

FROM EQUITY RESEARCH DESK

IDEA OF THE DAY

Coal Sector: Rising Indonesia production, but demand and cost curve remain supportive for price (OVERWEIGHT)

- Indonesia's Jul24 coal production rose +10.7% mom/ +3.2% yoy to 72Mt, driving an improved 7M24 growth to 5.8% yoy (477Mt).
- China and India's 6M24 imports have remained resilient, while Indonesia's high production cost continues to offer support for price.
- We maintain OW rating on the sector but shift our preference to UNTR amid the ST supply risk from Indonesia. To see the full version of this report, please [click here](#)

Bank Syariah Indonesia: In line 1H24 net profit supported by financing growth and lower provisions (BRIS.IJ Rp 2,610; BUY TP Rp 2,700)

- BRIS booked net profit of Rp1.7tr in 2Q24 (flat qoq, +24% yoy), bringing its 1H24 NP to Rp3.4tr (+20% yoy), i.e., in line with ours and consensus.
- NIM declined to 5.1% in 2Q24 (-23bps qoq, -76bps yoy), but the CoC remained robust at 0.9%, supported by improving MSME loan quality.
- We maintain our FY24F forecasts and TP of Rp2,700; reiterate our Buy rating with superior earnings growth vs. its peers as the key catalyst. To see the full version of this report, please [click here](#)

MARKET NEWS

RESEARCH COMMENTARY

- BBYB Jul24 Bank Only Results
- BDMN Jul24 Bank Only Results
- NISP Jul24 Bank Only Results
- Poultry – 4th week of August 2024 Price Update
- Seabank Jul24 Results

MACROECONOMY

- China Caixin Manufacturing PMI Rose to 50.4 in August 2024
- Indonesia Inflation Reached 2.12% yoy in August 2024
- Indonesia Manufacturing PMI Fell to 48.9 in August 2024

SECTOR

- Directorate General of Highways Receives Budget Ceiling of Rp32.31tr for 2025

CORPORATE

- AUTO Realized Capital Expenditure of Rp295bn
- NeutraDC, a subsidiary of TLKM, Collaborates with 3 Companies in the AI-Ecosystem

PREVIOUS EQUITY RESEARCH REPORTS

- Sarana Menara Nusantara: [Navigating merger headwinds with strategic positioning in ex-Java](#)
- Macro Strategy: [Fact Check: Expectation vs Reality](#)
- Oil and Gas: [Supply-driven Price Movement; Offshore Investment Appetite Remains Promising](#)
- Cement: [Jul24 Sales: Strong 14% mom vol growth, but risk from fighting brand pricing of Merdeka](#)

EQUITY MARKET INDICES

	Close	Chg (%)	Ytd (%)	Vol (US\$mn)
Asean - 5				
Indonesia	7,695	0.3	5.8	673
Thailand	1,354	(0.4)	(4.4)	964
Philippines	6,923	0.4	7.3	72
Malaysia	1,678	(0.0)	15.4	1,429
Singapore	3,463	0.6	6.9	831
Regional				
China	2,811	(1.1)	(5.5)	69,232
Hong Kong	17,692	(1.7)	3.8	14,466
Japan	38,701	0.1	15.6	16,930
Korea	2,686	0.2	1.2	7,725
Taiwan	22,235	(0.1)	24.0	n.a
India	82,560	0.2	14.3	985
Nasdaq	17,714	1.1	18.0	265,700
Dow Jones	41,563	0.6	10.3	30,260

CURRENCY AND INTEREST RATE

		Rate	wow (%)	mom (%)	ytd (%)
Rupiah	Rp/1US\$	15,525	(0.6)	4.2	(0.8)
BI7DRRR	%	6.25	-	-	0.3
10y Gov	Indo bond	6.65	0.0	(0.2)	0.2

HARD COMMODITIES

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Coal	US\$/ton	144	0.1	(0.1)	(1.7)
Gold	US\$/toz	2,497	(0.1)	2.2	21.1
Nickel	US\$/mt.ton	16,384	(0.9)	2.3	0.1
Tin	US\$/mt.ton	31,340	(3.6)	3.9	24.5

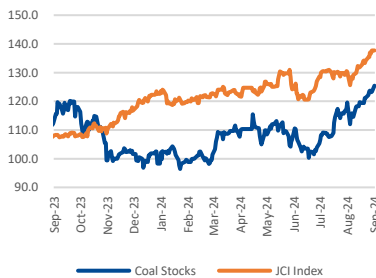
SOFT COMMODITIES

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Cocoa	US\$/mt.ton	6,518	(0.5)	(8.7)	56.7
Corn	US\$/mt.ton	142	2.6	(4.4)	(17.3)
Oil (WTI)	US\$/barrel	74	0.2	0.3	2.9
Oil (Brent)	US\$/barrel	78	0.8	0.9	0.6
Palm oil	MYR/mt.ton	4,070	1.1	0.7	9.5
Rubber	US\$/kg	178	(2.2)	6.5	14.2
Pulp	US\$/tonne	1,205	n.a	2.8	20.5
Coffee	US\$/60kgbag	249	(4.1)	9.3	88.4
Sugar	US\$/MT	532	(2.7)	3.2	(10.7)
Wheat	US\$/ton	150	0.5	0.5	(17.6)
Soy Oil	US\$/lb	43	(0.1)	0.9	(9.8)
SoyBean	US\$/by	982	0.8	(4.4)	(24.1)

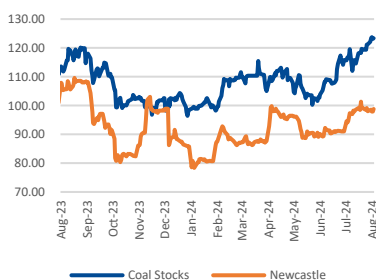
Overweight

(Maintained)

Coal Stocks vs JCI Index



Coal Stocks vs Newcastle Px



Source: Bloomberg

BRI Danareksa Sekuritas Analysts

Erindra Krisnawan, CFA

(62-21) 5091 4100 ext. 3500

erindra.krisnawan@brids.co.id

Christian Sitorus

(62-21) 5091 4100 ext. 3506

christian.sitorus@brids.co.id

Coal Sector

Rising Indonesia production, but demand and cost curve remain supportive for price

- Indonesia's Jul24 coal production rose +10.7% mom/ +3.2% yoy to 72Mt, driving an improved 7M24 growth to 5.8% yoy (477Mt).
- China and India's 6M24 imports have remained resilient, while Indonesia's high production cost continues to offer support for price.
- We maintain OW rating on the sector but shift our preference to UNTR amid the ST supply risk from Indonesia.

Weaker low-CV prices in Aug24, but still in-line with historical pattern

Indonesian coal prices have corrected over the past month, led by the low CV products (ICI4 and ICI5, down 2.9% and -3.5% respectively mom), while the medium and high CV remain relatively resilient (up 0.7% and +3.0% respectively mom). Price corrections have been driven by softer demand from China on the back of high inventory levels at the Southern ports, following the above-normal hydropower production in early Aug24. Latest data showed that inventory levels have gradually declined, hence offering prospect for price to recover in Sep24, similar to price movement in FY23.

Demand from imports is intact amid improving Indonesia production

Based on data from MEMR, Indonesia's production rose to 72.3Mt in Jul24 (+3.2% yoy/ +10.7% mom, driving 7M24 production to 477Mt (+5.8% yoy). The improving Indonesia's production aligns with the historical trends which typically sees production increases in July until Aug/September, likely to have also boosted availability of supply in the export market. On the demand side, latest import from China (Jul24: +17.7% yoy, 6M24: +12.4% yoy) and India (Jun24: +12.3% yoy, 6M24: +10.9% yoy) also showed resilient growth. Meanwhile, Australia's export has continued to lag (Jun24: -17.2% yoy, 6M24: -7.1% yoy), albeit improving in the recent months. At this juncture, we see short-term risk from Indonesia's production momentum and still limited indications of weather-related disruptions.

Channel checks indicate still supportive cost despite ST supply risk

KTAs from our discussions with coal traders and marketers: 1) China's demand remains opportunistic, purchasing seaborne coal if prices fall below domestic levels. 2) Although current demand from China is subdued, it is anticipated that the ICI-4 price may not drop below US\$50, which mirrors last year's situation, given that the present price is approaching the break-even point for certain Indonesian producers. 3) The primary concern lies on the supply side. There are currently unconfirmed reports suggesting that a medium-sized producer has 2-3Mt of unsold coal (ICI-4 CV).

Maintain OW, but shifting sector preference to UNTR

We maintain our Overweight sector as we believe our thesis on [coal price outlook](#) remains intact. However, given the ST risk due to rising Indonesia's supply, we shift our sector preference to UNTR (**Buy**, TP Rp29,200), as our previous pick ADRO (**Buy**, TP Rp3,770) has outperformed the sector (up 12% over the past month). Our sector pecking order is now: UNTR> ADRO> ITMG>PTBA. Key risks to our view are: 1) rising Indonesia's production. 2) weaker China demand.

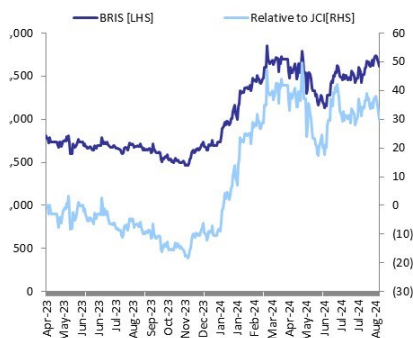
Company	Ticker	Rec	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		EV/EBITDA		Div. Yield (%)
					2024F	2025F	2024F	2025F	
United Tractors	UNTR IJ	BUY	29,200	104,070.8	5.4	5.7	3.0	3.0	8.4
Adaro Energy Indonesia	ADRO IJ	BUY	3,770	111,038.8	6.4	7.5	2.4	2.4	6.5
Indo Tambangraya Megah	ITMG IJ	BUY	31,300	31,270.7	4.0	4.9	1.4	1.7	16.2
Bukit Asam	PTBA IJ	BUY	3,100	32,488.3	5.8	7.7	5.4	7.6	12.0
Harum Energy	HRUM IJ	BUY	1,700	18,317.0	5.7	6.9	1.9	2.3	13.9

BUY

(Maintained)

Last Price (Rp)	2,610
Target Price (Rp)	2,700
Previous Target Price (Rp)	2,700
Upside/Downside	+3.4%
No. of Shares (mn)	46,129
Mkt Cap (Rpbn/US\$mn)	120,397/7,755
Avg, Daily T/O (Rpbn/US\$mn)	99.1/6.4
Free Float (%)	33.0
Major Shareholder (%)	
PT. Bank Mandiri	51.5
PT. Bank Negara Indonesia	23.2
EPS Consensus (Rp)	
	2024F 2025F 2026F
BRIDS	142.8 162.7 186.8
Consensus	144.7 174.0 202.8
BRIDS/Cons (%)	(1.4) (6.5) (7.6)

BRIS relative to JCI Index



Source: Bloomberg

BRI Danareksa Sekuritas Analysts

Victor Stefano

(62-21) 5091 4100 ext. 3503
victor.stefano@brids.co.id

Naura Reyhan Muchlis

(62-21) 5091 4100 ext. 3507
naura.muchlis@brids.co.id

Bank Syariah Indonesia (BRIS IJ)

In line 1H24 net profit supported by financing growth and lower provisions

- BRIS booked net profit of Rp1.7tr in 2Q24 (flat qoq, +24% yoy), bringing its 1H24 NP to Rp3.4tr (+20% yoy), i.e., in line with ours and consensus.
- NIM declined to 5.1% in 2Q24 (-23bps qoq, -76bps yoy), but the CoC remained robust at 0.9%, supported by improving MSME loan quality.
- We maintain our FY24F forecasts and TP of Rp2,700; reiterate our Buy rating with superior earnings growth vs. its peers as the key catalyst.

Strong net profit growth supported by higher loans and lower provisions

BRIS booked net profit of Rp1.7tr in 2Q24 (flat qoq, +24% yoy), with PPOP of Rp2.8tr (flat qoq, +2% yoy). The strong yoy growth was supported by the lower provisions (-40% yoy). Net profit grew to Rp3.4tr in 1H24 (+20% yoy), reaching 52% and 51% of our and consensus FY24F, respectively, i.e., in line. NIM came in at 5.2% in 1H24, a drop from 5.9% in 1H23, due to a 10bps decrease in yield and a 48bps increase in CoF, but this was offset by higher loans, which grew 16% yoy, resulting in a 2% NII growth.

NIM remained under pressure, but CoC remained robust

BRIS's NIM declined to 5.1% in 2Q24 (-23bps qoq, -76bps yoy), driven by a lower financing yield of 8.2% (-19bps qoq, -22bps yoy) and a higher CoF of 2.6% (flat qoq, +38bps yoy). Despite the lower NIM, the bank grew its PPOP through strong loan growth (+4% qoq, +16% yoy), higher other operating income (+9% qoq, +33% yoy), and slower opex growth (flat qoq, +14% yoy). CoC remained robust at 0.9% (flat qoq, -86bps yoy), as mgmt maintained confidence in overall loan quality, especially from its new loans. Deposit growth was flat qoq in 2Q24 (+17% yoy). Management stated that this demonstrated the minimal impact of the Muhammadiyah case.

Improving quality in MSME loans driven by new loan disbursement

MSME loans grew 19% yoy to Rp45tr in 2Q24, driven by subsidized KUR, which grew 34% yoy, partly offset by SME loan, which grew by only 8% yoy, and non-subsidized KUR, which contracted 13% yoy. Overall, MSME loan quality improved with NPL declining from 3.8% in 2Q23 to 2.9% in 2Q24. Non-subsidized KUR NPL remained at a high level of 9.6% in 2Q24 (vs. 14% in 2Q23) but is a small part (4%) of MSME loan. The MSME loan quality also reflected legacy loans. As of Jun24, new booking's NPL was robust at 0.12%.

Solid 2Q24 performances, maintain BUY

We maintain our Buy rating given the robust growth and high potential in the Shariah financial market, hence justifying the premium 2.6x FY24F PBV. We keep our TP of Rp2,700 (based on inverse CoE GGM), with our forecasts and valuation unchanged. Risk to our view is rising NPL and CoC.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
PPOP (Rpbn)	9,396	10,214	11,561	13,033	14,777
Net profit (Rpbn)	4,260	5,704	6,586	7,503	8,615
EPS (Rp)	92.4	123.6	142.8	162.7	186.8
EPS growth (%)	25.4	33.9	15.5	13.9	14.8
BVPS (Rp)	726.3	839.8	959.6	1,086.3	1,210.4
PER (x)	28.3	21.1	18.3	16.0	14.0
PBV (x)	3.6	3.1	2.7	2.4	2.2
Dividend yield (%)	0.9	1.2	1.4	1.6	1.8
ROAE (%)	14.6	15.8	15.9	15.9	16.3

Source: BRIS, BRIDS Estimates

RESEARCH COMMENTARY

BBYB Jul24 Bank Only Results

7M24 Insight:

- **Net Profits:** In 7M24, BBYB's NP remained at negative Rp2bn, but it's a huge improvement over Rp437bn losses in 7M23 as the bank booked 56% yoy PPOP growth and only 6% yoy higher provisions.
- **NIM:** Net interest income grew 7% yoy, despite the -11% yoy loan contraction, supported by a higher NIM of 19.2% (from 18.0% in 7M23). NIM was higher thanks to the flat CoF and higher EA yield.
- **Other operating income and expense:** Other operating income grew 40% yoy while opex declined 30% yoy, resulting in a CIR of 32% (from 52% in 7M23).
- **Loans and Customer Deposits:** In 7M24, loans still contracted by 11% yoy, while customer deposits declined by only 2% yoy. Hence, LDR was lower at 63% (from 69% in 7M23), providing room for growth.
- **CoC:** CoC rose to 26.1% (from 22.4% in 7M23), as the slight increase in provisions (+6%) was amplified by the -11% loan contraction.

Jul24 Insight:

- **Net Profits:** In 7M24, BBYB booked NP of Rp4bn (+57% mom from a low base), despite the 7% lower PPOP, as provisions declined by 8% mom.
- **NIM:** NIM declined to 17.3% (-138bps mom, -381bps yoy), mainly due to the decline in EA yield to 23.2% (-129bps mom, -400bps yoy).
- **Loans and Customer Deposits:** Loans increased 4% qoq (still -11% yoy), while customer deposits were flat qoq (-2% yoy). Hence, LDR rose to 63% in Jul24 from 61% in Jun24 but still below the 69% reported in Jul23.
- **CoC:** CoC was reported at 23.4%, 274bps lower than Jun24 but still 234bps higher than Jul23, despite the lower provisions (-8% mom, -1% yoy).

Summary:

- *Overall Performance: In our view, BBYB's Jul24 results were decent as it was able to grow its loan, albeit with lower NIM. Furthermore, the lower CoC came with higher loan loss provisions, indicating that the bank has lesser write-off and better asset quality. (Victor Stefano & Naura Reyhan Muchlis – BRIDS)*

BBYB (in Rpmm)	Jul-23	Jun-24	Jul-24	mom, %	yoy, %	7M23	7M24	yoy, %	FY23	% to FY23	FY24F	% to FY24F	FY24C	% to FY24C
Interest income	361,541	321,702	308,780	-4%	-15%	2,218,408	2,298,867	4%	4,047,592	57%	3,724,691	62%		
Interest expense	(80,479)	(75,987)	(78,163)	3%	-3%	(558,361)	(522,579)	-6%	(944,568)	55%	(1,028,900)	51%		
Net interest income	281,062	245,715	230,617	-6%	-18%	1,660,047	1,776,288	7%	3,103,024	57%	2,695,791	66%		
Other operating income	76,276	46,208	51,918	12%	-32%	261,557	365,063	40%	637,286	57%	765,843	48%		
Operating expenses	(287,105)	(94,555)	(99,671)	5%	-65%	(991,496)	(694,417)	-30%	(1,626,745)	43%	(1,017,999)	68%		
PPOP	70,233	197,368	182,864	-7%	160%	930,108	1,446,934	56%	2,113,565	68%	1,992,916	73%		
Provision	(180,535)	(194,927)	(178,964)	-8%	-1%	(1,367,083)	(1,449,216)	6%	(2,688,479)	54%	(2,113,316)	69%		
Pre-tax profit	(110,185)	2,432	3,835	58%	n/a	(437,076)	(2,577)	-99%	(573,872)	0%	(119,358)	2%		
Net profit	(110,141)	2,467	3,885	57%	n/a	(436,917)	(2,271)	-99%	(573,180)	0%	(119,358)	2%	(24,000)	9%
										YTD, %				
Loans	10,457,700	9,017,146	9,333,627	4%	-11%	10,457,700	9,333,627	-11%	10,783,341	-13%	12,909,289			
Customer deposits	15,137,059	14,758,745	14,795,561	0%	-2%	15,137,059	14,795,561	-2%	13,872,270	7%	15,857,540			
Key Ratio				mom, bps	yoy, bps			yoy, bps		vs FY23, bps		vs FY24F, bps		
Earning Asset yield (%) - ann	27.1	24.4	23.2	↓ (129)	↓ (400)	24.1	24.9	↑ (8)	25.6	↓ (65)	21.5	↑ (339)		
Cost of fund (%) - ann	6.4	6.2	6.3	↓ 17	↓ (1)	6.2	6.2	↓ (8)	6.2	↓ (8)	6.8	↑ (62)		
NIM (%) - ann	21.1	18.7	17.3	↓ (138)	↓ (381)	18.0	19.2	↑ (121)	19.6	↓ (35)	15.6	↑ (367)		
CIR (%) - ann	80.3	32.4	35.3	↓ 289	↑ (4,507)	51.6	32.4	↑ (1,917)	43.5	↑ (1,106)	33.8	↑ (138)		
Cost of credit (%) - ann	21.1	26.1	23.4	↑ (274)	↓ 234	22.4	26.1	↓ 365	25.4	↓ 67	20.6	↑ (545)		↑ 2,540
CASA Ratio (%)	23.5	29.7	28.1	↓ (159)	↑ 469	23.5	28.1	↑ 469	28.8	↓ (65)				
LDR (%)	69.1	61.1	63.1	↓ 199	↑ (600)	69.1	63.1	↑ (600)	77.7	↑ (1,465)				

BDMN Jul24 Bank Only Results

7M24 Insight:

- Net Profits: In 7M24, BDMN's net profits reached Rp1.6tr (-9% yoy), impacted by flat PPOP and a 16% increase in provisions.
- CIR: CIR rose by 179bps yoy to 54.0% due to an 8% yoy increase in opex, driven by a 6% yoy rise in personnel expenses.
- NIM: NIM dropped to 5.1% (-52bps yoy) in 7M24, as CoF rose to 3.7% (+94bps yoy) due to a decline in CASA to 45.2% (-640bps yoy), despite a 19bps yoy improvement in EA yield to 8.0%.
- Loans and Customer Deposits: In 7M24, loans and customer deposits grew by 14% and 13% yoy, respectively. LDR was reported at 103.7% (-155bps mom, +135bps yoy).
- CoC: CoC was flat yoy at 1.9% in 7M24, despite a 16% yoy rise in provisions, as loans grew 14% yoy.

Jul24 Insight:

- Net Profits: BDMN reported net profits of Rp189bn (+30% mom, -38% yoy) in Jul24.
- CIR: CIR reached 53.9% (-640bps mom, +432bps yoy) in Jul24. The monthly improvement was driven by a 22% mom increase in other operating income, while the yearly higher CIR was due to an 11% yoy rise in opex, mainly attributed to a 12% yoy increase in personnel expenses.
- CoC: CoC was reported at 2.5% (+52bps mom, +60bps yoy) in Jul24, as provisions increased to Rp311bn (+28% mom, +51% yoy).
- NIM: NIM was recorded at 5.0% (flat mom, -52bps yoy), as CoF rose significantly to 4.0% (+25bps mom, +89bps yoy), despite an improvement in EA yield to 8.2% (+21bps mom, +17bps yoy).

Summary:

- *Overall Performance: In our view, BDMN's results were weak. Its CoF remained high as the bank's CASA continued to decline significantly, which was not offset by the increase in EA yield, resulting in a compressed NIM. Moreover, its notable rise in CoC to 2.5% in Jul24 indicates a possible issue within its loan book. Furthermore, its high LDR poses an ongoing risk to its liquidity and NIM going forward. (Victor Stefano & Naura Reyhan Muchlis – BRIDS)*

BDMN - Bank Only (Rpbn)	Jul-23	Jun-24	Jul-24	mom, %	yoy, %	7M23	7M24	yoy, %	FY23	7M23/FY23
Interest income	1,075	1,206	1,256	4%	17%	7,045	8,379	19%	12,565	56%
Interest expense	(332)	(447)	(485)	8%	46%	(2,021)	(3,087)	53%	(3,802)	53%
Net interest income	744	759	771	2%	4%	5,024	5,292	5%	8,764	57%
Other operating income	379	305	371	22%	-2%	2,435	2,464	1%	4,560	53%
Operating expenses	(557)	(641)	(616)	-4%	11%	(3,895)	(4,188)	8%	(6,875)	57%
PPOP	566	422	527	25%	-7%	3,565	3,568	0%	6,449	55%
Provision	(206)	(242)	(311)	28%	51%	(1,407)	(1,631)	16%	(2,288)	61%
Pre-tax profit	350	173	213	23%	-39%	2,089	1,888	-10%	4,011	52%
Net profit	303	145	189	30%	-38%	1,811	1,644	-9%	3,504	52%
										YTD, %
Loans	132,736	152,103	151,611	0%	14%	132,736	151,611	14%	144,643	5%
Customer deposits	129,707	144,538	146,224	1%	13%	129,707	146,224	13%	139,222	5%
Key Ratio				mom, bps	yoy, bps			yoy, bps		7M24 vs FY23, bps
Earning Asset yield (%) - ann	8.0	7.9	8.2	↑ 21	↑ 17	7.8	8.0	↑ 19	7.9	↑ 10
Cost of fund (%) - ann	3.1	3.8	4.0	↓ 25	↓ 89	2.7	3.7	↓ 94	2.9	↓ 73
NIM (%) - ann	5.5	5.0	5.0	→ 1	↓ (52)	5.6	5.1	↓ (52)	5.5	↓ (46)
CIR (%) - ann	49.6	60.3	53.9	↑ (640)	↓ 432	52.2	54.0	↓ 179	51.6	↓ 240
Cost of credit (%) - ann	1.9	1.9	2.5	↓ 52	↓ 60	1.9	1.9	→ (3)	1.8	↓ 14
CASA Ratio (%)	51.6	46.1	45.2	↓ (87)	↓ (640)	51.6	45.2	↓ (640)	52.1	↓ (694)
LDR (%)	102.3	105.2	103.7	↑ (155)	↓ 135	102.3	103.7	↓ 135	103.9	↑ (21)

NISP Jul24 Bank Only Results

7M24 Insight:

- Net Profits: In 7M24, NISP's net profits reached Rp3.3tr (+34% yoy), supported by a provision reversal of Rp491bn, despite a 14% yoy decline in PPOP.
- CIR: CIR reached 50.6% (+1,077bps yoy) as opex grew 32% yoy, largely due to a 77.4% yoy increase in other expenses.
- NIM: NIM remained flat at 4.4% in 7M24, as the 32bps yoy rise in CoF to 3.7% was offset by a 25bps yoy increase in EA yield.
- Loans and Customer Deposits: In 7M24, loans and customer deposits grew by 9% and 6% yoy, respectively. LDR was reported at 78.3% (-325bps mom, +194bps yoy). CASA reached 56.0% (-87bps mom, +400bps yoy).

Jul24 Insight:

- Net Profits: NISP reported net profits of Rp871bn (+74% mom, +139% yoy) in Jul24, driven by a rise in NII (+5% mom, +10% yoy), a decline in opex (-7% mom, -8% yoy), as well as other operating income amounting to Rp604bn.
- CIR: CIR improved significantly to 29.2% (-2,651bps mom, -2,065bps yoy) in Jul24, marking the monthly lowest since Apr23.
- NIM: NIM improved to 4.7% (+19bps mom, +34bps yoy) in Jul24, as CoF remained at 3.7% (+1bps mom, +4bps yoy) and EA yield rose to 7.7% (+28bps mom, +49bps yoy).
- CoC: CoC was reported at 0.2% in Jul24.

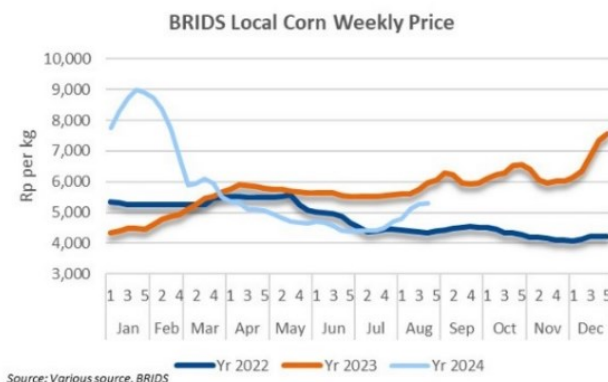
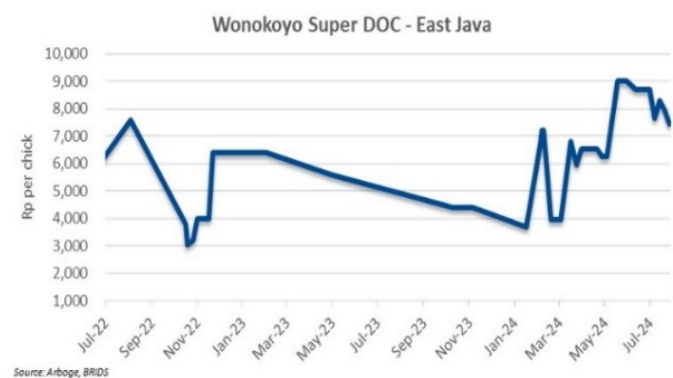
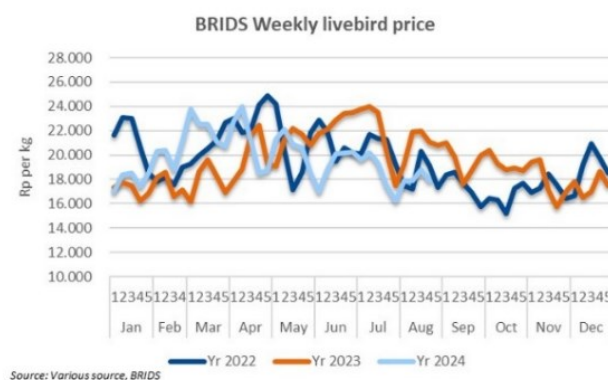
Summary:

- *Overall Performance: In our view, NISP's results were relatively good, as it's one of the banks that managed to maintain a stable CoF in Jul24 amid the high interest rate environment, which helped sustain its NIM. Furthermore, despite the elevated CIR in 7M24, Jul24's CIR has shown an improvement. (Victor Stefano & Naura Reyhan Muchlis – BRIDS)*

NISP - Bank Only (Rpbn)	Jul-23	Jun-24	Jul-24	mom, %	yoy, %	7M23	7M24	yoy, %	FY23	7M23/FY23
Interest income	1,393	1,452	1,512	4%	9%	9,300	10,189	10%	16,425	57%
Interest expense	(554)	(573)	(593)	3%	7%	(3,565)	(4,094)	15%	(6,516)	55%
Net interest income	839	879	919	5%	10%	5,735	6,095	6%	9,908	58%
Other operating income	127	(19)	604	n/a	375%	963	885	-8%	1,419	68%
Operating expenses	(481)	(479)	(444)	-7%	-8%	(2,671)	(3,535)	32%	(5,292)	50%
PPOP	485	381	1,079	183%	123%	4,027	3,445	-14%	6,035	67%
Provision	(24)	83	(23)	n/a	-2%	(939)	491	n/a	(864)	109%
Pre-tax profit	462	649	963	48%	108%	3,092	4,029	30%	5,184	60%
Net profit	364	499	871	74%	139%	2,430	3,261	34%	4,091	59%
										YTD, %
Loans	141,402	153,815	153,682	0%	9%	141,402	153,682	9%	153,497	0%
Customer deposits	185,211	188,655	196,312	4%	6%	185,211	196,312	6%	181,873	8%
Key Ratio				mom, bps	yoy, bps			yoy, bps		7M24 vs FY23, bps
Earning Asset yield (%) - ann	7.2	7.4	7.7	↑ 28	↑ 49	7.2	7.4	↑ 25	7.3	↑ 18
Cost of fund (%) - ann	3.7	3.7	3.7	→ 1	→ 4	3.4	3.7	↓ 32	3.6	↓ 17
NIM (%) - ann	4.3	4.5	4.7	↑ 19	↑ 34	4.4	4.4	→ 2	4.4	→ 7
CIR (%) - ann	49.8	55.7	29.2	↓ (2,651)	↓ (2,065)	39.9	50.6	↓ 1,077	46.7	↓ 393
Cost of credit (%) - ann	0.2	(0.6)	0.2	↓ 82	→ (2)	1.2	(0.6)	↑ (171)	0.6	↑ (116)
CASA Ratio (%)	52.0	56.9	56.0	↓ (87)	↑ 400	52.0	56.0	↑ 400	55.8	↑ 18
LDR (%)	76.3	81.5	78.3	↑ (325)	↓ 194	76.3	78.3	↓ 194	84.4	↑ (611)

Poultry – 4th week of August 2024 Price Update

- Livebird (LB) prices declined to their YTD low of Rp15.5k/kg in the last week of Aug24, bringing the average price down to Rp17.9k/kg in the fourth week of Aug24. This represents a 1.6% wow decline from the previous week's average livebird price of Rp18.8k/kg.
- There is no new data on DOC, but our source indicated that DOC remained soft at Rp4-5k/chick.
- The local corn price recently declined to Rp5.1k/kg from its MTD high of Rp5.4k in the third week of Aug24. This brings its weekly average to Rp5.3k/kg in the last week of August 2024, which is relatively stable wow.
- The average soybean meal (SBM) price remained relatively stable and low at around US\$312/t in the fourth week of Aug24. The average price in Aug24 was US\$322/t (-10% mom, -24% yoy).
- Despite the decrease in LB prices, we anticipate that the overall margin will remain positive thanks to the lower feed costs. (Victor Stefano & Wilastita Sofi – BRIDS)



Seabank Jul24 Results

7M24 Insight:

- Net Profits: In 7M24, Seabank's net profits reached Rp202bn (+53% yoy), driven by a 31% decline in provisions, despite a 26% yoy decrease in PPOP.
- CIR: CIR increased to 30.1% in 7M24 from 18.6% in 7M23, due to a 39% yoy rise in opex, mainly attributed to promotion expenses of Rp148bn (+214% yoy), Rp104bn of which was incurred in Jun24.
- NIM: NIM declined by 291bps yoy to 18.2% in 7M24, despite a 70bps yoy reduction in CoF to 4.6%, due to a 361bps yoy drop in EA yield to 22.1%.
- Loans and Customer Deposits: In 7M24, loans grew 20% yoy, while customer deposits declined by 2% yoy. LDR was reported at 71% (-563bps mom, +1,290bps yoy).
- CoC: CoC improved to 19.1% in 7M24 from 33.0% in 7M23.

Jul24 Insight:

- Net Profits: Seabank reported net profits of Rp42.5bn (-5% mom, -56% yoy) in Jul24, mainly due to an increase in provisions to Rp352bn (+65% mom, +16% yoy).
- CIR: CIR declined to 18.7% (-2,442bps mom, -93bps yoy) in Jul24. The significant monthly improvement in CIR was due to the high base of promotional costs of Rp104bn incurred in Jun24.
- CoC: CoC was reported at 23.4% (+909bps mom, -105bps yoy) in Jul24, up from the low base of 14.4% reported in Jun24.
- Loans and Customer Deposits: Loans were flat mom, while customer deposits grew 8% mom in Jul24.
- NIM: NIM was recorded at 19.6% (+52bps mom, -73bps yoy). On a yoy basis, NIM declined, despite a 37bps drop in CoF to 4.7%, as EA yield decreased by 104bps yoy to 23.6%. On a monthly basis, CoF increased by 10bps mom, while EA yield rose 60bps mom, resulting in a monthly NIM improvement.

Summary:

- *Overall Performance: In our view, Seabank's 7M24 results were still impacted by the promotional expenses incurred last month in response to heightened competition in the digital banking space. However, the Jul24 CIR has returned to normal, indicating that the promotional cost incurred in Jun24 was a one-off. (Victor Stefano & Naura Reyhan Muchlis – BRIDS)*

Seabank (in Rpmn)	Jul-23	Jun-24	Jul-24	mom, %	yoy, %	7M23	7M24	yoy, %	FY23	7M23/FY23
Interest income	597,815	530,697	560,312	6%	-6%	4,271,950	3,616,772	-15%	7,035,396	61%
Interest expense	(105,709)	(91,718)	(96,175)	5%	-9%	(768,024)	(641,937)	-16%	(1,251,495)	61%
Net interest income	492,106	438,979	464,137	6%	-6%	3,503,926	2,974,835	-15%	5,783,901	61%
Other operating income	39,310	35,254	32,099	-9%	-18%	245,190	236,921	-3%	435,824	56%
Operating expenses	(104,252)	(204,466)	(92,747)	-55%	-11%	(696,123)	(967,119)	39%	(1,478,846)	47%
PPOP	427,164	269,767	403,489	50%	-6%	3,052,993	2,244,637	-26%	4,740,879	64%
Provision	(302,346)	(213,879)	(352,030)	65%	16%	(2,886,743)	(1,998,079)	-31%	(4,451,908)	65%
Pre-tax profit	124,993	56,941	54,579	-4%	-56%	169,950	258,423	52%	308,785	55%
Net profit	97,451	44,496	42,487	-5%	-56%	132,262	202,437	53%	241,473	55%
										YTD, %
Loans	15,093,347	17,993,060	18,051,388	0%	20%	15,093,347	18,051,388	20%	17,889,027	1%
Customer deposits	25,995,557	23,491,752	25,437,928	8%	-2%	25,995,557	25,437,928	-2%	20,818,298	22%
Key Ratio				mom, bps	yoy, bps			yoy, bps		7M24 vs FY23, bps
Earning Asset yield (%) - ann	24.7	23.0	23.6	60	(104)	25.7	22.1	(361)	24.8	(273)
Cost of fund (%) - ann	5.1	4.6	4.7	10	(37)	5.3	4.6	(70)	5.1	(54)
NIM (%) - ann	20.3	19.1	19.6	52	(73)	21.1	18.2	(291)	20.4	(224)
CIR (%) - ann	19.6	43.1	18.7	(2,442)	(93)	18.6	30.1	1,154	23.8	634
Cost of credit (%) - ann	24.5	14.4	23.4	909	(105)	33.0	19.1	(1,391)	28.4	(927)
CASA Ratio (%)	67.8	62.5	63.6	113	(419)	67.8	63.6	(419)	60.9	273
LDR (%)	58.1	76.6	71.0	(563)	1,290	58.1	71.0	1,290	85.9	(1,497)

MACROECONOMY**China Caixin Manufacturing PMI Rose to 50.4 in August 2024**

China's manufacturing expanded in Aug24, according to Caixin, with the PMI rising to 50.4 from July's 49.8. New orders returned to growth, driving faster production expansion amid better underlying demand conditions. However, foreign demand fell marginally for the first time ytd, amid reports of deteriorating conditions. (Trading Economics)

Indonesia Inflation Reached 2.12% yoy in August 2024

Inflation in August 2024 reached 2.12% yoy, slightly below our estimate of 2.19% and in line with the consensus of 2.11%. Monthly deflation continued for the fourth consecutive month, with the headline CPI declining by 0.03% mom. Core inflation reached 2.02%, aligning closely with our estimate of 2.05% (consensus: 1.98%). This is the first time core inflation has surpassed 2% since Sep23, driven by increases in gold jewelry, coffee powder, sugar, rice with dishes, house rentals, and cooking oil. (BPS)

Indonesia Manufacturing PMI Fell to 48.9 in August 2024

Indonesia manufacturing extended the contraction in Aug-24 with a PMI of 48.9, lower than 49.3 in Jul-24. Production and new orders fell with a contraction pace at the steepest since Aug-21. Foreign orders declined at a quickest pace since Jan-23. (S&P)

SECTOR**Directorate General of Highways Receives Budget Ceiling of Rp32.31tr for 2025**

The Directorate General of Highways of the Ministry of Public Works and Housing has been allocated a budget ceiling of Rp32.31tr for the fiscal year 2025. This budget will be used for road infrastructure (Rp10.12tr), bridge infrastructure (Rp5.28tr), routine preservation of national roads and bridges, as well as revitalization (Rp8.92tr). Additionally, it will be utilized for enhancing highway connectivity (Rp4.08tr), support for the Nusantara Capital City (Rp1.66tr), improving accessibility of flyovers, underpasses, and tunnels (Rp61bn), and management support (Rp2.19tr). (Investor Daily)

CORPORATE**AUTO Realized Capital Expenditure of Rp295bn**

AUTO has realized capital expenditure amounting to Rp295bn, which is equivalent to 59% of this year's total capex of Rp500bn. According to AUTO, most of this capital expenditure has been used for routine capex, such as capability enhancement, automation, and digitalization that the company is currently developing. Additionally, AUTO is optimistic that performance in 2H24 will be better compared to 1H24. (Kontan)

NeutraDC, a subsidiary of TLKM, Collaborates with 3 Companies in the AI-Ecosystem

PT Telkom Data Ekosistem (NeutraDC), a subsidiary of TLKM, has announced a strategic collaboration related to the AI-Ecosystem. This partnership is marked by the signing of a Memorandum of Understanding (MoU) with three companies: PT Hewlett Packard Enterprise (HPE) Indonesia, Cirrascale Pte. Ltd., and DataCanvas Limited. The collaboration aims to boost market interest in AI-based data center needs in Indonesia and the regional area. (Emiten News)

Equity SNAPSHOT

Tuesday, 03 September 2024

BRI danareksa sekuritas		Equity Valuation		Rating	Outstanding		Price (Rp)	Price Target	Mkt Cap Rp Bn	PER (x)		EV / EBITDA (x)		PBV		ROE		
		Shares (Mn)			2023	2024				2023	2024	2023	2024	2023	2024	2023	2024	
BRI-Danareksa Universe					3,175,348				4,869,239	17.9	13.5	11.6	10.9	2.4	2.2	13.5	16.9	
Auto					40,484				210,514	6.2	7.0	4.4	4.7	1.1	1.0	17.3	14.7	
Astra International					ASIL	BUY	40,484	5,200	5,700	210,514	6.2	7.0	4.4	4.7	1.1	1.0	17.3	14.7
Financials & Banks					340,326				2,323,127	17.5	16.4	N/A	N/A	3.2	2.9	19.1	18.5	
BCA					BBCA	BUY	123,275	10,275	11,300	1,266,652	26.0	23.9	N/A	N/A	5.2	4.8	21.0	20.9
BNI					BBNI	BUY	37,297	5,350	6,700	199,541	9.5	9.2	N/A	N/A	1.3	1.2	14.6	13.8
Bank Tabungan Negara					BBTN	BUY	14,034	1,395	2,000	19,578	6.2	5.5	N/A	N/A	0.7	0.6	11.6	11.9
Bank Mandiri					BMRI	BUY	93,333	7,200	7,400	672,000	12.2	11.8	N/A	N/A	2.6	2.4	22.4	20.9
Bank Jago					ARTO	BUY	13,857	2,960	3,800	41,017	566.8	328.5	N/A	N/A	4.9	4.8	0.9	1.5
Bank Neo Commerce					BBYB	BUY	12,399	318	600	3,943	(6.9)	(63.0)	N/A	N/A	1.2	1.2	(16.2)	(1.9)
Bank Syariah Indonesia					BRIS	BUY	46,129	2,610	2,700	120,397	21.1	18.3	N/A	N/A	3.1	2.7	15.8	15.9
Cement					10,433				53,566	13.0	16.5	5.4	5.8	0.8	0.8	6.5	5.0	
Indocement					INTP	BUY	3,681	7,050	8,800	25,953	13.3	16.1	7.0	7.1	1.2	1.2	9.6	7.5
Semen Indonesia					SMGR	HOLD	6,752	4,090	4,100	27,614	12.7	16.9	4.7	5.2	0.6	0.6	5.0	3.8
Cigarettes					118,242				114,775	8.6	9.4	5.9	5.9	1.3	1.2	15.2	13.1	
Gudang Garam					GGRM	HOLD	1,924	16,125	17,500	31,026	5.8	7.8	3.9	4.2	0.5	0.5	9.0	6.3
HM Sampoerna					HMSP	HOLD	116,318	720	730	83,749	10.3	10.2	8.0	7.2	2.8	2.7	27.9	26.9
Construction					22,115				44,068	6.2	9.8	9.07	7.13	0.9	0.7	16.0	8.3	
Pembangunan Perumahan					PTPP	BUY	6,450	482	750	3,109	10.3	6.6	5.4	5.0	0.3	0.3	2.6	4.0
Adhi Karya					ADHI	BUY	8,408	318	500	2,674	49.0	68.2	6.5	6.7	0.3	0.3	0.6	0.5
Jasa Marga					JSMR	BUY	7,258	5,275	6,500	38,285	5.6	9.6	10.7	7.9	1.4	1.0	27.2	11.8
Consumer					87,138				346,016	14.7	12.6	7.9	7.0	2.9	2.6	20.8	21.9	
Indofood CBP					ICBP	BUY	11,662	11,500	12,900	134,112	19.2	13.7	9.8	8.9	3.3	2.8	18.1	22.3
Indofood					INDF	BUY	8,780	6,725	8,000	59,048	7.2	6.0	4.1	3.2	1.0	0.9	14.4	15.7
Unilever					UNVR	SELL	38,150	2,290	2,300	87,364	18.2	19.2	12.3	13.2	25.8	25.7	130.1	134.2
Mayora Indah					MYOR	BUY	22,359	2,640	3,350	59,027	18.5	17.7	11.5	11.3	3.9	3.5	23.1	20.9
Nippon Indosari Corpindo					ROTI	BUY	6,186	1,045	1,400	6,465	19.4	16.9	9.6	8.7	2.7	2.5	13.1	15.3
Pharmaceutical					76,875				98,700	26.6	22.1	17.1	14.5	4.0	3.7	15.3	17.3	
Sido Muncul					SIDO	BUY	30,000	665	810	19,950	21.0	16.7	16.8	13.9	5.9	5.7	27.6	34.8
Kalbe Farma					KLBF	BUY	46,875	1,680	1,800	78,750	28.5	24.1	17.2	14.7	3.7	3.4	13.2	14.6
Healthcare					43,556				102,492	34.6	47.3	28.9	24.3	7.9	7.1	24.5	15.8	
Medikaloka Hermina					HEAL	BUY	15,366	1,295	1,800	19,899	41.1	33.3	14.3	12.3	4.2	3.8	11.9	12.1
Mitra Keluarga					MKA	BUY	14,246	2,940	3,400	41,884	45.7	34.8	27.3	21.8	7.2	6.3	16.3	19.3
Prodia Widyahusada					PRDA	BUY	938	3,190	6,400	2,991	8.5	8.1	3.6	3.2	1.2	1.2	14.8	14.6
Siloam Hospital					SLO	BUY	13,006	2,900	3,000	37,718	31.1	33.2	13.9	13.6	4.8	4.4	16.3	13.7
Heavy Equipment					3,730				104,071	5.0	5.4	2.6	3.0	1.3	1.1	25.1	22.7	
United Tractors					UNTR	BUY	3,730	27,900	29,200	104,071	5.0	5.4	2.6	3.0	1.3	1.1	25.1	22.7
Industrial Estate					52,903				13,763	11.4	11.8	7.4	6.9	1.4	1.4	12.7	11.9	
Puradelta Lestari					DMAS	BUY	48,198	164	220	7,904	6.7	8.5	5.6	6.9	1.4	1.4	20.5	16.0
Surya Semesta					SSIA	BUY	4,705	1,245	700	5,858	187.3	24.4	10.8	6.9	1.5	1.4	0.8	6.1
Media					89,020				14,035	4.9	5.7	2.0	1.8	0.5	0.4	10.3	8.2	
Media Nusantara Citra					MNCN	BUY	15,050	328	800	4,936	2.5	3.1	1.1	0.7	0.2	0.2	9.8	7.2
Surya Citra Media					SCMA	BUY	73,971	123	325	9,098	10.0	10.1	4.3	4.1	1.1	1.1	11.6	10.7
Mining					319,649				421,355	7.1	8.6	3.7	4.4	1.4	1.3	20.5	15.8	
Medco Energi					MEDC	BUY	25,136	1,265	1,700	31,797	6.4	6.5	2.3	4.2	1.2	1.0	19.5	16.9
Adaro Energy					ADRO	BUY	30,759	3,610	3,770	111,039	4.5	6.4	1.9	2.4	1.1	1.1	25.7	17.2
Timah					TINS	HOLD	7,448	1,000	2,100	7,448	19.1	59.8	5.6	24.3	1.0	1.0	5.3	1.7
Vale Indonesia					INCO	BUY	10,540	3,800	5,700	40,051	9.7	28.3	4.0	7.5	1.0	1.0	11.2	3.7
Aneka Tambang					ANTM	BUY	24,031	1,395	2,000	33,523	10.9	11.6	6.5	6.4	1.1	1.1	11.3	9.5
Bukit Asam					PTBA	BUY	11,521	2,820	3,100	32,488	5.3	5.8	4.6	5.4	1.5	1.4	24.4	25.3
Indo Tambangraya Megah					ITMG	BUY	1,130	27,675	31,300	31,271	4.2	4.2	1.9	1.5	1.2	1.2	26.7	28.0
Harum Energy					HRUM	BUY	13,518	1,355	1,700	18,317	5.9	6.0	2.4	2.0	1.4	1.3	26.1	22.4
Merdeka Copper Gold					MDKA	BUY	24,473	2,370	3,100	58,001	(187.2)	70.4	20.8	16.2	4.2	3.6	(2.1)	5.5
Trimegah Bangun Persada					NOKL	BUY	63,099	910	1,300	57,420	10.2	11.3	8.6	8.2	2.4	2.1	34.1	20.1
Merdeka Battery Materials					MBMA	BUY	107,995	545	700	58,857	566.3	82.1	42.4	24.5	87.4	151.5	10.0	135.1
Wintermar Offshore Marine					WINS	BUY	4,365	492	760	2,147	321.8	86.0	106.0	43.4	15.9	13.4	5.1	17.0
Poultry					30,363				99,310	30.0	17.0	13.2	9.0	2.3	2.1	7.9	13.0	
Charoen Pokphand					CPIN	BUY	16,398	4,850	6,400	79,530	34.3	23.0	16.7	12.6	2.9	2.7	8.7	12.3
Japfa Comfeed					JPFA	BUY	11,727	1,535	2,200	18,000	19.4	8.1	9.0	5.3	1.4	1.2	7.2	15.8
Malindo Feedmill					MAIN	BUY	2,239	795	850	1,780	28.1	13.8	5.6	5.0	0.7	0.7	2.6	5.0
Property					104,375				84,062	13.2	11.3	7.3	5.9	1.0	0.9	7.8	8.5	
Bumi Serpong Damai					BSDE	BUY	21,171	1,260	1,300	26,676	13.1	11.7	7.9	7.1	0.7	0.7	5.8	6.1
Ciputra Development					CTRA	BUY	18,536	1,310	1,600	24,282	14.8	10.9	7.6	6.4	1.2	1.1	8.6	10.7
Pakuw on Jati					PWON	BUY	48,160	480	640	23,117	11.0	10.7	6.5	6.0	1.2	1.1	11.6	10.8
Summarecon					SMRA	BUY	16,509	605	1,000	9,988	17.6	13.0	7.1	3.6	1.0	1.0	6.0	7.8
Utility					65,741				37,453	27.4	25.6	12.8	12.7	2.5	2.3	16.0	15.5	
Perusahaan Gas Negara					PGAS	BUY	24,242	1,545	1,650	37,453	9.1	8.5	2.8	2.4	0.8	0.8	9.8	9.5
Pertamina Geothermal Energy					PGEO	BUY	41,500	1,145	1,470	47,517	18.3	17.1	10.0	10.3	1.6	1.5	10.8	9.2
Retail					95,689				76,489	16.8	15.9	8.6	8.2	3.0	2.6	19.8	17.4	
Mitra Adi Perkasa					MAPI	BUY	16,600	1,500	2,000	24,900	13.1	12.6	5.9	5.8	2.5	2.1	20.9	17.9
MAP Aktif Adiperkasa					MAPA	BUY	28,504	880	1,000	25,084	18.1	18.0	11.4	11.6	4.4	3.6	27.3	22.0
Midi Utama Indonesia					MDI	BUY	33,435	426	600	14,243	27.6	23.7	11.4	9.7	3.8	3.4	18.0	15.2
Ace Hardware					ACES	BUY	17,150	715	1,100	12,262	16.1	14.6	10.7	9.3	2.0	1.9	12.7	13.2
Technology					1,377,157				128,709	(1.4)	(17.9)	7.6	20.5	1.8	2.0	(81.4)	(10.6)	
Bukalapak					BUKA	BUY	103,109	119										

COVERAGE PERFORMANCE

LEADERS

	Code	Price as on		Chg, %	wow, %	mom, %	YTD, %	Rating
		02-Sep-24	30-Aug-24					
Wijaya Karya	WIKA	458	390	17.4	29.4	120.2	124.6	BUY
Bank Neo Commerce	BBYB	318	282	12.8	10.4	26.2	(27.1)	BUY
Saratoga Investama Sedaya	SRTG	2,400	2,170	10.6	27.7	35.6	46.3	BUY
Pembangunan Perumahan	PTPP	482	454	6.2	5.7	24.2	12.6	BUY
Adhi Karya	ADHI	318	304	4.6	3.2	31.4	1.9	BUY
Elang Mahkota Teknologi	EMTK	420	402	4.5	4.5	4.5	(28.8)	BUY
Surya Semesta	SSIA	1,245	1,200	3.8	20.3	13.2	186.9	BUY
Bukit Asam	PTBA	2,820	2,730	3.3	1.8	3.7	15.6	BUY
Bekasi Fajar	BEST	129	125	3.2	6.6	22.9	(5.8)	HOLD
United Tractors	UNTR	27,900	27,050	3.1	3.5	8.8	23.3	BUY

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	wow, %	mom, %	YTD, %	Rating
		02-Sep-24	30-Aug-24					
Mitra Keluarga Karyasehat	MIKA	2,940	3,060	(3.9)	(2.6)	0.3	3.2	BUY
Japfa Comfeed	JPFA	1,535	1,595	(3.8)	(3.2)	(4.1)	30.1	BUY
Chandra Asri Petrochemical	TPIA	9,600	9,975	(3.8)	3.2	(5.0)	82.9	BUY
Barito Pacific	BRPT	1,120	1,145	(2.2)	(0.4)	2.8	(15.7)	BUY
Bumi Serpong Damai	BSDE	1,260	1,285	(1.9)	4.1	16.7	16.7	BUY
Malindo Feedmill	MAIN	795	810	(1.9)	(3.0)	(8.6)	54.4	BUY
Indofood	INDF	6,725	6,850	(1.8)	(1.8)	10.2	4.3	BUY
Gudang Garam	GGRM	16,125	16,375	(1.5)	1.4	3.7	(20.7)	HOLD
Bank Syariah Indonesia	BRIS	2,610	2,650	(1.5)	(4.4)	2.4	50.0	BUY
Jasa Marga	JSMR	5,275	5,350	(1.4)	(2.8)	(1.4)	8.3	BUY

Sources: Bloomberg

PREVIOUS REPORTS

- Sarana Menara Nusantara: [Navigating merger headwinds with strategic positioning in ex-Java](#)
- Macro Strategy: [Fact Check: Expectation vs Reality](#)
- Oil and Gas: [Supply-driven Price Movement; Offshore Investment Appetite Remains Promising](#)
- Cement: [Jul24 Sales: Strong 14% mom vol growth, but risk from fighting brand pricing of Merdeka](#)
- Technology: [E-commerce Players Raise Commissions; A Potential Positive Implications for GOTO](#)
- Consumer: [Sticking with the Winners Amid Linger Challenges](#)
- Healthcare: [FY25 Budget: Continuation of The Reform Agenda](#)
- GOTO Gojek Tokopedia: [Diversified growth drivers to unlock potentials for further expansion in margins](#)
- Macro Strategy: [The Time Has Come](#)
- MAP Aktif : [2H24 recovery expected, but overseas expansion remains a risk; maintain Buy rating with a lower TP](#)
- Mitra Adiperkasa FY24-25 estimates cut, but expect a stronger recovery in 2H24 and FY25
- Metal Mining: [Aug24 Metal Sector Update: supports for tin price; nickel ore tightness persists](#)
- Bank Negara Indonesia: [Inline 2Q24 results: improving NIM supported by strong loan growth, higher LDR, and contained CoC](#)
- Astra International: [Valuation discount implies auto business is still underappreciated; maintain Buy with a higher TP](#)
- Aspirasi Hidup Indonesia: [Growth Momentum Intact Despite a Normalized Jul24 SSSG](#)
- Equity Strategy: [Potential Tailwind from a Smooth Govt. Transition](#)
- Kalbe Farma: [Improving growth outlook from higher margins and steady revenue; reiterate Buy rating](#)
- Pakuwon Jati: [Investment Property Remains an Underappreciated Growth Driver; Resume Coverage with a Buy Rating](#)
- Macro Strategy : [2025 Proposed Budget: The Groundwork for Transition](#)
- Digital Banks: [Still Robust Earnings Growth Potentials Despite Increasing Competition](#)
- Midi Utama Indonesia: [Strong 1H24 Earnings Bolster FY24 Guidance; Focus on Profitability Enhances Outlook](#)
- Mitratel: [Resilient Growth and Strategic Advantages Amid Telco Consolidation](#)
- Wintermar Offshore Marine: [Riding the charter rates upcycle; initiate with Buy](#)
- Macro Strategy: [What's Priced In and What's Not](#)
- Jasa Marga: [Reinitiate with Buy rating; Attractive FY24-25 28%-33% EPS growth from deleveraging and tariff hikes](#)
- Property: [KTA from meeting with JLL: Landed Housing and Retails as Key Growth Driver in Greater Jakarta](#)
- XL Axiata : [Inline earnings on robust operational; potential catalysts ahead](#)
- Bank Neo Commerce : [Turning into net loss in 2Q24 on loans and NIM contraction \(inline 1H24\); maintain FY24F net losses](#)
- Aspirasi Hidup Indonesia: [Steady SSSG, but Challenges Loom; reaffirm Buy Rating with a lower TP](#)
- Charoen Pokphand Indonesia: [Strong 2Q24 earnings on higher sales and margin; 1H24 beat estimates](#)
- Indocement Tunggal Prakarsa: [Lowering FY24E/FY25E EPS est by 7%-8%; reiterate Buy on Better ASP Management](#)
- Telkom Indonesia: [Resilient 1H24 earnings \(inline\); diversified growth drivers to mitigate downside risks](#)
- Semen Indonesia: [Lowering FY24E/FY25E est. EPS by 20%-22 on weak ASP; downgrade rating to Hold](#)
- Macro Strategy: [Anathema to Growth](#)
- Mayora Indah: [Expect solid 2Q24 volume growth to sustain in 2H24](#)
- Astra International: [Upgrading est. and TP on better 4W market share and more upbeat UNTR earnings post 1H24 beat](#)
- Indofood CBP Sukses Makmur: [1H24 Earnings Beat from Solid Volume Growth Across Markets](#)
- Indosat Ooredoo Hutchison: [Solid 1H24 earnings \(inline\); further upsides in ARPU and EBITDA margins are still in the cards](#)
- Medikaloka Hermina: [Expect volume growth and efficiency efforts to continue sustain 2H24 earnings momentum](#)
- Japfa Comfeed Indonesia: [1H24 earnings beat: 2Q24 earnings momentum continued, supported by higher margin](#)
- Siloam International Hospitals: [Robust 1H24 earnings \(inline\) reflect sustainable operating metrics](#)
- Bank Mandiri: [Inline 2Q24/ 1H24 earnings on resilient NIM, with intact sound asset quality](#)
- United Tractors: [Lifting Our FY24-26F Forecast and TP Post 1H24 Beat; Upgrade Rating to Buy](#)
- Vale Indonesia: [2Q24 strong earnings as expected, albeit 1H24 still below seasonal achievements](#)
- Macro Strategy: [Ominous Carry Trade Unwind Risk](#)
- Metal Mining: [Jul24 update: weaker nickel and tin price, despite tight ore supply](#)

Equity SNAPSHOT

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

erindra.krisnawan@brids.co.id

(62-21) 50914100 ext. 3500

Head of Equity Research, Strategy, Coal

Natalia Sutanto

natalia.sutanto@brids.co.id

(62-21) 50914100 ext.3508

Consumer, Tobacco, Pharmacy, Retail

Victor Stefano

victor.stefano@brids.co.id

(62-21) 50914100 ext.3503

Banks, Poultry

Niko Margaronis

niko.margaronis@brids.co.id

(62-21) 50914100 ext.3512

Telco, Tower, Technology, Media

Timothy Wijaya

timothy.wijaya@brids.co.id

(62-21) 50914100 ext.3530

Metal, Oil and Gas, Mining Service

Ismail Fakhri Suweleh

ismail.suweleh@brids.co.id

(62-21) 50914100 ext.3505

Healthcare, Property, Industrial Estate

Richard Jerry

richard.jerry@brids.co.id

(62-21) 50914100 ext.3511

Automotive, Cement

Economic Research Team

Helmy Kristanto

helmy.kristanto@brids.co.id

(62-21) 50914100 ext. 3400

Chief Economist, Macro Strategy

Dr. Telisa Aulia Falianty

telisa.falianty@brids.co.id

(62-21) 50914100

Senior Advisor

Kefas Sidauruk

kefas.sidauruk@brids.co.id

(62-21) 50914100

Economist

Sales Team

Yofi Lasini

yofi.lasini@brids.co.id

(62-21) 50914100 ext. 3120

Ehrlicch Suharto

ehrliech@brids.co.id

(62-21) 50914100 ext.3508

Yunita L. Nababan

yunita@brids.co.id

(62-21) 50914100 ext.3503

Andreas Kenny

andreas.kenny@brids.co.id

(62-21) 50914100 ext. 3500

Adeline Solaiman

adeline.solaiman@brids.co.id

(62-21) 50914100 ext.3508

Novrita Endah Putrianti

novrita.putrianti@brids.co.id

(62-21) 50914100 ext.3503

Christy Halim

christy.halim@brids.co.id

(62-21) 50914100 ext. 3500

Jason Joseph

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. BRI 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. BRI 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. BRI 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. BRI 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.