

# Quantum of Solace

## *JCI 2009 in 2009*



EQUITIES BENT ON REVENGE:  
“THIS TIME IT’S PERSONAL!”.

Yuganur Wijanarko

# Shaken but not stirred yet

- Although deeply undervalued, one should wait before reaching for the buying trigger.
- A dip to 1,200 or at worst 900 from a weaker currency & falling commodities could temporarily *shake* investor's confidence....
- But once this correction is over, expectation of BI rate cut in January 09 on slower Oct inflation may *stir* a new bull market rally for 2009
- After the carnage, JCI may be bent on revenge by taking out key resistance at 1,600 (YE08) target.

# Some factors for stirring a rally

- Fed Swap facilities with Asian countries has averted another 1998 crisis
- Once a turning point in the dollar liquidity problems in Asia unfolds, Asian risk premiums should fall with Indonesia following soon.
- One never knows where the bottom is, but once we reach the support zone of 1,200-900, valuation buying should stop equities falling further & stir a rally back to 1,600 by YE08.

# Stocks we remember, lost, & loved

- With global demand of oil uncertain we recommend domestic plays such as PGAS (YE08 target 2,600) and PTBA (YE08 target 9,000) with the latter hurdle being railway completion & production volume to be eventually overcome.
- On back of 2009 consumer credit recovery & robust earnings, BDMN (YE08 target 3,500) and BBKA (YE08 target 3,200)
- Property counter with net cash, below book, massive discount: CTRP (YE08 target 185)