

## FROM EQUITY REPORT

### Indosat Ooredoo Hutchison: 4Q23/ FY23 earnings beat offers a credible prospect of another growth out performance in FY24

(ISAT.IJ IDR 9.500 BUY.TP IDR 13.300)

- IOH fully absorbed its FY23 capex budget in 4Q23 signaling its growth commitments, hence its guidance of another outperformance in FY24F.
- IOH subs offer significant ARPU upside to over Rp40k in FY24F and onwards, hence we see near 50% EBITDA margin guidance is attainable.
- We include the Home BB Internet take-up, raised our FY24-25F earnings by (23%/19%), lifting our TP to Rp13,300 (implying 6.1x EV/EBITDA); reiterate Buy rating on strong fundamentals and growth outlook

To see the full version of this report, please [click here](#)

## MARKET NEWS

### MACROECONOMY

- China Consumer Price Fell by 0.8% yoy in Jan24
- Indonesia FX Reserve Fell to US\$145.1bn in Jan24

### SECTOR

- Automotive: Indonesia's EV Battery Production Capacity Predicted to Reach 0.4% of Global Production
- Telco 4Q23 revenue latest insights

### CORPORATE

- AUTO Prepares Capex of Rp500bn for 2024
- Daihatsu Retail Sales Reached 16,976 in January 2024
- GOTO IJ, reviving talks for ride-hailing / food delivery merger
- HMSP's FY23 sales volume down 4% yoy
- NCKL to Carry Out a Private Placement and Rights Issue
- PGAS Conducts International LNG Trading Of 7 Cargoes
- UNVR IJ FY23 result: Below our and consensus

## PREVIOUS REPORT

- Astra Internasional: [Not yet time to turn positive](#)
- Bank Rakyat Indonesia: [Robust 4Q23 profit; the management expects 11-12% loans growth in FY24F](#)
- Equity Strategy: [Still leaning towards a conservative position in Feb24](#)
- Macro Strategy: [Assessment on the Growth and Rates Outlook](#)
- Macro Strategy: [A Mixed Bag](#)
- Bank Mandiri: [Raising our FY24-25F forecast and TP post 4Q23 earnings beat](#)
- MAP Active: [Riding on the sustainable momentum of sport and athleisure trend; initiate with Buy rating](#)
- Mitra Adi Perkasa: [Leading the way in retailing; re-initiate with Buy](#)

## KEY INDEX

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	7,235	(0.2)	(0.5)	528
Thailand	1,388	(0.0)	(1.9)	807
Philippines	6,850	0.3	6.2	115
Malaysia	1,512	(0.0)	4.0	419
Singapore	3,138	(0.1)	(3.1)	513
<b>Regional</b>				
China	2,866	1.3	(3.7)	73,244
Hong Kong	15,747	(0.8)	(7.6)	3,989
Japan	36,897	0.1	10.3	27,580
Korea	2,620	0.4	(1.3)	8,652
Taiwan	18,096	0.2	0.9	n.a
India	71,595	0.2	(0.9)	1,405
Nasdaq	15,991	1.2	6.5	272,914
Dow Jones	38,672	(0.1)	2.6	16,520

## CURRENCY AND INTEREST RATE

		Rate	wow (%)	mom (%)	ytd (%)
Rupiah	Rp/1US\$	15,635	0.9	(0.7)	(1.5)
BI7DRRR	%	6.00	-	-	-
10y Gov	Indo bond	6.62	0.0	(0.1)	0.1

## HARD COMMODITY

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Coal	US\$/ton	121	0.0	(11.1)	(17.6)
Gold	US\$/toz	2,024	(0.5)	(0.3)	(1.9)
Nickel	US\$/mt.ton	15,668	(0.5)	(2.4)	(4.3)
Tin	US\$/mt.ton	26,147	1.9	9.2	3.9

## SOFT COMMODITY

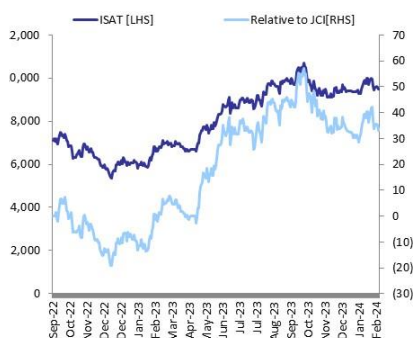
	Unit	Price	d-d (%)	mom (%)	ytd (%)
Cocoa	US\$/mt.ton	5,610	6.4	38.4	34.8
Corn	US\$/mt.ton	159	(2.3)	(6.8)	(7.3)
Oil (WTI)	US\$/barrel	77	0.8	6.4	7.2
Oil (Brent)	US\$/barrel	82	0.7	5.9	6.7
Palm oil	MYR/mt.ton	3,947	1.3	7.1	6.2
Rubber	US\$/kg	152	0.2	1.7	(2.8)
Pulp	US\$/tonne	1,205	n.a	2.8	20.5
Coffee	US\$/60kgbag	169	0.5	8.0	12.6
Sugar	US\$/MT	666	(0.0)	6.9	11.6
Wheat	US\$/ton	162	1.4	(2.2)	(5.0)
Soy Oil	US\$/lb	47	(1.4)	(1.8)	(1.2)
SoyBean	US\$/by	1,184	(0.8)	(4.7)	(8.5)

# Buy

(Maintained)

Last Price (Rp)	9,500
Target Price (Rp)	13,300
Previous Target Price (Rp)	11,100
Upside/Downside	+40.0%
No. of Shares (mn)	8,063
Mkt Cap (Rpbn/US\$mn)	76,596/4,899
Avg, Daily T/O (Rpbn/US\$mn)	33.4/2.1
Free Float (%)	16.2
Major Shareholder (%)	
Ooredoo Asia Pte. Ltd.	65.6
PPA Investasi Efek	9.6
EPS Consensus (Rp)	
	2024F 2025F 2026F
BRIDS	658.1 795.6 919.0
Consensus	603.0 737.0 730.7
BRIDS/Cons (%)	9.1 7.9 25.8

## ISAT relative to JCI Index



Source: Bloomberg

## BRI Danareksa Sekuritas Analysts

Niko Margaronis

(62-21) 5091 4100 ext. 3512

iko.margaronis@brids.co.id

# Indosat Ooredoo Hutchison (ISAT IJ)

## 4Q23/ FY23 earnings beat offers a credible prospect of another growth outperformance in FY24

- IOH fully absorbed its FY23 capex budget in 4Q23 signaling its growth commitments, hence its guidance of another outperformance in FY24F.
- IOH subs offer significant ARPU upside to over Rp40k in FY24F and onwards, hence we see near 50% EBITDA margin guidance is attainable.
- We include the Home BB Internet take-up, raised our FY24-25F earnings by (23%/19%), lifting our TP to Rp13,300 (implying 6.1x EV/EBITDA); reiterate Buy rating on strong fundamentals and growth outlook

## Sustainable mobile expansions capitalizing on their financial strengths.

IOH absorbed remaining 39% of its FY23 (~Rp13tr) capex guidance, reflecting its *continued upgrading/ expansion in ex-Java pockets, with management indicating trend of net adds in subs*. IOH's FY24 budget capex Rp12tr will be mainly allocated to rural expansions doubling-down in ex-Java. We see this as **a credible market move** as the capex rollouts are supported by the set-up of ~400 selling points deep in the rural areas, replacing the wholesalers. **This is also financially backed by** robust oFCF generation and still lower ND /EBITDA.

## Baking-in IOH's home-internet with significant cashflow upside.

IOH's home internet revenue springboarded (+28%qoq) on the 330k subs acquired from MNC. IOH reiterated its target to achieve 8-10% home internet share by FY26 (we include the impact of 48% 3yr cagr on Rp1.2tr FY23 annual revenue), upselling on IOH's 98.8mn mobile subs. We estimate that FY24F +8.5%yoy revenue growth is attainable (above industry's ~5%) supported by the 4G rural expansion as well as fixed BB internet sales.

## Inroads to FY24F 50% EBITDA margin on distinct monetization catalysts.

We expect two drivers will bake into FY24F and drive margin expansion: **1) more OPEX improvements** from: i) 4Q23 marketing OPEX climbed to 4.6% of revenue in correlation with the 4Q23 capex spending weighing on 4Q23 EBITDA margin (-60bps qoq) but will be contained at 3% of revenue ii) More merger synergies (our estimated of Rp1tr, based on 20% further upside on the US\$380mn FY23 realized synergies) **2) further monetization of IOH subs base, hence supporting runway to Rp40k ARPU** through: i) more reduction of rotational subs, ii) data usage uptake in rural areas iii) data pricing upsides.

## Reiterate Buy rating as game changing dynamics justify further rerating.

We raise our FY24-25F estimates by 23/19% post FY23 net profit beat (108% of our FY23 est.) to account for lower financial leases, while we also improve the growth trajectory and extend to FY26. We reiterate our Buy rating, with higher TP of Rp13,300 (implying 6.1x EV/EBITDA).

## Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	46,752	51,229	55,576	60,813	66,434
EBITDA (Rpbn)	19,469	23,938	27,101	29,900	32,973
EBITDA Growth (%)	40.2	23.0	13.2	10.3	10.3
Net Profit (Rpbn)	4,723	4,739	5,306	6,415	7,669
EPS (Rp)	585.8	587.7	658.1	795.6	951.2
EPS Growth (%)	(30.0)	0.3	12.0	20.9	19.5
BVPS (Rp)	3,515.3	3,813.4	4,250.6	4,717.2	5,111.4
DPS (Rp)	255.7	220.8	329.1	556.9	665.8
PER (x)	16.2	16.2	14.4	11.9	10.0
PBV (x)	2.7	2.5	2.2	2.0	1.9
Dividen yield (%)	2.7	2.3	3.5	5.9	7.0
EV/EBITDA	4.5	3.6	3.1	2.5	2.1

Source: ISAT, BRIDS Estimates

**MACROECONOMY****China Consumer Price Fell by 0.8% yoy in Jan24**

China's consumer prices fell by 0.8% yoy in Jan24, the most in more than 14 years and worse than market forecasts of a 0.5% fall. It was the fourth straight month of decline in CPI, the longest streak of drop since October 2009. Food prices declined at a record pace (-5.9% vs -3.7% in December). Meanwhile, non-food inflation was down to 0.4%. (Trading Economics)

**Indonesia FX Reserve Fell to US\$145.1bn in Jan24**

Indonesia FX Reserve fell in January to US\$145.1bn from Dec's two-year high at US\$146.4bn. The decrease came from the maturity of foreign bonds. (Bank Indonesia)

**SECTOR****Automotive: Indonesia's EV Battery Production Capacity Predicted to Reach 0.4% of Global Production**

The Energy Shift Institute (Energy Shift) estimates that this year Indonesia will only have 10 gigawatt-hours (GWh) or less than 0.4% of the global battery production capacity of 2,800 GWh. According to Energy Shift, Indonesia's nickel downstream relies on the goals and narratives built by the government to increase the added value of nickel and become a key player in the world's battery-based electric motor vehicle (KBLBB) industry. (Kontan)

**Telco 4Q23 revenue latest insights**

- XL Axiata (EXCL IJ) got approvals to release FY23 results, the day of release aimed on Tue. 13th Feb.
- We decipher that XL performed better than we anticipated closer to +3%qoq on the topline, better than initially thought of +1.5%qoq, (Cons -1.8%qoq)
- This bodes well with our last insight that IOH and EXCL were more aggressive in 4Q23 (evidenced already for IOH) possibly at the expense of the incumbent who preferred not to match the intensity and play the longer game. We still believe Telkomsel and Telkom grew in 4Q but potentially at <3%qoq less than anticipated (BRIDS +4%qoq, Cons +5.8%qoq). (*Niko Margaronis – BRIDS*)

**CORPORATE****AUTO Prepares Capex of Rp500bn for 2024**

AUTO prepares capex of Rp500bn for 2024. The routine capex is prioritized for the preparation of new vehicle models, engine maintenance, and the implementation of digitalization and automation in all aspects. In addition to the development of the EV business segment, AUTO remains focused on strengthening the Original Equipment Manufacturer (OEM) business as well as the after-market or Replacement Market (REM). (Kontan)

**Daihatsu Retail Sales Reached 16,976 in January 2024**

Daihatsu Indonesia recorded retail sales of 16,976 (+12.5% mom). In terms of volume and model, Daihatsu's retail sales were dominated by the top three models, which were Siga (31.3%), Gran Max PU (24.4%), and Terios (13.4%). The highest percentage increase in sales was for the Ayla Model (+152% mom), followed by Gran Max Mini Bus (+137% mom) and Terios (+134% mom). (Kontan)

**GOTO IJ, reviving talks for ride-hailing / food delivery merger**

Scenarios mentioned in the Bloomberg article:

- GRAB to acquire GOTO using a combination of cash and stock. Patrick Walujo appears more open to such deal than preceding leaderships. Talks are on-and-off. The shareholders are driving this deal.
- GRAB potentially to run the Singapore and some other markets, GOTO to run Indonesia.
- Current share price of GOTO is a hurdle. Merger valued at US\$20bn. Current market caps: GRAB US\$12.2bn, GOTO IJ US\$6.5bn
- GOTO representative said no such discussion is taking place. (Bloomberg)

With courtesy of DealStreetAsia, we unearthed previous articles from when first merger talks possibly took place in Feb 2020 well before both their IPOs when talks between GOTO and GRAB were advancing while Covid was impacting their businesses.

Key DealStreet commentary:

- Both already had agreed in principle on the merger ironing out the fine print. Back then GRAB offered Gojek 30% in the merged entity in a deal valued at US\$20bn also with Soelistyo and Aluwi to be reporting to GRAB co-founder Anthony Tan. Gojek and shareholders were pushing for larger stake.
- Back then companies were deadlocked about who will run the management and geographical control. They were not in agreement however about their approach in Indonesia. A core group in GRAB management strongly opposed the idea and was interested only in Indonesia only merger and asking GOTO to exit other markets (*BRIDS: Singapore & Vietnam left only basically, GOTO not present in Thailand and Philippines any longer*). Anthony Tan built GRAB from scratch and wanted the management in Indonesia. (Thus the comment from Bloomberg that with P. Walujo and Nadiem Makarim not anymore in Gojek management, the merger deal is more plausible). The last reference suggested that GRAB was favored in a joint branding, while Gojek preferred to retain its label in the home market. (DealStreetAsia)

Shareholders activism key role in driving the merger

- GRAB was considered one of the prized investments of Softbank investing US\$3bn+ (Softbank also has stake in GOTO of 7.59% while Alibaba 8.72% as per 5/2/24 IDX board). Investors have every interest to drive a merger and consolidate the play across SE Asia.

Regulation poses a key hurdle, but there was a solution

- Together the 2 companies control majority of the market (many instances we heard they control 50:50 of the market, thus naturally should raise antitrust concerns). Back then the case was that Gojek would pacify with the regulator by seeking to sunset / phase out the GRAB brand, and thus the merger would be completed along the M&A lines of GRAB acquisition of UBER.

*BRIDS Comment:*

*We do tend to side with the thought that this is shareholder driven M&A initiative to bring the 2 ride-hailers together.*

*Key differences since 2020:*

- *Both are on adj. EBITDA positive position.*
- *Gojek has consolidated its presence in Indonesia, Singapore & Vietnam.*
- *GRAB is in talks with Delivery Hero to acquire Food Panda ride-hailer (present in 11 Asian markets).*
- *Both pursuing fintech (BNPL, digital lending) aspirations.*

*However, Softbank exerts pressure by selling again 0.02% of its stake on last Monday while we are still looking to identify the buyer in last Monday's crossing of 16.2bn shares ~1.3% stake. GOTO's key position at this point is that they will not shy away from a value accretive deal. However, if those talks do take place and is well communicated to shareholders, the selling pressure might stop as investors will rally behind latest deal efforts.*

*In light of the new Bloomberg article and the background of the story, we like the ride-hailing consolidation story unfolding which significantly changes the optics in the Indonesian opportunity outlook (less money to fight competition and more money towards ecosystem investments to build a common front in fintech (Gopay – OVO 90% owned by GRAB and digital banking Superbank + Jago)). We currently have a BUY rating in GOTO IJ, with target price Rp125, having recently upgraded our TP to account for GOTO's recent accretive deal in our view with leading social media Tiktok and its ecommerce biz. (Niko Margaronis – BRIDS)*

### **HMSP's FY23 sales volume down 4% yoy**

- Indonesia's 4Q23 cigarette sales volume was 72.5bn sticks (down 1.2% yoy), leading to FY23 sales volume of 291.6bn sticks (down 4.1% yoy vs 9M23: -5.1% yoy).
- HMSP's 4Q23 sales volume was down 4.1% yoy, leading to FY23 volume of 83.4bn sticks (down 4% yoy) and reaching 99% of our FY23F volume estimate of 84.6bn sticks (down 2.5% yoy) i.e inline.
- In 4Q23, HMSP's market share down to 28% (3Q23: 28.9%). However, higher market share in the previous quarters supported the company to maintain FY23 market share at 28%.

*Comment: High excise tax put pressure on Indonesia's cigarette sales volume and Tier-1 producer including HMSP. (Natalia Sutanto – BRIDS)*

	FY22	FY23	yoy	4Q22	3Q23	4Q23	yoy
<b>HMSP cigarette sales volume (mn sticks)</b>	86,800	83,400	-4.0%	21,200	22,500	20,300	-4.1%
<b>Market share</b>	28.6%	28.6%		28.9%	28.9%	28.0%	
<b>Industry volume (mn sticks)</b>	304,000	291,600	-4.1%	73,400	77,900	72,500	-1.2%

Source: PMI, BRI DS

### **NCKL to Carry Out a Private Placement and Rights Issue**

NCKL plans to carry out two corporate actions, private placement and rights issue. NCKL will issue 6.3bn new shares in a private placement. This amount is equivalent to 10% of the paid-up and issued capital. The final plan for this private placement is to purchase shares in a company engaged in nickel refining. Meanwhile, NCKL will issue 18.93bn shares in the rights issue. This rights issue will also be carried out to support the implementation of share purchase transactions in nickel smelter companies. (Kontan)

### **PGAS Conducts International LNG Trading Of 7 Cargoes**

PGAS conducts international LNG trading, buying, and selling business to China, with a total LNG shipment of 7 cargoes/65 BBTUD. This collaboration benefits by establishing milestones in the global LNG industry and increasing networking. Efforts are gradually being made to improve infrastructure reliability and communication with LNG suppliers and customers worldwide. (Investor Daily)

### **UNVR IJ FY23 result: Below our and consensus**

- In 4Q23, revenue was down 21% qoq and 16% yoy following the negative impact of boycott especially in Nov and Dec-23, leading to FY23 top line of Rp38.6tn, down 6.3% yoy.
- FY23 volume (UVG) down -4.1% yoy (9M23: -1.4%) and ASP (UPG) also decline by 1.1% yoy (9M23: -0.8% and FY22: 11.5%). Pressure on revenue with lower 4Q23 gross margin and higher opex led to lower FY23 net profit.
- UNVR reported 4Q23 net profit of Rp612bn, down 19% yoy and -57% qoq, leading to FY23 bottom line of Rp4.8tn, down 11% yoy. The FY23 net profit was accounted for 89% of our FY23 forecast and 85% of consensus' estimate, i.e below
- UNVR stated that in Jan-24, sales running rate already improved to 92% from the lowest at 74% (after Fatwa MUI). We will revisit our forecast following the release of FY23 result. (Natalia Sutanto – BRIDS)



UNVR II	FY22	FY23	YoY, %	4Q22	3Q23	4Q23	QoQ, %	YoY, %	2023F	A/F, %	A/C, %
<b>(in IDR bn)</b>											
Net sales	41,219	38,611	-6.3%	9,680	10,214	8,106	-20.6%	-16.3%	40,392	96%	94%
COGS	22,154	19,417	-12.4%	5,560	5,057	4,185	-17.2%	-24.7%	20,293		
Gross profit	19,065	19,195	0.7%	4,120	5,157	3,921	-24.0%	-4.8%	20,099		
Opex	11,996	12,915	7.7%	3,070	3,328	3,097	-7.0%	0.9%	13,043		
Operating profit	7,069	6,279	-11.2%	1,050	1,828	824	-54.9%	-21.5%	7,057	89%	87%
Pretax profit	6,994	6,202	-11.3%	1,026	1,817	811	-55.4%	-21.0%	6,967		
Net profit	5,365	4,801	-10.5%	753	1,430	612	-57.2%	-18.7%	5,400	89%	85%
<b>(in %)</b>											
Gross margin	46.3%	49.7%		42.6%	50.5%	48.4%			49.8%		
Opex to revenue	29.1%	33.4%		31.7%	32.6%	38.2%			32.3%		
Operating margin	17.1%	16.3%		10.8%	17.9%	10.2%			17.5%		
Net margin	13.0%	12.4%		7.8%	14.0%	7.6%			13.4%		
<b>Breakdown by divisions</b>											
<b>Revenue (IDR bn)</b>	<b>FY22</b>	<b>FY23</b>	<b>YoY, %</b>	<b>4Q22</b>	<b>3Q23</b>	<b>4Q23</b>	<b>QoQ, %</b>	<b>YoY, %</b>			
HPC	27,256	25,150	-7.7%	6,419	6,671	5,228	-21.6%	-18.6%			
FNR	13,963	13,461	-3.6%	3,261	3,543	2,877	-18.8%	-11.8%			
<b>Segment result (%)</b>											
HPC	23.1%	24.6%		16.3%	25.7%	18.8%					
FNR	20.0%	18.9%		15.2%	17.6%	18.3%					
Source Company, BRI Danareksa, Bloomberg											

# Equity SNAPSHOT



## Equity Valuation

BRI-Danareksa <small>BRIDANAREKSA</small>		Equity Valuation		Rating	Outstanding		Shares (Mn)	Price (Rp)	Price Target	Mkt Cap Rp Bn	Net Profit, Rp bn		EPS (Rp)		Core EPS (Rp)		EPS Growth		PER (x)		EV / EBITDA (x)		PBV		ROE	
							3,190,915			4,880,470	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
BRI-Danareksa Universe											363,092	375,907	30,377	24,656			-13.2%	-18.8%	13.4	13.0	11.3	10.7	2.3	2.2	17.8	17.4
Auto							40,484			215,575	36,950	33,161	913	819			22.9%	-10.3%	5.8	6.5	3.5	#REF!	1.0	0.9	18.0	14.6
Astra International		ASII	HOLD				40,484	5,325	5,700	215,575	36,950	33,161	913	819	913	819	22.9%	-10.3%	5.8	6.5	3.5	#REF!	1.0	0.9	18.0	14.6
Financials & Banks							362,684			2,254,111	136,240	146,941	2,190	2,426			18.9%	10.8%	16.5	15.3	N/A	N/A	3.0	2.7	19.1	18.7
BCA		BBCA	BUY				123,275	9,700	11,300	1,195,768	48,639	52,988	395	430	395	430	19.4%	8.9%	24.6	22.6	N/A	N/A	4.9	4.5	21.0	20.9
BNI		BBNI	BUY				37,297	5,750	6,800	214,460	20,909	21,886	561	587	561	587	14.2%	4.7%	10.3	9.8	N/A	N/A	1.4	1.3	14.6	14.0
Bank Tabungan Negara		BBTN	BUY				14,034	1,255	2,000	17,613	3,171	3,571	226	254	226	254	4.1%	12.6%	5.6	4.9	N/A	N/A	0.6	0.6	11.6	11.9
Bank Mandiri		BKRI	BUY				93,333	6,950	7,600	648,667	55,063	57,742	590	619	590	619	33.7%	4.9%	11.8	11.2	N/A	N/A	2.5	2.3	22.5	21.2
Bank Jago		ARTO	BUY				13,856	3,050	6,600	42,262	99	302	7	22	7	22	519.4%	206.5%	428.8	139.9	N/A	N/A	5.1	4.9	1.2	3.5
Bank Neo Commerce		BBYB	BUY				12,039	314	700	3,780	(654)	(234)	(54)	(19)	(54)	(19)	17.1%	64.2%	(5.8)	(16.1)	N/A	N/A	1.2	1.3	(19.1)	(7.9)
BPD Jatim		BJTM	BUY				15,016	665	900	9,985	1,591	1,743	106	116	106	116	3.1%	9.5%	6.3	5.7	N/A	N/A	0.8	0.8	13.4	13.8
Bank Syariah Indonesia		BRIS	BUY				46,129	2,360	2,000	108,865	5,577	6,870	121	149	121	149	30.9%	23.2%	19.5	15.8	N/A	N/A	2.9	2.6	15.8	17.3
Bank Tabungan Pensiunan Nasional Syariah		BTPS	BUY				7,704	1,650	3,000	12,711	1,844	2,074	239	269	239	269	3.6%	12.5%	6.9	6.1	N/A	N/A	1.3	1.2	20.6	20.4
Cement							10,433			73,917	5,155	6,049	1,015	1,218			19.3%	20.0%	14.3	12.2	6.2	5.3	1.2	1.1	8.2	9.3
Indocement		INTP	BUY				3,681	8,800	13,300	32,395	2,036	2,603	553	707	553	707	10.5%	27.9%	15.9	12.4	7.5	6.1	1.6	1.6	10.4	13.0
Semen Indonesia		SMGR	BUY				6,752	6,150	10,000	41,522	3,119	3,445	462	510	462	510	31.9%	10.5%	13.3	12.1	5.7	4.9	0.9	0.9	7.2	7.6
Cigarettes							118,242			140,649	14,032	15,529	3,188	3,417			112.6%	7.2%	10.9	9.1	6.2	5.6	1.5	1.5	15.7	16.7
Gudang Garam		GGRM	BUY				1,924	19,900	24,000	38,289	8,001	6,424	3,119	3,338	3,119	3,338	115.9%	7.0%	6.4	6.0	3.5	3.3	0.6	0.6	10.1	10.3
HM Sampoerna		HMSB	BUY				116,318	880	1,100	102,360	6,031	9,106	69	78	69	78	27.0%	13.4%	12.7	11.2	8.9	7.9	3.4	3.3	27.6	29.8
Construction							21,865			40,493	2,468	2,999	346	424			-19.9%	22.4%	16.4	13.5	8.09	7.68	0.9	0.9	5.7	6.5
Pembangunan Perumahan		PTPP	BUY				6,200	410	750	2,542	301	473	48	76	74	107	10.6%	57.4%	8.5	5.4	5.3	4.9	0.2	0.2	2.6	4.0
Adhi Karya		ADHI	BUY				8,408	284	500	2,388	55	39	6	5	13	13	-32.8%	-28.2%	43.7	60.9	6.2	6.6	0.3	0.3	0.6	0.5
Jasa Marga		JSMR	BUY				7,258	4,900	5,100	35,564	2,112	2,486	291	343	291	343	-23.1%	17.7%	16.8	14.3	9.5	8.9	1.5	1.4	9.1	9.8
Consumer							87,138			374,426	26,845	29,464	2,144	2,347			51.5%	9.5%	13.9	12.7	8.6	7.8	3.1	2.7	23.5	22.8
Indofood CBP		ICBP	BUY				11,662	11,425	13,000	133,237	9,207	10,695	789	917	821	859	100.7%	16.2%	14.5	12.5	9.9	9.0	3.2	2.7	23.4	23.6
Indofood		INDF	BUY				8,780	6,350	8,000	55,756	9,029	10,047	1,028	1,144	1,078	1,099	42.0%	11.3%	6.2	5.5	4.1	3.6	0.9	0.8	15.7	15.6
Unilever		UNVR	HOLD				38,150	3,270	4,300	124,751	5,400	5,626	142	147	142	147	0.7%	4.2%	23.1	22.2	15.9	15.5	31.0	30.9	134.7	139.6
Mayora Indah		MYOR	BUY				22,359	2,400	3,300	53,661	2,858	3,096	128	138	125	143	47.1%	8.3%	18.8	17.3	11.4	10.1	3.7	3.4	21.2	20.5
Nippon Indosari Corpindo		ROTI	BUY				6,186	1,135	1,700	7,022	352	430	57	70	57	70	-18.7%	22.4%	20.0	16.3	9.9	8.5	2.6	2.6	13.1	16.1
Pharmaceutical							76,875			85,313	3,537	3,675	86	90			-21.0%	4.3%	24.1	23.2	15.5	14.6	3.4	3.2	14.4	14.1
Sido Muncul		SIDO	HOLD				30,000	500	500	15,000	987	948	30	32	30	32	-19.7%	13.8%	16.9	15.8	4.2	4.1	4.1	4.1	25.1	26.3
Kalbe Farma		KLBF	BUY				46,875	1,500	1,600	70,313	2,650	2,727	57	58	56	59	-21.7%	2.9%	26.5	25.8	15.9	15.0	3.2	3.0	12.6	12.1
Healthcare							94,448			94,095	2,952	2,005	562	504			4.1%	-10.3%	31.9	46.9	26.8	23.5	7.2	6.5	24.3	14.6
Medikaloka Hermina		HEAL	BUY				15,258	1,345	1,800	20,522	484	598	32	39	32	39	62.1%	23.5%	42.4	34.3	14.7	12.7	4.3	4.0	11.9	12.1
Mitra Keluarga		MIKA	HOLD				14,246	2,780	2,900	39,605	922	1,040	65	73	65	73	-8.6%	12.8%	43.0	38.1	26.4	23.1	6.7	6.0	16.2	16.6
Prodia Widyahusada		PRDA	BUY				938	4,880	6,400	4,575	350	367	374	392	374	392	-5.7%	4.8%	13.1	12.5	6.3	5.7	1.9	1.8	14.8	14.6
Siloam Hospital		SLDA	BUY				13,006	2,260	2,900	29,394	1,195	1,337	92	103	92	103	71.6%	11.8%	24.6	22.0	9.4	8.6	3.6	3.1	15.8	15.2
Heavy Equipment							3,730			21,407	2,140	1,716	5,739	4,602			2.0%	-19.8%	4.0	5.0	1.6	2.0	0.9	0.8	23.2	16.6
United Tractors		UNTR	HOLD				3,730	22,900	24,900	85,420	21,407	17,167	5,739	4,602	5,739	4,602	2.0%	-19.8%	4.0	5.0	1.6	2.0	0.9	0.8	23.2	16.6
Industrial Estate							62,551			11,011	1,347	1,359	45	90			-29.5%	100.1%	8.2	8.1	5.6	5.1	0.8	0.8	9.6	9.5
Puradelta Lestari		DMA5	BUY				48,198	162	220	7,808	1,181	926	25	19	24	19	-3.0%	-21.6%	6.6	8.4	5.6	6.8	1.4	1.3	20.5	16.0
Bekasi Fajar		BEST	HOLD				9,647	132	140	1,273	135	194	14	20	14	20	298.8%	43.9%	9.5	6.6	8.3	6.8	0.3	0.3	3.1	4.2
Surya Semesta		SSIA	BUY				4,705	410	700	1,929	31	240	7	51	7	51	-81.1%	666.3%	61.7	8.0	4.4	2.6	0.5	0.5	0.8	6.1
Media							89,020			16,601	2,882	2,478	143	117			-3.2%	-18.3%	5.8	6.7	2.1	2.2	0.6	0.5	10.3	8.2
Media Nusantara Citra		MNCN	BUY				15,050	356	800	5,358	1,972	1,579	131	105	131	105	-4.1%	-19.9%	2.7	3.4	0.7	0.8	0.3	0.2	9.8	7.2
Surya Citra Media		SCMA	BUY				73,971	152	325	11,244	910	900	12	12	12	12	7.6%	-1.2%	12.4	12.5	5.7	5.5	1.4	1.3	11.6	10.7
Mining																										

## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on		Chg, %	wow, %	mom, %	YTD, %	Rating
		07-Feb-24	06-Feb-24					
Medco Energi Internasional	MEDC	1,150	1,115	3.1	(5.7)	(5.7)	(0.4)	BUY
BTPS	BTPS	1,650	1,615	2.2	3.8	(2.4)	(2.4)	BUY
Bank Syariah Indonesia	BRIS	2,360	2,310	2.2	1.3	19.8	35.6	BUY
Bukit Asam	PTBA	2,610	2,560	2.0	-	(0.4)	7.0	BUY
Pakuwon Jati	PWON	416	410	1.5	(1.0)	(7.1)	(8.4)	BUY
Bank Mandiri	BMRI	6,950	6,850	1.5	4.5	7.8	14.9	BUY
Astra International	ASII	5,325	5,250	1.4	3.9	(4.1)	(5.8)	HOLD
Alam Sutera	ASRI	157	155	1.3	(3.1)	(6.5)	(4.3)	BUY
Mitra Keluarga Karyasehat	MIKA	2,780	2,750	1.1	3.3	3.0	(2.5)	HOLD
Mitra Adi Perkasa	MAPI	1,975	1,955	1.0	1.0	7.0	10.3	BUY

Sources: Bloomberg

### LAGGARDS

	Code	Price as on		Chg, %	wow, %	mom, %	YTD, %	Rating
		07-Feb-24	06-Feb-24					
M-Cash Integrasi	MCAS	3,850	4,470	(13.9)	-	(20.3)	(11.5)	BUY
Chandra Asri Petrochemical	TPIA	5,200	5,425	(4.1)	(3.7)	40.2	(1.0)	BUY
Silloam Hospital	SILO	2,260	2,350	(3.8)	1.8	2.7	3.7	BUY
Japfa Comfeed	JPFA	1,090	1,130	(3.5)	2.8	(1.8)	(7.6)	BUY
Trimegah Bangun Persada	NCKL	830	860	(3.5)	(8.3)	(12.2)	(17.0)	BUY
Sarana Menara Nusantara	TOWR	880	910	(3.3)	(1.1)	(9.7)	(11.1)	BUY
Pertamina Geothermal Energy	PGEO	1,180	1,220	(3.3)	(9.9)	(2.1)	0.9	BUY
Harum Energy	HRUM	1,105	1,140	(3.1)	(6.0)	(17.8)	(17.2)	BUY
XL Axiata	EXCL	2,300	2,370	(3.0)	(0.9)	0.9	15.0	BUY
Kalbe Farma	KLBF	1,500	1,545	(2.9)	(0.7)	(6.0)	(6.8)	BUY

Sources: Bloomberg



---

**PREVIOUS REPORTS**

---

- Astra Internasional: [Not yet time to turn positive](#)
- Bank Rakyat Indonesia: [Robust 4Q23 profit; the management expects 11-12% loans growth in FY24F](#)
- Equity Strategy: [Still leaning towards a conservative position in Feb24](#)
- Macro Strategy: [Assessment on the Growth and Rates Outlook](#)
- Macro Strategy: [A Mixed Bag](#)
- Bank Mandiri: [Raising our FY24-25F forecast and TP post 4Q23 earnings beat](#)
- MAP Active: [Riding on the sustainable momentum of sport and athleisure trend; initiate with Buy rating](#)
- Mitra Adi Perkasa: [Leading the way in retailing; re-initiate with Buy](#)
- PT Bumi Resources Minerals: [A pure gold proxy with strong production growth potentials](#)
- Telco: 4Q23 preview: [Telcos to deliver tangible quarterly topline growth and broadly in-line earnings](#)
- Macro Strategy: [Currency Conundrum](#)
- Equity Strategy: [Re-emerging risk factors may warrant a more conservative positioning in Feb24](#)
- Bank Central Asia: [Loans growth to moderate in FY24F, earnings trimmed by 3% on lower fees](#)
- Bank Negara Indonesia: [Asset quality improvement offset higher CoF](#)
- Ace Hardware Indonesia: [Growth recovery outlook intact on positive Jan24](#)
- Astra Internasional: [ICE should sustain its dominance in the 4W market, but lacks ST catalysts; reinstate with a Hold rating](#)
- XL Axiata: [Potential FMC strategy acceleration and value unlocking from the merger scenario](#)
- Macro Strategy: [Permeating Risk Landscape](#)
- Poultry: [ST negatives from earnings, data and fund positioning](#)
- Property: [Stable 4Q23 Marketing Sales Growth](#)
- Pertamina Geothermal Energy: [Expect strong growth in 2025F onwards](#)
- Tech: [Robust GMV growth outlook with incumbents to be key beneficiaries](#)
- Venteny Fortuna International: [Delivering the growth momentum through attractive propositions in MSMEs segments](#)
- Banks: [On-track for higher yields and NIMs in FY24](#)
- Macro Strategy: [Dissecting the Optics](#)
- Avia Avian Tbk: [A better volume growth prospect in FY24](#)
- Healthcare: [A better entry point emerges amid on-track growth drivers](#)
- Aneka Tambang: [Completion of project divestments set the stage for more future downstream projects](#)
- Poultry: [Weaker-than-expected data points in Dec23 might lead to 4Q23 earnings shortfall](#)
- Macro Strategy: [January Effect Risks](#)
- Towers: [Larger opportunities from sector transformations; improves Tower cos strategic position in ICT](#)
- Banks: [Steady despite the turbulence](#)
- Coal Sector: [FY24 Outlook: Soft demand and steady supply flow to drive further price normalization](#)
- Tech Sector: [Share price trajectory not in line with sales](#)
- AKR Corporindo: [Optimistic guidance implies growth upside in FY24](#)
- PT Victoria Care Indonesia: [Strong brands and digital marketing channel drive promising growth outlook](#)
- Oil & gas: [FY24 outlook: expect supply to remain in balance, but geopolitics is a wild card](#)
- GoTo Gojek Tokopedia: [Securing a stronger position in e-commerce](#)
- Macro Outlook 2024: [The Growth Paradox](#)
- Telco: [Expect solid growth potentials to further unfold in FY24](#)
- Consumer: [Room for growth is still in store](#)
- Healthcare: [Not a case of pandemic outbreak](#)
- Nickel: [Expect NPI price to decouple and stabilize, with volume growth to be key drivers in FY24F](#)
- Equity Strategy: [FY24 Outlook: The road to JCI 8,000](#)
- Banks: [Moderating FY24 growth, but intact fundamentals shall support high growth to resume in FY25](#)
- Macro Strategy: [Anticipation of Accelerated Rate Cuts](#)
- Cigarette: [Attractive value proposition despite lingering regulatory headwinds and continued downtrading](#)
- Aneka Tambang: [Expect heavier margin pressure in FY24](#)
- Vale Indonesia: [Weak nickel price to hit FY24 margin, despite intact operational outlook](#)
- Healthcare: [FY24 Outlook: Cost efficiency to drive earnings growth amid continued consumers' shift to BPJS](#)

**PT BRI Danareksa Sekuritas**

Gedung BRI II Lt.23, Jl. Jenderal Sudirman Kav.44-46  
Bendungan Hilir, Tanah Abang – Jakarta Pusat 10210  
Indonesia  
Indonesia  
Tel (62 21) 50914100  
Fax (62 21) 2520990

**Equity Research Team****Erindra Krisnawan, CFA**[erindra.krisnawan@brids.co.id](mailto:erindra.krisnawan@brids.co.id)

(62-21) 50914100 ext. 3500

**Head of Equity Research, Strategy, Coal****Natalia Sutanto**[natalia.sutanto@brids.co.id](mailto:natalia.sutanto@brids.co.id)

(62-21) 50914100 ext.3508

**Consumer, Tobacco, Pharmacy, Retail****Victor Stefano**[victor.stefano@brids.co.id](mailto:victor.stefano@brids.co.id)

(62-21) 50914100 ext.3503

**Banks, Poultry****Niko Margaronis**[niko.margaronis@brids.co.id](mailto:niko.margaronis@brids.co.id)

(62-21) 50914100 ext. 3512

**Telco, Tower, Technology, Media****Hasan Barakwan**[hasan.barakwan@brids.co.id](mailto:hasan.barakwan@brids.co.id)

(62-21) 50914100 ext. 3530

**Metal, Oil and Gas, Mining Service****Ismail Fakhri Suweleh**[ismail.suweleh@brids.co.id](mailto:ismail.suweleh@brids.co.id)

(62-21) 50914100 ext. 3505

**Healthcare, Property,  
Industrial Estate****Richard Jerry, CFA**[richard.jerry@brids.co.id](mailto:richard.jerry@brids.co.id)

(62-21) 50914100 ext. 3511

**Automotive, Cement****Economic Research Team****Helmy Kristanto**[helmy.kristanto@brids.co.id](mailto:helmy.kristanto@brids.co.id)

(62-21) 50914100 ext. 3400

**Chief Economist, Macro Strategy****Dr. Telisa Aulia Falianty**[telisa.falianty@brids.co.id](mailto:telisa.falianty@brids.co.id)

(62-21) 50914100

**Senior Advisor****Kefas Sidauruk**[kefas.sidauruk@brids.co.id](mailto:kefas.sidauruk@brids.co.id)

(62-21) 50914100

**Economist****Sales Team****Yofi Lasini**[yofi.lasini@brids.co.id](mailto:yofi.lasini@brids.co.id)

(62-21) 50914100 ext. 3120

**Erliceh Suharto**[erliceh@brids.co.id](mailto:erliceh@brids.co.id)

(62-21) 50914100 ext.3508

**Yunita L. Nababan**[yunita@brids.co.id](mailto:yunita@brids.co.id)

(62-21) 50914100 ext.3503

**Andreas Kenny**[andreas.kenny@brids.co.id](mailto:andreas.kenny@brids.co.id)

(62-21) 50914100 ext. 3500

**Adeline Solaiman**[adeline.solaiman@brids.co.id](mailto:adeline.solaiman@brids.co.id)

(62-21) 50914100 ext.3508

**Novrita Endah Putrianti**[novrita.putrianti@brids.co.id](mailto:novrita.putrianti@brids.co.id)

(62-21) 50914100 ext.3503

**Christy Halim**[christy.halim@brids.co.id](mailto:christy.halim@brids.co.id)

(62-21) 50914100 ext. 3500

**Jason Joseph**[jason.joseph@brids.co.id](mailto:jason.joseph@brids.co.id)

(62-21) 50914100 ext.3508

## Disclaimer

The information contained in this report has been taken from sources which we deem reliable. However, none of P.T. Danareksa Sekuritas and/or its affiliated companies and/or their respective employees and/or agents makes any representation or warranty (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of P.T. Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitation for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this report and neither P.T. Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or misstatements, negligent or otherwise, in the report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The information contained in this report is not to be taken as any recommendation made by P.T. Danareksa Sekuritas or any other person to enter into any agreement with regard to any investment mentioned in this document. This report is prepared for general circulation. It does not have regard to the specific person who may receive this report. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice.