

FROM EQUITY RESEARCH DESK
IDEA OF THE DAY
XL Axiata: FY24 results: in-line, resilient 4Q24 performance while awaiting the next milestones in its merger (EXCL.IJ Rp 2,270; BUY TP Rp 2,800)

- XL posted strong 4Q earnings, with revenue growth driven by the new LINK subs and a resilient EBITDA margin, while mobile faced challenges.
- XL strengthens its FMC with an IPTV channels, leveraging an inventory of 6mn HPs, and is open to deploying FWA and 5G to drive growth.
- We take a more conservative stance on XL valuation, applying a 4.2x EV/EBITDA for 2025 alongside our DCF, leading to a revised TP: Rp2,800.

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

Kalbe Farma: Improving Growth Outlook at Reasonable Valuation (KLBF.IJ Rp 1,210; BUY TP Rp 1,800)

- KLBF targets FY25 revenue and EPS growth of 8-10% YoY, driven by growth in the Consumer Health and Nutrition divisions.
- We expect greater adoption of RMB-based API purchases and a strengthened product portfolio to improve earnings prospects in KLBF.
- We think KLBF's underperformance should have priced in concerns on Rupiah thus, current valuation is attractive; maintain our Buy rating.

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

Sido Muncul: Expects strong 4Q24 result with FY25 growth target of 10% yoy (SIDO.IJ Rp 565; BUY TP Rp 640)

- SIDO remains optimistic about achieving a minimum 10% yoy growth in FY24 revenue, supported by the "last bite" program in Oct-Nov24.
- The management guides for 10% yoy revenue and net profit growth in FY25, driven by volume and inflation-based ASP adjustments.
- SIDO has the lowest exposure to USD-linked raw materials among its peers and currently offers a 6.1% dividend yield. Upgrade rating to Buy.

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

RESEARCH COMMENTARY

- BMRI (Buy, TP: Rp6,400) - FY24 Results (Below) & Concall KTA

MARKET NEWS
MACROECONOMY

- GDP Grew by 5.02% yoy in 4Q24

SECTOR

- Commodity Price Daily Update Feb 5, 2025
- Coal Contribution Continues to Shrink
- Google Invests US\$75bn for AI Development
- Healthcare: The Indonesian Government Potentially Plans to Increase BPJS Health Contributions in 2026
- Heavy Equipment: Hinabi Projects National Heavy Equipment Production to Reach 8,500 Units in 2025

CORPORATE

- BBNI Plans to Conduct a Buyback with a Budget of Rp905bn
- Neta to Showcase Neta V-II and Neta X at IIMS 2025
- PTPP Targets Rp28.44tr in New Contracts for 2025

EQUITY MARKET INDICES

	Close	Chg (%)	Ytd (%)	Vol (US\$mn)
Asean - 5				
Indonesia	7,024	(0.7)	(0.8)	660
Thailand	1,287	(1.1)	(8.1)	1,251
Philippines	6,281	3.2	(3.8)	124
Malaysia	1,575	0.6	(4.1)	464
Singapore	3,815	(0.2)	0.7	738
Regional				
China	3,229	(0.6)	(3.6)	91,836
Hong Kong	20,597	(0.9)	2.7	24,624
Japan	38,831	0.1	(2.7)	24,257
Korea	2,521	0.5	5.1	7,612
Taiwan	23,162	1.6	0.5	n.a
India	78,271	(0.4)	0.2	608
Nasdaq	19,692	0.2	2.0	319,843
Dow Jones	44,873	0.7	5.5	28,000

CURRENCY AND INTEREST RATE

		Rate	wow (%)	mom (%)	ytd (%)
Rupiah	Rp/1US\$	16,285	(0.7)	(0.6)	(1.1)
BI7DRRR	%	5.75	(0.3)	(0.3)	(0.3)
10y Gov	Indo bond	6.93	(0.0)	(0.1)	(0.1)

HARD COMMODITIES

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Coal	US\$/ton	111	(1.1)	(9.9)	(11.2)
Gold	US\$/toz	2,870	0.1	8.8	9.3
Nickel	US\$/mt.ton	15,311	1.7	2.9	1.3
Tin	US\$/mt.ton	30,685	1.8	6.2	6.4

SOFT COMMODITIES

	Unit	Price	d-d (%)	mom (%)	ytd (%)
Cocoa	US\$/mt.ton	10,748	(0.1)	(0.0)	(1.5)
Corn	US\$/mt.ton	183	1.5	8.0	9.4
Oil (WTI)	US\$/barrel	71	0.3	(3.1)	(0.7)
Oil (Brent)	US\$/barrel	75	(2.1)	(2.5)	(0.0)
Palm oil	MYR/mt.ton	4,599	(1.3)	(2.7)	(6.5)
Rubber	US\$/kg	195	0.9	5.1	(1.4)
Pulp	US\$/tonne	1,205	n.a	2.8	20.5
Coffee	US\$/60kgbag	351	(0.0)	12.8	13.7
Sugar	US\$/MT	528	0.3	2.7	4.2
Wheat	US\$/ton	156	(0.8)	8.1	3.8
Soy Oil	US\$/lb	45	(1.5)	14.4	13.3
SoyBean	US\$/by	1,057	(1.7)	7.7	5.9

Buy

(Maintained)

XL Axiata (EXCL IJ)

FY24 results: in-line, resilient 4Q24 performance while awaiting the next milestones in its merger

Last Price (Rp)	2,270	
Target Price (Rp)	2,800	
Previous Target Price (Rp)	3,500	
Upside/Downside	+23.3%	
No. of Shares (mn)	13,072	
Mkt Cap (Rpbn/US\$mn)	29,673/1,822	
Avg. Daily T/O (Rpbn/US\$mn)	53.1/3.3	
Free Float (%)	33.2	
Major Shareholder (%)		
Axiata Investments Indonesia Sdn. Bhd.	66.3	
EPS Consensus (Rp)		
	2025F	2026F
BRIDS	142.5	167.1
Consensus	173.5	201.3
BRIDS/Cons (%)	(17.9)	(17.0)
	(8.4)	

- XL posted strong 4Q earnings, with revenue growth driven by the new LINK subs and a resilient EBITDA margin, while mobile faced challenges.
- XL strengthens its FMC with an IPTV channels, leveraging an inventory of 6mn HPs, and is open to deploying FWA and 5G to drive growth.
- We take a more conservative stance on XL valuation, applying a 4.2x EV/EBITDA for 2025 alongside our DCF, leading to a revised TP: Rp2,800.

In-line earnings, but challenges persist

XL reported a 4Q24 net profit of Rp502bn (+72.2% qoq, +85.3% yoy), driven by revenue growth and a resilient EBITDA margin. Adjusting for the contribution of 750k fixed BB subscribers, mobile revenue appeared soft, attributed to: a) intensified competition, b) weaker purchasing power, and c) challenges from RT-RW WiFi players. Nonetheless, XL increased its traffic amid improved seasonality with steady ARPU. 4Q24 EBITDA stood at Rp4.52tr, with a 50.4% EBITDA margin (-180bps qoq), impacted by the LINK subs. Additionally, XL recorded Rp75bn in one-offs from merger costs and Rp71bn from minority losses. For FY24, XL's net profit totaled Rp1.82tr (+43.1% yoy), in-line with consensus and broadly in-line vs. our forecast. Revenue grew by +6.4% yoy, and the EBITDA margin increased by +280bps yoy. Meanwhile, pretax profit was below estimates due to one-offs, tax normalization helped offset the impact.

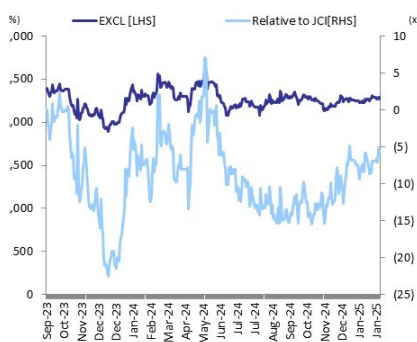
Bolstering FMC with IPTV, while preparing for the merger

XL showcases a full stack of linear channels as part of its IPTV solution and FMC strategy. The company firmly stated that it will adhere to this approach, leveraging its inventory of 6mn homepasses (with 1mn subs to date). Additionally, XL has expressed openness to new technologies, including FWA and 5G, to drive Fixed BB subscriber growth, and indicated it would evaluate bidding for the 80MHz spectrum block allocated for fixed wireless. XL is also considering the launch of a new brand to target the lower-end market. Meanwhile, selling the minority in LINK remain on the table, while the XLsmart merger remains on track to commence in 3Q25.

Adopting a conservative Stance and revising XL valuation

While XL has not provided guidance for FY25, we take a conservative stance on expecting modest growth in XL mobile, with upsides mainly from fixed BB. As a result, we revised down our FY25-27 earnings by -30%/-31%/-33%, for now still excluding any potential upside from the upcoming merger. We adjust our valuation to apply 3yr average EV/EBITDA of 4.2x for FY25, 5yr revenue CAGR of 3.4% and an avg EBITDA margin of 48.6%. This leads to our new TP of Rp2,800. We maintain our BUY rating on an undemanding valuation.

EXCL relative to JCI Index



Source: Bloomberg

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Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	32,323	34,392	37,046	38,995	40,861
EBITDA (Rpbn)	15,885	17,879	17,951	18,793	19,629
EBITDA Growth (%)	11.6	12.6	0.4	4.7	4.4
Net Profit (Rpbn)	1,257	1,818	1,863	2,184	2,476
EPS (Rp)	96.2	139.1	142.5	167.1	189.4
EPS Growth (%)	14.0	44.7	2.5	17.2	13.4
BVPS (Rp)	2,013.9	1,993.6	2,024.9	2,092.1	2,164.6
DPS (Rp)	42.0	49.4	111.3	99.8	116.9
PER (x)	23.6	16.3	15.9	13.6	12.0
PBV (x)	1.1	1.1	1.1	1.1	1.0
Dividend yield (%)	1.9	2.2	4.9	4.4	5.2
EV/EBITDA	4.7	4.2	4.2	4.0	3.8

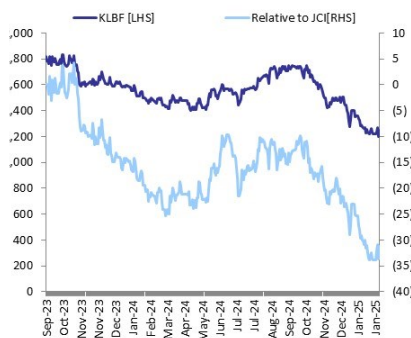
Source: EXCL, BRIDS Estimates

Buy

(Maintained)

Last Price (Rp)	1,210
Target Price (Rp)	1,800
Previous Target Price (Rp)	1,800
Upside/Downside	+48.8%
No. of Shares (mn)	46,875
Mkt Cap (Rpbn/US\$m)	56,719/3,483
Avg, Daily T/O (Rpbn/US\$m)	50.9/3.1
Free Float (%)	40.2
Major Shareholder (%)	
PT Gira Sole Prima	10.3
PT Santa Seha Sanadi	9.9
EPS Consensus (Rp)	
	2024F 2025F 2026F
BRIDS	67.4 72.3 77.6
Consensus	68.0 74.7 80.3
BRIDS/Cons (%)	(1.0) (3.2) (3.4)

KLBF relative to JCI Index



Source: Bloomberg

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Kalbe Farma (KLBF IJ)

Improving Growth Outlook at Reasonable Valuation

- KLBF targets FY25 revenue and EPS growth of 8-10% YoY, driven by growth in the Consumer Health and Nutrition divisions.
- We expect greater adoption of RMB-based API purchases and a strengthened product portfolio to improve earnings prospects in KLBF.
- We think KLBF's underperformance should have priced in concerns on Rupiah thus, current valuation is attractive; maintain our Buy rating.

FY24 NP growth of 17% (i.e inline); FY25 EPS growth guidance of 10%

KLBF reported unaudited FY24 revenue growth of 7.2% YoY to Rp 32.6tn. On the bottom line, KLBF posted 17% YoY net profit growth in FY24. The FY24 net profit accounted for 103% of our FY24F and 102% of consensus, i.e inline. For 2025, the company projects 8% to 10% growth in revenue and EPS with a stable margin. KLBF aims for stronger growth in Consumer Health (8–10%) and mid-single-digit growth in Nutrition, while maintaining similar growth targets for the Prescription and Distribution segments.

Cost initiatives & strengthening product portfolio will yield positive result

Greater adoption of the Renminbi-based Active Pharmaceutical Ingredient (API) purchases should pave the way for improved margins outlook, in our view. This shift will gradually reduce dependency on USD-linked raw materials, particularly APIs for the pharmaceutical and consumer health (CH) segments. On the product side, we see KLBF continuing to strengthen its portfolio through strategic partnerships in regional markets and launching new marketing campaigns for several key products, including Bejo and Ultimate Extra Joss. Meanwhile, rising demand from the National Health Program will drive a higher contribution from the lower-margin unbranded generics, potentially reaching 30% by 2030. However, this should be offset by increasing contributions from specialty products (i.e., oncology, biologics, and cell therapy). In 2025, KLBF expects specialty products to account for 10-12% of pharmaceutical revenue (or approximately 3.5% of total revenue), offering higher margins. For 2025, we estimate 7.5% yoy rev. growth with maintained margins, as we have not yet accounted for potential margin improvements from RMB adoption and a higher contribution of specialty products.

Attractive valuation post underperformance, maintain Buy rating

Over the medium term (3 to 5 years), we believe these initiatives will yield positive results and drive strong growth for Kalbe, as reflected in our EPS CAGR of 9.5% in FY23-26. We believe recent share price underperformance has reflected concerns on Rupiah depreciation. KLBF is trading at 16.7x PE, below its -1SD five-year average PE. We maintain our Buy rating on KLBF with an unchanged TP of Rp1,800, implying a FY25F PE of 24.9x.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	28,934	30,449	32,650	35,100	38,087
EBITDA (Rpbn)	4,869	4,429	4,958	5,334	5,757
EBITDA Growth (%)	5.2	(9.0)	11.9	7.6	7.9
Net Profit (Rpbn)	3,382	2,767	3,157	3,387	3,636
EPS (Rp)	72.2	59.0	67.4	72.3	77.6
EPS Growth (%)	6.2	(18.2)	14.1	7.3	7.3
BVPS (Rp)	434.9	456.9	493.2	530.0	569.5
DPS (Rp)	35.0	38.0	31.1	35.5	38.1
PER (x)	16.8	20.5	18.0	16.7	15.6
PBV (x)	2.8	2.6	2.5	2.3	2.1
Dividend yield (%)	2.9	3.1	2.6	2.9	3.1
EV/EBITDA	11.1	12.2	10.9	10.0	9.2

Source: KLBF, BRIDS Estimates

Buy

(Upgraded)

Sido Muncul (SIDO IJ)

Expects strong 4Q24 result with FY25 growth target of 10% yoy

Last Price (Rp)	565		
Target Price (Rp)	640		
Previous Target Price (Rp)	640		
Upside/Downside	+13.3%		
No. of Shares (mn)	33,000		
Mkt Cap (Rpbn/US\$mn)	18,645/1,145		
Avg, Daily T/O (Rpbn/US\$mn)	16.0/1.0		
Free Float (%)	5.3		
Major Shareholder (%)			
Hotel Candi Baru	77.6		
Public	22.4		
EPS Consensus (Rp)			
	2024F	2025F	2026F
BRIDS	34.6	37.6	40.9
Consensus	37.8	40.7	44.2
BRIDS/Cons (%)	(8.5)	(7.6)	(7.5)

- SIDO remains optimistic about achieving a minimum 10% yoy growth in FY24 revenue, supported by the “last bite” program in Oct-Nov24.
- The management guides for 10% yoy revenue and net profit growth in FY25, driven by volume and inflation-based ASP adjustments.
- SIDO has the lowest exposure to USD-linked raw materials among its peers and currently offers a 6.1% dividend yield. Upgrade rating to Buy.

SIDO expects strong 4Q24 rev., supported by the “Last bite” and ASP increase

SIDO remains optimistic to achieve a minimum 10% yoy growth in FY24 revenue, which would enable SIDO to surpass its high 4Q23 revenue base (exhibit 1). The strong 4Q24 performance was driven by “Last bite” program, which ran from Nov to Dec24 for Tolak Angin. Meanwhile, for coffee mix products, the company implemented an ASP adjustment in Oct24 in response to rising coffee prices.

Energy drinks category shows growth potential in both domestic and export

The energy drink market continues to show growth potential domestically, supported by increasing projects such as food estates in Kalimantan and Merauke, government-led housing construction targeting 3mn units, and stable commodity prices, which are expected to drive higher mining and plantation activity. In the export market, demand from Malaysia and Nigeria was reported to remain strong.

FY25 revenue and net profit growth guidance of 10% yoy

The management guides for 10% yoy revenue and net profit growth in FY25, primarily driven by volume and inflation-based ASP adjustments. Additionally, the rainy season in 1Q25 and the upcoming fasting season should support SIDO’s sales volume. In FY25, the company plans to expand its warehouse capacity in Semarang, Central Java, to increase inventory storage for raw materials and finished goods. However, with production utilization at around 50%, SIDO expects to allocate Rp150-175bn in capex for the year (same amount with FY24). The company launched several new products including Tolak Angin Batuk and Esemag. However, the majority of revenue still comes from the Tolak Angin group (~ 50%) followed by energy drinks (~ 20% of total revenue).

Upgrade to Buy following share price correction

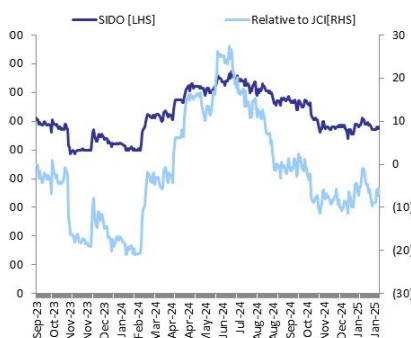
Among its consumer sector peers, SIDO stands out as the only company with minimal exposure to USD-linked raw materials, relying more on locally sourced content. At the current price, SIDO trades at FY25F PE of 15x. The share price has declined 6.6% from its Ytd high, and at the current level, SIDO offers a 5.6% dividend yield. Following the share price correction, which results in an above 10% upside to our TP, we upgrade our rating to Buy with unchanged TP of Rp640.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	3,866	3,566	3,552	3,850	4,179
EBITDA (Rpbn)	1,279	1,140	1,173	1,273	1,388
EBITDA Growth (%)	(12.7)	(10.9)	2.9	8.5	9.1
Net Profit (Rpbn)	1,105	951	1,038	1,127	1,226
EPS (Rp)	36.8	31.7	34.6	37.6	40.9
EPS Growth (%)	(12.4)	(13.9)	9.1	8.6	8.8
BVPS (Rp)	116.8	112.9	115.7	118.6	121.5
DPS (Rp)	33.2	30.1	31.7	34.7	38.0
PER (x)	15.6	18.1	16.6	15.3	14.1
PBV (x)	4.9	5.1	5.0	4.8	4.7
Dividend yield (%)	5.8	5.2	5.5	6.0	6.6
EV/EBITDA	12.8	14.4	14.0	12.8	11.7

Source: SIDO, BRIDS Estimates

SIDO relative to JCI Index



Source: Bloomberg

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RESEARCH COMMENTARY**BMRI (Buy, TP: Rp6,400) - FY24 Results (Below) & Concall KTA**FY24 Insights:

- Net profit up 1% yoy: BMRI recorded a net profit of Rp55.8tr in FY24, slightly missing our estimate (97%) and consensus (98%) on higher-than-expected CIR (37.8% vs realization of 40.0%).
- High loan growth offsetting lower NIM: BMRI booked loan growth of 19.5% yoy, offsetting a 33bps decline in NIM, resulting in a 6% increase in NII. The corporate and commercial segments remained the biggest contributors, with 27% and 23% yoy growth, respectively.
- LDR reached a 5-year high: Deposits grew by 8%, resulting in an LDR of 98%, as the bank reduced its special rate deposits to stabilize NIM.
- NIM dragged down by higher funding costs: NIM declined to 5.15% from 5.48% in FY23 as cost of deposit rose from 1.74% to 2.16% due to the tight liquidity. Management is looking at improving liquidity in FY25F from positive BI stance and government spending.
- Lower CoC amid lower coverage: CoC remained low at 0.8% (FY23: 0.9%), while NPL coverage declined to 271% (FY23: 326%). The NPL ratio improved from 1.2% in FY23 to 1.1% in FY24.
- CIR increased in FY24: CIR rose to 40.0% in FY24 from 38.8% in FY23, driven by higher opex (+9% yoy) mainly due to the elevated opex in the 4Q24.

4Q24 Insights:

- NP declined both qoq and yoy due to high opex: BMRI posted a net profit of Rp13.8tr in 4Q24 (-11% qoq, -14% yoy), despite an NII of Rp27.1tr (+6% qoq, +13% yoy). The decline in NP was driven by high opex, which increased 36% qoq and 22% yoy due to higher G&A and other expenses.
- Bank-only NIM improved qoq: NIM increased to 4.95% in 4Q24 from 4.86% in 3Q24, driven by higher loan yields, which offset the rise in CoF, along with a higher LDR. Loan yields increased across all segments except corporate, supported by repricing and higher yields on newly booked loans during the quarter, according to management.
- Strong qoq loan growth and decent deposit growth: Loans grew 7% qoq, while deposits increased 2% qoq, lifting LDR from 93% in 3Q24 to 98% in 4Q24. The bank stated that LDR had dropped below 95% as of Jan25.
- Overall asset quality remained solid: Despite strong loan growth, the NPL ratio remained steady qoq at 1.1% (4Q23: 1.2%), with improvements in the corporate segment offset by an increase in NPLs in the micro and payroll segments.

FY25 Consolidated Guidance – Normalizing growth to preserve NIM:

- 10-12% loan growth vs. FY24's 19.5%.
- 5.0-5.2% NIM vs. FY24's 5.15%.
- 1.0-1.2% CoC vs. FY24's 0.79%.
- c. 1% NPL vs. FY24's 0.97%.
- Mid to low 90% LDR vs. FY24's 98%.
- Recovery income of Rp7-8tr vs. FY24's Rp6.8tr.

Summary:

- Overall Performance: BMRI's FY24 results were weak, as robust loan growth was accompanied by persistently high funding costs, while operating income growth was eroded by elevated opex in 4Q24. On a positive note, the bank reported higher NIM in 4Q24 and expects this trend to continue in FY25F. *(Victor Stefano & Naura Reyhan Muchlis – BRIDS)*

BMRI - Financial (Rpbn)	4Q23	3Q24	4Q24	qoq, %	yoy, %	2023	2024	yoy, %	FY24F	FY24C	A/F	A/C
Interest income	34,536	38,413	40,600	6%	18%	132,544	151,236	14%	148,825		102%	n/a
Interest expense	10,513	12,891	13,446	4%	28%	36,658	49,479	35%	47,450		104%	n/a
Net interest income	24,023	25,522	27,154	6%	13%	95,887	101,757	6%	101,374	103,922	100%	98%
Other operating income	13,828	11,579	12,749	10%	-8%	42,771	44,842	5%	42,073		107%	n/a
Operating expenses	15,415	13,761	18,774	36%	22%	53,867	58,611	9%	55,720		105%	n/a
PPOP	22,436	23,341	21,129	-9%	-6%	84,790	87,988	4%	91,776		96%	n/a
Provision	996	2,621	2,396	-9%	141%	10,149	11,929	18%	13,488		88%	n/a
Operating Profit	21,440	20,720	18,733	-10%	-13%	74,642	76,059	2%	78,288	78,278	97%	97%
Net profit	15,997	15,467	13,766	-11%	-14%	55,060	55,783	1%	57,443	56,678	97%	98%
Loans	1,398,071	1,589,835	1,670,547	5%	19%	1,398,071	1,670,547	19%	1,599,449	1,622,421	104%	103%
Customer deposits	1,576,950	1,667,497	1,698,897	2%	8%	1,576,950	1,698,897	8%	1,771,005	1,758,145	96%	97%

Key Ratio (bank only)

				qoq, bps	yoy, bps			yoy, bps
Loan yield (%) - ann	7.7	7.7	7.8	↑	14	↑	14	7.8
Cost of deposit (%) - ann	2.0	2.2	2.3	↓	10	↓	36	7.8
NIM (%) - ann	5.0	4.9	5.0	↔	9	↔	(1)	7.8

Ratio (Consolidated)

CIR (%) - ann	40.7	37.1	47.0	↓	996	↓	632	38.8
Cost of credit (%) - ann	0.3	0.7	0.6	↔	(8)	↓	29	40.0
ROE (%) - ann	25.4	23.5	19.8	↓	(369)	↓	(557)	23.2
CASA ratio (%)	74.3	73.8	74.8	↑	98	↑	53	40.0
LDR (%)	88.7	95.3	98.3	↓	299	↓	967	2.2
NPL ratio (%)	1.2	1.1	1.1	↔	(1)	↔	(7)	2.2
LaR ratio (%)	8.6	7.3	6.8	↑	(51)	↑	(186)	4.9

MACROECONOMY
GDP Grew by 5.02% yoy in 4Q24

GDP grew by 5.02% yoy in 4Q24, with household consumption rising 4.98%. Although consumption growth remained below 5%, it reached its highest level in the past five quarters. In our view, the seasonal boost from increased demand for holiday-related activities in December was the primary driver of this improvement.

- On Sectoral, Manufacturing, the largest sector, continued its recovery, reaching a five-quarter high with 4.89% yoy growth. Trade, the second-largest sector, also saw a significant jump to 5.2% yoy, marking its highest growth in five quarters. Meanwhile, service sectors, including Transportation & Storage, Business Services, and Other Services, experienced the strongest expansion, driven by increased holiday demand and Umrah-related activities.
- In FY24, GDP grew by 5.03% yoy, slightly below the 5.05% recorded in FY23. The slowdown was primarily due to a decline in net exports, despite some acceleration in household consumption and gross fixed capital formation (GFCF), which reached a six-year high.
- From the sectoral output, construction growth reflected acceleration in GFCF with 13-year high of 7.02% yoy. Manufacturing still subdued on annual basis with growth of 4.43% yoy, the lowest since 2022. (BPS)

SECTOR
Commodity Price Daily Update Feb 5, 2025

	Units	4-Feb-25	5-Feb-25	Chg %	WoW %	2024	4Q24	Ytd 2024	Ytd 2025	YoY%
Copper	US\$/t	9,151	9,240	1.0%	-2.1%	9,265	9,307	8,449	9,100	7.7%
Brent Oil	US\$/bbl	76	75	-2.1%	-2.6%	80	74	79	78	-1.3%
LME Tin	US\$/t	30,149	30,695	1.8%	-0.8%	30,120	30,251	25,192	29,685	17.8%
Cobalt	US\$/t	21,466	21,466	0.0%	-9.6%	26,330	24,273	28,690	23,514	-18.0%
Gold Spot	US\$/oz	2,843	2,867	0.9%	0.9%	2,389	2,660	2,034	2,723	33.9%
LME Nickel	US\$/t	15,086	15,346	1.7%	-2.8%	16,864	16,031	16,135	15,395	-4.6%
NPI Indonesia (Ni>14%)	US\$/t	11,437	11,406	-0.3%	0.5%	11,830	12,046	11,245	11,332	0.8%
Nickel Sulphate	US\$/t	14,473	14,433	-0.3%	0.4%	15,783	14,844	14,809	14,349	-3.1%
Indonesia NPI*	US\$/t	113	113	0.0%	0.0%	117	120	112	112	-0.5%
Indo 1.6% Nickel Ore*	US\$/wmt	44	44	0.0%	0.0%	45	48	34	44	29.9%
Coal Price - ICI 3*	US\$/t	69.5	69.1	-0.4%	-0.4%	74	73	79	70	-11.2%
Coal Price - ICI 4*	US\$/t	48.8	48.6	-0.4%	-0.4%	54	52	58	49	-14.2%
Coal Price - Newcastle	US\$/t	113	111	-1.1%	-1.8%	136	139	127	117	-8.4%

Source: Bloomberg, SMM, BRIS, *Weekly Price

Coal Contribution Continues to Shrink

The contribution of coal in the energy mix has been reduced in the Draft Government Regulation (RPP) on the National Energy Policy (KEN). The share of coal in the national energy mix is targeted to decline to 7.8% by 2060. As of the first half of 2024, coal still accounted for 39.48% of the energy mix. (Kontan)

Google Invests US\$75bn for AI Development

Alphabet has allocated US\$75bn in capital expenditures for AI development this year. Capital spending is increasing amid the emergence of China's AI, DeepSeek, which is more efficient. Meanwhile, Mark Zuckerberg acknowledged that DeepSeek and other competitors bring novel advances and reaffirmed Meta's commitment to heavy investment in AI infrastructure as a strategic advantage. (Bisnis)

Healthcare: The Indonesian Government Potentially Plans to Increase BPJS Health Contributions in 2026

The government is considering increasing BPJS Health contributions in 2026. The government is currently calculating the potential increase in contributions in line with the implementation of the standard inpatient care class system (KRIS), which is expected to be completed by June 30, 2025, at the latest. According to the Minister of Health, no specific figures regarding the increase have been determined yet, as the calculation process is still ongoing. This increase is not related to the implementation of KRIS by BPJS Health, but rather due to the potential rise in claims for services related to heart disease, stroke, and other conditions. (Kontan)

Heavy Equipment: Hinabi Projects National Heavy Equipment Production to Reach 8,500 Units in 2025

From January to December 2024, heavy equipment production from Hinabi members was recorded at 7,022 units, reaching only 88% of the national production target of 8,000 units. For 2025, Hinabi expects domestic heavy equipment production to reach 8,500 units, surpassing last year's realization. This optimism is driven by the growing demand for heavy equipment in the agriculture, construction, and mining sectors. (Kontan)

CORPORATE**BBNI Plans to Conduct a Buyback with a Budget of Rp905bn**

BBNI plans to conduct a buyback with a budget of Rp905bn. Additionally, BBNI intends to transfer the repurchased shares in accordance with the regulations set by the Financial Services Authority (OJK). According to BBNI, the General Meeting of Shareholders to approve the buyback plan will be held on March 13, 2025. The buyback will be completed within a maximum of twelve months after the buyback plan is approved by the AGMS. (Stockwatch)

Neta to Showcase Neta V-II and Neta X at IIMS 2025

PT Neta Auto Indonesia will make its debut at the Indonesia International Motor Show (IIMS) 2025, held from 13-23 Feb25 at JIExpo Kemayoran, Jakarta. The company will showcase its electric vehicle models, Neta V-II and Neta X, as part of its commitment to offering innovative and eco-friendly transportation solutions in Indonesia. (Kontan)

PTPP Targets Rp28.44tr in New Contracts for 2025

PTPP aims to secure Rp28.44tr in new contracts in 2025, reflecting a 5% increase from the previous year. The mgmt. stated that growth will be driven by the construction sector, with major contributions from building projects (31.19%), roads and bridges (26.47%), and ports (12.95%). In 2024, PTPP secured Rp27.09tr in new contracts, down from Rp31.67tr in 2023. (Bisnis)

COVERAGE PERFORMANCE
LEADERS

	Code	Price as on		Chg, %	wow, %	mom, %	YTD, %	Rating
		05-Feb-25	04-Feb-25					
Hartadinata Abadi	HRTA	470	438	7.3	30.6	44.2	32.8	BUY
Aneka Tambang	ANTM	1,450	1,400	3.6	(2.7)	(1.0)	(4.9)	BUY
Japfa Comfeed	JPFA	2,090	2,030	3.0	3.5	13.0	7.7	BUY
Harum Energy	HRUM	895	870	2.9	(1.6)	(13.5)	(13.5)	BUY
PGN	PGAS	1,630	1,585	2.8	(1.2)	(5.0)	2.5	BUY
Bukalapak	BUKA	122	119	2.5	3.4	1.7	(2.4)	BUY
Pertamina Geothermal Energy	PGEO	930	910	2.2	(7.0)	0.5	(0.5)	BUY
Surya Citra Media	SCMA	187	183	2.2	10.0	12.0	12.0	BUY
Medco Energi Internasional	MEDC	1,070	1,050	1.9	(3.2)	(6.1)	(2.7)	BUY
AKR Corporindo	AKRA	1,125	1,105	1.8	(5.5)	7.7	0.4	BUY

Sources: Bloomberg

LAGGARDS

	Code	Price as on		Chg, %	wow, %	mom, %	YTD, %	Rating
		05-Feb-25	04-Feb-25					
Wintermar Offshore Marine.	WINS	400	424	(5.7)	(7.8)	(6.1)	(9.1)	BUY
Mitra Adi Perkasa	MAPI	1,190	1,250	(4.8)	(10.9)	(12.5)	(15.6)	BUY
BNI	BBNI	4,500	4,700	(4.3)	(2.4)	1.6	3.4	BUY
Ciputra Development	CTRA	925	960	(3.6)	(8.0)	(5.6)	(5.6)	BUY
Kalbe Farma	KLBF	1,210	1,250	(3.2)	(0.8)	(5.5)	(11.0)	BUY
Midi Utama Indonesia	MIDI	400	412	(2.9)	(4.8)	(3.8)	(7.0)	BUY
BRI	BBRI	4,140	4,260	(2.8)	(1.2)	1.0	1.5	Not Rated
MAP Aktif Adiperkasa	MAPA	910	935	(2.7)	(7.6)	(12.1)	(15.0)	BUY
Bank Mandiri	BMRI	5,525	5,675	(2.6)	(9.8)	(2.6)	(3.1)	BUY
Malindo Feedmill	MAIN	765	785	(2.5)	(3.2)	0.7	-	BUY

Sources: Bloomberg

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