FROM EQUITY RESEARCH DESK

IDEA OF THE DAY

Astra International: Raising our FY24F-FY26F est., amid above-expected 2W sales, financial, and HE segment in 3Q24 (ASII.IJ Rp 5,125; BUY TP Rp 5,900)

- ASII posted strong 9M24 earnings (above) due to recovery in auto, along with strong financial and HE segments.
- We lifted our EPS est. by 10%/13%/10% in FY24F/FY25F/FY26F, driven by higher 2W sales, financial, and HE segment.
- We reiterate our Buy rating with a 3% higher TP of Rp5,900. We expect the steady recovery in 3Q24 to continue in 4Q24F onwards.

To see the full version of this report, please **click here.**

Mitra Keluarga Karyasehat: Better entry point emerges as volume headwinds are priced in
(MIKA.IJ Rp 2,750; BUY TP Rp 3,400)

- We believe 9M24 earnings (in line) reflected MIKA's operational excellence in cost-control despite challenges in its inpatient volume.
- Incorporating 9M24 results and latest management guidance, we trimmed our FY24F/FY25F Net Profit by 7%/13%.
- We maintain our Buy rating and DCF-based TP of Rp3,400; current valuation offers better entry points as volume headwinds are priced-in.

To see the full version of this report, please **click here.**

United Tractors: Raising FY24-26F est. post 3Q24 earnings beat; reiterate Buy on bottoming earnings, strong FCF (UNTR.IJ Rp 27,350; BUY TP Rp 31,000)

- UNTR posted robust 3Q24 net profit (+47% yoy/ +22% qoq), driving 9M24 beat, on strong performances of Pama and heavy equipment.
- We raise our FY24-26F net profit est. by 9-15%, taking into consideration expectation of stronger performance from Pama and heavy equipment.
- We reiterate Buy rating on the prospect of bottoming earnings and steady FCF generation, with a higher TP of Rp31k.

To see the full version of this report, please **click here.**

Macro Strategy: US Election: The Lexicon, Scenarios and Impacts

- The US election will shape economic policy: Trump emphasizes tax cuts and tariffs, while Harris prioritizes targeted tax hikes and inequality.
- Election outcomes and Congress control will impact yields, USD, equities, and emerging markets, with stability favoring Democrats.
- Geopolitical and trade risks persist, with ongoing US tariffs on China and bipartisan support for defense likely sustaining global tensions.

To see the full version of this report, please **click here.**

RESEARCH COMMENTARY

- ADRO (Buy, TP: Rp3,770) – Potential dividend of up to US$2.6bn
- BBYB (Buy, TP: Rp600) – 3Q24 Earnings Call KTA
- ICBP (Buy, TP: Rp13,400) & INDF (Buy, TP: Rp8,000): Key Takeaways from 3Q24 Earnings Call
- MIDI (Buy, TP: Rp600): Key Takeaways from 3Q24 Earnings Call
- MAIN (Buy, TP: Rp1,700): 3Q24 Earnings Call KTA
- Poultry (Overweight) – 5th week of October 2024 Price Update

EQUITY MARKET INDICES

	Close	Chg (%)	Ytd (%)	Vol (US$mn)
Asean - 5				
Indonesia	7,480	(0.3)	2.3	633
Thailand	1,463	(0.1)	3.3	831
Philippines	7,136	(0.1)	10.6	76
Malaysia	1,616	0.8	11.1	559
Singapore	3,572	0.5	10.2	685
Regional				
China	3,310	1.2	11.3	190,479
Hong Kong	20,568	0.3	20.6	14,918
Japan	38,054	(2.6)	13.7	22,770
Korea	2,570	(0.7)	(3.2)	5,777
Taiwan	22,965	0.8	28.1	n.a
India	78,782	(1.2)	9.1	730
Nasdaq	18,180	(0.3)	21.1	237,101
Dow Jones	41,795	(0.6)	10.9	18,930

CURRENCY AND INTEREST RATE

		Rate	wow (%)	mom (%)	ytd (%)
Rupiah	Rp/1US$	15,753	(0.2)	(1.7)	(2.3)
BI7DRRR	%	6.00	-	(0.3)	-
10y Gov	Indo bond	6.78	(0.0)	0.1	0.3

HARD COMMODITIES

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Coal	US$/ton	144	(0.0)	(2.9)	(1.7)
Gold	US$/toz	2,736	(0.0)	3.1	32.6
Nickel	US$/mt.ton	15,749	0.4	(11.2)	(3.8)
Tin	US$/mt.ton	31,955	1.4	(5.4)	26.9

SOFT COMMODITIES

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Cocoa	US$/mt.ton	7,018	0.8	12.3	68.7
Corn	US$/mt.ton	150	0.4	(3.4)	(12.7)
Oil (WTI)	US$/barrel	71	0.0	(3.9)	(0.2)
Oil (Brent)	US$/barrel	75	2.7	(3.8)	(2.5)
Palm oil	MYR/mt.ton	4,887	3.2	16.6	31.5
Rubber	USd/kg	193	(0.8)	(3.8)	23.7
Pulp	US$/tonne	1,205	n.a	2.8	20.5
Coffee	US$/60kgbag	242	0.3	0.6	88.5
Sugar	US$/MT	556	(0.4)	(3.7)	(6.8)
Wheat	US$/ton	155	0.1	(3.6)	(15.0)
Soy Oil	US$/lb	46	(1.6)	3.5	(4.8)
SoyBean	US$/by	987	0.5	(4.9)	(23.7)

MARKET NEWS

SECTOR

- Commodity Price Daily Update Nov 4, 2024
- OPEC+ Delays Plan to Increase Oil Production

CORPORATE

- BUKA Ordered to Pay Rp107bn in Lease Dispute; Plans Appeal
- NCKL Approves Change in IPO Fund Allocation

PREVIOUS EQUITY RESEARCH REPORTS

- Indosat Ooredoo Hutchison: Set to rebound on growth opportunities in 4Q24 onwards with strong margin expansion
- Mitratel: Strong 3Q24 Revenue Growth with Resilient Margins; Positioned for Further Upside
- Telkom Indonesia: Soft 3Q24 earnings (Broadly In-line); FMC strategy on track with stronger mobile user productivity
- Bank Mandiri: 3Q24 Earnings: Strong profitability supported by loan growth and asset quality
- Charoen Pokphand Indonesia: Compressed margin in 3Q24, but core profit remained robust amid non-cash losses
- Malindo Feedmill: Delivering solid 3Q24 earnings amid margin compression; cheaper options in the poultry space
- Bank Rakyat Indonesia: 3Q24 earnings: Strong recovery income offset the higher CoC, FY24 guidance maintained
- Bank Neo Commerce: Turning positive in 3Q24, lower CoC offsetting the lower NIM; maintain FY24F net losses forecasts
- HM Sampoerna: Trimming FY24F post weak 3Q24 earnings; expect modest FY25 growth outlook
- Bank Syariah Indonesia:Robust 3Q24 performance (in line);Potential growth outlook in Sharia market remained intact
- Medikaloka Hermina: Steady FY24F Growth Outlook Remains Intact Despite Muted Inpatient Volume
- Bank Jago: 3Q24 earnings: Low-risk loans continue to drive growth, offseting lower NIM with lower CoC
- AKR Corporindo: Recalibrating our numbers post 3Q24 earnings miss; maintaining recovery expectation in 4Q24E onwards
- Japfa Comfeed Indonesia: 3Q24 results: Beating expectations on lower-than-anticipated decline in margin
- Macro Strategy: Facing the Headwinds

Buy

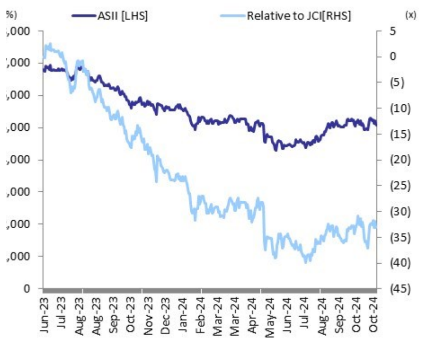
(Maintained)

Last Price (Rp)	5,125
Target Price (Rp)	5,900
Previous Target Price (Rp)	5,700
Upside/Downside	+15.1%
No. of Shares (mn)	40,484
Mkt Cap (Rpbn/US$mn)	207,478/13,171
Avg, Daily T/O (Rpbn/US$mn)	303.8/19.3
Free Float (%)	49.9
Major Shareholder (%)	
Jardine Cycle & Carriage	50.1

EPS Consensus (Rp)

	2024F	2025F	2026F
BRIDS	825.2	843.3	909.1
Consensus	757.9	773.9	786.0
BRIDS/Cons (%)	**8.9**	**9.0**	**15.7**

ASII relative to JCI Index



Source: Bloomberg

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Astra International (ASII IJ)

Raising our FY24F-FY26F est., amid above-expected 2W sales, financial, and HE segment in 3Q24

- **ASII posted strong 9M24 earnings (above) due to recovery in auto, along with strong financial and HE segments.**
- **We lifted our EPS est. by 10%/13%/10% in FY24F/FY25F/FY26F, driven by higher 2W sales, financial, and HE segment.**
- **We reiterate our Buy rating with a 3% higher TP of Rp5,900. We expect the steady recovery in 3Q24 to continue in 4Q24F onwards.**

ASII 9M24 results: beat due to auto recovery and strong financial/HE

ASII recorded a net profit of Rp25.8tr in 9M24 (+1% yoy), 85%/84% of our/cons numbers (above), with 3Q24 net profit reaching Rp9.9tr (+19% qoq, +21% yoy). The strong 9M24 earnings were due to: 1) recovery in 4W sales and sustainable 2W run-rate in 3Q24, which drove growth of 12% qoq in auto revenue and 14% qoq in equity income, despite still low auto distribution margin at 1.2% vs. ~2% in 2023; 2) financial segment continuing its momentum, with 11% yoy revenue growth in 9M24; 3) strong HE segment, with 2% yoy revenue growth in 9M24.

Upgrading our estimates, particularly on 2W growth, financial, HE segment

We raised our FY24F/FY25F/FY26F revenue by 8%/9%/10% and net profit by 10%/13%/10%, driven by: 1) higher 2W sales assumption by 5-10% due to strong 2W sales up to 9M24, vs. our initial assumption of slower 2W in 2H24. Nevertheless, we still expect slower momentum on 2W in FY25F, as we expect 2W sales to reflect middle-low-income economic conditions; 2) higher equity income (12%/9%/6%), especially from AHM; 3) lower auto margin of 1.3% in FY24F (vs. 1.5% in our previous assumption), then a recovery to 1.6%/1.7% in FY25F/FY26F. We noted that despite recovery in 4W and strong 2W momentum, GPM/OPM did not match the revenue momentum, possibly due to rising costs that have not been passed on; 4) upgrade in our financial revenue by 7%/10%/8%, due to the strong momentum of 2W sales in FY24F which will support FY25F revenue, offsetting the weaker impact of 4W sales in FY24F; 5) upgrade in our HE revenue by 5%/6%/8%, driven mostly by higher Komatsu unit sales.

Reiterate Buy rating with a higher TP of Rp5,900

We reiterate Buy rating with a higher SOTP-based TP to Rp5,900 (+3% from prev. TP), implying FY25F PER of 7.3x. ASII currently trades at P/E of 6.7x, 1-std dev of its 5-year mean. We believe short-term concerns on ASII (weak 4W sales, uncertainty on 2W sales) should diminish, as demonstrated by the strong 3Q24 performance. Downside risks: 1) Rapid BEV adaption; which may lead to market share loss; 2) Asset quality deterioration in financials.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	301,379	316,565	332,004	357,305	391,021
EBITDA (Rpbn)	56,102	59,556	61,964	64,531	69,201
EBITDA Growth (%)	41.4	6.2	4.0	4.1	7.2
Net Profit (Rpbn)	28,944	33,839	33,408	34,141	36,804
EPS (Rp)	715.0	835.9	825.2	843.3	909.1
EPS Growth (%)	43.3	16.9	(1.3)	2.2	7.8
BVPS (Rp)	4,746.2	4,906.7	5,140.0	5,612.0	6,141.6
DPS (Rp)	377.8	956.1	591.9	371.4	379.5
PER (x)	7.2	6.1	6.2	6.1	5.6
PBV (x)	1.1	1.0	1.0	0.9	0.8
Dividen yield (%)	7.4	18.7	11.5	7.2	7.4
EV/EBITDA	3.9	4.4	4.2	3.9	3.4

Source: ASII, BRIDS Estimates

Buy

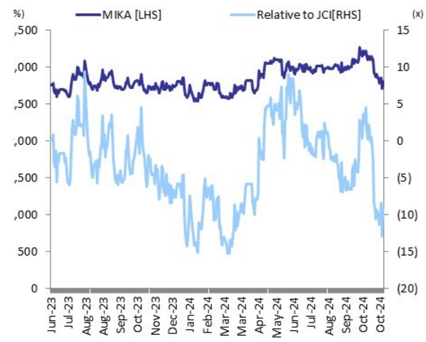
(Maintained)

Last Price (Rp)	2,750
Target Price (Rp)	3,400
Previous Target Price (Rp)	*3,400*
Upside/Downside	+23.6%
No. of Shares (mn)	14,076
Mkt Cap (Rpbn/US$mn)	38,710/2,457
Avg, Daily T/O (Rpbn/US$mn)	37.5/2.4
Free Float (%)	32.4
Major Shareholder (%)	
Griayinsani Cakrasadaya	62.1

EPS Consensus (Rp)

	2024F	2025F	2026F
BRIDS	79.8	91.1	107.3
Consensus	83.2	94.5	106.6
BRIDS/Cons (%)	**(4.1)**	**(3.6)**	**0.7**

MIKA relative to JCI Index



Source: Bloomberg

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Mitra Keluarga Karyasehat (MIKA IJ)

Better entry point emerges as volume headwinds are priced in

- **We believe 9M24 earnings (in line) reflected MIKA's operational excellence in cost-control despite challenges in its inpatient volume.**
- **Incorporating 9M24 results and latest management guidance, we trimmed our FY24F/FY25F Net Profit by 7%/13%.**
- **We maintain our Buy rating and DCF-based TP of Rp3,400; current valuation offers better entry points as volume headwinds are priced-in.**

9M24 Earnings: Stable Margin Despite Weaker Top-Line

We believe MIKA's 9M24 earnings (net profit of Rp873bn; +27%yoy, in line) demonstrate the company's excellence in containing its operational costs (reflected in lower drug/salary cost as % of revenue by 50bps on a yoy basis). This has led to a stable EBITDA margin at 37.6% (in line), which came despite revenue growth only at the lower end of the company's previous guidance of 15-17% yoy. **Mgmt attributed 3Q24's weak revenue growth (-4% qoq,+5% yoy; vs. 2Q24 at -3%qoq; +18%yoy) to the declining inpatient volume caused by:** 1) renegotiation process with two of its major private insurance clients regarding the contract rate 2) audit process of Primary Care Facilities by BPJS Kesehatan, which caused challenges in Kasih's volume 3) higher base in 2Q24 from the dengue cases.

Adjusting Down Our FY24F-25F Net Profit by 7%/12%

Management currently views that 13-15% revenue growth will be a more conservative range for FY24F, incorporating the 3Q24 challenges and risks of weaker admissions in 4Q24 due to end-of-year holiday. MIKA also foresees a lower chance of 5-7% price increases in FY25F, leaning more towards 0-4%, as it observed more cost-saving behaviors from its private insurance clients due to an increasing claim ratio trend **(exh.11).** However, mgmt. maintained EBITDA margin guidance at 37-38% level, as it remains confident that the lower ASP increases will be balanced by volume growth, together with cost-saving initiatives. We trimmed our FY24-25F net profit by 7-13%, incorporating an EBITDA margin assumption at 37-38%, as we believe its cost-saving efforts should remain on track, offsetting the lower revenue growth.

Maintain Buy rating with a TP of Rp3,400; Better entry point emerges

We roll forward our DCF valuation and maintain our Buy rating with an unchanged TP of Rp3,400 (implying 23.4/20.0x FY25F/FY26F EV/EBITDA). We believe that the current valuation of 19.3/16.5x FY25F/FY26F EV/EBITDA, trading around -1SD **(exh.7)**, presents a better entry point as the volume headwinds are priced in. MIKA stands out among SEA peers as having one of the most competitive margins **(exh.6)**. Key risks: 1) weak patient volume prevails 2) declining revenue intensity growth 3) cost-control execution.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	4,049	4,264	4,856	5,404	5,969
EBITDA (Rpbn)	1,518	1,501	1,788	2,043	2,395
EBITDA Growth (%)	(15.2)	(1.1)	19.1	14.3	17.2
Net Profit (Rpbn)	1,008	916	1,124	1,282	1,510
EPS (Rp)	71.6	65.1	79.8	91.1	107.3
EPS Growth (%)	(17.2)	(9.1)	22.7	14.1	17.8
BVPS (Rp)	385.3	413.7	467.5	518.6	580.4
DPS (Rp)	35.6	36.6	26.0	39.9	45.6
PER (x)	38.4	42.3	34.4	30.2	25.6
PBV (x)	7.1	6.6	5.9	5.3	4.7
Dividend yield (%)	1.3	1.3	0.9	1.5	1.7
EV/EBITDA	25.0	25.2	21.2	18.6	15.9

Source: MIKA, BRIDS Estimates

Equity Research – Company Update

Tuesday, 05 November 2024

Buy

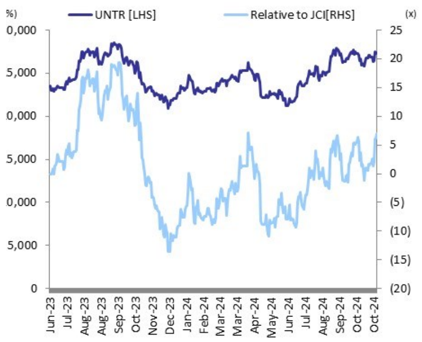
(Maintained)

Last Price (Rp)	**27,350**
Target Price (Rp)	**31,000**
Previous Target Price (Rp)	***29,200***
Upside/Downside	**+13.3%**
No. of Shares (mn)	**3,730**
Mkt Cap (Rpbn/US$mn)	**102,019/6,476**
Avg, Daily T/O (Rpbn/US$mn)	**107.3/6.8**
Free Float (%)	**37.9**
Major Shareholder (%)	
PT. Astra International Tbk	**59.5**
Iwan Hadiantoro	**0.0**

EPS Consensus (Rp)

	2024F	**2025F**	**2026F**
BRIDS	5,673.1	5,634.8	5,342.9
Consensus	4,882.7	4,639.2	4,721.6
BRIDS/Cons (%)	**(16.2)**	**(21.5)**	**(13.2)**

UNTR relative to JCI Index



Source: Bloomberg

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United Tractors (UNTR IJ)

Raising FY24-26F est. post 3Q24 earnings beat; reiterate Buy on bottoming earnings, strong FCF

- **UNTR posted robust 3Q24 net profit (+47% yoy/ +22% qoq), driving 9M24 beat, on strong performances of Pama and heavy equipment.**
- **We raise our FY24-26F net profit est. by 9-15%, taking into consideration expectation of stronger performance from Pama and heavy equipment.**
- **We reiterate Buy rating on the prospect of bottoming earnings and steady FCF generation, with a higher TP of Rp31k.**

Solid 3Q24, supported by robust Pama and above-expected equipment sales

UNTR posted 3Q24 net profit of Rp6.1tr (+22% qoq/ +47% yoy), which brought 9M24 net profit to Rp15.6tr (+2% yoy; 80%/ 86% of BRIDS/ Cons FY24F- beat). The strong results were supported by 9M24 EBIT of Rp20.9tr (-2% yoy; 78%/ 82% of BRIDS/ Cons FY24F- beat), owing to: 1) strong 3Q24 revenue growth from mining contracting, supported by +2% qoq/ +9% yoy total unit (OB+ Coal) growth; 9M24 total unit formed 72% of our FY24F. 2) Above-expected revenue growth from heavy equipment (+36% qoq/ +29% yoy), on the back of stronger-than-expected Komatsu sales of 1,174 units (+15% qoq/ -4% yoy); 9M24 total unit of 3,321 (87% of our FY24F). 3) Higher production contribution from gold and nickel has offset lower revenue from coal mining, which fell -22% qoq in 3Q24 (9M24 revenue came in below our estimate at 70% of FY24F), reflecting lower 3Q24 volume (-26% qoq), likely due to delays in coal transportation.

Raising our FY24-26F est. by 9-15%

We raise our FY24-26F net profit estimate by 9-15%, as we take into consideration the following assumptions: 1) Komatsu sales of 4,480 units in FY24 (vs. 4,100 previously), reflecting -15% yoy and growth assumption of 5% in FY25 and 26F. 2) Unchanged production volumes for Pama (FY24F Coal/ OB of 146Mt/ 1.29bn bcm, +12% yoy), but higher gross margin of 15-17% (vs. our prev. assumptions of 14-15%). 3) Coal mine FY24 sales volume of 12.9Mt (vs. 12.5Mt prev.) and 5% growth in FY25F.

Reiterate Buy rating with a higher SOTP-based TP of Rp31k

We lift our SOTP-based TP to Rp31k to reflect our revised FY24-26F EPS est. Based on our revised numbers, we expect UNTR net profit to see a slight growth of +3% yoy in FY24F and expect a flattish profit in FY25F. We reiterate our Buy rating on combination of strong earnings and free cash flow generation, at attractive valuation of 2.8x EV/ EBITDA (at its 5-year mean). Key risks are: 1) weaker coal price. 2) Pama production disruptions.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (IDRbn)	123,607	128,583	137,597	145,705	162,036
EBITDA (IDRbn)	37,573	38,965	36,684	38,291	42,006
EBITDA Growth (%)	58.9	3.7	(5.9)	4.4	9.7
Net profit (IDRbn)	21,005	20,612	21,161	21,019	19,930
EPS (IDR)	5,631.2	5,525.8	5,673.1	5,634.8	5,342.9
EPS growth (%)	104.3	(1.9)	2.7	(0.7)	(5.2)
BVPS (IDR)	22,706.4	21,246.0	25,038.0	28,119.9	30,927.1
DPS (IDR)	7,003.0	7,004.0	2,486.6	2,552.9	2,535.7
PER (x)	4.9	4.9	4.8	4.9	5.1
PBV (x)	1.2	1.3	1.1	1.0	0.9
Dividend yield (%)	25.6	25.6	9.1	9.3	9.3
EV/EBITDA (x)	1.7	2.6	2.8	2.6	2.3

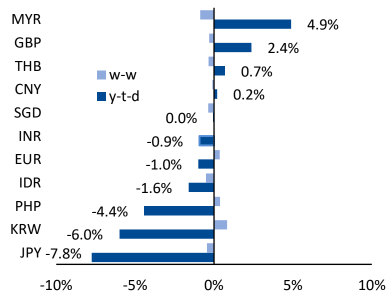
Source: UNTR, BRIDS Estimates

Macro Strategy

US Election: The Lexicon, Scenarios and Impacts

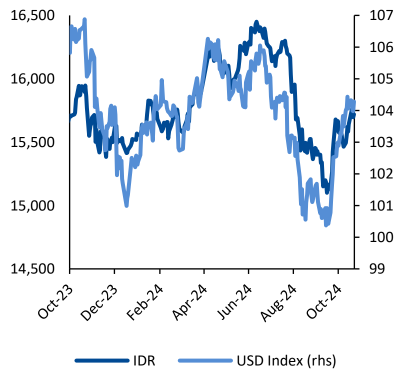
- **The US election will shape economic policy: Trump emphasizes tax cuts and tariffs, while Harris prioritizes targeted tax hikes and inequality.**
- **Election outcomes and Congress control will impact yields, USD, equities, and emerging markets, with stability favoring Democrats.**
- **Geopolitical and trade risks persist, with ongoing US tariffs on China and bipartisan support for defense likely sustaining global tensions.**

YTD Currency performance (%)



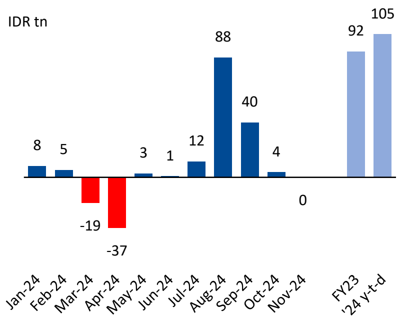
Source: Bloomberg

IDR vs DXY



Source: Bloomberg

Capital Inflow/Outflow (IDR tn)



Source: Bloomberg

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The Pivotal Events: The Candidates' Lexicon. This week's US presidential election will set the course for US economic policy on broader pivotal issues, with each candidate offering a distinct vision for the nation's future. Trump's lexicon to retain tax cuts under his Tax Cut and Job Act (TCJA) policy issued in 2017, reduce the corporate tax rate to 15% to boost investment, and maintain individual tax cuts. In contrast, Kamala Harris has made reducing costs for American families a central theme of her campaign and aim to keep tax cuts for those earning under USD400k, raise the corporate tax rate to 28%, and expand tax credits to reduce income inequality, offsetting costs through higher taxes on wealthier individuals and corporations. Trump proposes a 10% blanket tariff on U.S. imports, with a 60% rate for Chinese goods, while Harris may extend Biden's selective tariffs on specific Chinese imports. Both candidates are likely to increase the fiscal deficit, with Trump's plan expected to raise it much higher, posing a key risk to the yield trajectory.

Potential Outcomes: Likely vs Unlikely Scenarios. The outcome of the upcoming election, combined with party control in Congress, will significantly shape policy implementation, we believe. According to recent polling, the most likely scenario is a Republican sweep, with Trump winning the presidency alongside a Republican-majority Congress. Other potential outcomes include a Harris victory with a Republican-controlled Congress, a Trump win with Democratic congressional control, or, less likely, a full Democratic sweep. The potential market impact:

- A **Republican sweep** could prompt market responses similar to those seen after the 2016 election, with potential increases in UST yields, stronger USD, and boost to US equity markets, though the effects may be less pronounced this time due to pre-election market adjustments.
- In a **divided government**—where one party controls the presidency and the other Congress—policy extremes may be moderated. Congress could, for example, temper Trump's tariffs or Harris's corporate tax plans. However, both candidates' populist policies, such as tax cuts, still risk widening the budget deficit without additional revenue sources.
- A full **Democratic sweep**, while unlikely, could promote policy stability with more predictable fiscal measures, potentially sustaining the current Fed rate cut cycle. This stability would benefit emerging markets, including Indonesia, by supporting a more stable INDOGB yield and IDR, in our view.

Geopolitics and Trade War Risks Persist Regardless of the Outcome. Containing China's influence and boosting defense spending retain bipartisan support. Regardless of the election outcome, tariffs on China are expected to continue. We note considerable dynamics in the Inflation Reduction Act (IRA), introduced by Biden in 2022, which allows Chinese companies to establish US manufacturing facilities through joint ventures, enabling them to bypass tariffs and benefit from subsidies—an arrangement that has drawn public criticism. Trump may let the IRA expire in 2025, while Harris might adjust it to reduce benefits for Chinese companies. On geopolitics, both candidates appear to back Israel and Ukraine, though with different approaches. Trump emphasizes strong support for Israel, with a cautious stance on aid to Ukraine, prioritizing US strategic interests. Harris is expected to uphold Biden's policy of consistent aid to both nations.

The ST and LT Potential Impact on Indonesia.

Short-Term Effects: A Republican sweep could initially lift U.S. equity markets, though high valuations (S&P TTM (Trailing Twelve Months) PE at 30x vs. 24x pre-2016) indicate caution, as earnings yields have moved closer to Treasury yields. In contrast, a Democratic sweep might favor emerging markets like Indonesia by fostering a more stable inflation outlook, potentially encouraging further Fed rate cuts and directing investment toward higher-return regions.

Longer-Term Impacts: The longer-term impact is expected to be broader and will vary depending on the new government's policy implementations. Based on our current assessment, we have outlined four key perspectives on the potential long-term impact on Indonesia.

- **Trade and Tariffs:** Trump's trade policies could pressure Indonesian exports, as the US. is Indonesia's largest trade surplus partner, with major exports in fashion, refined palm oil, and machinery. Broad tariffs may force Indonesian producers to reduce prices to keep its competitiveness. However, Trump might allow product exemptions for non-competitive goods, as he did with certain countries during the 2018 steel tariffs. Tariffs could also face opposition within the Republican Party if they lead to increased costs for domestic consumers and businesses.
- **Borrowing Costs:** Increased U.S. Treasury yields due to higher risk premia driven by deficit spending or a higher policy rate from an escalating reflation trend could raise Indonesian government bond yields, increasing debt servicing costs and limiting fiscal flexibility. This risk is further exacerbated as Indonesia's government bond maturities are set to peak in the next two years.
- **Democratic Policy Impact:** A Democratic sweep could lead to portfolio reallocations due to lower corporate earnings from higher taxes but would likely enhance economic stability, preserving consumer affordability. Harris's policies may support the Fed's current rate path, encouraging capital flows into emerging markets like Indonesia, where higher yields are available.
- **Mixed Outcomes:** In scenarios of divided government, partial tariff implementations may reduce trade tensions. However, Trump's tax cuts could strain the budget further. If Harris wins with a Republican Congress, her corporate tax hikes might be curtailed, leaving a more manageable deficit than under Trump's policies but still higher than projected.

Capital Market – UST Yield Remains Elevated Despite weak NFP data

Despite Friday's announcement of a weak Non-Farm Payroll (NFP) report, showing an October jobs addition of just 12k significantly below the 113k estimate, US Treasury yields remained elevated. The 10-year yield closed the week at 4.37%, up 12 bps w-w, while the 2-year yield also rose by 10 bps to 4.21%. The subdued NFP data is expected to be temporary, influenced primarily by Boeing strikes and recent hurricane disruptions in certain industries. Despite the low job additions, the unemployment rate held steady in October at 4.1%. The yield on the 10-year Indonesian Government Bond (INDOGB) saw only a slight rise, gaining 1 bps to settle at 6.76%. on the currency space, despite the US Dollar Index fell by 0.20% w-w, the Indonesian Rupiah still depreciated by 0.51%, closing at IDR 15,720. Additionally, Indonesia's 5-year Credit Default Swap (CDS) increased by 4 bps w-w, to 73 basis points.

Fixed Income Flows – Weaker IDR sparked foreign outflow. Data from the Ministry of Finance (MoF) as of 31st Oct (Thursday) reported a weekly outflow of IDR3.80tn in foreign ownership of domestic Government Securities (SBN), reducing the total ownership to IDR886tn. Year-to-date (YTD), however, there has been a net inflow of IDR14.98tn. In the banking sector, weekly outflows reached IDR31.66tn, with a month-to-date (MTD) outflow of IDR1.50tn. Bank Indonesia (excluding Repo transactions) recorded a weekly outflow of IDR 22.01tn and an MTD outflow of IDR 22.38 tn. In contrast, mutual funds saw a weekly inflow of IDR0.71tn, while the insurance and pension fund sector experienced a notable inflow of IDR8.34 tn last week.

Equity Flows – Outflow Surged in Oct. In the 5th week of Oct-24, foreign outflows on the equity market reached IDR3.4tn, with JCI down 2.5% w-w. Year-to-date (YTD) outflows in the regular market has now reached IDR5.3tn, mainly dragged by MTD outflows of IDR7.4tn. In Oct, the stock that were consistently leading in inflows: INDF, ASII, ANTM, TINS, BRMS, EXCL, AMRT, GOTO, DSSA, and MYOR.

RESEARCH COMMENTARY

ADRO (Buy, TP: Rp3,770) – Potential dividend of up to US$2.6bn

- ADRO's EGM information stated that it may distribute up to US$2.6bn, in relation with its restructure plan (to spin off AAI).
- This translates to Rp1,346/ share of dividend or 34% yield at current share price. Most importantly, we believe that the planned dividend is to allow existing shareholders to fully cover the purchase of AAI (valuation of US$2.4-2.6bn).
- The EGM is slated for 18th Nov24, with the aim for AAI spin-off to be completed by end of FY24.

Comments:

- We roughly estimate that immediately post spin-off ADRO's valuation may fall to US$5.8-6.2bn (comprising of US$2.4-2.6bn of cash, market value of ADMR and SIS), implying 19-24% downside from current share price (US$1.4-.1.8bn in value).
- We think this may be offset by the upside from AAI's valuation, considering that it is only valued at 2-3x PE at the spinoff.
- The key risk on new ADRO is if the market assigns a (bigger) holding company discount which may transpire into bigger downside risk.
- We are currently reviewing valuation of 'new ADRO' which will ultimately depend on its renewables' business valuation. *(Erindra Krisnawan – BRIDS)*

BBYB (Buy, TP: Rp600) – 3Q24 Earnings Call KTA

FY24 Guidance:

- Loan growth: Initial 2024 loan growth target of 5% remains under assessment due to ongoing audit by the OJK. Management plans to drive commercial banking loan growth while balancing KYC and due diligence requirements with the expansion of commercial and NEO loans.
- Credit Cost: Management expects FY24 credit costs to decrease compared to last year, driven by tightened risk acceptance criteria and evolving market dynamics of its digital loans.

Strategy and Cost Management:

- Reduction provision expenses and write-offs through improved loan evaluation methods and the introduction of risk-based loan pricing.
- Promotion of NEO Loan, the bank's flagship lending product, offering attractive margins. Digital marketing efforts are being executed via Meta, Google, and telecom partners.
- Engaging users through enhanced credit evaluation processes that leverage external data sources.

Loan Portfolio:

- The bank continues to serve the consumer segment while expanding into the corporate sector, targeting industries with lower risk albeit lower margin.
- The current corporate commercial loan portfolio constitutes 23%, with a targeted ratio of 70:30 (consumer: commercial) in the long run.
- Corporate Commercial Ticket Size: On average, Rp250-300bn.
- Corporate Commercial Loan yield: Averages between 9.5% and 10%, with a focus on sectors that offer an optimal balance of quality and return.

Neo Loan:

- Avg. Ticket Size: Rp2.5-3.0mn per borrower, with an average tenor of 4 months and a maximum loan limit of Rp15mn.
- Yield: Ranges from 36% to 45%, depending on borrower scoring and characteristics.
- Asset quality: Better than lower market segments (unbankable) due to targeting bankable customers.

Akulaku Finance:

- OJK audit is ongoing, delaying the resumption of lending to Akulaku Finance. Conditions for reactivation are under discussion but remain unresolved.
- Industry-wide KYC revamp will be implemented next year, affecting the bank's channeling business model with all partners.
- Management anticipates that growth in NEO loans and commercial banking will offset any challenges posed by the tightened KYC processes mandated by regulators. *(Victor Stefano & Naura Reyhan Muchlis – BRIDS)*

ICBP (Buy, TP: Rp13,400) & INDF (Buy, TP: Rp8,000): Key Takeaways from 3Q24 Earnings Call

- ICBP reported solid 9M24 revenue, with 90% of this growth driven by volume. Noodles sales volume increased 7% yoy in 9M24 (2Q24: 11% and 3Q24: 7% yoy), followed by dairy at 8% yoy and Beverages at 7% yoy.
- ICBP reported strong growth from overseas market of 22% in 3Q24 and 15% yoy in 9M24, supported by recovery in Pinehill markets and solid growth in U.S, Canada and North America. Overseas markets contributed 23% to ICBP's 9M24 revenue
- Bogasari's wheat flour sales volume increased by +12% yoy, with a lower ASP (down 11% yoy) due to reduced wheat costs. However, the 9M24 Ebit margin remained within guidance range of 6-8%
- ICBP reported higher A&P spending (4.2% of 3Q24 revenue, above the 4% target) to support new product launches, and increased freight costs due to rising export market sales volume. *(Natalia Sutanto & Sabela Nur Amalina – BRIDS)*

MIDI (Buy, TP: Rp600): Key Takeaways from 3Q24 Earnings Call

- Following solid 3Q24 result, MIDI has revised up its FY24 revenue growth guidance to 14% (vs 13% previously) with a higher SSSG of 9% (up from 8%). The company plans to maintain a trend of net profit growth outpacing revenue growth
- As of 9M24, MIDI has achieved 129 net new stores opening and remains optimistic about surpassing 200 new stores opening by the end of 2024
- In 3Q24, MIDI closed a total of 162 Lawson stores, including 57 standalone and 105 store-in-store. MIDI plans to close the remaining 220 Lawson Store-in-store by Nov24, which will result in additional sunk costs by year-end (pending audited data).
- Lawson's SSSG in 9M24 was -23% and -17% in 3Q24, while Alfamidi reported 10.1% SSSG in 9M24 and 11.1% in 3Q24, respectively. The company anticipates Oct24 SSSG to remain steady around 9-10%.
- In 3Q24, MIDI launched "Ja-di: (Jajan di Alfamidi) inside Alfamidi stores, offering mixed fruits, juices, ice cream and local snacks as a complementary product. The company expects Ja-di to improve both revenue and profitability while leveraging existing store employees.
- Approximately 51% of MIDI's stores are located outside java area, showing strong growth. According to Nielsen, Java's MT growth was weaker at 3.9% yoy, compared to 6.3% growth for total Indonesia in 9M24. *(Natalia Sutanto & Sabela Nur Amalina – BRIDS)*

MAIN (Buy, TP: Rp1,700): 3Q24 Earnings Call KTA

Feed Segment

- The feed margin in 4Q24 is expected to improve compared to 3Q24, primarily due to anticipated lower raw material costs.
- Malindo slightly decreased its feed prices in 3Q24, due to the lower raw material costs. In 4Q24, if costs remain lower, prices will be adjusted again.
- Overall utilization of feed mills typically ranges from 75-85%. However, the feed mills in Makassar and Grobogan remain underutilized. The break-even point for feed mill utilization is quite low, at around >40%.

DOC and LB Segment

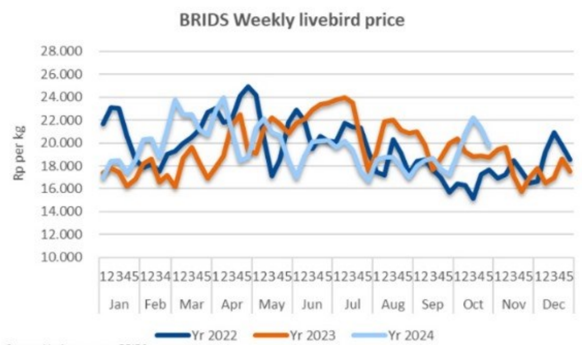
- The break-even point for DOC and live bird prices is typically around Rp6k/chick and Rp19-21k/kg, respectively. Currently, the DOC price is approximately Rp6k/chick.
- Malindo stated that its latest self-culling occurred at the beginning of the year (1Q24).

Processed Food Segment

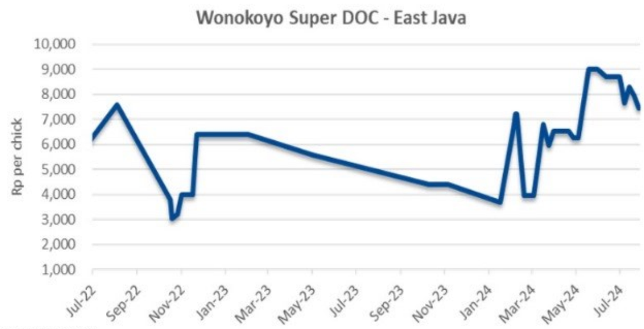
- The increase in revenue for the processed food segment in 3Q24 was supported by a yoy volume growth of approximately 20-30%. Currently, Malindo's processed food segment volume is 200+ MT/month. The expected break-even point for this segment is around 300 MT/month.
- The percentage of the processed food segment derived from e-commerce remains relatively small. *(Victor Stefano & Wilastita Sofi – BRIDS)*

Poultry (Overweight) – 5th week of October 2024 Price Update

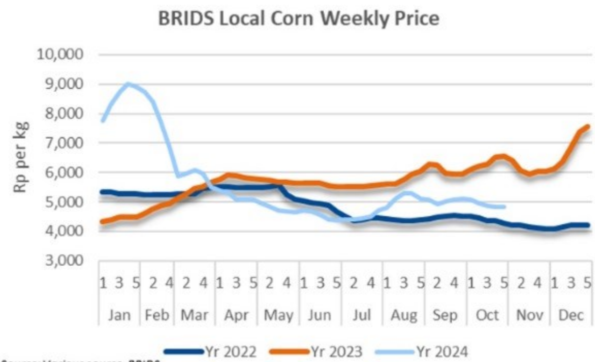
- Livebird prices have declined to Rp19.6k/kg, bringing the weekly average to Rp19.8k/kg in the fifth week of October, reflecting a 6.8% wow decline.
- There is no new data on DOC, but our source indicates that the DOC price has edged up to around Rp6k/chick.
- Local corn prices remain flat at Rp4.8k/kg, with a weekly average of Rp4.8k/kg in the fifth week of Oct24.
- The price of soybean meal (SBM) declined to its YTD low at US$295/t in Nov 1, 2024. The average price in Oct24 standing at US$318 (-1.5% mom, -20% yoy).
- We expect an improvement in earnings for 4Q24, driven by the recovery in livebird prices and controlled increases in feed costs. *(Victor Stefano & Wilastita Sofi – BRIDS)*



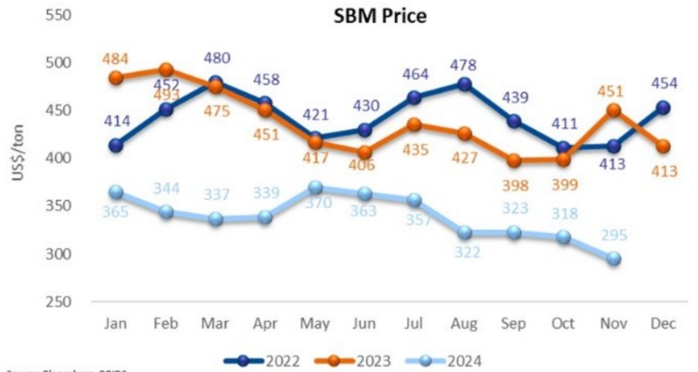
Source: Various source, BRIDS



Source: Arboge, BRIDS



Source: Various source, BRIDS



Source: Bloomberg, BRIDS

SECTOR

Commodity Price Daily Update Nov 4, 2024

	Units	1-Nov-24	4-Nov-24	Chg %	WoW %	2023	3Q24	Ytd 2023	Ytd 2024	YoY%
Copper	US$/t	9,571	9,697	1.3%	-0.2%	8,523	9,339	8,544	9,298	8.8%
Brent Oil	US$/bbl	73	75	2.7%	-3.8%	82	79	83	81	-2.0%
LME Tin	US$/t	31,588	32,015	1.4%	0.6%	25,891	31,712	26,147	30,299	15.9%
Cobalt	US$/t	24,273	24,275	0.0%	0.1%	34,337	25,233	34,861	26,707	-23.4%
Gold Spot	US$/oz	2,737	2,737	0.0%	0.9%	1,943	2,477	1,930	2,342	21.3%
LME Nickel	US$/t	15,737	15,792	0.3%	-3.2%	21,576	16,308	22,457	17,098	-23.9%
NPI Indonesia (Ni>14%)	US$/t	12,566	12,706	1.1%	-0.5%	14,007	12,083	14,465	11,848	-18.1%
Nickel Sulphate	US$/t	15,168	15,190	0.1%	-1.5%	17,377	15,449	17,954	14,424	-19.7%
Indonesia NPI	US$/t				-0.5%	113	120	-	118	n.a
Indo 1.6% Nickel Ore	US$/wmt				-3.7%	37	51	-	45	n.a
Coal Price - ICI 3	US$/t				-0.3%	84	72	85	75	-12.7%
Coal Price - ICI 4	US$/t				-0.2%	63	52	64	54	-15.5%
Coal Price - Newcastle	US$/t	144	144	0.0%	-0.4%	176	140	183	136	-25.8%

Source: Bloomberg, SMM, BRIDS

OPEC+ Delays Plan to Increase Oil Production

OPEC+ has agreed to delay the planned increase in oil production for Dec24 by one month. This delay marks the second time amid their efforts to revive supply due to weakening prices. Originally, OPEC+ intended to begin a series of monthly production increases, adding 180k barrels per day starting December 2024, but now they will limit supply for that month. (Bisnis)

CORPORATE

BUKA Ordered to Pay Rp107bn in Lease Dispute; Plans Appeal

BUKA is ordered by the South Jakarta District Court to pay Rp107bn to PT Harmas Jalesveva for terminating a lease agreement. The company plans to appeal to the Supreme Court while asserting minimal operational impact from the ruling. (Bisnis)

NCKL Approves Change in IPO Fund Allocation

NCKL approved reallocating IPO proceeds in its Extraordinary General Meeting with Rp147.2bn set for capital expenditures, including heavy equipment purchases to support increased nickel production and exploration on Obi Island through 2027. Additionally, Rp1.6tr will be used to increase the company's shareholding in its associated nickel processing and refining entity. (IDX)

BRI danareksa sekuritas Equity Valuation

		Rating	Outstanding Shares (Mn)	Price (Rp)	Price Target	Mkt Cap Rp Bn	PER (x) 2023	PER (x) 2024	EV / EBITDA (x) 2023	EV / EBITDA (x) 2024	PBV 2023	PBV 2024	ROE 2023	ROE 2024
BRI-Danareksa Universe			**3,202,363**			**4,784,419**	**17.7**	**13.4**	**11.4**	**10.9**	**2.4**	**2.2**	**13.6**	**16.9**
Auto			**40,484**			**207,478**	**6.1**	**6.9**	**4.4**	**4.7**	**1.0**	**1.0**	**17.3**	**14.7**
Astra International	ASII	BUY	40,484	5,125	5,700	207,478	6.1	6.9	4.4	4.7	1.0	1.0	17.3	14.7
Financials & Banks			**333,995**			**2,291,191**	**17.5**	**16.2**	**N/A**	**N/A**	**3.2**	**3.0**	**19.3**	**19.0**
BCA	BBCA	BUY	123,275	10,375	12,800	1,278,979	26.3	23.4	N/A	N/A	5.3	4.9	21.0	21.6
BNI	BBNI	BUY	37,297	5,300	7,600	197,676	9.5	9.1	N/A	N/A	1.3	1.2	14.6	13.8
Bank Mandiri	BMRI	BUY	93,333	6,750	8,200	630,000	11.4	11.1	N/A	N/A	2.4	2.2	22.4	20.9
Bank Jago	ARTO	BUY	13,857	2,720	3,900	37,691	520.9	306.7	N/A	N/A	4.5	4.4	0.9	1.5
Bank Neo Commerce	BBYB	BUY	12,399	256	600	3,174	(5.5)	(50.7)	N/A	N/A	1.0	1.0	(16.2)	(1.9)
Bank Syariah Indonesia	BRIS	HOLD	46,129	2,940	3,000	135,620	23.8	19.9	N/A	N/A	3.5	3.1	15.8	16.5
Bank Tabungan Pensiunan Nasional Syariah	BTPS	HOLD	7,704	1,045	1,200	8,050	7.4	7.7	N/A	N/A	0.9	0.9	12.6	11.5
Cement			**10,433**			**49,682**	**12.1**	**15.3**	**5.1**	**5.5**	**0.8**	**0.8**	**6.5**	**5.0**
Indocement	INTP	BUY	3,681	6,875	8,800	25,308	13.0	15.7	6.8	6.9	1.2	1.2	9.6	7.5
Semen Indonesia	SMGR	HOLD	6,752	3,610	4,100	24,373	11.2	14.9	4.3	4.7	0.6	0.6	5.0	3.8
Cigarettes			**118,242**			**103,427**	**7.7**	**9.3**	**5.4**	**5.9**	**1.1**	**1.1**	**15.2**	**12.1**
Gudang Garam	GGRM	HOLD	1,924	13,250	17,500	25,494	4.8	6.4	3.3	3.6	0.4	0.4	9.0	6.3
HM Sampoerna	HMSP	HOLD	116,318	670	730	77,933	9.6	10.9	7.5	8.1	2.6	2.7	27.9	24.4
Construction			**22,115**			**39,236**	**5.5**	**8.7**	**8.73**	**6.84**	**0.8**	**0.6**	**16.0**	**8.3**
Pembangunan Perumahan	PTPP	BUY	6,450	432	750	2,786	9.3	5.9	5.3	5.0	0.2	0.2	2.6	4.0
Adhi Karya	ADHI	BUY	8,408	278	500	2,337	42.8	59.6	6.2	6.5	0.3	0.3	0.6	0.5
Jasa Marga	JSMR	BUY	7,258	4,700	6,500	34,112	5.0	8.6	10.3	7.5	1.2	0.9	27.2	11.8
Consumer			**87,138**			**342,031**	**14.6**	**12.8**	**7.8**	**7.0**	**2.9**	**2.6**	**20.8**	**21.1**
Indofood CBP	ICBP	BUY	11,662	12,325	12,900	143,733	20.6	14.6	10.4	9.5	3.5	3.0	18.1	22.3
Indofood	INDF	BUY	8,780	7,450	8,000	65,414	8.0	6.6	4.4	3.4	1.1	1.0	14.4	15.7
Unilever	UNVR	SELL	38,150	1,870	2,300	71,341	14.9	19.7	10.0	13.1	21.1	21.0	130.1	107.1
Mayora Indah	MYOR	BUY	22,359	2,480	3,350	55,450	17.4	16.6	10.8	10.7	3.7	3.3	23.1	20.9
Nippon Indosari Corpindo	ROTI	BUY	6,186	985	1,400	6,094	18.3	15.9	9.0	8.2	2.5	2.3	13.1	15.3
Pharmaceutical			**76,875**			**92,681**	**24.9**	**21.5**	**16.0**	**14.0**	**3.7**	**3.5**	**15.3**	**16.7**
Sido Muncul	SIDO	HOLD	30,000	605	640	18,150	19.1	17.5	15.2	14.7	5.4	5.2	27.6	30.3
Kalbe Farma	KLBF	BUY	46,875	1,590	1,800	74,531	26.9	22.8	16.2	13.9	3.5	3.2	13.2	14.6
Healthcare			**43,217**			**101,700**	**34.9**	**47.1**	**28.4**	**23.1**	**8.4**	**7.5**	**25.0**	**16.8**
Medikaloka Hermina	HEAL	BUY	15,366	1,420	2,000	21,820	49.9	37.2	15.6	12.5	5.6	5.0	12.0	14.3
Mitra Keluarga	MIKA	BUY	13,907	2,750	3,400	38,246	41.7	31.8	24.9	19.8	6.6	5.7	16.3	19.3
Prodia Widyahusada	PRDA	BUY	938	2,930	6,400	2,747	7.8	7.5	3.1	2.9	1.1	1.1	14.8	14.6
Siloam Hospital	SILO	BUY	13,006	2,990	3,000	38,888	32.1	34.3	14.3	14.0	4.9	4.5	16.3	13.7
Heavy Equipment			**3,730**			**102,019**	**4.9**	**5.3**	**2.6**	**3.0**	**1.3**	**1.1**	**25.1**	**22.7**
United Tractors	UNTR	BUY	3,730	27,350	29,200	102,019	4.9	5.3	2.6	3.0	1.3	1.1	25.1	22.7
Industrial Estate			**52,903**			**13,125**	**9.5**	**6.6**	**7.2**	**3.2**	**1.3**	**1.1**	**14.3**	**18.2**
Puradelta Lestari	DMAS	BUY	48,198	162	190	7,808	6.5	5.6	6.0	3.7	1.3	1.1	20.9	21.3
Surya Semesta	SSIA	BUY	4,705	1,130	1,400	5,317	30.1	9.3	9.2	2.7	1.3	1.2	4.5	13.3
Media			**89,020**			**14,221**	**4.9**	**5.7**	**2.1**	**1.8**	**0.5**	**0.5**	**10.3**	**8.2**
Media Nusantara Citra	MNCN	BUY	15,050	306	800	4,605	2.3	2.9	1.0	0.6	0.2	0.2	9.8	7.2
Surya Citra Media	SCMA	BUY	73,971	130	325	9,616	10.6	10.7	4.6	4.4	1.2	1.1	11.6	10.7
Mining			**319,649**			**428,940**	**7.2**	**8.9**	**3.8**	**4.5**	**1.4**	**1.4**	**20.5**	**15.5**
Medco Energi	MEDC	BUY	25,136	1,275	1,700	32,049	6.5	6.5	2.3	4.2	1.2	1.0	19.5	16.9
Adaro Energy	ADRO	BUY	30,759	3,930	3,770	120,882	4.9	6.9	2.2	2.7	1.2	1.2	25.7	17.2
Timah	TINS	HOLD	7,448	1,365	2,100	10,166	26.1	81.6	7.3	32.0	1.4	1.4	5.3	1.7
Vale Indonesia	INCO	BUY	10,540	3,770	5,700	39,735	9.7	28.1	3.9	7.4	1.0	1.0	11.2	3.7
Aneka Tambang	ANTM	BUY	24,031	1,525	2,000	36,647	11.9	12.7	7.3	7.1	1.2	1.2	11.3	9.5
Bukit Asam	PTBA	BUY	11,521	2,870	3,100	33,064	5.4	5.9	4.7	5.5	1.5	1.5	24.4	25.3
Indo Tambangraya Megah	ITMG	BUY	1,130	25,125	31,300	28,389	3.8	3.8	1.6	1.2	1.1	1.1	26.7	28.0
Harum Energy	HRUM	BUY	13,518	1,185	1,700	16,019	5.1	5.2	1.8	1.5	1.2	1.1	26.1	22.4
Merdeka Copper Gold	MDKA	BUY	24,473	2,320	3,000	56,777	(171.8)	836.5	19.5	15.0	3.8	3.3	(2.1)	0.4
Trimegah Bangun Persada	NCKL	BUY	63,099	875	1,300	55,211	9.8	10.9	8.2	7.9	2.3	2.1	34.1	20.1
Merdeka Battery Materials	MBMA	BUY	107,995	530	650	57,238	516.3	94.3	38.8	22.7	2.3	2.3	0.6	2.4
Wintermar Offshore Marine	WINS	BUY	4,365	515	760	2,248	336.8	90.0	111.0	45.5	16.7	14.1	5.1	17.0
Poultry			**30,363**			**104,457**	**31.6**	**16.0**	**13.7**	**8.6**	**2.4**	**2.2**	**7.9**	**14.4**
Charoen Pokphand	CPIN	BUY	16,398	4,980	6,400	81,662	35.2	23.6	17.2	12.9	3.0	2.8	8.7	12.3
Japfa Comfeed	JPFA	BUY	11,727	1,795	2,900	21,049	22.6	7.2	9.9	4.7	1.6	1.3	7.2	20.1
Malindo Feedmill	MAIN	BUY	2,239	780	1,700	1,746	27.6	13.5	5.6	4.9	0.7	0.7	2.6	5.0
Property			**104,375**			**79,844**	**12.0**	**8.7**	**6.8**	**5.0**	**0.9**	**0.8**	**8.1**	**10.2**
Bumi Serpong Damai	BSDE	BUY	21,171	1,170	1,550	24,771	12.7	6.4	7.7	4.5	0.7	0.6	5.5	10.0
Ciputra Development	CTRA	BUY	18,536	1,235	1,700	22,892	12.4	10.0	6.5	4.8	1.1	1.0	9.6	10.9
Pakuwon Jati	PWON	BUY	48,160	454	640	21,864	10.4	10.2	6.1	5.6	1.1	1.1	11.6	10.8
Summarecon	SMRA	BUY	16,509	625	1,000	10,318	13.5	12.0	6.6	5.5	1.0	1.0	8.1	8.5
Utility			**65,750**			**36,605**	**25.9**	**24.3**	**12.1**	**12.0**	**2.3**	**2.2**	**16.0**	**15.5**
Perusahaan Gas Negara	PGAS	BUY	24,242	1,510	1,650	36,605	8.9	8.3	2.8	2.3	0.8	0.8	9.8	9.5
Pertamina Geothermal Energy	PGEO	BUY	41,508	1,065	1,470	44,206	17.0	15.9	9.3	9.6	1.5	1.4	10.8	9.2
Retail			**100,265**			**88,968**	**18.3**	**17.1**	**9.4**	**8.9**	**3.2**	**2.8**	**19.6**	**17.5**
Mitra Adi Perkasa	MAPI	BUY	16,600	1,550	2,000	25,730	13.6	13.0	6.0	6.0	2.6	2.1	20.9	17.9
MAP Aktif Adiperkasa	MAPA	BUY	28,504	1,055	1,000	30,072	21.7	21.6	13.6	13.7	5.3	4.3	27.3	22.0
Midi Utama Indonesia	MIDI	BUY	33,435	462	600	15,447	29.9	25.7	12.3	10.5	4.1	3.7	18.0	15.2
Hartadinata Abadi	HRTA	BUY	4,605	446	600	2,054	6.7	5.2	5.5	4.4	1.0	0.9	16.6	18.5
Ace Hardware	ACES	BUY	17,120	915	1,100	15,665	20.5	18.7	14.1	12.4	2.5	2.4	12.7	13.2
Technology			**1,382,070**			**144,829**	**(1.5)**	**(20.2)**	- **9.0**	- **24.2**	**2.1**	**2.3**	**(81.4)**	**(10.6)**
Bukalapak	BUKA	BUY	103,122	120	340	12,375	(20.5)	43.3	12.3	132.3	0.5	0.5	(2.3)	1.1
Gojek Tokopedia	GOTO	BUY	1,150,838	65	120	74,804	(0.8)	(17.2)	- 6.7	- 24.3	2.0	2.2	(111.0)	(12.0)
Blibli (Global Digital Niaga)	BELI	BUY	128,111	450	520	57,650	(16.5)	(18.5)	- 19.9	- 28.8	8.6	16.1	(41.4)	(60.6)
Telco			**301,666**			**517,889**	**13.9**	**13.7**	**4.6**	**4.4**	**2.0**	**1.9**	**15.0**	**14.5**
Telekomunikasi Indonesia	TLKM	BUY	99,062	2,800	4,250	277,374	11.3	11.9	3.8	3.9	2.0	2.0	18.5	16.9
Indosat	ISAT	BUY	32,251	2,410	3,300	77,724	16.4	14.6	3.6	3.2	2.5	2.3	16.0	16.3
XL Axiata	EXCL	BUY	13,128	2,240	3,300	29,408	23.1	14.0	2.2	1.9	1.1	1.1	4.9	7.8
Tower Bersama	TBIG	BUY	22,657	1,870	3,200	42,369	29.0	24.7	12.3	11.6	3.9	3.3	13.7	14.5
Sarana Menara Nusantara	TOWR	BUY	51,015	785	1,400	40,046	12.3	12.4	8.4	8.2	2.4	2.2	21.1	18.6
Mitra Telekomunikasi Indonesia	MTEL	BUY	83,553	610	960	50,967	25.3	23.2	9.9	8.9	1.5	1.5	5.9	6.4
Trade			**20,073**			**26,096**	**9.4**	**11.2**	**6.0**	**7.4**	**2.3**	**2.2**	**24.5**	**20.0**
AKR Corporindo	AKRA	BUY	20,073	1,300	1,600	26,096	9.4	11.2	6.0	7.4	2.3	2.2	24.5	20.0

COVERAGE PERFORMANCE

LEADERS

	Code	Price as on 04-Nov-24	01-Nov-24	Chg, %	wow, %	mom, %	YTD, %	Rating
M-Cash Integrasi	MCAS	1,295	1,195	8.4	3.6	(0.4)	(70.2)	BUY
Adaro Energy	ADRO	3,930	3,790	3.7	6.8	3.1	65.1	BUY
Japfa Comfeed	JPFA	1,795	1,750	2.6	7.8	24.2	52.1	BUY
Indofood	INDF	7,450	7,300	2.1	(1.0)	5.7	15.5	BUY
Malindo Feedmill	MAIN	780	765	2.0	(7.1)	5.4	51.5	BUY
BNI	BBNI	5,300	5,200	1.9	(3.6)	(0.5)	(1.4)	BUY
Indofood CBP	ICBP	12,325	12,100	1.9	(2.6)	1.6	16.5	BUY
Charoen Pokphand	CPIN	4,980	4,890	1.8	(2.8)	4.6	(0.9)	BUY
Ace Hardware	ACES	915	900	1.7	(0.5)	6.4	27.1	BUY
Bank Mandiri	BMRI	6,750	6,650	1.5	(1.1)	(2.9)	11.6	BUY

Sources: Bloomberg

LAGGARDS

	Code	Price as on 04-Nov-24	01-Nov-24	Chg, %	wow, %	mom, %	YTD, %	Rating
Semen Indonesia	SMGR	3,610	3,810	(5.2)	(12.8)	(10.4)	(43.6)	HOLD
Surya Semesta	SSIA	1,130	1,190	(5.0)	(6.6)	(3.4)	160.4	BUY
Indocement	INTP	6,875	7,200	(4.5)	(8.0)	0.7	(26.9)	BUY
Gojek Tokopedia	GOTO	65	68	(4.4)	(4.4)	8.3	(24.4)	BUY
Unilever	UNVR	1,870	1,955	(4.3)	(7.4)	(13.8)	(47.0)	SELL
Bukalapak	BUKA	120	125	(4.0)	(8.4)	4.3	(44.4)	BUY
Media Nusantara Citra	MNCN	306	318	(3.8)	(3.8)	(0.6)	(20.7)	BUY
AKR Corporindo	AKRA	1,300	1,350	(3.7)	(4.4)	(19.5)	(11.9)	BUY
Ciputra Development	CTRA	1,235	1,280	(3.5)	(6.4)	(5.0)	5.6	BUY
Mitra Adi Perkasa	MAPI	1,550	1,605	(3.4)	(8.8)	(6.3)	(13.4)	BUY

Sources: Bloomberg

PREVIOUS REPORTS

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- Telkom Indonesia: Soft 3Q24 earnings (Broadly In-line); FMC strategy on track with stronger mobile user productivity
- Bank Mandiri: 3Q24 Earnings: Strong profitability supported by loan growth and asset quality
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- Bank Rakyat Indonesia: 3Q24 earnings: Strong recovery income offset the higher CoC, FY24 guidance maintained
- Bank Neo Commerce: Turning positive in 3Q24, lower CoC offsetting the lower NIM; maintain FY24F net losses forecasts
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- Telco: Telco Operators' Tactical Adjustments Amid 3Q24 Weakness, Poised for 4Q24 Rebound
- Macro Strategy: Welcoming the New Government
- Aspirasi Hidup Indonesia: Solid Sept24 SSSG; Expect strong 9M24 core profit of 13% yoy, in line with our FY24F
- Healthcare: 3Q24 Preview: Expect Earnings to Remain Solid, In-Line 9M24
- Cement: 3Q24 preview: expanding volume, stabilizing ASP; Expect SMGR to miss, INTP to meet cons. forecast
- Banks: 3Q24 preview: Gradual improvement in liquidity and strong loan growth to drive earnings
- Technology: 3Q24 Preview: GOTO Poised for EBITDA Growth; Temu facing an uphill battle to enter Indonesia
- Puradelta Lestari: Data Center Growth Proxy Amid its Cikarang Location
- Surya Semesta Internusa: Potential Future Hub of Indonesia's EV Ecosystem
- Macro Strategy: At the Crossroad
- Metal Mining: 3Q24 preview: expect a slower quarter, but a majority beat in 9M24 due to low expectations
- Retail: 3Q24 preview: Solid growth, normalized margins; expect strong results from ACES and MIDI
- Wintermar Offshore Marine: Recently acquired WM Mentawai PSV to bolster earnings growth in 2H24 onwards
- Consumer: 3Q24 preview: sustained solid core profit growth on stable margins, in line with our and consensus
- Equity Strategy: Headwind from outflows may persist; a slight cut in consensus est. despite intact fundamentals
- Poultry: Good entry points amid low expectations on LB prices, mild fund positions, and cheap valuations
- Macro Strategy: The Travails of Resurgent Risk Catalysts
- Sarana Menara Nusantara: Fiber-Driven Growth and Rate Cut Catalysts to Enhance Long-Term Value
- Hartadinata Abadi: Capitalizing on solid volume growth and robust gold price; initiate with a Buy rating
- Merdeka Battery Materials: Solid 2Q24 earnings, but 1H24 still a miss, downgrading numbers on weaker commodity prices
- Merdeka Cooper Gold : 1H24 Earnings miss, a potential breakeven in FY24
- Jasa Marga: JTT divestment is signed and sealed
- Bank BTPN Syariah: NPL Cycle Hits Bottom, A Long Road to Recovery Ahead; Re-initiate with a Hold Rating

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