigma Capital bond that guaranteed by LPKR maturity on 2015 worth USD395mn. According to Fitchm, this rerating is due to the increase of recurring revenue portion from healthcare, hospitality and infrastructure, and asset management decrease the property volatility. Thus the company revenue already increases 50% from FY07. *Source: Investor Daily*

SMSM: Rp95/shr Dividend

SMSM declare Rp95/shr dividend from FY10 net profit. Company has distribute Rp65/shr interim dividend last year, make the final dividend become Rp30/shr or reflect 2.5% dividend yield. *Source: Company*

1Q11 ACES (Ace Hardware Indonesia)						
QoQ (Rpbn)	1Q11	4Q10	QoQg (%)	Ratio Analysis		1Q11 4Q10
Revenue	497	482	3.0			
GP	228	208	9.7	GPM	45.9	43.1
OP	73	71	4.1	OPM	14.8	14.6
NP	59	57	4.6	NPM	11.9	11.7
YTD YoY (Rpbn)	1Q11	1Q10	YoYg (%)	YTD Margin (%)		1Q11 1Q10
Revenue	497	368	35.0			
GP	228	150	52.3	GPM	45.9	40.7
OP	73	45	63.8	OPM	14.8	12.2
NP	59	37	59.2	NPM	11.9	10.1
Bloomberg Est (Rpbn)		Realization (%)		Margin (%)		
Revenue	2,142		23.2			
OP	279		26.3	OPM	13.0	
NP	219		27.0	NPM	10.2	

Source : Company, Bloomberg

ACES: As Good As Expected

ACES record Rp59bn net profit in 1Q11, grow 59.2% YoY and 4.6%, reflecting 27% of FY11 consensus estimates. In the 1Q10 last year, ACES bottom line reflects 20.8% of FY10 net profit, signaling an outstanding performance this year. Revenue rise 35% YoY and 3% QoQ to Rp497bn, higher than last year peak seasonality, and reflect 23.2% of consensus estimates. This stellar performance mainly part of Alam Sutera contribution which sales are double from management target for a few months respectively. GPM expand to 45.9% supported by stronger rupiah.

Going forward company will open four new stores after the largest ACE Hardware store in Alam Sutera on Feb'11 and Surabaya last month, adding more good number in the top line. We believe consensus will do rerating to the valuation of this stock due to its outstanding top line growth and high profit margin. Consensus TP for next 12 months is Rp3015/shr reflect 23.7x PE ratio.

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