

12 August 2015

Cabinet Reshuffle—New Names Inaugurated

Today, 12 Aug 2015, our Indonesian president, Joko Widodo, finally announced his cabinet reshuffle. He decided to remove five people from the “old working cabinet” and re-position Sofyan Djalil to the National Planning Minister from Coordinating Economic Minister. As the market expected, among the six names reshuffled by the President, three of whom represent the cabinet working closely under the economic ministries, such as the Coordinating Economic Minister, the Trade Minister, and the National Planning Minister (BAPPENAS).

Below we provide the changed ministers among Jokowi’s “ New Working Cabinet”:

	Ministry	Old	New	Previous Position
1	Coordinating Economic Minister	Sofyan Djalil	Darmin Nasution	Professional
2	Law Minister	Tedjo Edhy	Luhut Binsar Pandjaitan	Head of Jokowi’s Presidential Staff
3	National Planning Minister	Andrinof Chaniago	Sofyan Djalil	Coordinating Economic Minister
4	Trade Minister	Rachmat Gobel	Thomas Lembong	CEO and Managing Partner Quvat Private Equity
5	Maritime Minister	Indroyono Soesilo	Rizal Ramli	Professional
6	Cabinet Secretary	Andy Widjajanto	Pramono Anung	Politician

Source : Bloomberg, Sinarmas Investment Research

Comment :

It is still too early to judge whether the reshuffle will be positive or negative to our economy. However, one thing that we know for sure is that along with this reshuffling, Indonesia at least has new hope amidst its decelerating economic growth. We know that names such as Darmin Nasution, Luhut Panjaitan and Rizal Ramli are familiar names who have worked with the past Indonesian government. However, we consider Thomas Lembong as a relatively new and young figure.

DISCLAIMER

This report has been prepared by PT SinarMas Sekuritas, an affiliate of SinarMas Group.

This material is: (i) created based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such; (ii) for your private information, and we are not soliciting any action based upon it; (iii) not to be construed as an offer to sell or a solicitation of an offer to buy any security.

Opinions expressed are current opinions as of original publication date appearing on this material and the information, including the opinions contained herein, is subjected to change without notice. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. The analyst(s) responsible for the preparation of this publication may interact with trading desk personnel, sales personnel and other constituencies for the purpose of gathering, integrating and interpreting market information. Research will initiate, update and cease coverage solely at the discretion of SinarMas Research department. If and as applicable, SinarMas Sekuritas' investment banking relationships, investment banking and non-investment banking compensation and securities ownership, if any, are specified in disclaimers and related disclosures in this report. In addition, other members of SinarMas Group may from time to time perform investment banking or other services (including acting as advisor, manager or lender) for, or solicit investment banking or other business from companies under our research coverage. Further, the SinarMas Group, and/or its officers, directors and employees, including persons, without limitation, involved in the preparation or issuance of this material may, to the extent permitted by law and/or regulation, have long or short positions in, and buy or sell, the securities (including ownership by SinarMas Group), or derivatives (including options) thereof, of companies under our coverage, or related securities or derivatives. In addition, the SinarMas Group, including SinarMas Sekuritas, may act as market maker and principal, willing to buy and sell certain of the securities of companies under our coverage. Further, the SinarMas Group may buy and sell certain of the securities of companies under our coverage, as agent for its clients.

Investors should consider this report as only a single factor in making their investment decision and, as such, the report should not be viewed as identifying or suggesting all risks, direct or indirect, that may be associated with any investment decision. Recipients should not regard this report as substitute for exercise of their own judgment. Past performance is not necessarily a guide to future performance. The value of any investments may go down as well as up and you may not get back the full amount invested.

SinarMas Sekuritas specifically prohibits the redistribution of this material in whole or in part without the written permission of SinarMas Sekuritas and SinarMas Sekuritas accepts no liability whatsoever for the actions of third parties in this respect. If publication has been distributed by electronic transmission, such as e-mail, then such transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this publication, which may arise as a result of electronic transmission. If verification is required, please request a hard-copy version.

Additional information is available upon request.

Images may depict objects or elements which are protected by third party copyright, trademarks and other intellectual properties.

©SinarMas Sekuritas(2015). All rights reserved.